



1902 - Serving Our Community for over 120 Years - 2024

WEST BAY SANITARY DISTRICT

AGENDA OF BUSINESS

REGULAR MEETING OF THE DISTRICT BOARD

WEDNESDAY, JULY 24, 2024 AT 7:00 P.M.

**RONALD W. SHEPHERD ADMINISTRATION BUILDING,
500 LAUREL STREET, MENLO PARK, CALIFORNIA 94025**

Board Members

Fran Dehn, President
David Walker, Secretary
Roy Thiele-Sardiña, Treasurer
Edward P. Moritz, Member
George Otte, Member

General Manager

Sergio Ramirez

District General Counsel

Anthony Condotti, Esq.

AGENDA OF BUSINESS

To participate by telephone or Zoom meeting, public comments can be made by joining Zoom meeting at:

<https://us06web.zoom.us/j/84061020209?pwd=J7ULtNnVbFzpNKrdXyqPB0nEuyTyzE.1>

Meeting ID: 840 6102 0209 Passcode: 484967

1. Call to Order and Roll Call
2. Communications from the Public
3. Consent Calendar

Matters listed under this item are considered routine and will be enacted by one motion. The motion, seconds, and vote are applicable to any included resolutions and recorded accordingly. There will be no separate discussion of these items unless specifically requested by a member of the Board.

 - A. Approval of Minutes for Regular Meeting July 12, 2024 Pg. 3A-1
 - B. Approval of Minutes for Special Meeting July 17, 2024 Pg. 3B-1
 - C. WBSD Operations and Maintenance Report – June 2024 Pg. 3C-1
 - D. Town of Los Altos Hills Operations and Maintenance Report for Work Performed by WBSD – June 2024 Pg. 3D-1
 - E. Town of Woodside Operations and Maintenance Report for Work Performed by WBSD – June 2024 Pg. 3E-1
4. General Manager's Report Pg. 4-1
5. Authorize the General Manager To Execute an Interagency Agreement for Sanitary Sewer System Operations and Maintenance Services with the City of East Palo Alto Pg. 5-1
6. Consider Authorizing the General Manager to Enter Into an Agreement for On-Call Geotechnical Observation and Testing Services and Special Inspections with BAGG Engineers for the Point Repair Project Phase II Replacement and Rehabilitation of Sanitary Sewer Mains Project No. 1767.0 Pg. 6-1

7. Consider Authorizing the General Manager to Execute an Agreement for Engineering Design Services for the Phase III Point Repair Sanitary Sewer Improvements Project No. 1770.0 Pg. 7-1
8. Adoption of an Updated Authorizing Resolution for the Execution and Delivery of a Construction Installment Sale Agreement and Grant between West Bay Sanitary District and State Water Resources Control Board to Finance the Bayfront Water Recycling Facility Pg. 8-1
9. Consider Approving District Treasury Report Fourth Quarter FY 2023-24 Pg. 9-1
10. Consider Approving Financial Software Proposal Pg. 10-1
11. Discussion and Direction on San Mateo County Grand Jury Report – “Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts” Pg. 11-1
12. Review and Consideration to Approve the Conflict-of-Interest Code and General Rules of Office for the District Board Pg. 12-1
13. Discussion and Direction on the West Bay and Sharon Heights Recycled Water Facility Pg. 13-1
14. Discussion and Direction on Bayfront Recycled Water Project and Status Update
 - A. Consider Authorizing the Award of Design-Build Agreement – Phase 1 to Design-Build Entity (Anderson Pacific Engineering Construction, Inc., with Waterworks Engineers) for Site Demolition and Preparation Work Pg. 14-1
15. Report, Discussion, and Direction on South Bayside Waste Management Authority (SBWMA) including the Solid Waste Franchise Re-Assignment Pg. 15-1
16. Report and Discussion on Silicon Valley Clean Water (SVCW) Plant Pg. 16-1
17. Closed Session
 - A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS
Agency designated representatives: Board President/Legal Counsel
Unrepresented employee: General Manager
18. Comments or Reports from Members of the District Board and Consider Items to be Placed on Future Agenda
19. Adjournment

The West Bay Sanitary District does not discriminate against persons with disabilities. Upon request, the agenda and agenda packet can be provided in a format to accommodate special needs. If you require a copy of the agenda or related materials in an alternative format to accommodate a disability, or if you wish to attend this public meeting and will require special assistance or other special equipment, please call the District at (650) 321-0384 at least five days in advance and we will make every reasonable attempt to provide such an accommodation.



1902 - *Serving Our Community for over 120 Years* - 2024

WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, JULY 10, 2024 AT 7:00 P.M.

1. **Call to Order**

President Dehn called the meeting to order at 7:00 PM

Roll Call

BOARD MEMBERS PRESENT: President Dehn, Secretary Walker, Treasurer Thiele-Sardiña, Director Moritz, Director Otte

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Ramirez, Beyer AND Tompson by Zoom

Others Present: Dave Richardson – Woodward & Curran

2. **Communications from the Public:** None.

3. **Consent Calendar**

Matters listed under this item are considered routine and will be enacted by one motion. The motion, seconds, and vote are applicable to any included resolutions and recorded accordingly. There will be no separate discussion of these items unless specifically requested by a member of the Board.

- A. Approval of Minutes for Regular Meeting June 26, 2024
- B. Approval of the Financial Activity Report Authorizing Payment of Certain Bills and Salary and Consideration of Other Financial Matters through June 30, 2024
- C. Consider Accepting Sewer Facilities Constructed Pursuant to Class 3 Sewer Permit No. 1628 for the Construction of Wastewater Facilities for 460 Cervantes Road, Portola Valley, California
- D. Consider Authorizing the General Manager to Issue Class 3 Sewer Permit No. 18369 for the Construction of Force Main Extension, and Class 5 Sewer Permit No. 18368 for the Construction of Wastewater Facilities for 350 Grove Drive, Portola Valley, California

Comments: None.

Motion to Approve by: Walker 2nd by: Thiele-Sardina Vote: AYE: 5 NAY :0 Abstain: 0

4. **Public Hearing: Consider Approving Resolution Confirming Report on Sewer Service Charges for West Bay Sanitary District for the Fiscal Year 2024/2025**

Motion to Open by: Moritz 2nd by: Otte Vote: AYE: 5 NAY: 0 Abstain: 0

Discussion/Comments: President Dehn asked for public comments and there were none.

Motion to Close by: Moritz 2nd by: Otte Vote: AYE: 5 NAY: 0 Abstain: 0

5. Consider Approving Resolution Confirming Report on Sewer Service Charges for West Bay Sanitary District for Fiscal Year 2024/2025

Motion to Approve by: Walker 2nd by: Thiele-Sardina Vote: AYE: 5 NAY: 0 Abstain: 0

Discussion/Comments: Secretary Walker reviewed the charges and asked for clarification at the next Board meeting regarding the “missing water account” list in the report.

6. Public Hearing: Consider Amending the Code of General Regulations for Board Member Compensation

Motion to Open by: Walker 2nd by: Moritz Vote: AYE: 5 NAY: 0 Abstain: 0

Discussion/Comments: There were no public comments.

Motion to Close by: Walker 2nd by: Moritz Vote: AYE: 5 NAY: 0 Abstain: 0

7. Consider Amending the Code of General Regulations for Board Member Compensation

Motion to Approve by: Walker 2nd by: Thiele-Sardina Vote: AYE: 5 NAY: 0 Abstain: 0

Discussion/Comments: Motion to approve increase by 4% to match staff's recent increase. Motion seconded to approve from \$260 per meeting to \$270 pre meeting.

8. General Manager's Report

Discussion/Comments: General Manager Ramirez discussed the admin buildings landscaping and the need for a new landscaper. Staff will look into a drought resistant landscape design. He reported the succession plan interviews took place July 8th and 9th. He also reported the District and Meta met regarding the Willow Village project. He continued to report candidate filing period is set for the November election is July 15th – August 9th. The next regular meetings are scheduled for July 24th and August 14th with a special meeting at 5pm on July 17th. The complete General Manager's written report is in the May 22, 2024 agenda packet.

9. Consider Authorizing the General Manager to Execute Contract Change Order No. 1 (CCO #1) in the amount of \$40,000 with Casey Construction, Inc. for the Avy-Altschul Pump Station Project No. 1761.7

Motion to Approve by: Otte 2nd by: Walker Vote: AYE: 5 NAY: 0 Abstain: 0

Discussion/Comments: General Manager Ramirez reported this item is for additional work which includes a 4-inch tee, fencing, gate and concrete. work.

10. Consider Authorizing the Board President to Submit Ballot for San Mateo LAFCo Alternate Special District Member for Term Ending May 2028

Motion to Approve by: _____ 2nd by: _____ Vote: AYE: _____ NAY: _____ Abstain: _____

Discussion/Comments: No motion to approve. Board consensus was to take no action.

11. Report and Discussion on Sharon Heights Recycled Water Facility

Discussion/Comments: General Manager Ramirez reported 10.7MG were processed in June and 9.9 delivered. He also reported the PPA is under review and SHGCC will provide a \$20,000 deposit to legal review of the PPA.

12. Discussion and Direction on Bayfront Recycled Water Project and Status Update

Discussion/Comments: General Manager Ramirez reported the District is fully funded in the amount of \$66.6M from the project's SRF loan, \$5M in grant and \$11.6M from California Water Recycled. He also reported Meta has budgeted approximately \$33M. Meta is not willing to commit for funding the project until they have two significant permits in hand. The permits are from SFPUC and Caltrans. General Manager Ramirez proposed to Meta to meet and work on an agreement or MOU before Fall in order to move forward.

13. Report, Discussion and Direction on South Bayside Waste Management Authority (SBWMA) including Solid Waste Franchise Re-Assignment

Discussion/Comments: President Dehn reported SBWMA expects to be out of their office and in the new one by Labor Day. She also reported they are working on a long-range plan. She stated SBWMA has been able to cut their insurance premium by \$700,000 with better coverage and lower deductibles. Director Moritz reported he met with one Town of Atherton Council Member to discuss the District's solid waste franchise. The Town requested additional information but plans on further meetings with the District.

14. Report, Discussion & Direction on Silicon Valley Clean Water (SVCW) and Discussion on SVCW CIP Program and Financing

Discussion/Comments: Director Otte reported the next Commission meeting is on Monday July 15th.

15. Comments or Reports from Members of the District Board and Consider Items to be Placed on Future Agenda

Discussion/Comments: None.

16. Adjournment Time: The meeting was adjourned at 8:16 PM

Secretary

THIS PAGE LEFT INTENTIONALLY BLANK



1902 - Serving Our Community for over 120 Years - 2024

**WEST BAY SANITARY DISTRICT
MINUTES OF THE SPECIAL MEETING OF THE DISTRICT BOARD
WEDNESDAY, JULY 17, 2024 AT 5:00 P.M.**

1. Call to Order

President Dehn called the meeting to order at 5:01 PM

Roll Call

BOARD MEMBERS PRESENT: President Dehn, Secretary Walker, Treasurer Thiele-Sardiña, Director Moritz, Director Otte

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Ramirez, Hulsmann AND Condotti and Thompson by Zoom

Others Present: None

2. Communications from the Public: None.

3. Discussion and Direction on the City of East Palo Alto Interagency Agreement

Discussion/Comments: General Manager Ramirez reported to the Board LAFCo made a determination that the City of East Palo Alto (City) shall be the governing body for the East Palo Alto Sanitary District. He continued to report the City of East Palo Alto would like a maintenance service agreement with West Bay Sanitary in order for West Bay to begin services formerly done by East Palo Alto Sanitary District. West Bay responded to the City with a proposal stating the following: City will remain Legally Responsible Officer, WBSD will evaluate the City's sewer system equipment and facilities to use for this purpose, SSMP and SERP update will require outside consultant services, Sanitary sewer spills will be charged per incident, Category 1 spills will be charged at time and material and WBSD and the City will agree to a five (5) year agreement. General Manager Ramirez has identified 7 new maintenance, inspection and engineering positions that would be needed for the agreement. General Manager Ramirez outlined the implementation phases: 1) August 1: Gather data, analyze, learn roles and responsibilities, develop preventative maintenance (PM) program, and recruit personnel; 2) 3 to 6 months begin new West Bay PM; 3) Board direction to work on agreement with City for July 24th Board meeting. The Board consensus and direction was to move forward with an interagency agreement with the City of East Palo Alto at the July 24th Board meeting.

4. Discussion and Direction on Bayfront Recycled Water Facility

Discussion/Comments: General Manager Ramirez reported on Anderson Pacific/WaterWorks (contractor/engineer) proposal for the Bayfront project which includes a total proposed cost of \$85,737,825. He also reported the SRF loan will be \$66.6M with a \$5M grant. Meta has agreed to \$33M but will seek funding up to \$36M. The cost of the facility would be \$85.7M without the Hamilton recycled water forcemain. He also reported Meta is unable to commit for funding until they receive two significant permits from SFPUC and Caltrans. Board consensus and direction was to enter into an interim agreement with Anderson Pacific for demolition of the site and also enter into an interim agreement with Woodard & Curran for initial project management through January 2025.

5. Closed Session

Entered closed session at 6:58 p.m. Left closed session at 6:59 p.m.

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation (Government Code Section 54956.9(d)(2)
Number of potential cases: 1

- B. PUBLIC EMPLOYMENT/CONFERENCE WITH LABOR NEGOTIATORS
Agency Designated Representatives: Sergio Ramirez; Tony Condotti
Employees: All Represented and Unrepresented Employees

Reportable action: General Counsel Thompson reported under the City of East Palo Alto interagency agreement staff is directed to begin their search for employees to cover the positions.

6. Comments or Reports from Members of the District Board and Consider Items to be Placed on Future Agenda

Discussion/Comments: President Dehn reported staff has found out that Board member up for election in November only need to file election paperwork in the County that they vote in, San Mateo County. She also reported candidate statement costs are covered by the District.

7. Adjournment Time: The meeting was adjourned at 7:02 PM

Secretary



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 3C**

To: Board of Directors
From: Bob Hulsmann, Operations Superintendent
Subject: WBSD Operations and Maintenance Report – June 2024

Month	Basin PM Pipe Cleaning Miles	High Freq. PM Pipe Cleaning Miles	Un-Sche. Pipe Cleaning Miles	WBSD CCTV Insp. Miles	Pipe Patch Repairs Qty.	Open Trench Repairs Qty.	Pump Sta. PM Qty.	Pump Sta. Unsch. Repairs Qty.	SSO	SSO	Service Calls- Unit 208					
											Cat. 1	Cat. 2,3,4	Call Outs	Sch	Unsch.	USA's
														PM	PM	
January	13.9	4.4	0.1	2.8	5	12	80	0	0	0	94	13	1	208		
February	12.2	6.6	0.4	2.3	9	4	64	0	0	0	55	11	0	174		
March	18.0	0.2	0.1	3.0	0	11	69	0	0	0	54	14	0	139		
April	9.3	4.6	0.3	3.5	6	12	70	1	0	0	49	9	0	184		
May	13.1	7.8	0.4	1.9	4	8	69	1	0	0	49	14	0	283		
June	15.9	0.2	0.5	3.5	0	13	64	0	0	0	62	11	0	158		
Yr to date	82.4	23.8	1.8	17.0	24.0	60.0	416.0	2.0	0.0	0.0	363.0	72.0	1.0	1146.0		
				**6.5												
2024 Goals	120.0	50.0	n/a	45-50	50-65	90	n/a	<10	<	4	n/a	n/a	n/a	n/a		
2023	127.7	47.1	8.5	**45.4	52	94	821	0	0	2	832	85	11	3416		
2022 Results	120.9	53.6	7.5	**40.3	**92	100	774	0	1	2	858	97	2	3161		
2021 Results	*123	*50	8.6	**46	**55	91	834	2	0	4	944	n/a	n/a	2294		
2020 Results	134.2	51.0	8.4	29.6	72	85	754	6	0	0	1012	89	5	2362		
2019	112.0	48.2	6.9	42.7	60	86	967	6	0	4	1063	75	33	2850		
2018 Results	134.2	48.5	7.4	42.1	66	63	1256	6	0	4	1139	134	89	2525		

* = Including TOW
 **= Including LAH and TOW

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 3D**

To: Board of Directors

From: Bob Hulsmann, Operations Superintendent

Subject: Town of Los Altos Hills - Operations and Maintenance Report for Work Performed by WBSD – June 2024

Town of Los Altos Hills O & M Report 23/24									
	Basin PM Pipe Clean- ing	High Freq. PM Pipe Clean-ing	Un-Sche. Pipe Clean- ing	WBSD CCTV Insp.	Pipe Patch Repairs	Pump Sta. PM	Pump Sta. Unsch. Repairs	SSO	SSO
Month	Miles	Miles	Miles	Miles	Qty.	Qty.	Qty.	Cat. 1	Cat. 2,3,&4
January-24	1.0	1.3	0.2	1.0	0	4	0	0	0
February	2.2	0.2	0.0	1.1	2	4	0	0	0
March	1.4	1.2	0.0	1.0	0	4	0	0	0
April	0.5	1.8	0.3	0.1	2	5	0	0	0
May	0.4	1.7	0.0	0.8	2	5	0	0	0
June	2.6	0.5	0.0	0.5	0	5	0	0	0
July	0.0	1.3	0.0	0.1	0	4	0	0	0
*August 23	1.0	0.8	0.0	0.5	0	4	0	0	0
Sept.	0.7	1.0	0.5	0.8	0	4	0	0	0
Oct.	0.0	1.3	0.2	0.9	0	4	0	0	0
Nov.	0.4	1.4	0.0	1.0	0	4	0	0	0
Dec	1.0	1.6	0.0	0.9	0	4	0	0	0
** Yr to date	11.2	14.1	1.2	8.7	6.0	51	0	0	0
FY23/24Goals	10.6	14.4	n/a	8.1	n/a	52	n/a	n/a	n/a

* = August- Start of Contract

	Goal	Total	Remain
Cleaning	25	26.5	-1.5
CCTV	8.1	8.7	-0.6

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 3E**

To: Board of Directors

From: Bob Hulsmann, Operations Superintendent

Subject: Town of Woodside Operations and Maintenance Report for Work Performed by WBSD – Jne 2024



Yearly Summary Report

7/11/2024
3:30 PM

Dates Between 7/1/2023 and 6/30/2024

Month	Basin PM Pipe Cleaning (miles)	High Freq PM Pipe Cleaning (miles)	Unscheduled Pipe Cleaning (miles)	CCTV Inspection (miles)	Pump Stations Preventive Maintenance Qty	Pump Stations Unscheduled Repairs Qty	SSO Cat 1	SSO Cat 2 & 3	Service Calls Call Outs
January	0.0	0.0	0.0	0.0	8	1	0.0	0.0	0.0
February	0.00	0.0	0.0	0.0	8	0.0	0.0	0.0	0.0
March	0.00	0.3	0.0	0.0	8	0.0	0.0	0.0	0.0
April	0.00	0.0	0.0	1.0	8	0.0	0.0	0.0	0.0
May	0.00	0.0	0.0	0.0	8	0.0	0.0	0.0	0.0
June	0.00	0.3	0.0	0.0	8	0.0	0.0	0.0	0.0
July	0.00	0.0	0.0	0.0	8	0.0	0.0	0.0	0.0
August	0.00	0.0	0.0	0.0	8	0.0	0.0	0.0	0.0
September	0.00	0.3	0.0	0.0	8	0.0	0.0	0.0	0.0
October	0.00	0.0	0.0	0.0	8	0.0	0.0	0.0	0.0
November	0.00	0.0	0.0	0.0	8	0.0	0.0	0.0	0.0
December	4.52	0.0	0.0	0.0	8	0.0	0.0	0.0	0.0
Totals	4.52	0.8	0.0	1.0	96	0.0	0.0	0.0	0.0

THIS PAGE LEFT INTENTIONALLY BLANK



To: Board of Directors
From: Sergio Ramirez, General Manager
Subject: General Manager's Report

1) Administrative:

- a. Staff has been working on the Succession Plan conducted by CPS HR consulting. The plan should be completed by September and will be presented to the Board in October of 2024.
- b. Candidate filing period for the November election is July 15 - August 9 for both San Mateo and Santa Clara Counties. Candidates will only be required to register in San Mateo County.

2) Finance:

- a. Staff is reviewing the Purchasing Policy and will schedule a meeting with the Finance Committee to discuss any potential changes. As well as discuss the District's cashflow needs.
- b. Staff will recommend Oracle's NetSuite as the new finance software.

3) CIP Projects:

a. Capital Improvement Program (CIP):

- i. Casey Construction will begin the Willow Pump Station rehabilitation project in mid-August.

b. Levee Improvement Project:

- i. Anderson Pacific continues the work on the levee project based on the lack of bird nesting and findings in the survey.

c. Point Repair Project Phase II:

- i. Casey Construction has begun the Phase II Point Repair Project. The project will eliminate High Frequency cleaning pipe segment schedules.

4) Information Technology (IT):

- a. Staff will be trained on the new online permitting system.

- 5) **Operations and Maintenance:**
 - a. **Collection System:**
 - i. Crews continue to work safely and report near misses, so they may be addressed prior to there being an issue.
 - b. **Pump Facilities:**
 - i. The pump crew continues to replace the ISAC System with lights and buzzers. Residents and Homeowner are pleased with the change.
 - c. **Training:**
 - i. Staff received training on asbestos abatement related to pipeline work on July 15th.
 - ii. Staff will receive hands-on training on a live pump station drill at the Willow Pump Station on July 22nd.
- 6) **Water Quality:**
 - a. **Sharon Heights Golf and Country Club (SHGCC):**
 - i. The District will require a \$20 thousand deposit from SHGCC in order to administer the Solar Project at the West Bay Sharon Heights Facility.
 - b. **Bayfront Recycled Water Facility (BRWF):**
 - i. A meeting was held with Signature Group representing Meta regarding the Bayfront Facility where the proposed cost of the new facility was presented. A meeting is scheduled on Monday, July 22nd with Meta representatives to discuss a bridging contract to allow the contractor to begin demolition work prior to any potential environmental restrictions.
- 7) **Fleet and Facilities:**
 - a. **Vehicle Maintenance:**
 - i. The new 2024 Dump Truck is being manufactured at Western Truck Fabrications in Hayward CA. The unit should be delivered within the next 30 days.
- 8) **Personnel:**
 - i. Recruitment for 3 new Maintenance Workers has commenced. Additional recruitments will be made initially in-house.
- 9) **Upcoming Events:**
 - a. **Next Regular Board Meetings:** Wednesdays, July 24th and August 14th.
 - b. **Goals BBQ Lunch:** Tuesday, August 6th (tentatively)
- 10) **Misc. Items:**
 - a. **West Bay:** The General Manager will update the Board on miscellaneous items related to District operations.
 - b. **Town of Los Altos Hills:** The Town experienced its first Spill in over 12 months.
 - c. **Town of Woodside:** Staff continues to maintain the Town's pump stations and collection system.
 - d. **East Palo Alto:** City and District staff have worked on an interagency agreement for Operation and Maintenance of their collection system, similar to the Town of Los Altos Hills agreement.



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 5**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Authorize the General Manager to Execute an Interagency Agreement for Sanitary Sewer System Operation and Maintenance Services with the City of East Palo Alto And

Background

Since August 1, 2014 the West Bay Sanitary District (District) has been under contract through an interagency agreement with the Town of Los Altos Hills (Town) to provide sanitary sewer system operation and maintenance services. The District has provided responsive service consistent with the terms of the agreement and has reduced the Town's Sanitary Sewer Overflow's (SSOs) by over 90%.

In 2015 the District engaged in a similar contract to provide services for the Town of Woodside. The District has since been approached by the City of East Palo Alto for its services. The District submitted a Request for Qualifications as well as a Request for Proposal to assist the City with operation and maintenance services for its wastewater collection system.

The City and District have negotiated a 5-year contract from August 1, 2024 to June 30, 2029.

Analysis

Some of the highlights of the new maintenance agreement between the City and District are to:

1. Operation and Maintenance Management and Reporting.
2. Pipeline cleaning services in addition to "High Frequency" pipeline cleaning.
3. CCTV inspect of the collection system including PACP coding of defect and maintenance ratings.
4. Respond to SSOs and private lateral service calls.
5. Maintain the Geographic Information System (GIS) and the Computerized Maintenance Management System (CMMS) database in order to update maintenance records as sewer related work is performed throughout the City.
6. Conduct Fat, Oils, and Grease and Construction Inspections.

7. Update the City's Sewer System Management Plan and Spill Emergency Response Plan.
8. Provide optional Pipe Patch spot repairs and Open Trench Repairs.
9. Provide 24/7 emergency service response.

Fiscal Impact

The agreement is not-to-exceed approximately \$1.7 million. The District's intent is to recover its expenses from the City of East Palo Alto as it does from the Town of Los Altos Hills and the Town of Woodside. The revenue will be sufficient to support the contract and recover the cost of labor, tools, equipment, and materials used in the Town, including water, fuel and diesel expenses.

Recommendation

The General Manager recommends the Board approve the Sanitary Sewer System Operation and Maintenance Services for the City of East Palo Alto And Authorize The General Manager To Execute the Agreement.

Attachment: Interagency Agreement
Agreement Resolution

**AGREEMENT FOR OPERATION AND MAINTENANCE OF SEWER COLLECTION
SYSTEM
BETWEEN WEST BAY SANITARY DISTRICT AND
CITY OF EAST PALO ALTO**

This Agreement dated _____, 20__ is by and between the WEST BAY SANITARY DISTRICT (hereinafter referred to as “District”), and CITY OF EAST PALO ALTO, CALIFORNIA (hereinafter referred to as “City”)(District and City are hereinafter referred to collectively as the “Parties”).

WHEREAS, District was established as a Special District in 1902 to provide, among other services, wastewater management services to the then-unincorporated communities of Atherton and Menlo Park; and

WHEREAS, since its establishment, District’s service area has expanded to include the City of Menlo Park, Atherton, and Portola Valley, and areas of East Palo Alto, Woodside and unincorporated San Mateo and Santa Clara counties; and

WHEREAS, on November 10, 2022, City submitted an application to the San Mateo County Local Agency Formation Commission (“LAFCO”) seeking to establish the East Palo Alto Sanitary District (“EPASD”) as a subsidiary district of City; and

WHEREAS, in connection with the foregoing LAFCO application, on or about September 15, 2023 District submitted a Proposal to City for Sanitary Sewer System Operations and Maintenance of the EPASD sewer collection system (the “West Bay Proposal,” a true and correct copy of which is attached hereto as **Exhibit B** and incorporated herein by reference); and

WHEREAS, on November 15, 2023, the LAFCO adopted Resolution No. 1312, which approved LAFCO File 22-09 to establish the East Palo Alto Sanitary District, as an independent special district, as a subsidiary district of the City (the “Subsidiary”) and related actions, including adopting a resolution approving the dissolution with terms and conditions, adopting findings and determinations pursuant to the California Environmental Quality Act (CEQA), and not approving an alternative application submitted by EPASD; and

WHEREAS, following additional proceedings before LAFCO, on July 17, 2024, LAFCO adopted Resolution No. 1325 “Making Determinations and Ordering the Establishment of the East Palo Alto Sanitary District as a Subsidiary District of the City of East Palo Alto Without An Election Subject to the Terms and Conditions of LAFCO Resolution No. 1312; and

WHEREAS, pursuant to Resolution No. 1325, LAFCO resolved, determined and ordered the establishment of the Subsidiary subject to, among other conditions, Condition No. 2 of Resolution No. 1312 which conditions the establishment of Subsidiary “upon an executed agreement for the operation and maintenance of the sewer system with a private or public agency”; and

WHEREAS, by virtue of Subsidiary having been established as a subsidiary district of

City, City will now own and operate a sewer collection system consisting of approximately 35 miles of gravity sewer pipelines as shown on **Exhibit A** (the “System”), which discharges untreated sanitary sewage from the System to the City of Palo Alto Wastewater Treatment Plant; and

WHEREAS, City and District now desire to enter into a five year agreement for District to transition to operation and maintenance of City’s System and to establish the expectations and obligations of each party with regard to such service.

NOW, THEREFORE, it is agreed as follows:

1. Scope of Services.

(a) District hereby agrees to provide City with the scope of services specified in **Exhibit B**, attached hereto and incorporated herein, at the locations identified in **Exhibit A**. Specific maintenance tasks may be modified by written agreement of the parties. District is not responsible for the maintenance of privately-owned sewer facilities within the City.

(b) District shall provide all the labor and materials necessary to perform the services and tasks outlined in **Exhibit B** in a professional and competent manner. District shall perform in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state and local laws. City has relied upon the professional ability and training of District as a material inducement to enter into this Agreement.

(c) Transition Period. Notwithstanding Sub-Paragraphs (a) and (b), above, the Parties acknowledge and agree that District will need to undertake a careful analysis of the condition of the EPASD system, evaluate the existing Sewer System Management Plan (“SSMP”) for that system and make any necessary modifications, and hire and train additional staffing and obtain necessary equipment to fully provide the scope of services set forth in the West Bay Proposal, which the Parties anticipate will take approximately 3 to 6 months from the Effective Date (the “Transition Period”). During this Transition Period, the following shall apply:

1) City will continue to be primarily responsible for the Subsidiary sewer system operation and maintenance, utilizing existing EPASD staff, with support from the District as set forth herein.

2) District will initially provide the services identified as Task Nos. 1, 4, 5, 6-C and Opt. 4 and Opt. 5 in the West Bay Proposal.

3) Additional tasks identified in the West Bay Proposal shall be added during the Transition Period by mutual agreement of City and District.

4) All tasks shall be performed in accordance with the Unit Prices and Item Totals set forth therein subject, however, to adjustment in accordance with

Paragraph 5(d), below.

2. Work Outside the Defined Scope of Services.

(a) District agrees to perform authorized maintenance and repair work outside the Scope of Services set forth in **Exhibit B** that is within District staff's expertise as authorized by City. District will periodically notify the City of any necessary or recommended extra work which should be performed on or to the System. If City desires District to perform the necessary or recommended work, City shall authorize District to perform the extra work as follows:

1.) District will obtain a quote for the labor and materials necessary to complete the extra work, and will provide a written quote to City.

2.) City will provide its authorization, verbal or written, to District to begin the extra work quoted by District. If City's authorization to proceed is verbal, City will provide written authorization to District within 24 hours of City's verbal authorization.

3.) District will perform the extra work and notify City via email or written letter that the extra work has been completed.

4.) All costs associated with the extra work will be included in District's monthly invoice to City for reimbursement per Section 5 of this Agreement.

(b) Notwithstanding the above provisions, City reserves the right to perform any and all work not included in **Exhibit B**, Scope of Services, to City's System by utilizing its own forces or outside contractors. If City elects to perform work included in the Scope of Services, City shall promptly notify District in advance of commencement of the work, and will notify District of the actual work performed within a reasonable time of its completion.

3. Emergency Services.

(a) District shall respond to City gravity system emergencies 24 hours a day, seven (7) days per week. District shall take all necessary actions to prevent or minimize adverse effects upon City or others' real or personal property or to public health and safety resulting from the emergency, and will restore normal operations as soon as reasonably possible. In order to enable the District to effectively respond to and address the emergency, City authorizes District to retain outside consultants and contractors, as needed, prior to having an adequate opportunity to receive authorization from the City.

(b) Within 24 hours after District receives notification of the emergency event, District will notify the City, verbally and in writing, of the following:

1) The emergency action taken by the District; and

2) Whether the emergency event necessitates additional work on City's

System. The extra work shall be authorized pursuant to the procedures set forth in section 2 of this Agreement and will be compensated in accordance with section 5 of this Agreement.

4. **Term.** This Agreement shall take effect on August 1, 2024 and shall remain in full force and effect from year to year unless terminated by either party pursuant to Section 13 of this Agreement. In March of each year the parties shall meet to agree on price, scope of services, and term adjustment that may be deemed necessary by written amendment. Any changes to the Agreement must be mutually agreed to by both parties in writing.

5. **Payment.**

(a) The City shall reimburse District for all labor and materials utilized in connection with the following work performed by District on City's System:

1.) All work performed pursuant to the Agreement's Scope of Services, Exhibit B;

2.) All extra work authorized by the City pursuant to Section 2 above; and

3.) All emergency work performed in compliance with Section 3 above.

(b) District shall submit invoices to City on a monthly basis for actual services provided and costs incurred. City shall pay all invoices within 30 days.

(c) Payment for District's work by City shall not operate as a waiver or release by City of any claims that may have arisen or may arise from the performance of District's work.

(d) Notwithstanding subparagraph (a), above, City acknowledges that the West Bay Proposal was submitted in September of 2023 based on labor and other costs in effect at that time, and that subsequent labor negotiations and other cost factors have rendered the cost proposal set forth in the West Bay Proposal out-of-date. Accordingly, the Parties agree that District intends to update the Cost Proposal (Item 3) to reflect current rates for staffing and other cost items and, upon providing the updated cost proposal to City, it shall replace Item 3 of the West Bay Proposal and shall remain in full force and effect until further modified by agreement of the Parties.

6. **Rates.**

(a) During regular work hours (Monday through Friday (8 am – 4:30 PM), District employee hourly rates shall apply to work performed by District for City. If the necessary work occurs at a time other than regular work hours, District employee overtime rates shall apply. Each District employment classification has an hourly compensation rate which is based on the total cost of employment (salary and benefits) plus other administrative costs required to provide the required services.

(b) Materials, parts and outside services shall be invoiced and based upon actual

costs incurred by District.

7. **Monthly Report & Log.** District shall keep and maintain records of expenditures, records of emergencies, and logs of the routine maintenance activities District performs on the System. District shall provide City with monthly reports of known activities associated with the operation and maintenance of the System to City.

8. **Reports, Plans and Documents.** All reports, drawings, calculations, plans, specifications, and other documents prepared or obtained pursuant to the terms of this Agreement shall be the property of City.

9. **Budget Estimate.**

(a) District shall develop an annual budget for the maintenance work necessary to complete the Scope of Work outlined in **Exhibit B**. The annual budget for the Scope of Work outlined in **Exhibit B** for the first operative year of this Agreement is attached hereto as **Exhibit C**. Draft budgets for subsequent years will include adjustments to District staff hours and rates, and actual on-call program costs.

(b) Each draft annual budget shall be submitted to the City by April 1 of each year for City's review and comment. District will also submit a separate document identifying recommended capital projects for City's consideration. If City wishes to proceed with any of the recommended capital projects, City shall provide written authorization for each approved project. District will prepare a final draft budget for inclusion in the City's budget by June 1. Each year, the approved budget will replace the prior **Exhibit C**.

10. **Regulatory Reporting.**

(a) While City and District understand and acknowledge that District, in providing services contemplated by this Agreement, may observe sewer system overflow or discharge events, the parties contemplate that City will nevertheless retain primary responsibility for receiving initial calls for service and for complying with all regulatory reporting requirements in connection with sanitary sewer overflow (SSO) events. District will provide City staff with assistance in responding to and reporting such events as set forth in this Section 10. District shall report any observed discharge incidents to City as soon as practicably possible within the initial 2-hour reporting requirement, and will provide any supplemental information no later than the next business day after the incident has been observed and/or addressed. If District is not able to make contact with a City Legally Responsible Official (LRO) or data submitter within 90 minutes, District will verbally report Category 1 overflows to the Office of Emergency Services, and other required regulatory agencies to meet the two-hour notification requirement. If 2-hour reporting is completed, District personnel will follow reporting procedures set forth in the District Overflow Emergency Response Plan (OERP). District will investigate the causes of the SSO, estimate the volume of sewage released from the collection system, and prepare written reports for City staff to submit to the appropriate regulatory agencies as needed. Investigation efforts and regulatory reporting by District will be considered extra work for the purposes of compensation under this Agreement.

(b) District and City acknowledge that District has agreed to maintain an existing, aging sewer system, and its maintenance actions are being performed to assist City in incrementally improving System operations. The parties understand that SSOs resulting from previously-existing sewer system configurations or condition issues will continue to occur. District will report the SSOs and provide recommendations to City for measures to address the cause of each SSO. However, City is responsible for authorizing and funding the measures that are required to address SSOs from previously-existing conditions, and for the cost and implementation of any obligations that are required of City resulting from the SSOs.

11. Indemnification; Insurance.

(a) Except as otherwise specified by this Section 11, District agrees to hold City free and harmless and to indemnify City, and its officers, officials, employees, and agents from all claims, demands, damages, liabilities, losses and costs (collectively “liability”) for negligent acts or omissions arising from, connected with, or related to District’s performance of services and/or work under this Agreement, with the exception of services and/or work performed by District contractors or consultants, as provided below, and the sole or active negligence or intentional acts of City. As used in this paragraph, “negligent acts or omissions” shall include but not be limited to any work performed under this Agreement by District that is: 1) a substantial factor of damage caused to public or private property which is then the subject of an inverse condemnation claim made against City; and 2) a violation of any applicable federal, state or local laws.

(b) Nothing in section 11(a) above shall require District to indemnify, hold harmless or defend the City for liability that may arise if any part of the System fails, overflows, or otherwise causes damages or costs, provided that the failure, overflow, or other cause of the damage was not caused by the District’s negligence in the performance of work specified by this Agreement. The intention of this subsection is to allow District to be free of liability to the City, including but not limited to fines or civil penalties imposed by regulatory authorities or non-governmental entities pursuant to the Clean Water Act, where the failure, overflow, or other problem is not caused by the District’s negligence in the performance of the work, or is due to a cause that is outside the scope of District’s services under this Agreement. Examples of such failure, overflow or other problem include, but are not limited to: (1) SSOs that are proximately caused by facilities that are prone to root intrusion or blockages because they are beyond their useful life or improperly installed or damaged or degraded by roots, construction activities, earthquakes or settling; SSOs caused by routine FOG build-up or other obstructions that could be eliminated by increasing cleaning frequency; or blockages caused by acts of vandalism or contractor negligence.

(c) City agrees to hold District free and harmless and to indemnify District and its officers, officials, employees and agents from all claims, demands, damages, liabilities, losses and costs of whatever nature arising from, connected with, or related to those matters specified in Section 11(b), above, or City’s performance of work which is not included within the scope of this Agreement.

(d) Each Party shall provide proof of its certificate of insurance coverage naming the other Party, its officials, officers, employees, agents, and volunteers as an additional insured, as follows:

i. Proof of coverage for \$1 Million per occurrence including products and completed operations, property damage, bodily injury, personal and advertising injury will be provided on Insurance Services Office (ISO) Form CG 00 01 covering CGL. If a general aggregate limit applies, either the general aggregate limit will apply separately to this project/location or the general aggregate limit will be at least twice the required occurrence limit Commercial General Liability Insurance (contractual liability included) with minimum limits of \$1,000,000 per occurrence.

ii. Business Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles with a combined single liability limit of not less than \$1,000,000 per occurrence or accident for bodily injury and property damage.

iii. Worker's Compensation as required by California State law. Must include a waiver of subrogation.

iv. Such other insurance in such amounts which from time to time may be reasonably required by the mutual consent of the Parties against other insurable risks relating to performance.

The coverages required shall not limit the liability of the Parties. The coverages for each Party referred to under subsections i and ii shall include the other Party as an additional insured. Such a provision, however, shall apply only in proportion to and to the extent of the negligent acts or omissions of the other Party, its respective officers, employees, and agents. Each Party upon the execution of this Agreement shall furnish the other Party with certificates of insurance evidencing compliance with all requirements. Certificates shall further provide for thirty (30) days (10 days for non-payment of premium) advance written notice to the other Party of any material modification, change, or cancellation of any of the above insurance coverages.

(e) In the event District utilizes outside construction contractors or consultants in connection with the work provided for in this Agreement, District will require the outside construction contractor or consultant to execute a written contract which shall include indemnification and hold harmless provisions acceptable to City and indemnifying and holding harmless City, its officers, officials, agents and employees from all claims arising from the acts or omissions of the outside contractor or consultant. In addition, District will require the outside construction contractor or consultant to take out and maintain general liability insurance acceptable to and in an amount approved by City, and to add City, its officers, agents and employees as additional insureds under this general liability insurance policy. District will also require that each outside construction contractor and consultant possess workers compensation insurance, and, if relevant, errors and omissions insurance. All indemnification, hold harmless and insurance provisions and

forms required by this section shall be subject to prior approval of City.

(f) Compliance by District with the requirements of section 11(e) above shall relieve District from any liability or hold harmless obligations to City arising out of the acts or omissions of the outside construction contractor or consultant hired and supervised by the City.

(g) District need not require material and equipment vendors, septage haulers or similar service providers to comply with the indemnification, hold harmless, and insurance provisions detailed in Section 11(d), but may instead provide the equipment vendor's, septage hauler's, or other service provider's standard insurance certificate to City for its consideration and approval. If City does not approve the insurance certificate, District will require the equipment vendor, septage hauler, or similar service provider to comply with all of the requirements set forth by Section 11(d) before it hires the same.

- 12. Breach of Agreement; Remedies.** Should either party fail to perform any of its obligations hereunder within the time and in the manner provided, or otherwise violate any of the terms of this Agreement, the non-breaching party may provide the breaching party with a written notice specifying the facts in support of the breach and proposed actions to be undertaken by the breaching party. Within ten days of the receipt of such notice by the breaching party, District and City shall meet in to resolve the issues raised in the written notice. If District and City are unable to resolve the issues, either party may give the other written notice that the Agreement will terminate at the conclusion of the thirty day period. The rights and remedies contained in this section shall not be exclusive, but shall be cumulative of all rights and remedies now or hereafter existing at law or in equity.
- 13. Termination.** Either party may terminate this Agreement by providing the other party 120 days written notice of its intention to terminate the Agreement. Upon receipt of such notice, District shall, unless the notice directs otherwise, discontinue all services in connection with the performance of this Agreement and shall proceed to cancel all existing orders and agreements that are chargeable to this Agreement. As soon as practicable after receipt of the notice of termination, District shall submit a statement to City showing in detail the services performed under this Agreement to the date of termination that remain unpaid. City shall pay the outstanding charges within 30 days of receiving said statement.
- 14. Notices.** All written notices permitted or required under the terms of this Agreement shall be addressed as follows:

If to the District:	Mr. Sergio Ramirez General Manager West Bay Sanitary District 500 Laurel Street Menlo Park, CA 94025
---------------------	--

If to the City: Melvyn Gaines
City Manager
City of East Palo Alto
2415 University Ave. 2nd Floor
East Palo Alto, CA 94303

15. **Modification.** No modification to this Agreement shall be effective unless and until such modification is evidenced by a writing signed by all parties to this Agreement.
16. **Independent Contractor.** The status of District is that of independent contractor having control of its work and the manner in which it is performed. District, its employees and agents are not considered to be officers, employees, or agents of City.
17. **No Waiver.** Failure of either party to insist upon strict performance of any of the terms and conditions of this Agreement, or failure or delay to exercise any rights or remedies provided herein or by law, or failure of either party to notify the other party properly in the event of a default, shall not release the other party from any of the obligations of this Agreement, and shall not be deemed a waiver of any right of the parties set forth herein or provided by law.
18. **Warranties.** Except for the manufacturer's factory warranty, District disclaims all warranties with respect to materials supplied under this Agreement, and further disclaims any and all liability for failure to perform or delay in performance under this Agreement where the same is due in whole or in part to any cause beyond District's reasonable control, including, but not limited to, fire, flood, earthquake, lightning, strike, or other labor difficulty.
19. **California Law.** This Agreement is subject to the laws of the United States of America and the laws of the State of California. All duties of either party shall be performable in San Mateo County, California. Any dispute arising out of this Agreement shall be governed by the laws of the State of California.
20. **Severability.** If any portion of this Agreement is held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way affect, impair, or invalidate any other term, covenant, condition, or provision contained in this Agreement.
21. **Entire Agreement.** This Agreement contains the entire integrated agreement between City and District and supersedes all prior negotiations, representations and agreements, whether written or oral, with respect to the subject matter herein.

Each of the parties hereto has caused this Agreement to be executed by their officers, duly authorized, the day and year first above written.

WEST BAY SANITARY DISTRICT

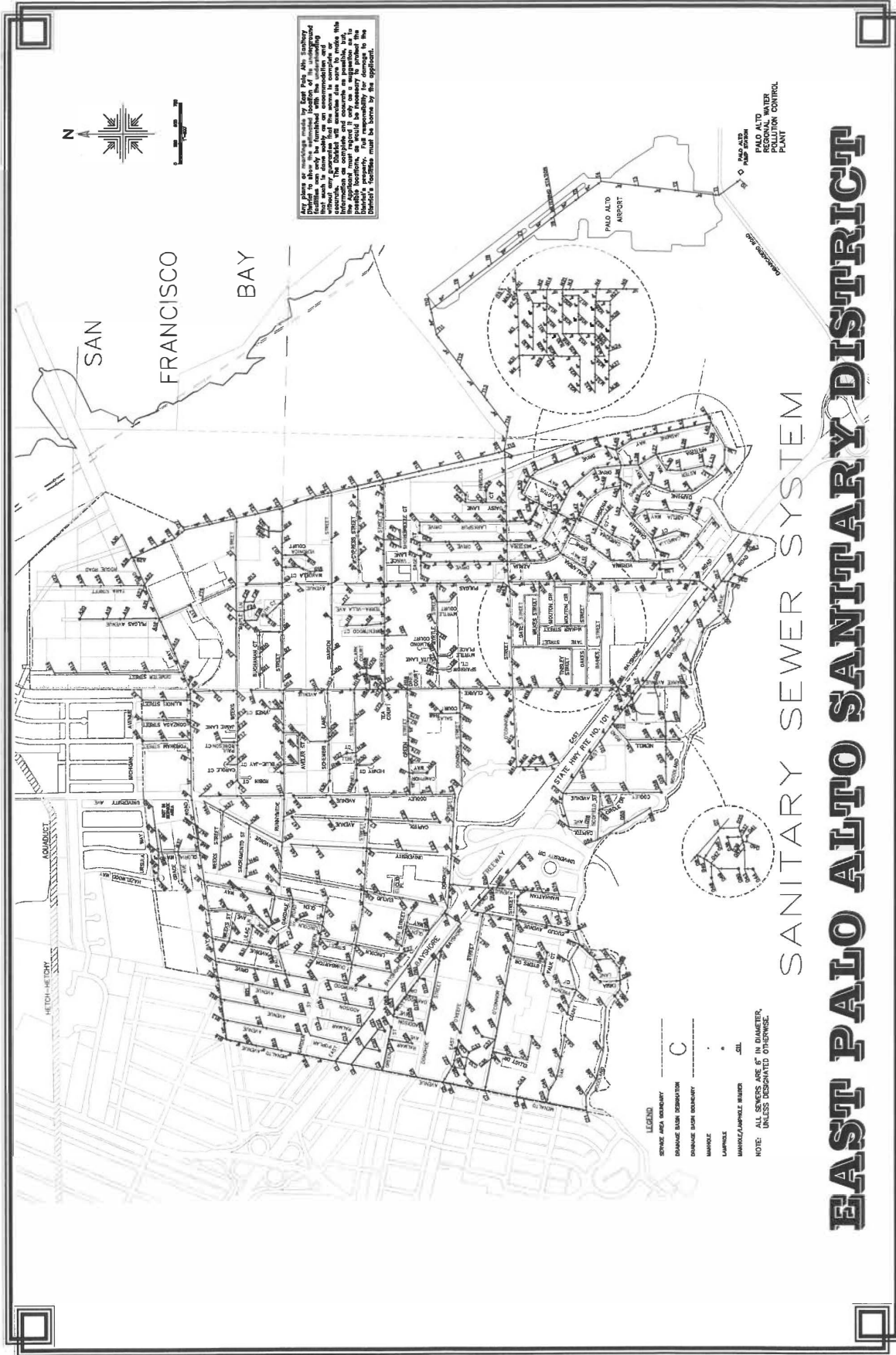
CITY OF EAST PALO ALTO

Approved as to form:



July 24, 2024

ANTHONY P. CONDOTTI
District Counsel



SANITARY SEWER SYSTEM
EAST PAULO ALTO SANITARY DISTRICT

EXHIBIT B

SCOPE OF SERVICES

Task 1: Project Management and Reporting

- DISTRICT will provide Monthly Reporting.
- DISTRICT will provide Management Summary Report (20 hours per month) 240 hours per year. Management to include Computerized Maintenance Management System (CMMS) database entry, adjustments to maintenance schedules, repair recommendations, and annual SSMP update recommendations.
- Number of staff members anticipated for this effort are a part-time Operations Superintendent and Engineering Technician.

Task 2: Collection System Operations and Maintenance: Cleaning

DISTRICT proposes to break this Task into two subtasks, 1) Preventative Maintenance Cleaning and 2) High Frequency Cleaning.

Task 2a: Collection System Operations and Maintenance Preventative Maintenance (PM) Cleaning

- DISTRICT will clean 35 miles or 184,800 feet of mainline pipe two times per year for a total of 70 miles/369,600 feet annually and enter data into a CMMS.
- DISTRICT does not Power Rod but could Hydro Rootsaw line segments with severe roots.
- Number of staff members and equipment anticipated for this effort are one Field Supervisor, one Maintenance Worker, a part-time Engineering Technician, and Hydro Jetting Equipment.

Task 2b: Collection System Operations and Maintenance High Frequency (Hot Spot) Cleaning.

- DISTRICT will clean up to 10 miles or 52,800 feet of High Frequency pipe segments requiring one to three month cleaning frequencies.
- Number of staff members and equipment anticipated for this effort are (same personnel as above) one Field Supervisor, one Maintenance Worker, a part-time Engineering Technician, and Hydro Jetting Equipment.

Task 3: Collection System Operations and Maintenance: Inspection

- Complete Closed Circuit Television (CCTV) inspection of approximately 35 miles or 184,800 feet in year one.
- In year two, DISTRICT will complete CCTV inspection of 11.7 miles or 61,776 feet per year for the next three years. CCTV data will be uploaded in a CMMS with Pipeline Assessment Certification Program (PACP) coding. This will help prioritize a revised PM cleaning schedule and refine the High Frequency Cleaning List, as well as support the Capital Improvement Program.

- After the second complete cycle of CCTV assessments, the CCTV schedule may be refined in year five. The CCTV assessment will include hydro jet cleaning as necessary to properly assess the pipeline.
- Number of staff members and equipment anticipated for this effort are one Field Supervisor, one CCTV Technician, a part-time Engineering Technician, a CCTV Unit, and Hydro Jetting Equipment.

Task 4: Sanitary Sewer Overflow Responses

- DISTRICT will follow the CITY's Sanitary Sewer Management Plan (SSMP) and Emergency Response Plan by responding to Spills and Service Calls within one hour and will collect necessary data and perform spill estimations to help determine the Category of the Spill.
- DISTRICT will supply the CITY with a full Spill report to be submitted to the State. The CITY will be responsible to report the final Spill report in the California Integrated Water Quality System (CIWQS) - the computer system used by the State and Regional Water Quality Control Boards. The CITY is required to register a Legally Responsible Official (LRO).
- Category 1 spills will be charged at time and material.
- This task will be invoiced per incident for Category 2, 3, & 4 spills and DISTRICT assumes 3 spills per year.
- DISTRICT will provide CCTV inspection to assess the reason for the spill so that the CITY may prioritize the repair or replacement of the pipe segment.
- Number of staff members and equipment anticipated for this effort are two Field Supervisors, two Maintenance Workers, one Source Control Inspector, one Operations Superintendent (more may be necessary depending on the severity of the spill, a CCTV Unit, Hydro Jetting Equipment, and bypass equipment.

Task 5: Maintenance of CMMS Database and GIS Mapping

- DISTRICT will update the CITY's collection system GIS and CMMS files and database. The CITY may have limited online access to the database unless the CITY purchases its own CMMS.
- DISTRICT will integrate new line attribute data into the maps on a monthly basis and will update the network configuration on a quarterly basis or as-needed.
- This work is anticipated to include approximately 20 hours per month and no more than 240 hours per year unless authorized by the CITY.
- Number of staff members and equipment anticipated for this effort are a part-time Operations Superintendent and Engineering Technician.

Task 6: Inspection and Support Services

DISTRICT will provide Underground Service Alert (USA) markings; 24 hour Emergency Service Calls; Inspection Services for Sewer Connections; administer a Fats, Oils, and Grease (FOG) Compliance Program; and collaborate with the CITY to develop and administer a Public Outreach Program. These subtasks are further described below.

Task 6a: USA Markings and Emergency Service Calls

- DISTRICT will respond to USA markings and Emergency Service Calls as needed. A two hour minimum will apply per request. If other USA markings or other Emergency Service Calls can be accomplished in the two hour minimum, they will be performed at no charge.
- Every other USA marking requests or Emergency Service Calls will be conducted using the two hour minimum
- DISTRICT assumes one USA marking request or one Emergency Service Call per day times 5 days per week over a 52 week period.
- Number of staff members and equipment anticipated for this effort is one Maintenance Worker and a service truck with necessary supplies and equipment.

Task 6b: Inspection Services for Sewer Connections and Administer of a Fats, Oils, and Grease (FOG) Compliance Program.

- DISTRICT will provide Inspection Services for Sewer Connections and administer a Fats, Oils, and Grease (FOG) Compliance Program. DISTRICT assumes 104 inspections per year or two inspections for Sewer Connections or FOG Inspections per week over a 52-week period.
- If additional inspections are necessary, this item will be invoiced appropriately per inspection.
- If a food establishment is out of compliance, the CITY will be responsible to enforce the CITY/District's standards.
- Number of staff members and equipment anticipated for this effort is one part-time Source Control Inspector, one part-time Construction Inspector, and two service vehicles.

Task 6c: Collaborate with the CITY to develop and aid in administering a Public Outreach Program.

- DISTRICT will collaborate with the CITY to develop and aid in administering a Public Outreach Program.
- The task will be charged on an hourly basis at \$200.00 per hour. DISTRICT assumes 104 hours per year over a 52-week period. If additional time is necessary, this item will be invoiced appropriately per hour.

Optional Tasks

Option 1: Pipe Patch Repairs

- DISTRICT will perform up to 12 Pipe Patch repairs as requested by the CITY.

Option 2: Open Trench Repairs

- DISTRICT will perform up to 12 Open Trench repairs as requested by the CITY.

- Proposed cost assumes a 6 inch to 12-inch pipe repair up to a 6-foot deep and 6 feet in length (If conditions are beyond these parameters, the CITY may consider outsourcing the repair.)

Option 3: CMMS License

- DISTRICT to obtain CMMS license for the CITY.

Option 4: New SSMP Development

- DISTRICT will contract with Fisher Compliance to develop a new SSMP.

Option 5: New or Updated Spill Emergency Response Plan (SERP)

- DISTRICT will contract with Fisher Compliance to update or prepare a new SERP for the CITY.

EXHIBIT C

[See Attached Document]

Exhibit C - PRICE PROPOSAL - SANITARY SEWER OPERATIONS, MAINTENANCE, AND MANAGEMENT SERVICES

Task	Summary/Descriptions	Quantity	Unit	Unit Cost	Cost Per Year
1	Project Management and Reporting: **Recommend a new SSMP will be developed by Fisher Compliance after 12 months of operation for a one time estimated fee of \$30k. ***Recommend a new Spill Emergency Response Plan (SERP) will be develop by Fisher Compliance for a one time estimated fee of \$10k. West Bay will provide Monthly Reporting \$659.36 x 12 = \$7,912.32 West Bay will provide Management Summary Report (20 hrs per month) 240 hours per year at \$174.72 per hour = \$41932.80. (Management to include CMMS database entry, adjustments to maintenance schedules, repair recommendations, and annual SSMP update recommendations.)	12	Month	\$4,153.76	\$ 49,845.12
2 - A	Collection System Operations and Maintenance Preventative Maintenance (PM) Cleaning: (Assess City's Equipment) West Bay will clean 35 miles or 184,800 feet of mainline pipe two times per year for a total of 70 miles/369,600 feet annually and enter data into a CMMS. West Bay does not Power Rod but could Hydro Rootsaw line segments with severe roots.	369,600	Linear Feet	\$ 1.72	\$ 634,233.60
2 - B	Collection System Operations and Maintenance High Frequency (Hot Spot) Cleaning: West Bay will clean up to 10 miles or 52,800 feet of High Frequency pipe segments requiring one to three month cleaning frequencies.	52,800	Linear Feet	\$ 1.72	\$ 90,604.80
3	Collection System Operations and Maintenance CCTV Inspections: Complete CCTV inspection of approximately 35 miles or 184,800 feet in year one. In year two West Bay will complete CCTV inspection of 11.7 miles or 61,776 feet for the next three years. CCTV data will be uploaded in a CMMS with PACP coding. This will help prioritize a revised PM cleaning schedule and refine the High Frequency Cleaning List, as well as support the Capital Improvement Program. After the second complete cycle of CCTV assessments, the CCTV schedule may be refined in year five. The CCTV assessment will include hydro jet cleaning as necessary to properly assess the pipeline.	184,800	Linear Feet	\$ 2.96	\$ 547,747.20
4	Sanitary Sewer Overflow Response (Spill Response): West Bay will follow the City's SSMP and Emergency Response Plan by responding to Spills and Service Calls within one hour and will collect necessary data and perform spill estimations to help determine the Category of the Spill. West Bay will supply the City with a full Spill report to be submitted to the State. The City will be responsible to report the final Spill report in the California Integrated Water Quality System (CIWQS) - the computer system used by the State and Regional Water Quality Control Boards. The City is required to register a Legally Responsible Officer. This task will be invoiced per incident for Category 2, 3, & 4 spills (12-month costs assumes 3 spills per year.) This includes a CCTV inspection to assess the reason for the spill so that the City may prioritize the repair or replacement of the pipe segment. Category 1 spills will be charged at time and material.	3	Each (assumes 3 spills during a 12-month period)	\$ 2,886.35	\$ 8,659.04
5	GIS and CMMS Updates. West Bay will update the City's collection system GIS and CMMS files and database. The City may have limited online access to the database unless the City purchases its own CMMS. West Bay will integrate new line attribute data into the maps on a monthly basis, and will update the network configuration on a quarterly basis or as-needed. This work is anticipated to include approximately 20 hours per month and no more than 240 hours per year unless authorized by the City.	240	Hours	\$ 149.59	\$ 37,338.08
6	Inspect and Support Services. West Bay will provide Underground Service Alert (USA) makings; 24 hour Emergency Service Calls; Inspection Services for Sewer Connections; administer a Fats, Oils, and Grease (FOG) Compliance Program; collaborate with the City to develop and administer a Public Outreach Program. (See Tasks 6-A, 6-B, & 6-C)				
6 - A	USA Markings and Emergency Service Calls - West Bay will respond to USA markings and Emergency Service Calls as needed. A two hour minimum will apply per request. If other USA markings or other Emergency Service Calls can be accomplished in the two hour minimum, they will be performed at no charge. Every other USA marking requests or Emergency Service Calls will be conducted using the two hour minimum (12-month cost assumes one USA making request or one Emergency Service Call per day times 5 days per week over a 52 week period.)	260	Hours	\$ 312.00	\$ 81,120.00
6 - B	Inspection Services for Sewer Connections and Administer of a Fats, Oils, and Grease (FOG) Compliance Program. West Bay will provide Inspection Services for Sewer Connections and administer a Fats, Oils, and Grease (FOG) Compliance Program. (12-month cost assumes 104 inspections per year or two inspections for Sewer Connections or FOG Inspections per week over a 52 week period.) If additional inspections are necessary this item will be invoiced appropriately per inspection. If a food establishment is out of compliance, the City will be responsible to enforce the City/District's standards.	104	Hours	\$ 469.45	\$ 48,822.80
6 - C	Collaborate with the City to develop and aid in administering a Public Outreach Program. West Bay will collaborate with the City to develop and aid in administering a Public Outreach Program. The task will be charged on an hourly basis at \$208.00 per hour. (12- month cost assumes 104 hours per year over a 52 week period.) If additional time is necessary, this item will be invoiced appropriately per hour.)	104	Hours	\$ 208.00	\$ 21,632.00
Subtotal Bid Items 1 through 6					\$ 1,520,002.64
Optional 1	Pipe Patch Repairs. West Bay will perform up to 12 PipePatch repairs as requested by the City.	12	Each	\$ 2,595.84	\$ 31,150.08
Optional 2	Open Trench Repairs: Open Trench Repairs: West Bay will perform up to 12 Open Trench repairs as requested by the City at \$15,600.00 per repair. This assumes a 6 inch to 12 inch pipe repair up to a 6 foot deep and 6 feet in length (If condition are beyond these parameters, the City may consider out sourcing the repair.)	12	Each	\$ 15,600.00	\$ 187,200.00
* Optional 3	CMMS License: Must Verify Price	1	Each	\$ 20,800.00	\$ 20,800.00
** Opt 4. One	New SSMP development by Fisher Compliance	1	Each	\$ 30,000.00	\$ 30,000.00
*** Opt. 5 One	New or Updated Spill Emergency Response Plan	1	Each	\$ 10,000.00	\$ 10,000.00

*All cost are subject to change based on negotiated labor agreements and CPI adjustments. Final cost for proceeding years shall be negotiated in an Interagency Agreement.

THIS PAGE LEFT INTENTIONALLY BLANK



WEST BAY SANITARY DISTRICT AGENDA ITEM 6

To: *Board of Directors*

From: *Fariborz Heydari, P.E., District Engineer*

Subject: *Consider Authorizing the General Manager to Enter Into an Agreement for On-Call Geotechnical Observation and Testing Services and Special Inspections with BAGG Engineers for the Point Repair Project Phase II Replacement and Rehabilitation of Sanitary Sewer Mains Project No. 1767.0*

Background

On March 13, 2024, the Board awarded the Point Repair Phase II Project to Casey Construction, Inc. The project requires Geotechnical Observation, Testing, and Special Inspection by a third-party.

BAGG Engineers has been providing such inspections services for the District's projects in the past. This proposal summarizes the understanding of the project and presents proposed scope of work, budget, and assumptions for supporting implementation of on-call Geotechnical Observation, Testing, and Special Inspections services for anticipated schedule through the completion of the project.

Analysis

The following services include the following tasks, with added descriptions in the attached proposal.

- Provide observations testing services.
- Perform laboratory tests.
- Prepare field engineers daily reports.
- Prepare a stamped and signed "Final" letter of observations and tests during construction.

Fiscal Impact

The Capital Asset Fund for Fiscal Year 2024-2025 for Pipeline Replacement and Rehab Engineering was budgeted for \$10,000,000 which \$350,000 of that is budgeted for Freyer & Laureta's design services contract for Phase III Point Repair Project.

The total contract for BAGG Engineers' field testing services for this project is \$91,700. The total appropriation is \$100,000 which includes approximately 10% contingency.

There will remain \$9,550,000 unincumbered balance in the Capital Asset Fund for Fiscal Year 2024-2025 for Pipeline Replacement and Rehab Engineering after allocating \$350,000 to F&L's contract and \$100,000 to BAGG Engineer's contract.

Recommendation

The District Engineer recommends the District Board of Directors authorize the General Manager to enter into an agreement with BAGG Engineers for Geotechnical Observation, Testing, and Special Inspection Services for the Point Repair Project Phase II Replacement and Rehabilitation of Sanitary Sewer Mains Project No. 1767.0.

Attachment: Agreement
 BAGG Engineers Proposal date 7/16/2024

**AGREEMENT FOR ON-CALL
GEOTECHNICAL OBSERVATION TESTING
AND SPECIAL INSPECTION SERVICES
BETWEEN WEST BAY SANITARY DISTRICT
AND BAGG ENGINEERS**

THIS AGREEMENT, hereinafter referred to as “Agreement”, made and effective on this 24th day of July, 2024, by and between West Bay Sanitary District, hereinafter referred to as “District”, and BAGG Engineers, hereinafter referred to as “Consultant.” (District and Consultant are referred to individually as a “Party” and collectively, as the “Parties”).

WITNESSETH:

WHEREAS, the District desires to procure certain inspections services as more particularly described in “WEST BAY SANITARY DISTRICT POINT REPAIR PROJECT PHASE II REPLACEMENT AND REHABILITATION OF SANITARY SEWER PROJECT NO. 1767.0 SCOPE FOR GEOTECHNICAL OBSERVATION, TESTING, AND SPECIAL INSPECTION SERVICES BAGG ENGINEERS” (“Scope of Work”) attached hereto as Exhibit “A” and incorporated herein by reference (hereinafter referred to as “Proposal”); and

WHEREAS, Consultant has available, and offers to provide, personnel and facilities necessary to accomplish the work contemplated in the Proposal as may be requested by the District;

NOW, THEREFORE, the District and Consultant agree as follows:

I. DESCRIPTION OF PROJECT

Consultant will provide geotechnical observation, testing, and special inspection services for the West Bay Sanitary District Point Repair Project Phase II Replacement and Rehabilitation of Sanitary Sewer Mains Project No. 1767.0 in the City of Menlo Park, Town of Atherton, and San Mateo County.

II. SCOPE OF SERVICES

Consultant agrees to perform those services described in the **Scope of Work**, attached hereto as **Exhibit A**.

Consultant shall not undertake any work beyond the scope of services as set forth in Exhibit A. No changes in the scope of services shall be made without the District's prior written approval.

II. TIME FOR COMPLETION

The term of this Agreement shall commence on the effective date of this Agreement and terminate on either December 31, 2025 or the timely completion of the Scope of Work described in the Proposal, whichever is later.

Consultant shall begin work as specified in a written authorization (e.g. Notice to Proceed) to perform services. The written authorization to perform work shall not be issued until after this Agreement has been approved and authorized by the District.

Consultant acknowledges that it is necessary for Consultant to complete its work on or before the completion date of December 31, 2025 in order to allow the District to achieve its objectives for entering into this Agreement. The Parties therefore agree that time is of the essence in the performance of this Agreement.

III. COMPENSATION

For actual services performed by Consultant, the District agrees to pay, and Consultant agrees to accept, compensation in an amount not to exceed the total amount described in the Proposal as full compensation for all personnel, materials, supplies, and equipment used by Consultant in the scope of services to be provided. Any change requiring compensation in excess of the sum of \$91,700.00 as specified in the Proposal, shall only be allowed if approved in advance in writing by the District's authorized representative. Consultant shall invoice the District detailing the time and materials for services provided under this Agreement in accordance with the Proposal.

Consultant shall submit invoices for services completed each month. The District shall pay such invoices within forty-five (45) days after their receipt.

IV. RESPONSIBILITY OF CONSULTANT

Consultant agrees that in undertaking the duties to be performed hereunder, it shall act as an independent consultant for and on behalf of the District. The District shall not direct the work and means for accomplishment of the services and work to be performed hereunder. The District, however, retains the right to require that all work performed by Consultant or under Consultant's direction, shall be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession. Consultant represents and warrants that Consultant: (i) is fully experienced and properly qualified to perform the work and services provided for herein, (ii) has the financial capability required for the performance of the work and services, and (iii) is properly equipped and organized to perform the work and services in a competent, timely, and proper manner, in accordance with the requirements of this Agreement.

If, in performing the work, it is necessary to conduct field operations, security and safety of the job site will be the Consultant's responsibility excluding, the security and safety of any facility of District within the job site which is not under the Consultant's control.

V. INDEMNIFICATION

Consultant agrees, to the fullest extent permitted by law, to indemnify, defend, and hold harmless the District, its directors, officers, employees, and agents (collectively, "Indemnitees") from and against any and all liability, claim, action, loss, injury, damage, judgment, or expense, including attorneys' fees and costs ("Losses") caused by or resulting from the negligence, recklessness, or willful misconduct of Consultant, Consultant's officers, employees, agents, or subcontractors in any way related to this Agreement. Consultant's duty to indemnify and hold harmless Indemnitees shall not apply to the extent such Losses are caused by the sole or active negligence or willful misconduct of Indemnitees, as determined by an adjudicatory body or court of competent jurisdiction. The obligation to defend shall arise regardless of any claim or assertion that Indemnitees caused or contributed to the Losses.

In the event this Agreement involves the performance of design professional services by Consultant, Consultant's officers, employees, agents, or subcontractors, Consultant's costs to defend Indemnitees shall not exceed the Consultant's proportionate percentage of fault per Civil Code §2782.8. This section shall survive the termination or expiration of this Agreement.

VI. INSURANCE

Prior to the beginning and throughout the duration of the Agreement, as may be extended by written amendment, Consultant will maintain and comply with the insurance requirements below with insurers licensed to do business in the State of California and with a Best's rating of no less than A:VII. Consultant will insure the District against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the services hereunder. The insurance coverages required shall not in any way limit the liability of the Consultant.

Certificate Requirements:

The District will be issued a Certificate of Insurance (a Memorandum of Understanding will not be accepted) with the following minimum requirements:

- Certificate(s) will show current policy number(s) and effective dates,
- Coverage and policy limits will meet or exceed the requirements below,
- The Certificate Holder will be West Bay Sanitary District, 500 Laurel Street, Menlo Park, CA 94025,
- Certificate will be signed by an authorized representative,
- An endorsement, if required below, will be provided to show the District, its directors, officers, , and employees as additional insureds, and
- Coverages must be maintained during the term of the Agreement with the District, unless a longer duration is required.

Required Coverage:

A. Commercial General Liability (CGL) insurance, including products and completed operations, property damage, bodily injury, personal and advertising injury with limits of not less than \$1,000,000 each occurrence and \$2,000,000 aggregate.

B. Automobile Liability insurance of \$1,000,000 per accident covering automobile bodily injury and property damage, including all owned (if any), hired and non-owned autos. If Consultant acquires any owned vehicles, Consultant shall provide insurance as above.

C. Worker's Compensation insurance and Occupational Disease insurance, with statutory limits as required by law, and Employer's Liability insurance, of \$1,000,000 per accident for bodily injury or disease covering all workplaces involved in this Agreement. Consultant shall provide an endorsement with a **waiver of subrogation** in the District's favor for all services performed by Consultant and its employees relating to payment of any loss, including attorney's fees.

D. The Commercial General Liability and Automobile Liability Insurance policies shall be endorsed to name the District, its directors, officers, employees, and agents as additional insureds with respect to liability arising out of services or operations performed by or on behalf of Consultant including materials, parts, or equipment furnished in connection with such services or operations. Consultant's insurance coverage is primary insurance and any insurance maintained by the District shall not contribute with it.

E. Errors and Omissions: Consultant shall also provide Professional Liability Insurance appropriate to Consultant's profession with limits of liability in amounts not less than \$1,000,000 per occurrence or claim and \$2,000,000 aggregate. Consultant shall maintain, and provide evidence of coverage for at least five (5) years after the date of completion of the services under this Agreement. If coverage is canceled or non-renewed and not replaced with another claims-made policy form with a retroactive date prior to the Agreement effective date or start of work date, Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of services under this Agreement.

F. Consultant shall require and verify that all of Consultant's subcontractors maintain insurance meeting all of the requirements stated herein, and Consultant shall ensure that the District, its directors, officers, employees, and agents are additional insureds on the CGL and Automobile liability insurance policies required from subcontractors.

G. Consultant shall provide the District with Certificates of Insurance and endorsements, on forms acceptable to District, or other evidence of insurance acceptable to District, prior to commencement of any services under this Agreement. Each insurance policy required above shall provide that there will be no cancellation of coverage by the carrier without prior written notice to District.

H. If Consultant maintains broader insurance coverage and/or higher limits than the minimums shown above, the District requires and shall be entitled to the broader insurance coverage and/or higher limits maintained by Consultant. Any available insurance

proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

I. Any excess/liability policies must provide similar coverage as the primary CGL policy with no new exclusions - Excess liability insurance must follow form the terms, conditions, definitions, and exclusions of the underlying CGL insurance. The excess/umbrella policy must also be written on a primary and noncontributory basis for an additional insured, and that it will apply before any other insurance that is available to such additional insured which covers that person or organization as a named insured, and we will not share with that other insurance.

J. The Excess policy must provide that the aggregate limits if applicable shall apply in the same manner as the aggregate limits shown in the Schedule of the Underlying Insurance.

VII. TERMINATION

The District may terminate this Agreement for its convenience with written notice of not less than 10 calendar days prior to an effective termination date. The District or Consultant may terminate the Agreement for material breach of Agreement by providing written notice to the other party not less than 15 calendar days prior to an effective termination date.

Upon notice of termination, the Consultant will immediately take action not to incur any additional obligations, costs or expenses, except as may be reasonably necessary to terminate its activities. The District's only obligation to the Consultant will be just and equitable payment for materials and/or services authorized by, and received to the satisfaction of, the District up to and including the effective date of termination, less any amounts withheld. All finished or unfinished work, materials, supplies, goods, or documents procured or produced under the Agreement will become property of the District upon the termination date. In the event of Consultant's failure to perform, District reserves the right to obtain services elsewhere, and the defaulting Consultant will be liable for the difference between the prices set forth in the terminated Agreement and the actual cost to the District. After the effective date of termination, Consultant will have no further claims against the District under the Agreement including, but not limited to, claims for anticipated profit related to unperformed services. Termination of the Agreement pursuant to this paragraph may not relieve the Consultant of any liability to District for damages sustained by the District because of any breach of the Agreement by Consultant, and District may withhold any payments to Consultant for the purpose of set-off until such time as the exact amount of damages due District from Consultant is determined.

The rights and remedies provided in this section will not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.

VIII. SUBCONTRACTS

Except as provided in the Proposal, and otherwise with prior written approval of the District, Consultant shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement. If at any time, the District determines

any subcontractor is incompetent or unqualified, Consultant will be notified and will be expected to immediately cancel the subcontract. Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that the District, its directors, officers, and employees are additional insureds on insurance required from subcontractors.

IX. OTHER TERMS

1. Compliance with Laws. All activities of Consultant, its employees, subcontractors and/or agents will be carried out in compliance with all applicable federal, state and local laws and regulations.
2. Conflicts of Interest. Consultant owes District a duty of undivided loyalty in performing the work and services under this Agreement. Consultant on behalf of itself, its employees, agents, representatives, and subcontractors, covenants that it presently has no direct or indirect interest, financial or otherwise, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant acknowledges that it is aware of and agrees to comply with the provisions of the Political Reform Act, Section 1090 of the Government Code. Consultant will immediately advise District if Consultant learns of a conflicting financial interest of Consultant's during the term of this Agreement. Consultant owes District a duty of undivided loyalty in performing the work and services under this Agreement.
3. Property of District. The work, or any portion, of Consultant in performing this Agreement shall become the property of the District. The Consultant shall be permitted to retain copies or such work for information and reference in connection with the District's use. All materials and work product, whether finished or unfinished, shall be delivered to the District upon completion of contract services or termination of this Agreement for any reason. Consultant agrees that all copyrights which arise from creation of project-related documents and materials pursuant to this Agreement shall be vested in the District, and Consultant waives and relinquishes all claims to copyright or other intellectual property rights in favor of the District. Any work product related to this Agreement shall be confidential, not to be used by the Consultant on other projects or disclosed to any third party, except by agreement in writing by the District.
4. Consultant's Records. Consultant shall maintain accurate accounting records and other written documentation pertaining to the costs incurred for this project for examination and audit by the District, local, state, or federal government, as applicable. Such records and documentation shall be kept available at Consultant's office during the period of this Agreement, and after the term of this Agreement for a period of five years from the date of the final District payment for Consultant's services. If Consultant engages a subcontractor to perform work related to this Agreement with a cost of \$10,000 or more over a 12-month period, such subcontract shall contain these same requirements. This provision shall survive the termination of this Agreement.

5. California Public Records Act. District is a public agency subject to the disclosure requirements of the California Public Records Act (“CPRA”). If Consultant’s proprietary information is contained in documents or information submitted to District, and Consultant claims that such information falls within one or more CPRA exemptions, Consultant must clearly mark such information “Confidential and Proprietary,” and identify the specific lines containing the information. In the event of a request for such information, District will make best efforts to provide notice to Consultant prior to such disclosure. If Consultant contends that any documents are exempt from the CPRA and wishes to prevent disclosure, it is required to obtain a protective order, injunctive relief or other appropriate remedy from a court of law in San Mateo County before the District is required to respond to the CPRA request. If Consultant fails to obtain such remedy within the time the District is required to respond to the CPRA request, District may disclose the requested information without any liability to Consultant. Consultant further agrees that it shall defend, indemnify and hold District harmless against any claim, action or litigation (including but not limited to all judgments, costs, and attorney’s fees) that may result from denial by District of a CPRA request for information arising from any representation, or any action (or inaction), by the Consultant.
6. Independent Contractor. In the performance of this Agreement, it is expressly understood that Consultant, including each of Consultant’s employees, agents, subcontractors or others under Consultant’s supervision or control, is an independent contractor solely responsible for its own acts and omissions, and shall not be considered an employee of the District for any purpose. Consultant agrees to comply with AB5, codified at Labor Code section 2750.3, and shall indemnify, defend and hold harmless the District, its officials, officers, employees, and agents against any claim or liability, including attorneys’ fees and costs, arising in any manner related to this Agreement that an employee, agent or others under Consultant’s supervision or control was misclassified.
7. Consultant Not an Agent. Except as the District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind the District to any obligation whatsoever.
8. Consultant Services Only. Consultant is employed to render professional services only and any payments made to Consultant are compensation solely for such professional services.
9. Subcontractors. Consultant shall obtain prior approval of the District prior to subcontracting of any work pursuant to this Agreement. If at any time, the District determines any subcontractor is incompetent or unqualified, Consultant will be notified and will be expected to immediately cancel the subcontract. Consultant shall require and verify that all subcontractors maintain insurance meeting all of the requirements stated herein, including naming the District, its directors, officers, employees, and agents as additional insureds. Any modification to the insurance requirements for

subcontractors must be agreed to by the District in writing.

10. Prevailing Wage. To the extent that the work or services to be performed under this Agreement may be considered a “public work” pursuant and subject to Labor Code section 1720 *et seq.*, Consultant (and any sub consultant performing the work or services) shall conform to any and all prevailing wage requirements applicable to such work/and or services under this Agreement. Consultant (and any sub consultant) shall adhere to the prevailing wage determinations made by the Director of Industrial Relations (DIR) pursuant to California Labor Code Part 7, Chapter 1, Article 2, applicable to the work, if any. All workers employed in the execution of a public works contract (as such term is defined California Labor Code section 1720 *et seq.* and section 1782(d)(1)) must be paid not less than the specified prevailing wage rates for the type of work performed. Reference: California Labor Code sections 1720, 1774 and 1782.

Consultant agrees to be bound by the prevailing wage requirements to the extent applicable to the scope of work and services under this Agreement, including, but not limited to, the following:

- a. If a worker is paid less than the applicable prevailing wage rate owed for a calendar day (or any portion thereof), Consultant shall pay the worker the difference between the prevailing wage rate and the amount actually paid for each calendar day (or portion thereof) for which the worker(s) was paid less than the prevailing wage rate, as specified in Labor Code section 1775;
- b. Consultant shall maintain and make available payroll and worker records in accordance with Labor Code sections 1776 and 1812;
- c. If Consultant employs (and/or is legally required to employ) apprentices in performing the work and/or services under this Agreement, Consultant shall ensure compliance with Labor Code section 1777.5;
- d. Consultant is aware of the limitations imposed on overtime work by Labor Code sections 1810 *et seq.* and shall be responsible for any penalties levied in accordance with Labor Code section 1813 for failing to pay required overtime wages;
- e. Consultant shall post a copy of the applicable wage rates at each jobsite at a location readily available to its workers.

Any failure of Consultant and/or its sub consultant to comply with the above requirements relating to a public work project shall constitute a breach of this Agreement that excuses the District’s performance of this Agreement at the District’s sole and absolute option, and shall be at the sole risk of Consultant. Consultant on behalf of itself, any sub consultant, agree to indemnify, defend and hold harmless the District and its directors, officers, and employees from and against any and all claims, liabilities, losses, costs, expenses, attorney’s fees, damages, expenses, fines, financial

consequences, interest, and penalties, of any kind or nature, arising from or relating to any failure (or alleged failure) of the Consultant and any sub consultant to pay prevailing wages or to otherwise comply with the requirements of prevailing wage law relating to a public work.

11. Registration with DIR. Consultant acknowledges that it and/ any sub consultant shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered with the DIR and qualified to perform public work pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)]. A bid shall not be accepted nor any contract or subcontract entered into without proof of the Consultant or sub consultant's current registration to perform public work. Labor Code section 1771.1(b).
12. Dispute Resolution. The Parties agree to attempt in good faith to resolve through negotiation any dispute, claim or controversy arising out of or relating to this Agreement. Either party may initiate negotiations by providing written notice in letter form to the other party, setting forth the subject of the dispute and the relief requested. Promptly upon such notification, the Parties shall meet at a mutually agreeable time and place in order to exchange relevant information and perspective, and to attempt to resolve the dispute. In the event that no resolution is achieved, and if, but only if, the parties mutually agree, then prior to pursuing formal legal action, the parties shall make a good faith effort to resolve the dispute by non-binding mediation or negotiations between representatives with decision-making power, who, to the extent possible, shall not have had substantive involvement in the matters of the dispute. To the extent that the dispute involves or relates to a public works project, the Parties agree to attempt to resolve the dispute by complying with the claims process as set forth in Public Contract Code section 9204(e). Parties also reserve the right to exercise any and all other remedies available.
13. Force Majeure. Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation, except the payment of money, is prevented or delayed by an act of God, natural disaster, pandemic, acts of terrorism, war, or other peril, existing or future, which is beyond the reasonable control of the affected party and without the negligence of the respective Parties. . Each party hereto shall give notice promptly to the other of the nature and extent of any Force Majeure claimed to delay, hinder or prevent performance of the services under this Agreement. In the event either party is prevented or delayed in the performance of its respective obligation by reason of such Force Majeure, the only remedy is that there may be an equitable adjustment of the schedule based on the District's sole discretion.
14. Intellectual Property and Indemnity. Consultant represents to District that, to the best of Consultant's knowledge, any Intellectual Property (including but not limited to: patent, patent application, trade secret, copyright and any applications or right to apply for registration, computer software programs or applications, tangible or intangible

proprietary information, or any other intellectual property right) in connection with any services and/or products related to this Agreement does not violate or infringe upon any Intellectual Property rights of any other person or entity.

To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless District, its directors, officers, employees, and agents, from any and all claims, demands, actions, liabilities, damages, or expenses (including reasonable attorneys' fees and costs) arising out of a claim of infringement, actual or alleged, direct or contributory, of any Intellectual Property rights in any way related to Consultant's performance under this Agreement or to the District's authorized intended or actual use of Consultant's product or service under this Agreement. This provision shall survive termination or expiration of this Agreement.

If any product or service becomes, or in the Consultant's opinion is likely to become, the subject of a claim of infringement, the Consultant shall, at its sole expense: (i) provide the District the right to continue using the product or service; or (ii) replace or modify the product or service so that it becomes non-infringing; or (iii) if none of the foregoing alternatives are possible even after Consultant's commercially reasonable efforts, in addition to other available legal remedies, District will have the right to return the product or service and receive a full or partial refund of an amount equal to the value of the returned product or service, less the unpaid portion of the purchase price and any other amounts, which may be due to the Consultant. District shall have the right to retrieve its data and proprietary information at no charge prior to any return of the product or termination of service.

15. Assignment. This Agreement may not be assigned by either the District or Consultant without the prior written consent of the other.
16. Benefit. Except as herein provided, this Agreement shall inure to the benefit of the assigns, heirs, and successors of the Parties to this Agreement.
17. Attorneys' Fees. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief. The laws of the State of California, with jurisdiction in the San Mateo County Superior Court, shall govern all matters relating to the validity, interpretation, and effect of this Agreement and any authorized or alleged changes, the performance of any of its terms, as well as the rights and obligations of Consultant and the District.
18. Complete Agreement. This Agreement, along with any attachments, is the full and complete integration of the parties' agreement with respect to the matters addressed herein, and that this Agreement supersedes any previous written or oral agreements between the parties with respect to the matters addressed herein.
19. Amendments. This Agreement may not be amended in any respect except by way of a written instrument which expressly references and identifies this particular Agreement,

which expressly states that its purpose is to amend this particular Agreement, and which is duly executed by the District and Consultant. Consultant acknowledges that no such amendment shall be effective until approved and authorized by the District's authorized representative.

20. Severability. The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.
21. Waiver. Waiver by any party of any portion of this Agreement shall not constitute a waiver of the same or any other portion hereof.
22. Governing Law. This Agreement shall be governed by and interpreted in accordance with California law.
23. Contract Interpretation. Each party acknowledges that it has reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.
24. Notices. If either party shall desire or is required to give notice to the other such notice shall be given in writing, via email and concurrently delivered by overnight Federal Express [or priority U.S. Mail], addressed to recipient as follows:

To District:

West Bay Sanitary District
Sergio Ramirez
500 Laurel Street
Menlo Park, Ca 94025
sramirez@westbaysanitary.org
(650) 321-0384

To CONSULTANT:

BAGG Engineers
Brandon Sciortino
138 Charcot Avenue
San Jose, CA 95131
brandon@baggengineers.com
(650) 852-9133
(650) 222-7399 Cell

Changes to the above information shall be given to the other party in writing ten (10) business days before the change is effective.

25. Counterparts. This Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each one shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding on and effective regarding all parties. A scanned, electronic, facsimile, or other copy of a party's signature shall have the same force and effect as an original signature.

26. ACKNOWLEDGMENT

By their signatures below, the Parties acknowledge that they have each read and understand the terms of this Agreement, and are authorized to execute this Agreement to legally obligate their respective representatives, agents, successors and assigns to

comply with the provisions of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

WEST BAY SANITARY DISTRICT

BAGG ENGINEERS

By: _____
Sergio Ramirez, General Manager

By: _____
Brandon Sciortino

Date: _____

Date: _____

APPROVED AS TO FORM

Date: _____
Anthony Condotti, General Counsel

**EXHIBIT
“A”
SCOPE
OF
WORK**

CONTRACT FOR FIELD TESTING SERVICES

Proposal # 24-442

When filled-out and signed, the two sides of this paper together are a contract between a person or firm needing testing (CUSTOMER) and the Bay Area Geotechnical Group (TESTING AGENCY).

JOB NUMBER WESTB-24-02 DATE July 16, 2024

JOB NAME West Bay Sanitary District: Point Repair Project Phase 2 (Job#1092)

JOB LOCATION Various Locations in Menlo Park, Atherton & the County of San Mateo, CA

NAME AND ADDRESS OF CUSTOMER

NAME AND ADDRESS OF TESTING AGENCY

West Bay Sanitary District

BAGG Engineers

500 Laurel St.

138 Charcot Avenue

Menlo Park, CA 94025

San Jose, CA 95131

Fariborz Heydari

Brandon Sciortino

PRINTED NAME OF AUTHORIZER

PRINTED NAME OF ACCEPTER

X _____

SIGNATURE OF AUTHORIZER

X _____

SIGNATURE OF ACCEPTER

PHONE 1(415)248-6039

PHONE (650) 852-9133

FAX _____

Cell # (650) 222-7399

EMAIL fheydari@westbaysanitary.org

EMAIL brandon@baggengineers.com

ESTIMATED TOTAL (T & E) FEE \$91,700 (from the other side)

Other fees will apply for overtime, additional site visits & laboratory work performed during

The duration of project (Prevailing Wage), to be billed as Time & Expense.

ESTIMATED NUMBERS AND TYPES OF TESTS AND SAMPLES:

✓ Field Density Tests, Type ASTM D6938, Estimated Number 520

✓ Laboratory Compaction Tests, Type ASTM D1557, Estimated Number 2

Slump Tests, Estimated Number (1) per sample set

Concrete Cylinders, Size 4 x 8, Estimated Total Number 4 per set

Compression Tests, Ages to Test (1) at 7 days, (2) at 28 days

Other tests or samples, plus special instructions _____

OVER

FEE ESTIMATE

<u>130</u>	Site visits of half-day to whole-day duration @ \$150 per hour(4 hr./day)	\$ <u>78,000</u>
<u>25</u>	Supervisory time @ \$200 per hour	\$ <u>5,000</u>
<u>130</u>	40 Miles per visit @ \$1.00 per mile	\$ <u>5,200</u>
<u>130</u>	Hours of moisture/density gauge @ \$20 (4 tests = 1hr)	\$ <u>2,600</u>
<u>2</u>	Laboratory compaction curves @ \$350 (+\$100 for rock corrections)	\$ <u>900</u>
Other	<u>(\$150. Per hour with a Four hour minimum for additional visits)</u>	\$ <u>TBD</u>
Other	<u>(\$400. For a Final Affidavit Letter if required)</u>	\$ <u>TBD</u>
Estimated Total Fee _____		\$ <u>91,700</u>

TESTING AGENCY is a firm that also provides professional engineering and geologic services. This is **not** a contract for professional engineering or geologic services. TESTING AGENCY is responsible only to perform the indicated types of tests at locations specified by CUSTOMER.

TESTING AGENCY shall provide the indicated types of services, and for the per-visit and test costs shown. TESTING AGENCY'S total fee **for the indicated services** shall not exceed the Estimated Total Fee.

CUSTOMER may increase or decrease the numbers of tests or site visits, in which case the (actual) total fee shall be determined by adjusting the Estimated Total Fee on the basis of the per-visit costs shown.

CUSTOMER may request additional types of tests or testing services, in which case addition(s) to the fee shall be determined in accordance with TESTING AGENCY'S current Schedule of Charges, a copy of which shall be provided to CUSTOMER upon request.

CUSTOMER'S requests for additional tests or testing may be presented orally or in writing; at TESTING AGENCY'S option, a written, accepted Modification to Contract may be required.

At no cost to CUSTOMER, test results shall be mailed to CUSTOMER at its address above in the form of Daily Reports, with attachments as necessary.

CUSTOMER agrees to limit TESTING AGENCY'S liability for this work to TESTING AGENCY'S total fee, and CUSTOMER agrees to defend and hold harmless TESTING AGENCY against all injuries, damages, claims, losses, expenses, and claim expenses (including attorney's fees) arising out of this contract, other than liabilities due to TESTING AGENCY'S sole negligence.

In the absence of specific arrangements to the contrary, TESTING AGENCY will send monthly invoices to CUSTOMER. They are due and payable when billed. If not paid within one month, invoices are overdue and are subject to a service charge of 1.5 percent per month from the billing dates.

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 7**

To: Board of Directors

From: Fariborz Heydari, P.E., District Engineer

Subject: Consider Authorizing the General Manager to Execute an Agreement for Engineering Design Services for the Phase III Point Repair Sanitary Sewer Improvements Project No. 1770.0

Background

The District has sewer pipelines that are on a high frequency cleaning schedule due to root intrusion, damaged pipe, sags, and other issues. These high frequency pipelines involve additional maintenance and work force over pipelines with minor or no defects. The District has determined that making point repairs along these pipe segments would alleviate some of the maintenance and work force, for these pipe segments, so the work force can concentrate in other areas.

The Phase I Point Repair Project is near completion, and the Phase II Point Repair Project starts this August. For the Phase III Point Repair Project, the District has requested engineering, surveying, and design services from Freyer & Laureta, Inc. (F&L) for the needed work. The engineer will work with other agencies to align all point repair work to be constructed prior to the agency's pavement improvements plans.

Analysis

The Proposed Tasks for the Agreement include:

Task I – Project Management and Coordination

- Attend meetings, coordinate, provide QA/QC & monitor schedule and budget.

Task II – Site Investigation, Data Collection, Record Research

- Topographic survey, determining inverts, site improvement determination, utility & easement research, & Computer-Aided Design (AutoCAD). Vertical control will be based on NAVD 88 benchmark, and horizontal control will be based on State Plane coordinates.

Task III – Construction Document Preparation

- Prepare a construction bid set for Phase III Sites. Drawings will be in AutoCAD format. Prepare Engineer's Opinion of probable construction costs. Prepare 70% and 100% submittal packages.
-

Task IV –Permit Coordination

- Coordinate project and initiate permitting with the City of Menlo Park, Town of Atherton, and Caltrans.

Task V –Construction Consultation

- Provide bid assistance including responses to questions and preparation of addenda, prepare responses to Requests for Information, provide construction submittal and change orders reviews, provide clarifications and opinions, and prepare Record Drawings and Project Closeout Tasks.

The project is anticipated to be out to be in mid-January 2025 and bid open in mid-February.

Fiscal Impact

The Capital Asset Fund for Fiscal Year 2024-2025 for Pipeline Replacement and Rehab Engineering was budgeted for \$10,000,000. The total design services for this project is \$332,583. The total appropriation is \$350,000 which includes approximately 5% contingency leaving \$9,650,000 unincumbered balance for the Phase III Point Repair Project construction in March 2025.

Recommendation

The District Engineer recommends the District Board Authorize the General Manager to Execute an agreement for Engineering Design Services for the Phase III Point Repair Sanitary Sewer Improvements Project No. 1770.0 and authorize the General Manager to approve up to 5.0 percent contingency for additional work on an as-needed basis.

Attachment: F&L Phase III Point Repair Proposal Dated 7/16/2024
Agreement For Professional Services

July 16, 2024

Mr. Fariborz Heydari, P.E.
District Engineer
West Bay Sanitary District
500 Laurel Street
Menlo Park, California 94025

Re: ENGINEERING SERVICES PROPOSAL
 CAPITAL IMPROVEMENT PROJECT - POINT REPAIR PROJECT PHASE III

Dear Mr. Heydari,

The District’s Point Repair Program is complex in nature as it encompasses multiple areas throughout the District. Based on experience from the District’s Phases I and II Projects, although each repair site was anticipated to be small point repairs, the project took the form of a more standard capital improvement project in that full sections of pipeline ended up in need of replacement.

As mentioned above, the point repair program anticipates smaller repair areas within a section of pipeline, but when reviewing video, pipeline location, and permitting, the need to accelerate full section pipeline replacement may become evident, creating the need for extended surveying, and expanding improvement areas. Furthermore, the point repair program is challenging due to the design and construction in several jurisdictional areas. The District provided a point repair list with anticipated repairs including both open trench and trenchless construction methods. It is not feasible to repair all sites in one capital improvement project due to budget, so the Point Repair Program is planned to be constructed in several phases.

Locations for this next phase of the Point Repair Program were coordinated with O&M management and decided that point repairs within map grids D12, G14, G15, and G16 be designed. This proposal is for design through construction consultation for Phase III of the Point Repair Program, and includes improvements in the following streets and/or easements (51 pipe sections), approximately 14,000 to 14,500 linear feet of pipe:

Upstream	Downstream	Location	Upstream	Downstream	Location
D12078	D12122	Santa Margarita Ave	G14120	G14111	Pineview Ln
D12076	D12073	Santa Margarita Ave	G14125	G14126	Camino Por Los Arboles
D12069	D12065	Santa Monica Ave	G15024	G15019	Faxon Rd
D12033	D12042	Willow Road	H15010	G15062	Camino Al Lago
D12042	D12048	Willow Road	G15042	G15041	Camino Al Lago
D12036	D12037	Coleman Ave	G15041	G15040	Camino Al Lago
D12037	D12038	Coleman Ave	G15040	G15039	Camino Al Lago
D12038	D12039	Coleman Ave	G15058	G15051	Camino Los Cerros
D12039	D12040	Coleman Ave	G15022	G15075	Santiago Ave
G14123	G14121	Santa Cruz Ave Ease	G15035	G15034	Park Ln
G14088	G14072	Santa Cruz Ave	G15034	G15027	Park Ln

Headquarters

150 Executive Park Blvd, Ste 4200
San Francisco, CA 94134
(415) 534-7070

North Bay Office

505 San Marin Dr, Ste A220
Novato, CA 94945
(415) 534-7070

East Bay Office

1101 Marina Village Parkway, Ste 104
Alameda, CA, 94501
(510) 937-2310

South Bay Office

20863 Stevens Creek Blvd, Ste 400
Cupertino, CA 95014
(408) 516-1090



Upstream	Downstream	Location	Upstream	Downstream	Location
G14174	G14075	Olive St Easement	G15027	G15026	Camino Al Lago
G14032	G14033	Rosefield Way	G15026	G15025	Camino Al Lago
G14033	G14034	Rosefield Way	G15021	G15020	Camino Al Lago
G14041	G14040	Cotton St	G15020	G15017	Camino Al Lago
G14048	G14038	Hobart St	G15017	G15011	Camino Al Lago
G14047	G14037	Hillview Dr	G15011	G15004	Camino Al Lago
G14087	G14069	Politzer Dr	G15004	G15003	Elena Ave
G14069	G14068	Politzer Dr	G15003	G15002	Elena Ave
G14068	G14066	Politzer Dr	G15002	G15001	Elena Ave
G14064	G14066	Politzer Dr	G16056	G16055	Linda Vista Ave
G14093	G14086	Hesketh Dr	G16041	G16040	Stern Ln
G14086	G14085	Hesketh Dr	G16040	G16039	Stern Ln
G14085	G14084	Hesketh Dr	G16039	G16038	Stern Ln
G14084	G14185	Hesketh Dr	G16021	G16020	Atherton Ave Easement
G14099	G14182	Elder Ave			

Scope of Professional Services

F&L proposes the following Tasks:

Task I: Project Management and Coordination

- F&L will attend meetings to coordinate this project. Four (4) meetings are budgeted.
- F&L will provide QA/QC and monitor schedule and budget.

Task II: Site Investigation, Data Collection, Record Research

- F&L will draft and distribute notification letters to occupants where backyard or side yard access to manholes will be needed.
- Topographic surveys will be performed for manholes at the project sites. Vertical control will be based on NAVD 88 benchmark. Horizontal control based on State Plane coordinates.
- Inverts and pipe sizes for all entering and exiting pipes within sanitary sewer manholes will be determined.
- Utility research will be performed, and utility locations interpreted from utility company system drawings will be drawn onto the topographic survey base or noted on aerial imagery or District system maps, whichever is used as the base for design drawings.
- District provided CCTV will be reviewed. Where data is missing, new CCTV will be requested from the District.
- Survey information will be translated to AutoCAD drawings for use in the design effort.

Task III: Construction Document Preparation

- Prepare a construction bid set for Phase III sites.
- Drawings will be in AutoCAD format at a scale appropriate to show the necessary information (most probably 20-scale). Drawings will show appropriate construction details and notes.



- Prepare Engineer's opinion of probable construction costs.
- Prepare 70% and 100% submittal packages.
- Following approval, electronic files for the drawings and specifications will be provided to the District for the bidding and construction phases of the project.

Task IV: Permit Coordination

- Coordinate project and initiate permitting with the City of Menlo Park, Town of Atherton, and Caltrans. Obtaining permits will be the responsibility of the contractor.

Task V: Construction Consultation

- Provide bid assistance including responses to questions and preparation of addenda.
- Conduct eight (8) site visits during construction.
- Prepare responses to Requests for Information.
- Provide construction submittal reviews.
- Review Change Orders and provide clarifications and opinions.
- Prepare Record Drawings and Project Closeout Tasks.

Exclusions

This proposal has the following exclusions:

- The scope of services does not include payment of any permit fees.
- The scope of services does not include construction survey staking.
- Preparation of CEQA documentation is not included in this proposal.

Project Schedule

Below is our project schedule starting from the Notice to Proceed. It is anticipated to be 14 weeks from the Notice to Proceed.

- 8 weeks for review of existing records, coordinating site visits, and conducting surveys.
- 6 weeks for 70% CDs
- 2 weeks review/comments
- 4 weeks for 100% CDs
- 1 week review/comments
- 1 weeks for permit/bid/construction set

With this schedule, should the design project Notice to Proceed be given at the end of July 2024, the project is anticipated to be out to bid in mid-January 2025 and bid open in mid-February.



Compensation

We propose to provide our professional services on a time and materials basis as follows:

Project Management and Coordination	\$13,766
Site Investigation, Survey, Data Collection, Record Research	\$101,186
Construction Document Preparation	\$135,480
Permit Coordination	\$8,734
Construction Consultation	<u>\$73,417</u>
	\$332,583

Thank you again for the opportunity of submitting this proposal to you. If you have any questions, please feel free to call us.

Very truly yours,

Richard J. Laureta, P.E.
FREYER & LAURETA, INC.

ESTIMATED BUDGET FOR ENGINEERING SERVICES
CAPITAL IMPROVEMENT PROJECT - POINT REPAIR PROJECT PHASE III
 West Bay Sanitary District

TASKS	ESTIMATED LABOR (Hours)						TOTAL LABOR COST (\$)
	Personnel & Rates (\$/hr)						
	F&L Administrative	2-Man Survey Crew	Staff Engineer II	F&L Staff Engineer IV	F&L Project Manager	F&L Principal	
	105	400	158	179	236	263	
Task I: Project Management and Coordination							
Meetings					8	8	\$3,992
Monitor budget and project schedule						6	\$1,578
QA/QC					12	12	\$5,988
Monthly progress and cost summary report, invoices	6					6	\$2,208
Subtotal Labor Hours - Task I	6				20	32	\$13,766
Task II: Site Investigation, Data Collection, Record Research							
Review existing CCTV and records, drawings, limits of project, field reconnaissance			60	40	8		\$18,528
Utility Coordination			40	16	4		\$10,128
Perform field investigation and survey of project areas (budget)		108	8	8	8	1	\$48,047
Develop design Base Map including utilities, right of way, easements			102	40	4	1	\$24,483
Subtotal Labor Hours - Task II		108	210	104	24	2	\$101,186
Task III: Construction Document Preparation							
70% Construction Documents			408	102	51	14	\$98,309
100% Construction Documents			102	40	24	8	\$31,044
Permit/Bid Set			16	16	2	1	\$6,127
Subtotal Labor Hours - Task III			526	158	77	23	\$135,480
Task IV: Permit Coordination							
Coordinate Permits with Jurisdictional Agencies			40		8	2	\$8,734
Subtotal Labor Hours - Task IV			40		8	2	\$8,734
Task V: Construction Consultation							
Provide bid assistance, clarification, prepare addenda			8	2	1		\$2,167
Conduct eight (8) meetings/site visits			16	16	4		\$7,692
Prepare Responses to Requests for Information							
Assume 30 RFIs, 2 hour per RFI plus management			60	30			\$17,820
Internal Review					8		\$2,104
Review submittals							
Assume 40 submittals, 2 hours per submittal plus management			80	40			\$23,760
Internal Review					8		\$2,104
Review Change Orders							
Assume 8 clarifications, 4 hour per clarification plus management			32	8			\$7,616
Internal Review					4		\$1,052
Project Closeout (Allowance)			8	2	1		\$2,167
Prepare Record Drawings							
Prepare Draft Record Drawings			24	2			\$4,768
Prepare Final Record Drawings incorporating comments			8	2			\$1,904
Internal Review					1		\$263
Subtotal Labor Hours - Task V			236	102	27		\$73,417
Total Labor Hours	2	108	776	498	231	86	\$332,583



D-13

D-11

120

D-12

• ALL VANTAGE OAKS MAINS ARE 6" PVC SDR 26
FORCE MAIN IS 6" PVC C-300 CLASS 150

INDUSTRIAL STREETS
AT THE SEMINARY DR
PRIOR TO CLEANING LINE.

VANTAGE OAKS
PUMP STATION #1

†
SAINT PATRICK'S SEMINARY

130

MENLO PARK FIRE DEPARTMENT

NOTE: ALL MAINS
BENEATH SAN MARGHERITA
SHOULD BE CLEANED
PRIOR TO CLEANING LINE.
NO 3/4" C/P

NOTE: ALL MAINS
BENEATH WILLOW ROAD
SHOULD BE CLEANED
PRIOR TO CLEANING LINE.
NO 3/4" C/P

78

E-12

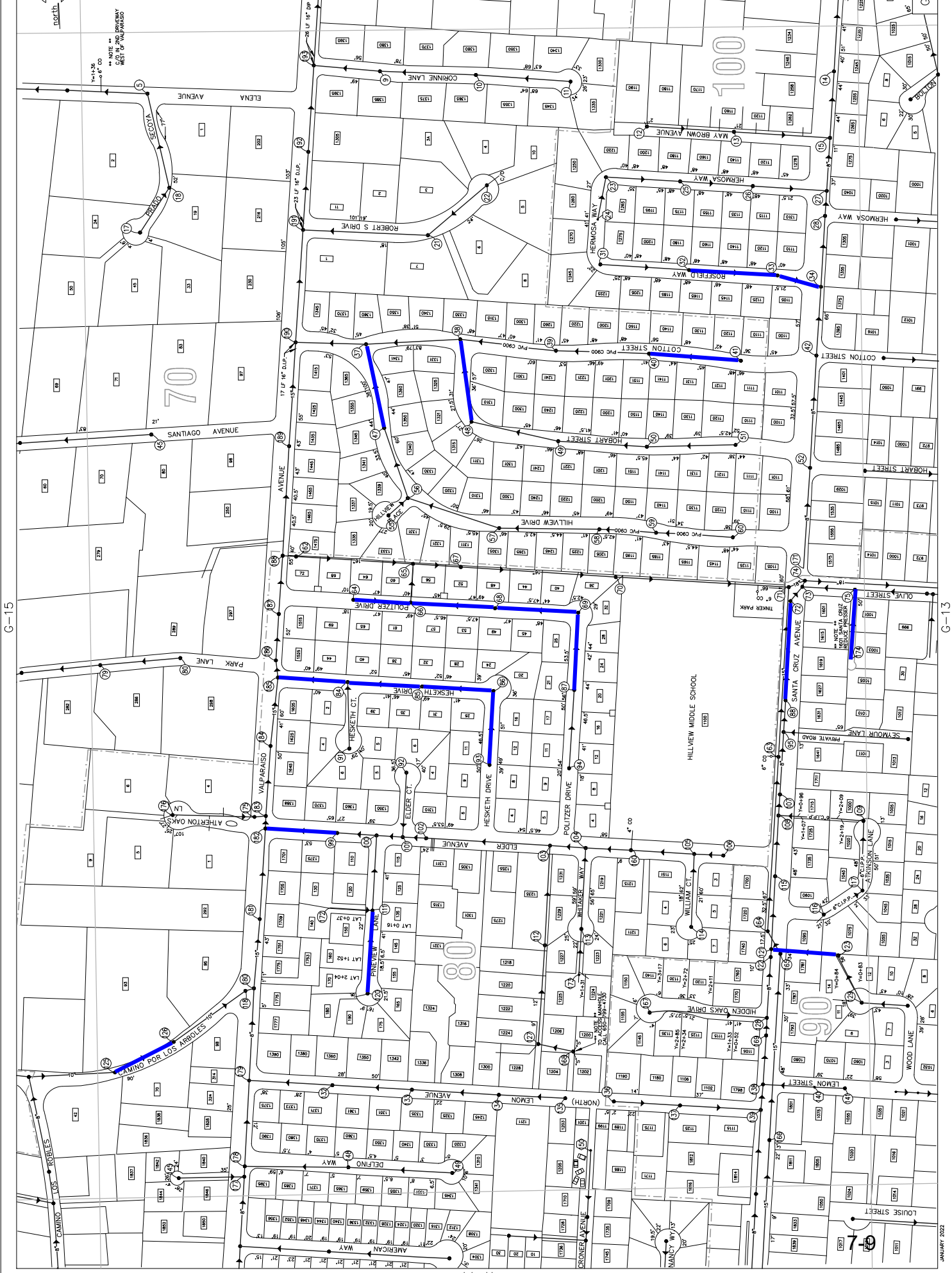
8

C-12

D-12

V. A. HOSPITAL
NOTE: ALL MAINS BENEATH PENNSULA AVENUE
SHOULD BE CLEANED PRIOR TO CLEANING LINE.
NO 3/4" C/P





G-15

G-13

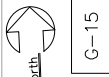
H-14

C-14

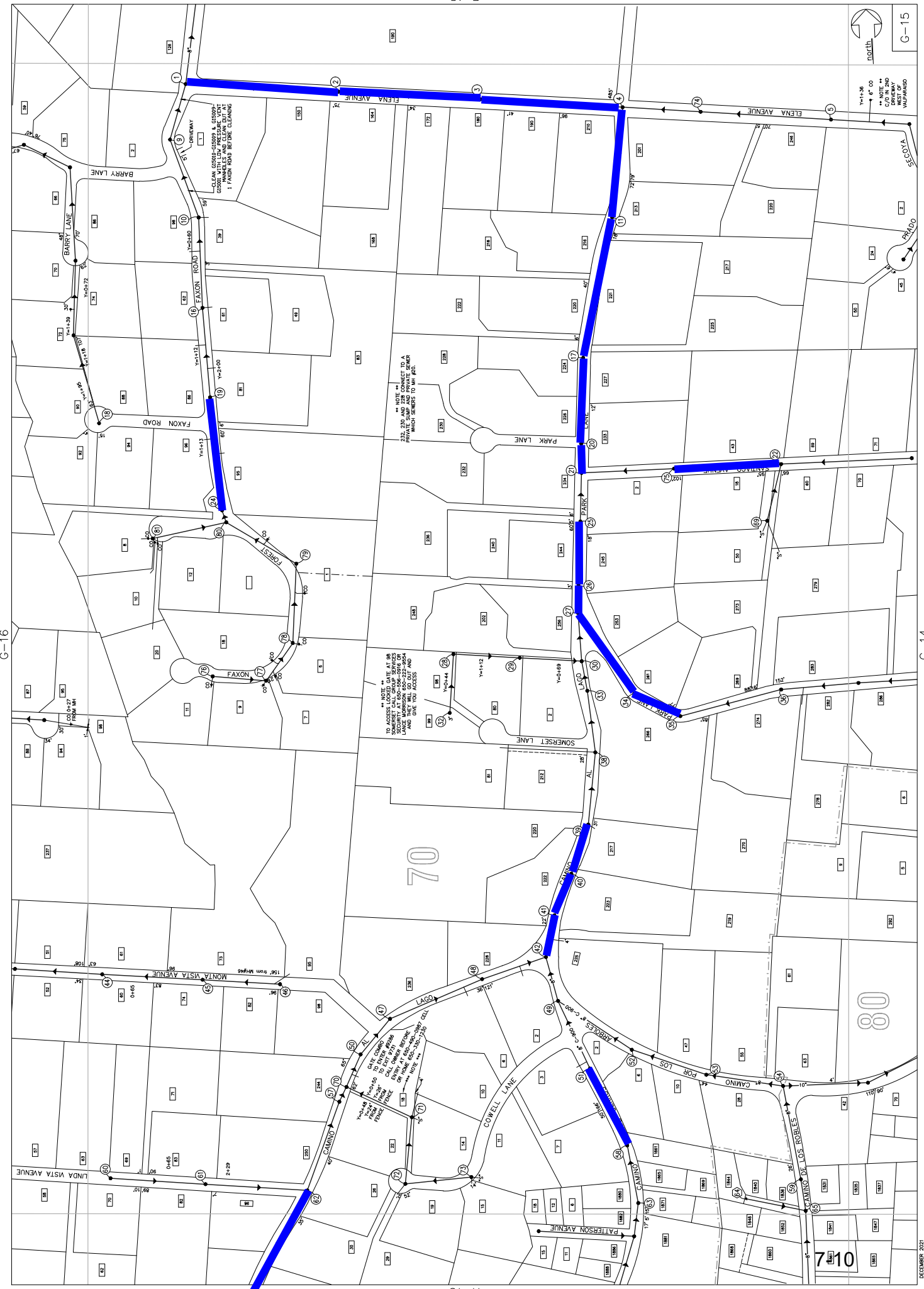
F-14

C-14

JANUARY 2022

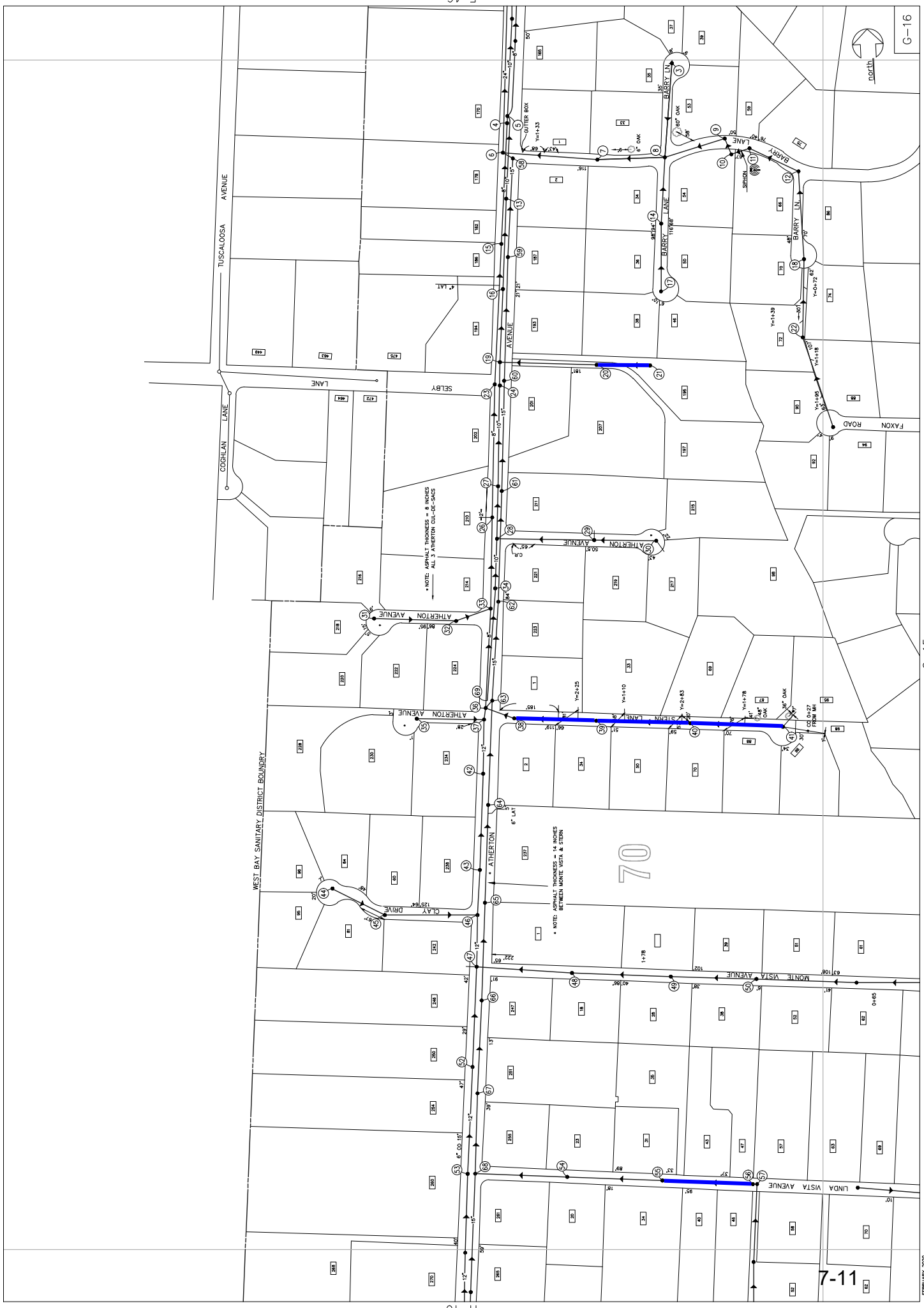


** NOTE **
APPROXIMATE
COURSES AND
DISTANCES
BASED ON
WEST OF
HAWAIIAN



** NOTE **
TO ACCESS LOADED GATE, AT 86
TO ACCESS LOADED GATE, AT 86
SECURITY AT 86-556, 86-509 OR
LAND MUST BE OPEN TO THE
AND MUST BE OPEN TO THE
AND GIVE YOU ACCESS

** NOTE **
TO ACCESS LOADED GATE, AT 86
SECURITY AT 86-556, 86-509 OR
LAND MUST BE OPEN TO THE
AND MUST BE OPEN TO THE
AND GIVE YOU ACCESS



**AGREEMENT FOR PROFESSIONAL
SERVICES BETWEEN WEST BAY
SANITARY DISTRICT AND
FREYER & LAURETA, INC.**

THIS AGREEMENT, hereinafter referred to as “Agreement”, made and effective on this 24th day of July, 2024, by and between West Bay Sanitary District, hereinafter referred to as “District”, and Freyer & Laureta, Inc., hereinafter referred to as “Consultant.” (District and Consultant are referred to individually as a “Party” and collectively, as the “Parties”).

WITNESSETH:

WHEREAS, the District desires to procure certain professional services as more particularly described in “WEST BAY SANITARY DISTRICT POINT REPAIR PROJECT PHASE III IMPROVEMENT SCOPE FOR DESIGN AND CONSTRUCTION CONSULTATION SUPPORT PROJECT MANAGEMENT SERVICES FREYER & LAURETA” (“Scope of Work”) attached hereto as Exhibit “A” and incorporated herein by reference (hereinafter referred to as “Proposal”); and

WHEREAS, Consultant has available, and offers to provide, personnel and facilities necessary to accomplish the work contemplated in the Proposal as may be requested by the District;

NOW, THEREFORE, the District and Consultant agree as follows:

I. DESCRIPTION OF PROJECT

Consultant will provide engineering design for the point repair, replacement, and rehabilitation of sanitary sewer mains in Menlo Park, Town of Atherton, and Caltrans right of way.

II. SCOPE OF SERVICES

Consultant agrees to perform those services described in the **Scope of Work**, attached hereto as **Exhibit A**.

Consultant shall not undertake any work beyond the scope of services as set forth in Exhibit A. No changes in the scope of services shall be made without the District's prior written approval.

II. TIME FOR COMPLETION

The term of this Agreement shall commence on the effective date of this Agreement and terminate on either December 31, 2025 or the timely completion of the Scope of Work described in the Proposal, whichever is later.

Consultant shall begin work as specified in a written authorization (e.g. Notice to Proceed) to perform services. The written authorization to perform work shall not be issued until after this Agreement has been approved and authorized by the District.

Consultant acknowledges that it is necessary for Consultant to complete its work on or before the completion date of December 31, 2025 in order to allow the District to achieve its objectives for entering into this Agreement. The Parties therefore agree that time is of the essence in the performance of this Agreement.

III. COMPENSATION

For actual services performed by Consultant, the District agrees to pay, and Consultant agrees to accept, compensation in an amount not to exceed the total amount described in the Proposal as full compensation for all personnel, materials, supplies, and equipment used by Consultant in the scope of services to be provided. Any change requiring compensation in excess of the sum of \$332,583.00 as specified in the Proposal, shall only be allowed if approved in advance in writing by the District's authorized representative. Consultant shall invoice the District detailing the time and materials for services provided under this Agreement in accordance with the Proposal.

Consultant shall submit invoices for services completed each month. The District shall pay such invoices within forty-five (45) days after their receipt.

IV. RESPONSIBILITY OF CONSULTANT

Consultant agrees that in undertaking the duties to be performed hereunder, it shall act as an independent consultant for and on behalf of the District. The District shall not direct the work and means for accomplishment of the services and work to be performed hereunder. The District, however, retains the right to require that all work performed by Consultant or under Consultant's direction, shall be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession. Consultant represents and warrants that Consultant: (i) is fully experienced and properly qualified to perform the work and services provided for herein, (ii) has the financial capability required for the performance of the work and services, and (iii) is properly equipped and organized to perform the work and services in a competent, timely, and proper manner, in accordance with the requirements of this Agreement.

If, in performing the work, it is necessary to conduct field operations, security and safety of the job site will be the Consultant's responsibility excluding, the security and safety of any facility of District within the job site which is not under the Consultant's control.

V. INDEMNIFICATION

Consultant agrees, to the fullest extent permitted by law, to indemnify, defend, and hold harmless the District, its directors, officers, employees, and agents (collectively, "Indemnitees") from and against any and all liability, claim, action, loss, injury, damage,

judgment, or expense, including attorneys' fees and costs ("Losses") caused by or resulting from the negligence, recklessness, or willful misconduct of Consultant, Consultant's officers, employees, agents, or subcontractors in any way related to this Agreement. Consultant's duty to indemnify and hold harmless Indemnitees shall not apply to the extent such Losses are caused by the sole or active negligence or willful misconduct of Indemnitees, as determined by an adjudicatory body or court of competent jurisdiction. The obligation to defend shall arise regardless of any claim or assertion that Indemnitees caused or contributed to the Losses.

In the event this Agreement involves the performance of design professional services by Consultant, Consultant's officers, employees, agents, or subcontractors, Consultant's costs to defend Indemnitees shall not exceed the Consultant's proportionate percentage of fault per Civil Code §2782.8. This section shall survive the termination or expiration of this Agreement.

VI. INSURANCE

Prior to the beginning and throughout the duration of the Agreement, as may be extended by written amendment, Consultant will maintain and comply with the insurance requirements below with insurers licensed to do business in the State of California and with a Best's rating of no less than A:VII. Consultant will insure the District against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the services hereunder. The insurance coverages required shall not in any way limit the liability of the Consultant.

Certificate Requirements:

The District will be issued a Certificate of Insurance (a Memorandum of Understanding will not be accepted) with the following minimum requirements:

- Certificate(s) will show current policy number(s) and effective dates,
- Coverage and policy limits will meet or exceed the requirements below,
- The Certificate Holder will be West Bay Sanitary District, 500 Laurel Street, Menlo Park, CA 94025,
- Certificate will be signed by an authorized representative,
- An endorsement, if required below, will be provided to show the District, its directors, officers, , and employees as additional insureds, and
- Coverages must be maintained during the term of the Agreement with the District, unless a longer duration is required.

Required Coverage:

A. Commercial General Liability (CGL) insurance, including products and completed operations, property damage, bodily injury, personal and advertising injury with limits of not less than \$1,000,000 each occurrence and \$2,000,000 aggregate.

B. Automobile Liability insurance of \$1,000,000 per accident covering

automobile bodily injury and property damage, including all owned (if any), hired and non-owned autos. If Consultant acquires any owned vehicles, Consultant shall provide insurance as above.

C. Worker's Compensation insurance and Occupational Disease insurance, with statutory limits as required by law, and Employer's Liability insurance, of \$1,000,000 per accident for bodily injury or disease covering all workplaces involved in this Agreement. Consultant shall provide an endorsement with a **waiver of subrogation** in the District's favor for all services performed by Consultant and its employees relating to payment of any loss, including attorney's fees.

D. The Commercial General Liability and Automobile Liability Insurance policies shall be endorsed to name the District, its directors, officers, employees, and agents as additional insureds with respect to liability arising out of services or operations performed by or on behalf of Consultant including materials, parts, or equipment furnished in connection with such services or operations. Consultant's insurance coverage is primary insurance and any insurance maintained by the District shall not contribute with it.

E. Errors and Omissions: Consultant shall also provide Professional Liability Insurance appropriate to Consultant's profession with limits of liability in amounts not less than \$1,000,000 per occurrence or claim and \$2,000,000 aggregate. Consultant shall maintain, and provide evidence of coverage for at least five (5) years after the date of completion of the services under this Agreement. If coverage is canceled or non-renewed and not replaced with another claims-made policy form with a retroactive date prior to the Agreement effective date or start of work date, Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of services under this Agreement.

F. Consultant shall require and verify that all of Consultant's subcontractors maintain insurance meeting all of the requirements stated herein, and Consultant shall ensure that the District, its directors, officers, employees, and agents are additional insureds on the CGL and Automobile liability insurance policies required from subcontractors.

G. Consultant shall provide the District with Certificates of Insurance and endorsements, on forms acceptable to District, or other evidence of insurance acceptable to District, prior to commencement of any services under this Agreement. Each insurance policy required above shall provide that there will be no cancellation of coverage by the carrier without prior written notice to District.

H. If Consultant maintains broader insurance coverage and/or higher limits than the minimums shown above, the District requires and shall be entitled to the broader insurance coverage and/or higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

I. Any excess/liability policies must provide similar coverage as the primary CGL policy with no new exclusions - Excess liability insurance must follow form the terms,

conditions, definitions, and exclusions of the underlying CGL insurance. The excess/umbrella policy must also be written on a primary and noncontributory basis for an additional insured, and that it will apply before any other insurance that is available to such additional insured which covers that person or organization as a named insured, and we will not share with that other insurance.

J. The Excess policy must provide that the aggregate limits if applicable shall apply in the same manner as the aggregate limits shown in the Schedule of the Underlying Insurance.

VII. TERMINATION

The District may terminate this Agreement for its convenience with written notice of not less than 10 calendar days prior to an effective termination date. The District or Consultant may terminate the Agreement for material breach of Agreement by providing written notice to the other party not less than 15 calendar days prior to an effective termination date.

Upon notice of termination, the Consultant will immediately take action not to incur any additional obligations, costs or expenses, except as may be reasonably necessary to terminate its activities. The District's only obligation to the Consultant will be just and equitable payment for materials and/or services authorized by, and received to the satisfaction of, the District up to and including the effective date of termination, less any amounts withheld. All finished or unfinished work, materials, supplies, goods, or documents procured or produced under the Agreement will become property of the District upon the termination date. In the event of Consultant's failure to perform, District reserves the right to obtain services elsewhere, and the defaulting Consultant will be liable for the difference between the prices set forth in the terminated Agreement and the actual cost to the District. After the effective date of termination, Consultant will have no further claims against the District under the Agreement including, but not limited to, claims for anticipated profit related to unperformed services. Termination of the Agreement pursuant to this paragraph may not relieve the Consultant of any liability to District for damages sustained by the District because of any breach of the Agreement by Consultant, and District may withhold any payments to Consultant for the purpose of set-off until such time as the exact amount of damages due District from Consultant is determined.

The rights and remedies provided in this section will not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.

VIII. SUBCONTRACTS

Except as provided in the Proposal, and otherwise with prior written approval of the District, Consultant shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement. If at any time, the District determines any subcontractor is incompetent or unqualified, Consultant will be notified and will be expected to immediately cancel the subcontract. Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that the District, its directors, officers, and employees are additional insureds on insurance required from subcontractors.

IX. OTHER TERMS

1. Compliance with Laws. All activities of Consultant, its employees, subcontractors and/or agents will be carried out in compliance with all applicable federal, state and local laws and regulations.
2. Conflicts of Interest. Consultant owes District a duty of undivided loyalty in performing the work and services under this Agreement. Consultant on behalf of itself, its employees, agents, representatives, and subcontractors, covenants that it presently has no direct or indirect interest, financial or otherwise, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant acknowledges that it is aware of and agrees to comply with the provisions of the Political Reform Act, Section 1090 of the Government Code. Consultant will immediately advise District if Consultant learns of a conflicting financial interest of Consultant's during the term of this Agreement. Consultant owes District a duty of undivided loyalty in performing the work and services under this Agreement.
3. Property of District. The work, or any portion, of Consultant in performing this Agreement shall become the property of the District. The Consultant shall be permitted to retain copies or such work for information and reference in connection with the District's use. All materials and work product, whether finished or unfinished, shall be delivered to the District upon completion of contract services or termination of this Agreement for any reason. Consultant agrees that all copyrights which arise from creation of project-related documents and materials pursuant to this Agreement shall be vested in the District, and Consultant waives and relinquishes all claims to copyright or other intellectual property rights in favor of the District. Any work product related to this Agreement shall be confidential, not to be used by the Consultant on other projects or disclosed to any third party, except by agreement in writing by the District.
4. Consultant's Records. Consultant shall maintain accurate accounting records and other written documentation pertaining to the costs incurred for this project for examination and audit by the District, local, state, or federal government, as applicable. Such records and documentation shall be kept available at Consultant's office during the period of this Agreement, and after the term of this Agreement for a period of five years from the date of the final District payment for Consultant's services. If Consultant engages a subcontractor to perform work related to this Agreement with a cost of \$10,000 or more over a 12-month period, such subcontract shall contain these same requirements. This provision shall survive the termination of this Agreement.
5. California Public Records Act. District is a public agency subject to the disclosure requirements of the California Public Records Act ("CPRA"). If Consultant's proprietary information is contained in documents or information submitted to District, and Consultant claims that such information falls within one or more CPRA exemptions, Consultant must clearly mark such information "Confidential and Proprietary," and

identify the specific lines containing the information. In the event of a request for such information, District will make best efforts to provide notice to Consultant prior to such disclosure. If Consultant contends that any documents are exempt from the CPRA and wishes to prevent disclosure, it is required to obtain a protective order, injunctive relief or other appropriate remedy from a court of law in San Mateo County before the District is required to respond to the CPRA request. If Consultant fails to obtain such remedy within the time the District is required to respond to the CPRA request, District may disclose the requested information without any liability to Consultant. Consultant further agrees that it shall defend, indemnify and hold District harmless against any claim, action or litigation (including but not limited to all judgments, costs, and attorney's fees) that may result from denial by District of a CPRA request for information arising from any representation, or any action (or inaction), by the Consultant.

6. Independent Contractor. In the performance of this Agreement, it is expressly understood that Consultant, including each of Consultant's employees, agents, subcontractors or others under Consultant's supervision or control, is an independent contractor solely responsible for its own acts and omissions, and shall not be considered an employee of the District for any purpose. Consultant agrees to comply with AB5, codified at Labor Code section 2750.3, and shall indemnify, defend and hold harmless the District, its officials, officers, employees, and agents against any claim or liability, including attorneys' fees and costs, arising in any manner related to this Agreement that an employee, agent or others under Consultant's supervision or control was misclassified.
7. Consultant Not an Agent. Except as the District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind the District to any obligation whatsoever.
8. Consultant Services Only. Consultant is employed to render professional services only and any payments made to Consultant are compensation solely for such professional services.
9. Subcontractors. Consultant shall obtain prior approval of the District prior to subcontracting of any work pursuant to this Agreement. If at any time, the District determines any subcontractor is incompetent or unqualified, Consultant will be notified and will be expected to immediately cancel the subcontract. Consultant shall require and verify that all subcontractors maintain insurance meeting all of the requirements stated herein, including naming the District, its directors, officers, employees, and agents as additional insureds. Any modification to the insurance requirements for subcontractors must be agreed to by the District in writing.
10. Prevailing Wage. To the extent that the work or services to be performed under this Agreement may be considered a "public work" pursuant and subject to Labor Code section 1720 *et seq.*, Consultant (and any sub consultant performing the work or

services) shall conform to any and all prevailing wage requirements applicable to such work/and or services under this Agreement. Consultant (and any sub consultant) shall adhere to the prevailing wage determinations made by the Director of Industrial Relations (DIR) pursuant to California Labor Code Part 7, Chapter 1, Article 2, applicable to the work, if any. All workers employed in the execution of a public works contract (as such term is defined California Labor Code section 1720 et seq. and section 1782(d)(1)) must be paid not less than the specified prevailing wage rates for the type of work performed. Reference: California Labor Code sections 1720, 1774 and 1782.

Consultant agrees to be bound by the prevailing wage requirements to the extent applicable to the scope of work and services under this Agreement, including, but not limited to, the following:

- a. If a worker is paid less than the applicable prevailing wage rate owed for a calendar day (or any portion thereof), Consultant shall pay the worker the difference between the prevailing wage rate and the amount actually paid for each calendar day (or portion thereof) for which the worker(s) was paid less than the prevailing wage rate, as specified in Labor Code section 1775;
- b. Consultant shall maintain and make available payroll and worker records in accordance with Labor Code sections 1776 and 1812;
- c. If Consultant employs (and/or is legally required to employ) apprentices in performing the work and/or services under this Agreement, Consultant shall ensure compliance with Labor Code section 1777.5;
- d. Consultant is aware of the limitations imposed on overtime work by Labor Code sections 1810 *et seq.* and shall be responsible for any penalties levied in accordance with Labor Code section 1813 for failing to pay required overtime wages;
- e. Consultant shall post a copy of the applicable wage rates at each jobsite at a location readily available to its workers.

Any failure of Consultant and/or its sub consultant to comply with the above requirements relating to a public work project shall constitute a breach of this Agreement that excuses the District's performance of this Agreement at the District's sole and absolute option, and shall be at the sole risk of Consultant. Consultant on behalf of itself, any sub consultant, agree to indemnify, defend and hold harmless the District and its directors, officers, and employees from and against any and all claims, liabilities, losses, costs, expenses, attorney's fees, damages, expenses, fines, financial consequences, interest, and penalties, of any kind or nature, arising from or relating to any failure (or alleged failure) of the Consultant and any sub consultant to pay prevailing wages or to otherwise comply with the requirements of prevailing wage law relating to a public work.

11. Registration with DIR. Consultant acknowledges that it and/ any sub consultant shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered with the DIR and qualified to perform public work pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)]. A bid shall not be accepted nor any contract or subcontract entered into without proof of the Consultant or sub consultant's current registration to perform public work. Labor Code section 1771.1(b).
12. Dispute Resolution. The Parties agree to attempt in good faith to resolve through negotiation any dispute, claim or controversy arising out of or relating to this Agreement. Either party may initiate negotiations by providing written notice in letter form to the other party, setting forth the subject of the dispute and the relief requested. Promptly upon such notification, the Parties shall meet at a mutually agreeable time and place in order to exchange relevant information and perspective, and to attempt to resolve the dispute. In the event that no resolution is achieved, and if, but only if, the parties mutually agree, then prior to pursuing formal legal action, the parties shall make a good faith effort to resolve the dispute by non-binding mediation or negotiations between representatives with decision-making power, who, to the extent possible, shall not have had substantive involvement in the matters of the dispute. To the extent that the dispute involves or relates to a public works project, the Parties agree to attempt to resolve the dispute by complying with the claims process as set forth in Public Contract Code section 9204(e). Parties also reserve the right to exercise any and all other remedies available.
13. Force Majeure. Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation, except the payment of money, is prevented or delayed by an act of God, natural disaster, pandemic, acts of terrorism, war, or other peril, existing or future, which is beyond the reasonable control of the affected party and without the negligence of the respective Parties. . Each party hereto shall give notice promptly to the other of the nature and extent of any Force Majeure claimed to delay, hinder or prevent performance of the services under this Agreement. In the event either party is prevented or delayed in the performance of its respective obligation by reason of such Force Majeure, the only remedy is that there may be an equitable adjustment of the schedule based on the District's sole discretion.
14. Intellectual Property and Indemnity. Consultant represents to District that, to the best of Consultant's knowledge, any Intellectual Property (including but not limited to: patent, patent application, trade secret, copyright and any applications or right to apply for registration, computer software programs or applications, tangible or intangible proprietary information, or any other intellectual property right) in connection with any services and/or products related to this Agreement does not violate or infringe upon any Intellectual Property rights of any other person or entity.

To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold

harmless District, its directors, officers, employees, and agents, from any and all claims, demands, actions, liabilities, damages, or expenses (including reasonable attorneys' fees and costs) arising out of a claim of infringement, actual or alleged, direct or contributory, of any Intellectual Property rights in any way related to Consultant's performance under this Agreement or to the District's authorized intended or actual use of Consultant's product or service under this Agreement. This provision shall survive termination or expiration of this Agreement.

If any product or service becomes, or in the Consultant's opinion is likely to become, the subject of a claim of infringement, the Consultant shall, at its sole expense: (i) provide the District the right to continue using the product or service; or (ii) replace or modify the product or service so that it becomes non-infringing; or (iii) if none of the foregoing alternatives are possible even after Consultant's commercially reasonable efforts, in addition to other available legal remedies, District will have the right to return the product or service and receive a full or partial refund of an amount equal to the value of the returned product or service, less the unpaid portion of the purchase price and any other amounts, which may be due to the Consultant. District shall have the right to retrieve its data and proprietary information at no charge prior to any return of the product or termination of service.

15. Assignment. This Agreement may not be assigned by either the District or Consultant without the prior written consent of the other.
16. Benefit. Except as herein provided, this Agreement shall inure to the benefit of the assigns, heirs, and successors of the Parties to this Agreement.
17. Attorneys' Fees. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief. The laws of the State of California, with jurisdiction in the San Mateo County Superior Court, shall govern all matters relating to the validity, interpretation, and effect of this Agreement and any authorized or alleged changes, the performance of any of its terms, as well as the rights and obligations of Consultant and the District.
18. Complete Agreement. This Agreement, along with any attachments, is the full and complete integration of the parties' agreement with respect to the matters addressed herein, and that this Agreement supersedes any previous written or oral agreements between the parties with respect to the matters addressed herein.
19. Amendments. This Agreement may not be amended in any respect except by way of a written instrument which expressly references and identifies this particular Agreement, which expressly states that its purpose is to amend this particular Agreement, and which is duly executed by the District and Consultant. Consultant acknowledges that no such amendment shall be effective until approved and authorized by the District's authorized representative.

20. Severability. The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.
21. Waiver. Waiver by any party of any portion of this Agreement shall not constitute a waiver of the same or any other portion hereof.
22. Governing Law. This Agreement shall be governed by and interpreted in accordance with California law.
23. Contract Interpretation. Each party acknowledges that it has reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.
24. Notices. If either party shall desire or is required to give notice to the other such notice shall be given in writing, via email and concurrently delivered by overnight Federal Express [or priority U.S. Mail], addressed to recipient as follows:

To District:

West Bay Sanitary District
 Sergio Ramirez
 500 Laurel Street
 Menlo Park, Ca 94025
sramirez@westbaysanitary.org
 (650) 321-0384

To CONSULTANT:

Freyer & Laureta, Inc.
 Richard J. Laureta
 150 Executive Park Blvd, Ste 4200
 San Francisco, CA 94134
laureta@freyerlaureta.com
 (415) 534-7070

Changes to the above information shall be given to the other party in writing ten (10) business days before the change is effective.

25. Counterparts. This Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each one shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding on and effective regarding all parties. A scanned, electronic, facsimile, or other copy of a party's signature shall have the same force and effect as an original signature.

26. ACKNOWLEDGMENT

By their signatures below, the Parties acknowledge that they have each read and understand the terms of this Agreement, and are authorized to execute this Agreement to legally obligate their respective representatives, agents, successors and assigns to comply with the provisions of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

WEST BAY SANITARY DISTRICT

FREYER & LAURETA, INC.

By: _____
Sergio Ramirez, General Manager

By: _____
Richard J. Laureta, President

Date: _____

Date: _____

APPROVED AS TO FORM

Date: _____
Anthony Condotti, General Counsel

**EXHIBIT
“A”
SCOPE
OF
WORK**

THIS PAGE LEFT INTENTIONALLY BLANK



WEST BAY SANITARY DISTRICT AGENDA ITEM 8

To: *Board of Directors*

From: *Sergio Ramirez, General Manager*

Subject: *Adoption of an Updated Authorizing Resolution for the Execution and Delivery of a Construction Installment Sale Agreement and Grant between West Bay Sanitary District and State Water Resources Control Board to Finance the Bayfront Water Recycling Facility*

Background

West Bay Sanitary District (WBSD) is developing, financing, designing and building a water recycling facility at its Bayfront Property and the associated infrastructure to serve recycled water to the Bayfront area in Menlo Park. New development is conditioned based upon the understanding that recycled water will be used in those developments for all appropriate non potable uses, whenever recycled water is available, and developments exceeding certain size criteria are required to use recycled water. WBSD has completed the planning, has selected and is working on contracting with a Design-Build Firm to complete the construction of the Facility and related infrastructure, and is ready to proceed to secure the majority of the construction financing for the project from the State of California.

Analysis

On June 28, 2024, the State Water Resources Control Board (SWRCB) submitted to WBSD for final signatures a Final Construction Installment Sale Agreement and Grant for the financing of the Bayfront Recycled Water Facility (CWSRF Project No. D2301011). Once signed by WBSD and the State, the Agreement will be fully executed. As part of the final processing for signature of the Agreement by the State, certain resolutions need to be provided by WBSD to the State. Those resolutions have all been provided, except for an Updated Authorizing Resolution reflecting a larger loan amount than anticipated by WBSD earlier in 2024. Resolution No 2450 was adopted by WBSD on May 22, 2024, based upon the understanding and expectation that the District would be receiving a Clean Water State Revolving Fund Loan of \$50M. Now, along with a \$5M grant, the State is offering an SRF Loan of \$50 M, in addition to an \$11.6 M Proposition 1—the Water Quality, Supply, and Infrastructure Improvement Act Loan at the same 1.7% interest rate as the SRF Loan. The Updated Authorizing

Resolution is attached to this staff report, including Exhibit A, Good-Faith Financial Estimates that conservatively estimates the total payment amount (inclusive of both loans and financing costs not funded by the loans), of \$82 Million. This is consistent with (conservatively higher than) the estimate of total payments in Exhibit E of the SRF and Proposition 1 Loan package (CWSRF Project No. D2301011) of \$79.1 M.

Fiscal Impact

WBSD will be financing the construction of the project with a combination of State Loans and Grants as described in the Analysis above, and funds in aid of construction from private firms whose projects are conditioned on use of the recycled water from the Bayfront Facility. The operation and maintenance of the facility and infrastructure will be paid for by recycled water customers. A mandatory use ordinance will ensure that demand for the recycled water will be consistent with the supply capability of the system. There is not anticipated to be any fiscal impact on WBSD and its sewer rate payers associated with the financing of these facilities with the State of California.

Recommendation

The General Manager recommends that the Board adopt this updated Authorizing Resolution. The General Manager and District Counsel will then forward the adopted resolution to the State Water Resources Control Board as part of our Financing Package.

RESOLUTION NO. _____ (2024)

**RESOLUTION OF THE WEST BAY SANITARY DISTRICT BOARD
AUTHORIZING THE EXECUTION AND DELIVERY OF A
CONSTRUCTION INSTALLMENT SALE AGREEMENT AND GRANT
BETWEEN THE DISTRICT AND THE STATE WATER RESOURCES
CONTROL BOARD TO FINANCE THE BAYFRONT RECYCLED
WATER FACILITY, AND APPROVING RELATED DOCUMENTS AND
OFFICIAL ACTIONS**

WHEREAS, the West Bay Sanitary District (the "District") owns and operates certain facilities and property for the collection, transportation and disposal of wastewater within its service area (the "Wastewater System"); and

WHEREAS, the District wishes to finance on a long-term basis its Bayfront Recycled Water Facility (the "Project"), and in order to provide funds for that purpose the District has determined to enter into a Construction Installment Sale Agreement and Grant (the "Construction Installment Sale Agreement") with the State Water Resources Control Board (the "State Water Board") pursuant to its SRF Loan Program, to be secured by a pledge of and lien on the net revenues of the Wastewater System, as set forth in the Construction Installment Sale Agreement; and

WHEREAS, the District is authorized to enter into the Construction Installment Sale Agreement with the State Water Board under the laws of the State of California, including the provisions of Section 6523.1 of the California Health and Safety Code (the "Bond Law"); and

WHEREAS, the information required to be obtained and disclosed with respect to the Construction Installment Sale Agreement by the Board of Directors of the District (the "Board") in accordance with Government Code Section 5852.1 is set forth in Exhibit A attached hereto; and

WHEREAS, the Board has previously approved a Debt Issuance and Management Policy which complies with Government Code Section 8855, and the execution and delivery of the Construction Installment Sale Agreement will be in compliance with said policy; and

WHEREAS, the Board approves said transaction in furtherance of the public purposes of the District, and the Board wishes at this time to authorize all proceedings relating to the entrance into the Construction Installment Sale Agreement for the purpose of financing the Project;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WEST BAY SANITARY DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Execution and Delivery of Construction Installment Sale Agreement. In order to provide financing for the Project, the Board hereby approves entering into the Construction Installment Sale Agreement in substantially the form on file

with the Secretary of the Board, together with any changes therein or additions thereto deemed advisable by the General Manager, whose execution shall be conclusive evidence of the approval of any such changes or additions. The Board hereby authorizes and directs the General Manager to execute, and the Secretary of the Board to attest, the final form of the Construction Installment Sale Agreement for and in the name of the District.

Section 2. Engagement of Professional Services. The Board hereby approves the engagement of Jones Hall, A Professional Law Corporation, to serve as bond counsel to the District in connection with the execution and delivery of the Construction Installment Sale Agreement. The Board hereby authorizes and directs the General Manager to execute an agreement for and in the name of the District with such firm, in substantially the form on file with the Secretary of the Board.

Section 3. Official Actions. The President of the Board, the General Manager, the Secretary of the Board and all other officers of the District are each authorized and directed in the name and on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer.

Section 4. Effective Date. This Resolution shall take effect immediately upon adoption.

*

*

*

I hereby certify that the foregoing is a full, true and correct copy of a resolution which was duly and regularly passed and adopted by the Board of Directors of the West Bay Sanitary District, at a meeting thereof held on the 24th day of July, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

President of the Board
West Bay Sanitary District

Attest:

Secretary of the Board
West Bay Sanitary District

EXHIBIT A

GOOD-FAITH FINANCIAL ESTIMATES

In accordance with Government Code Section 5852.1, the following information has been obtained and disclosed to the Board in connection with the approval of the Construction Installment Sale Agreement:

- (i) The estimated true interest cost of the Construction Installment Sale Agreement (being the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Construction Installment Sale Agreement) is 1.70%.
- (ii) The estimated finance charge of the Construction Installment Sale Agreement (being the sum of all fees and charges paid to third parties) is \$15,000.
- (iii) The estimated proceeds of the Construction Installment Sale Agreement expected to be received, net of proceeds for finance charges in (ii) above to paid from the principal amount of the Construction Installment Sale Agreement and any reserves or capitalized interest paid or funded with Construction Installment Sale Agreement is \$61.6 million, including funding of \$50 million from the Clean Water State Revolving Fund and \$11.6 million from Proposition 1 – the Water Quality, Supply, and Infrastructure Improvement Act of 2014.
- (iv) The estimated total payment amount of the Construction Installment Sale Agreement (being the sum total of all payments the District will make to pay amounts under the Construction Installment Sale Agreement, plus any financing costs not paid from proceeds of the Construction Installment Sale Agreement) to the final maturity thereof is \$82 million.



WEST BAY SANITARY DISTRICT AGENDA ITEM 9

To: *Board of Directors*

From: *Debra Fisher, Finance Manager*

Subject: *Consider Approving District Treasury Report
Fourth Quarter FY 2023-24*

Background

The District board established the first reserve in October 2010. Subsequently, the Board has established several additional reserves to provide financial stability for the District.

There are five separate investment reserves maintained to support the goals of the District, along with reserves held in LAIF, the Vehicle & Equipment Reserve held in a money market account, a Pension Trust, and the restricted Recycled Water SRF Reserve. Annual contributions are made in accordance with the Board approved budget to reach or maintain the target balances for each reserve.

Excess funds over the current monthly expenditures are held in the Local Agency Investment Fund (LAIF), which are equivalent to cash and may earn higher yields without a long-term commitment. Operating Reserves, customer deposits, current capital projects, and Solid Waste Funds are held in LAIF.

Restricted funds for Sharon Heights Golf & Country Club (SHGCC), as required for the Clean Water State Revolving Fund (SRF) loan are held in a restricted account.

<u>Reserve Account</u>	<u>Originated</u>	<u>Target Balance</u>	<u>Target</u>
Operating Reserve	11/26/2014	\$14 million *	Achieved
Rate Stabilization Reserve	10/30/2015	\$10 million	Achieved
Treatment Plant Reserve	9/24/2021	\$12 million	Achieved
Capital Project Reserve	11/26/2014	\$8 million	Achieved
Emergency Capital Reserve	10/19/2010	\$6 million	Achieved
Recycled Water Cash Flow	11/18/2016	\$8 million	Unfulfilled
Recycled Water SRF Reserve	3/01/2018	\$1.46 million	Achieved
Vehicle & Equipment Reserve	8/18/2011	\$1 million	Achieved

* Based on approved FY 2023-24 Budget, 6 months Operations, held in LAIF.

The District's Investment Policy and California Government Code Section 53607 requires quarterly reporting of all investments, including investment portfolio statements detailing assets held, transactions, and changes in market value.

Fiscal Impact

The District had \$ 90,072,628 in all reserve and bank accounts as of June 30, 2024, including restricted funds. Accrued Income was \$750,762. The District earned \$2,154,178 in interest and the market value of reserves increased \$1,209,704 over FY 2023-24.

The District had total funds of approximately \$29 million above targets for all unrestricted accounts, as of June 30, 2024. The District's Capital Improvement Program sites a need of \$20 million over the next 4 to 5 years for infrastructure improvements. To date, all reserve accounts have achieved the individual targets approved by the board, except the Recycled Water Cash Flow Reserve, which is \$1.58 million below the target.

District Funds	6/30/2024	Targets
Cash Equivalent Accounts	22,274,747	15,027,268
Investment Accounts - Unrestricted	65,927,409	44,000,000
Public Agency Retirement Services (PARS Trust)	883,051	-
SHGCC SRF Loan Deposit	1,519,315	1,458,404
Total District Funds	90,604,522	60,485,672

There was \$3.3 million in transfers in the approved FY 2023-24 Budget. The District allocated an additional \$2,913,031 of LAIF funds for the Operating Reserve, to meet six months of expenditures and \$401,577 for Equipment Reserve. A contribution of \$760,000 to Silicon Valley Clean Water (SVCW), included in the operating budget, was paid June 30, 2024, to be deposited in SVCW's California Asset Management Program (CAMP) Debt Coverage Reserve; with the \$670,000 contributed in FY 2022-23. SVCW will hold these funds until after their FY 2023-24 financial audit is accepted in December. \$20 million was transferred from LAIF to the Capital Reserve to achieve additional yields until funds were needed for capital projects.

The investment portfolios have been set up with the rate of return goal of 2%. The monthly BMO Investment Reserves average 1.75% for the Fourth Quarter FY 2023-24 and averaged 1.74 for FY 2023-24. LAIF's interest apportionment was 4.55% for the Fourth Quarter FY 2023-24 and averaged 3.78% for FY 2023-24. BMO increased the District's checking account analysis credit from 0.26% to 0.6% effective January 1, 2024, providing sufficient credit to cover all fees since the increase.

The District Investment Policy allows investment of up to five years. Due to more favorable short term rates, most investments are within two years. LAIF is considered cash and holds six months operating reserves, needed to fund the District through December when the initial sewer service charges through the tax roll is received.

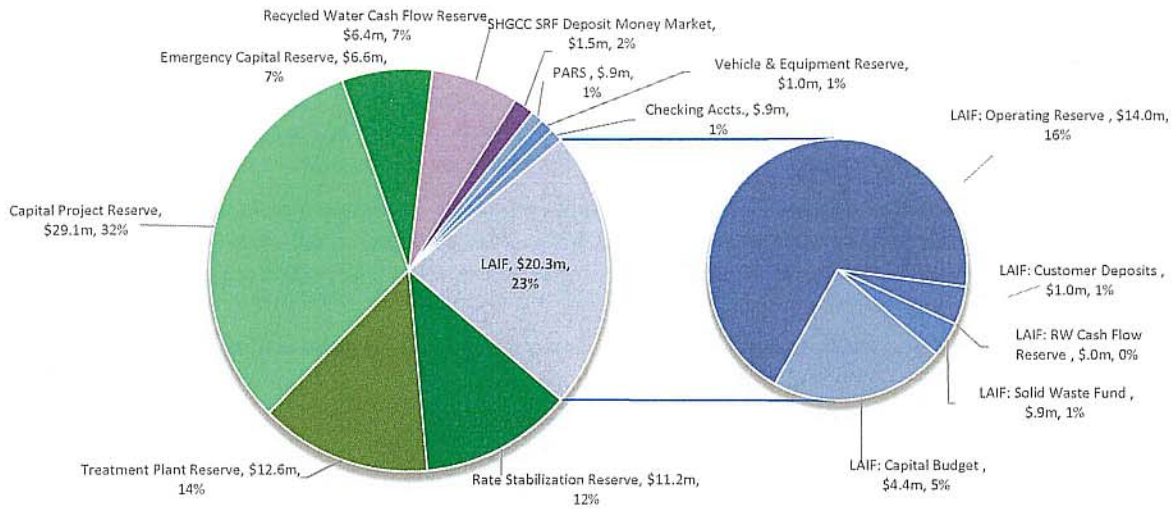
The District averaged \$1 million in monthly expenses for FY 2023-24, excluding capital. The District expended approximately \$12 million on capital in FY 2023-24.

Recommendation

The Finance Manager recommends the District Board approve the Fourth Quarter Treasury Report for fiscal year 2023-24.

Attachments: Schedule of Cash & Investments, 6-30-24
 Investment Statements FY 2023-24 Q4

**West Bay Sanitary District
Schedule of Cash and Investments
Fiscal Year 2023-24
June 30, 2024**



Description	Target	Cash & Equivalents	Fixed Income	Accrued Interest	Quarterly Yield
Operating Account		866,405			0.00%
Payroll Account		82,904			0.00%
Petty Cash		800			
Vehicle & Equipment Account	\$1 million	1,006,057			0.18%
Local Agency Investment Fund (LAIF)		20,318,581		313,753	4.55%
Cash & Equivalent Accounts	\$15 million	22,274,747		313,753	
BMO Wealth Mgmt Reserves Accounts					
Rate Stabilization Reserve	\$10 million	1,030,364	10,067,498	71,596	1.55%
Treatment Plant Reserve	\$12 million	1,644,035	10,844,063	72,030	2.29%
Capital Project Reserve	\$8 million	5,411,538	23,387,292	335,135	1.74%
Emergency Capital Reserve	\$6 million	611,709	5,979,398	33,720	1.05%
Recycled Water Cash Flow Reserve	\$8 million	1,784,991	4,634,629	19,412	2.14%
Bank of the West Reserve Accounts		10,482,637	54,912,879	531,893	
Total Cash and Investments		32,757,384	54,912,879	845,647	
Restricted					
PARS Irrevocable Trust - Retirement			352,067		1.15%
PARS Irrevocable Trust - OPEB			530,984		3.54%
Total PARS Irrevocable Trust			883,051		
Recycled Water SRF Money Market		1,519,315			0.11%
Restricted Accounts		1,519,315	883,051		
Cash and Investments		\$ 34,276,699	\$ 55,795,930	\$ 845,647	
Total Cash and Investments		\$ 90,072,628			

Certification:

The General Manager/Chief Fiscal Officer and Finance Manager of West Bay Sanitary District represents that the above investments are in accordance with the West Bay Sanitary District's Investment Policy, adopted by the District Board on January 3, 2024.

[Signature] 7/16/2024
General Manager/CFO Date

[Signature] 7/16/24
Finance Manager Date

Statement of Account

P.O. Box 755
Chicago, IL 60690-0755

April 1, 2024 - June 30, 2024

WBSD Rate Stabilization Reserve IMA

It is important for you to review the data reported in this statement. If you have any questions, please contact a member of your Client Strategy Team.

“BMO Wealth Management” is a brand name that refers to BMO Bank N.A. and certain of its affiliates that provide certain investment, investment advisory, trust, banking, and securities products and services. Investment products and services: **ARE NOT A DEPOSIT – NOT INSURED BY THE FDIC OR ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY ANY BANK – MAY LOSE VALUE.**

For Questions Call

Private Wealth Advisor: Maya Gervis 415-796-9621 maya.gervis@bmo.com
Portfolio Manager: Michael Smith 408-490-2079 michael.d1.smith@bmo.com
Trust Administrator: Shenetta Tucker 949-386-0134 shenetta.tucker@bmo.com

Accounts Included In This Statement

000000252017 WBSD Rate Stabilization Reserve IMA

West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025
United States



This page intentionally left blank.

P0655UNN 00000155 20240629 218722811



Table of Contents

Schedules	Page
Your Balance Sheet.....	5
Asset Summary.....	6
Portfolio Holdings.....	7
Market Value Reconciliation.....	12
Cash Flow Summary.....	13
Contributions and Benefit Payments.....	14
Other Receipts, Disbursements and Expenses.....	15
Income Received and Capital Gains.....	17
Income Accrual.....	19
Assets Acquired.....	23
Assets Disposed.....	24
Free Receipts, Deliveries and Adjustments.....	27
Reorganizations.....	28
Brokerage Summary.....	29
Your Pending Transaction Detail.....	30
Disclosures.....	31

This page intentionally left blank.



Your Balance Sheet on June 30, 2024

	As of March 31, 2024		As of June 30, 2024		% of account
	Market value	Cost basis	Market value	Cost basis	
Investments					
Fixed Income					
U.S. Government Bonds	8,633,562.69	8,619,191.89	8,509,388.37	8,441,978.07	76.19%
Corp & Taxable Bonds	1,745,250.35	1,802,008.80	1,558,109.34	1,595,453.88	13.95%
Total Fixed Income	\$10,378,813.04	\$10,421,200.69	\$10,067,497.71	\$10,037,431.95	90.14%
Cash					
Cash Equivalents	629,417.55	629,417.55	1,030,364.08	1,030,364.08	9.22%
Total Cash	\$629,417.55	\$629,417.55	\$1,030,364.08	\$1,030,364.08	9.22%
Total Investments	\$11,008,230.59	\$11,050,618.24	\$11,097,861.79	\$11,067,796.03	99.36%
Non-Investments	52,051.92	52,051.92	71,596.46	71,596.46	0.64%
Total For Your Portfolio	\$11,060,282.51	\$11,102,670.16	\$11,169,458.25	\$11,139,392.49	100.00%



Asset Summary on June 30, 2024

	Cost	Market value	Yield on Market	Estimated Annual Income	% of account
Investments					
Fixed Income					
U.S. Government Bonds	8,441,978.07	8,509,388.37	1.40%	119,062.50	76.19%
Corp & Taxable Bonds	1,595,453.88	1,558,109.34	1.92%	29,938.75	13.95%
Total Fixed Income	\$10,037,431.95	\$10,067,497.71	1.48%	\$149,001.25	90.14%
Cash					
Cash Equivalents	1,030,364.08	1,030,364.08	2.38%	24,499.11	9.22%
Total Cash	\$1,030,364.08	\$1,030,364.08	2.38%	\$24,499.11	9.22%
Total Investments	\$11,067,796.03	\$11,097,861.79	1.56%	\$173,500.36	99.36%
Non-Investments	71,596.46	71,596.46		0.00	0.64%
Total For Your Portfolio	\$11,139,392.49	\$11,169,458.25	1.55%	\$173,500.36	100.00%



Portfolio Holdings on June 30, 2024

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .3% 13 Jan 2025 (CUSIP:3133EMMQ2)	200,000.00 97.302	194,604.00	199,700.00	280.00	-5,096.00	600.00 0.31%	1.74%
Federal Home Loan Banks .6% 30 Oct 2024 (CUSIP:3130AM4E9)	250,000.00 98.371	245,927.50	250,000.00	254.17	-4,072.50	1,500.00 0.61%	2.20%
Tennessee Valley Authority .75% 15 May 2025 (CUSIP:880591EW8)	190,000.00 96.2062	182,791.87	190,544.32	182.08	-7,752.45	1,425.00 0.78%	1.64%
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	200,000.00 98.075	196,150.00	193,711.86	87.43	2,438.14	2,000.00 1.02%	1.76%
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	100,000.00 92.356	92,356.00	90,617.79	105.87	1,738.21	1,250.00 1.35%	0.83%
United States Treasury Note/Bond 1.5% 15 Feb 2025 (CUSIP:91282CDZ1)	800,000.00 97.661	781,288.00	771,406.25	4,516.48	9,881.75	12,000.00 1.54%	6.99%
United States Treasury Note/Bond 1.5% 31 Jan 2027 (CUSIP:912828Z78)	250,000.00 92.547	231,367.50	230,665.39	1,565.94	702.11	3,750.00 1.62%	2.07%
United States Treasury Note/Bond 1.625% 15 Feb 2026 (CUSIP:912828P46)	200,000.00 94.988	189,976.00	193,479.82	1,223.21	-3,503.82	3,250.00 1.71%	1.70%
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	200,000.00 93.387	186,774.00	185,351.47	547.55	1,422.53	3,250.00 1.74%	1.67%
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	220,000.00 100.00	220,000.00	213,509.39	0.00	6,490.61	3,850.00 1.75%	1.97%



Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	150,000.00 93.328	139,992.00	139,831.40	1,319.63	160.60	2,625.00 1.88%	1.25%
United States Treasury Note/Bond 1.75% 31 Jul 2024 (CUSIP:912828Y87)	1,000,000.00 99.703	997,030.00	980,234.38	7,307.69	16,795.62	17,500.00 1.76%	8.95%
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	200,000.00 94.43	188,860.00	188,563.50	1,565.93	296.50	3,750.00 1.99%	1.69%
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	320,000.00 100.00	320,000.00	316,598.01	0.00	3,401.99	6,400.00 2.00%	2.86%
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	260,000.00 95.813	249,113.80	248,485.99	1,040.35	627.81	6,175.00 2.48%	2.23%
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	480,000.00 94.289	452,587.20	441,304.68	301.64	11,282.52	1,200.00 0.27%	4.05%
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	600,000.00 94.613	567,678.00	546,796.88	501.36	20,881.12	1,500.00 0.26%	5.08%
United States Treasury Note/Bond .25% 31 Oct 2025 (CUSIP:91282CAT8)	320,000.00 93.981	300,739.20	297,625.00	134.78	3,114.20	800.00 0.27%	2.69%
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	400,000.00 97.712	390,848.00	387,913.43	5,529.89	2,934.57	11,000.00 2.81%	3.50%
United States Treasury Note/Bond .375% 15 Aug 2024 (CUSIP:91282CCT6)	80,000.00 99.381	79,504.80	77,644.69	112.91	1,860.11	300.00 0.38%	0.71%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	250,000.00 93.199	232,997.50	228,394.31	391.48	4,603.19	937.50 0.40%	2.09%
United States Treasury Note/Bond 4.625% 15 Sep 2026 (CUSIP:91282CHY0)	500,000.00 99.867	499,335.00	497,148.44	6,786.69	2,186.56	23,125.00 4.63%	4.47%
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	40,000.00 93.117	37,246.80	36,696.59	66.85	550.21	200.00 0.54%	0.33%
United States Treasury Note/Bond .5% 30 Jun 2027 (CUSIP:912828ZV5)	600,000.00 88.856	533,136.00	529,945.31	1,508.15	3,190.69	3,000.00 0.56%	4.77%
United States Treasury Note/Bond .5% 31 Aug 2027 (CUSIP:91282CAH4)	250,000.00 88.293	220,732.50	218,828.13	417.80	1,904.37	1,250.00 0.57%	1.98%
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	250,000.00 91.969	229,922.50	227,687.21	626.70	2,235.29	1,875.00 0.82%	2.06%
United States Treasury Note/Bond .75% 31 Mar 2026 (CUSIP:91282CBT7)	240,000.00 93.258	223,819.20	238,687.50	452.46	-14,868.30	1,800.00 0.80%	2.00%
United States Treasury Note/Bond .75% 31 May 2026 (CUSIP:91282CCF6)	250,000.00 92.738	231,845.00	229,863.28	158.81	1,981.72	1,875.00 0.81%	2.08%
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	100,000.00 92.766	92,766.00	90,743.05	439.88	2,022.95	875.00 0.94%	0.83%
Total U.S. Government Bonds		\$8,509,388.37	\$8,441,978.07	\$37,425.73	\$67,410.30	\$119,062.50 1.40%	76.19%



Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>Corp & Taxable Bonds</i>							
American Express Co 2.5% 30 Jul 2024 (CUSIP:025816CG2)	100,000.00 100.00	100,000.00	100,609.82	1,048.61	-609.82	2,500.00 2.50%	0.90%
Apple Inc .7% 08 Feb 2026 (CUSIP:037833EB2)	50,000.00 93.387	46,693.50	49,948.00	139.03	-3,254.50	350.00 0.75%	0.42%
Bellevue Ne Cops Txbl-Ref-Cops 15 Mar 2021 0.455% 15 Sep 2024 (CUSIP:079222AS4)	65,000.00 98.987	64,341.55	65,000.00	87.08	-658.45	295.75 0.46%	0.58%
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBNO)	60,000.00 97.997	58,798.20	62,142.40	765.00	-3,344.20	2,025.00 3.44%	0.53%
John Deere Capital Corp 3.45% 13 Mar 2025 (CUSIP:24422EUE7)	110,000.00 98.664	108,530.40	112,818.27	1,138.50	-4,287.87	3,795.00 3.50%	0.97%
KLA Corp 4.65% 01 Nov 2024 (CUSIP:482480AEO)	150,000.00 99.69	149,535.00	152,615.15	1,162.50	-3,080.15	6,975.00 4.66%	1.34%
Nedrose Nd Public Sch Dist #4 Txbl-Ref 17 Feb 2021 0.35% 01 Aug 2024 (CUSIP:639834CM0)	100,000.00 99.576	99,576.00	100,009.84	145.83	-433.84	350.00 0.35%	0.89%
PayPal Holdings Inc 2.4% 01 Oct 2024 (CUSIP:70450YAC7)	73,000.00 99.1832	72,403.77	73,571.45	438.00	-1,167.68	1,752.00 2.42%	0.65%
San Francisco Ca Bay Area Rapi Sustainable Bond-Txbl-Ref-Ser 31 Oct 2019 1.971% 01 Jul 2024 (CUSIP:797669ZJ0)	100,000.00 100.00	100,000.00	100,682.35	985.50	-682.35	1,971.00 1.97%	0.90%
Toyota Motor Credit Corp 3% 01 Apr 2025 (CUSIP:89236TGX7)	300,000.00 98.2314	294,694.19	306,014.08	2,250.00	-11,319.89	9,000.00 3.05%	2.64%
Truist Financial Corp 3.7% 05 Jun 2025 (CUSIP:05531FBE2)	25,000.00 98.1509	24,537.73	25,707.96	66.81	-1,170.23	925.00 3.77%	0.22%
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2024 (CUSIP:929845UN3)	300,000.00 99.33	297,990.00	298,435.12	0.00	-445.12	0.00	2.65%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>Corp & Taxable Bonds (continued)</i>							
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2025 (CUSIP:929845UP8)	150,000.00 94.006	141,009.00	147,899.44	0.00	-6,890.44	0.00	1.26%
Total Corp & Taxable Bonds		\$1,558,109.34	\$1,595,453.88	\$8,226.86	-\$37,344.54	\$29,938.75 1.92%	13.95%
Total Fixed Income		\$10,067,497.71	\$10,037,431.95	\$45,652.59	\$30,065.76	\$149,001.25 1.48%	90.14%
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	460,077.20 1.00	460,077.20	460,077.20	1,972.75	0.00	24,499.11 5.33%	4.12%
United States Treasury Bill Zero 05 Sep 2024 (CUSIP:912797GL5)	600,000.00 99.043	570,286.88	570,286.88	23,971.12	0.00	0.00	5.10%
Total Cash Equivalents		\$1,030,364.08	\$1,030,364.08	\$25,943.87	\$0.00	\$24,499.11 2.38%	9.22%
Total Cash		\$1,030,364.08	\$1,030,364.08	\$25,943.87	\$0.00	\$24,499.11 2.38%	9.22%
Total Investments		\$11,097,861.79	\$11,067,796.03	\$71,596.46	\$30,065.76	\$173,500.36 1.56%	99.36%
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00 1.00	71,596.46	71,596.46	0.00	0.00	0.00	0.64%
Total Non-Investments		\$71,596.46	\$71,596.46	\$0.00	\$0.00	\$0.00	0.64%
Total For Your Portfolio		\$11,169,458.25	\$11,139,392.49	\$71,596.46	\$30,065.76	\$173,500.36 1.55%	100.00%

Market Value Reconciliation 000000252017 - WBSD Rate Stabilization Reserve IMA

	Net amount	Balance
Beginning Market Value		\$11,060,282.51
Fees/ Expenses		
Trustee/Custody Fees	-3,862.70	
Total Fees/ Expenses		-\$3,862.70
Investment Activity		
Income Earned	44,353.77	
Cost Adjustments	-4,146.87	
Total Investment Activity		\$40,206.90
Total Realized Gain/Loss		\$378.13
Total Net change in Unrealized Gain/Loss		\$72,453.41
Total Ending Market Value		\$11,169,458.25



Cash Flow Summary

	Amount	Balance
Opening Cash Balance on April 1, 2024 - US Dollar		\$0.00
Fees/ Expenses		
Trustee/Custody Fees	-3,862.70	
Total Fees/ Expenses	-\$3,862.70	
Investment Activity		
Income Received	24,809.23	
Security Transactions	-20,946.53	
Total Investment Activity	\$3,862.70	
Closing Cash Balance on June 30, 2024 - US Dollar	\$0.00	\$0.00

Contributions and Benefit Payments

No transactions this period.



Other Receipts, Disbursements and Expenses

Trade date Settlement date	Transaction description	Amount	Realized G/L
000000252017 WBSD Rate Stabilization Reserve IMA			
Fee and Expenses			
<i>Trustee/Custody Fees</i>			
April 1, 2024	Periodic Fee: Taken Monthly \$1,286.19 (03/01/24 to 03/31/24)	-1,286.19	0.00
April 1, 2024	Account Services Fee: \$1,286.19 Based on End of Period Market Value of \$65,001,622.50: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$15,001,622.50 @ 0.1% Total Annual Fee: \$91,001.62. Account 000000252017: \$1,286.19. Charged now \$1,286.19. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
May 1, 2024	Periodic Fee: Taken Monthly \$1,285.77 (04/01/24 to 04/30/24)	-1,285.77	0.00
May 1, 2024	Account Services Fee: \$1,285.77 Based on End of Period Market Value of \$64,965,945.28: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$14,965,945.28 @ 0.1% Total Annual Fee: \$90,965.95. Account 000000252017: \$1,285.77. Charged now \$1,285.77. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
June 3, 2024	Periodic Fee: Taken Monthly \$1,290.74 (05/01/24 to 05/31/24)	-1,290.74	0.00
June 3, 2024	Account Services Fee: \$1,290.74 Based on End of Period Market Value of \$65,319,540.37: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15%		



Other Receipts, Disbursements and Expenses (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Trustee/Custody Fees (continued)</i>			
	\$30,000,000.00 @ 0.12%		
	\$15,319,540.37 @ 0.1%		
	Total Annual Fee: \$91,319.54.		
	Account 000000252017: \$1,290.74. Charged now \$1,290.74.		
	Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
Total Trustee/Custody Fees		-\$3,862.70	\$0.00
Total Fee and Expenses		-\$3,862.70	\$0.00
Total 000000252017 WBSD Rate Stabilization Reserve IMA		-\$3,862.70	\$0.00



Income Received and Capital Gains

Trade date Settlement date	Transaction description	Amount	Realized G/L
000000252017 WBSD Rate Stabilization Reserve IMA			
Income Received			
<i>Interest Income</i>			
April 1, 2024 April 1, 2024	Interest Payment 0.03 USD Toyota Motor Credit Corp 3% 01 Apr 2025 For 300,000.00 Par Value Due on 04/01/24 With Ex Date 04/01/24	4,500.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.024 USD PayPal Holdings Inc 2.4% 01 Oct 2024 For 73,000.00 Par Value Due on 04/01/24 With Ex Date 04/01/24	876.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0025 USD United States Treasury Note/Bond .25% 30 Sep 2025 For 480,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	600.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0075 USD United States Treasury Note/Bond .75% 31 Mar 2026 For 240,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	900.00	0.00
April 15, 2024 April 15, 2024	Interest Payment 0.00375 USD United States Treasury Note/Bond .375% 15 Apr 2024 For 100,000.00 Par Value Due on 04/15/24 With Ex Date 04/15/24	187.50	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.006 USD Federal Home Loan Banks .6% 30 Oct 2024 For 250,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	750.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.01625 USD United States Treasury Note/Bond 1.625% 31 Oct 2026 For 200,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	1,625.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.0025 USD United States Treasury Note/Bond .25% 31 Oct 2025 For 320,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	400.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.02375 USD United States Treasury Note/Bond 2.375% 30 Apr 2026 For 260,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	3,087.50	0.00
May 1, 2024 May 1, 2024	Interest Payment 0.00671 USD South Dakota St Hsg Dev Auth Txbl-Homeownership Mtge-Ref-Se 04 Aug 2021 0.671% 01 May 2024 For 200,000.00 Par Value Due on 05/01/24 With Ex Date 05/01/24	671.00	0.00
May 1, 2024 May 1, 2024	Interest Payment 0.02325 USD KLA Corp 4.65% 01 Nov 2024 For 150,000.00 Par Value Due on 05/01/24 With Ex Date 05/01/24	3,487.50	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.025 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 80,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	1,000.00	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.0075 USD Tennessee Valley Authority .75% 15 May 2025 For 190,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	712.50	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.0075 USD United States Treasury Note/Bond .75% 31 May 2026 For 250,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	937.50	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.0125 USD United States Treasury Note/Bond 1.25% 30 Nov 2026 For 100,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	625.00	0.00

Income Received and Capital Gains (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Interest Income (continued)</i>			
June 5, 2024 June 5, 2024	Interest Payment 0.037 USD Truist Financial Corp 3.7% 05 Jun 2025 For 25,000.00 Par Value Due on 06/05/24 With Ex Date 06/05/24	462.50	0.00
June 17, 2024 June 17, 2024	Interest Payment 0.01 USD United States Treasury Note/Bond 1% 15 Dec 2024 For 200,000.00 Par Value Due on 06/17/24 With Ex Date 06/15/24	1,000.00	0.00
Total Interest Income		\$21,822.00	\$0.00
<i>Dividend Income</i>			
April 1, 2024 April 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 03/01/24 to 03/31/24 Due on 04/01/24	614.79	0.00
May 1, 2024 May 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 04/01/24 to 04/30/24 Due on 05/01/24	510.16	0.00
June 3, 2024 June 3, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 05/01/24 to 05/31/24 Due on 06/03/24	1,862.28	0.00
Total Dividend Income		\$2,987.23	\$0.00
Total Income Received		\$24,809.23	\$0.00
Total 000000252017 WBSD Rate Stabilization Reserve IMA		\$24,809.23	\$0.00



Income Accrual on June 30, 2024

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .3% 13 Jan 2025 (CUSIP:3133EMMQ2)	200,000.00		0.31%	130.00	150.00	0.00	280.00
Federal Home Loan Banks .6% 30 Oct 2024 (CUSIP:3130AM4E9)	250,000.00	04/30/24 04/30/24	0.61%	629.17	375.00	750.00	254.17
Tennessee Valley Authority .75% 15 May 2025 (CUSIP:880591EW8)	190,000.00	05/15/24 05/15/24	0.78%	538.33	356.25	712.50	182.08
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	200,000.00	06/15/24 06/17/24	1.02%	590.16	497.27	1,000.00	87.43
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	100,000.00	05/31/24 05/31/24	1.35%	420.08	310.79	625.00	105.87
United States Treasury Note/Bond 1.5% 15 Feb 2025 (CUSIP:91282CDZ1)	800,000.00		1.54%	1,516.48	3,000.00	0.00	4,516.48
United States Treasury Note/Bond 1.5% 31 Jan 2027 (CUSIP:912828Z78)	250,000.00		1.62%	628.44	937.50	0.00	1,565.94
United States Treasury Note/Bond 1.625% 15 Feb 2026 (CUSIP:912828P46)	200,000.00		1.71%	410.71	812.50	0.00	1,223.21
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	200,000.00	04/30/24 04/30/24	1.74%	1,366.07	806.48	1,625.00	547.55
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	220,000.00		1.75%	973.08	-973.08	0.00	0.00
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	150,000.00		1.88%	663.46	656.17	0.00	1,319.63
United States Treasury Note/Bond 1.75% 31 Jul 2024 (CUSIP:912828Y87)	1,000,000.00		1.76%	2,932.69	4,375.00	0.00	7,307.69
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	200,000.00		1.99%	628.43	937.50	0.00	1,565.93

Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	320,000.00		2.00%	1,617.58	-1,617.58	0.00	0.00
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	260,000.00	04/30/24 04/30/24	2.48%	2,595.54	1,532.31	3,087.50	1,040.35
United States Treasury Note/Bond 2.5% 15 May 2024 (CUSIP:912828WJ5)	0.00	05/15/24 05/15/24		758.24	241.76	1,000.00	0.00
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	480,000.00	03/31/24 04/01/24	0.27%	603.28	298.36	600.00	301.64
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	600,000.00		0.26%	130.43	370.93	0.00	501.36
United States Treasury Note/Bond .25% 31 Oct 2025 (CUSIP:91282CAT8)	320,000.00	04/30/24 04/30/24	0.27%	336.26	198.52	400.00	134.78
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	400,000.00		2.81%	2,780.22	2,749.67	0.00	5,529.89
United States Treasury Note/Bond .375% 15 Apr 2024 (CUSIP:91282CBV2)	0.00	04/15/24 04/15/24		173.16	14.34	187.50	0.00
United States Treasury Note/Bond .375% 15 Aug 2024 (CUSIP:91282CCT6)	80,000.00		0.38%	37.91	75.00	0.00	112.91
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	250,000.00		0.40%	157.11	234.37	0.00	391.48
United States Treasury Note/Bond 4.625% 15 Sep 2026 (CUSIP:91282CHY0)	500,000.00		4.63%	1,068.28	5,718.41	0.00	6,786.69
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	40,000.00		0.54%	17.39	49.46	0.00	66.85
United States Treasury Note/Bond .5% 30 Jun 2027 (CUSIP:912828ZV5)	600,000.00		0.56%	758.24	749.91	0.00	1,508.15
United States Treasury Note/Bond .5% 31 Aug 2027 (CUSIP:91282CAH4)	250,000.00		0.57%	108.70	309.10	0.00	417.80
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	250,000.00		0.82%	163.04	463.66	0.00	626.70



Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
U.S. Government Bonds (continued)							
United States Treasury Note/Bond .75% 31 Mar 2026 (CUSIP:91282CBT7)	240,000.00	03/31/24 04/01/24	0.80%	904.92	447.54	900.00	452.46
United States Treasury Note/Bond .75% 31 May 2026 (CUSIP:91282CCF6)	250,000.00	05/31/24 05/31/24	0.81%	630.12	466.19	937.50	158.81
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	100,000.00		0.94%	221.15	218.73	0.00	439.88
Total U.S. Government Bonds				\$24,488.67	\$24,762.06	\$11,825.00	\$37,425.73
Corp & Taxable Bonds							
American Express Co 2.5% 30 Jul 2024 (CUSIP:025816CG2)	100,000.00		2.50%	423.61	625.00	0.00	1,048.61
Apple Inc .7% 08 Feb 2026 (CUSIP:037833EB2)	50,000.00		0.75%	51.53	87.50	0.00	139.03
Bellevue Ne Cops Txbl-Ref-Cops 15 Mar 2021 0.455% 15 Sep 2024 (CUSIP:079222AS4)	65,000.00		0.46%	13.14	73.94	0.00	87.08
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBNO)	60,000.00		3.44%	258.75	506.25	0.00	765.00
John Deere Capital Corp 3.45% 13 Mar 2025 (CUSIP:24422EUE7)	110,000.00		3.50%	189.75	948.75	0.00	1,138.50
KLA Corp 4.65% 01 Nov 2024 (CUSIP:482480AEO)	150,000.00	05/01/24 05/01/24	4.66%	2,906.25	1,743.75	3,487.50	1,162.50
Nedrose Nd Public Sch Dist #4 Txbl-Ref 17 Feb 2021 0.35% 01 Aug 2024 (CUSIP:639834CM0)	100,000.00		0.35%	58.33	87.50	0.00	145.83
PayPal Holdings Inc 2.4% 01 Oct 2024 (CUSIP:70450YAC7)	73,000.00	04/01/24 04/01/24	2.42%	876.00	438.00	876.00	438.00
San Francisco Ca Bay Area Rapi Sustainable Bond-Txbl-Ref-Ser 31 Oct 2019 1.971% 01 Jul 2024 (CUSIP:797669ZJO)	100,000.00		1.97%	492.75	492.75	0.00	985.50

Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>Corp & Taxable Bonds (continued)</i>							
South Dakota St Hsg Dev Auth Txbl-Homeownership Mtge-Ref-Se 04 Aug 2021 0.671% 01 May 2024 (CUSIP:83756CM69)	0.00	05/01/24 05/01/24		559.17	111.83	671.00	0.00
Toyota Motor Credit Corp 3% 01 Apr 2025 (CUSIP:89236TGX7)	300,000.00	04/01/24 04/01/24	3.05%	4,500.00	2,250.00	4,500.00	2,250.00
Truist Financial Corp 3.7% 05 Jun 2025 (CUSIP:05531FBE2)	25,000.00	06/05/24 06/05/24	3.77%	298.06	231.25	462.50	66.81
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2024 (CUSIP:929845UN3)	300,000.00			0.00	0.00	0.00	0.00
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2025 (CUSIP:929845UP8)	150,000.00			0.00	0.00	0.00	0.00
Total Corp & Taxable Bonds				\$10,627.34	\$7,596.52	\$9,997.00	\$8,226.86
Total Fixed Income				\$35,116.01	\$32,358.58	\$21,822.00	\$45,652.59
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	460,077.20		5.33%	614.79	4,345.19	2,987.23	1,972.75
United States Treasury Bill Zero 05 Sep 2024 (CUSIP:912797GL5)	600,000.00			16,321.12	7,650.00	0.00	23,971.12
Total Cash Equivalents				\$16,935.91	\$11,995.19	\$2,987.23	\$25,943.87
Total Cash				\$16,935.91	\$11,995.19	\$2,987.23	\$25,943.87
Total Investments				\$52,051.92	\$44,353.77	\$24,809.23	\$71,596.46
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00			0.00	0.00	0.00	0.00
Total Non-Investments				\$0.00	\$0.00	\$0.00	\$0.00
Total Accrual				\$52,051.92	\$44,353.77	\$24,809.23	\$71,596.46



Assets Acquired

Trade date Settlement date	Descriptions	Par Value or Shares	Amount	Total federal cost	Interest bought
000000252017 WBSD Rate Stabilization Reserve IMA					
<i>Cash</i>					
<i>Federated Hermes Government Obligations Fund</i>					
June 30, 2024	Sweep purchases totaling 402,237.27 units of	402,237.27	-402,237.27	402,237.27	
June 30, 2024	Federated Hermes Government Obligations Fund for Managed (Capital) (15 Transactions)				
Total Federated Hermes Government Obligations Fund			-\$402,237.27	\$402,237.27	\$0.00
Total Cash			-\$402,237.27	\$402,237.27	\$0.00
Total 000000252017 WBSD Rate Stabilization Reserve IMA			-\$402,237.27	\$402,237.27	\$0.00



Assets Disposed

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
000000252017 WBSD Rate Stabilization Reserve IMA						
<i>Fixed Income</i>						
<i>South Dakota St Hsg Dev Auth Txbl-Homeownership Mtge-Ref-Se 04 Aug 2021 0.671% 01 May 2024</i>						
May 1, 2024	Final Maturity 1 USD South		200,000.00			0.00
May 1, 2024	Dakota St Hsg Dev Auth Txbl-Homeownership Mtge-Ref-Se 04 Aug 2021 0.671% 01 May 2024 For 200,000.00 Par Value Due on 05/01/24 With Ex Date 05/01/24					
May 1, 2024	Final Maturity 100:100 Debit	-200,000.00	0.00	-200,000.00		0.00
May 1, 2024	200,000.00 South Dakota St Hsg Dev Auth Txbl-Homeownership Mtge-Ref-Se 04 Aug 2021 0.671% 01 May 2024 For 200,000.00 Par Value of South Dakota St Hsg Dev Auth Txbl-Homeownership Mtge-Ref-Se 04 Aug 2021 0.671% 01 May 2024 Due on 05/01/24 With Ex Date 05/01/24					
Total South Dakota St Hsg Dev Auth Txbl-Homeownership Mtge-Ref-Se 04 Aug 2021 0.671% 01 May 2024			\$200,000.00	-\$200,000.00	\$0.00	\$0.00
<i>United States Treasury Note/Bond .375% 15 Apr 2024</i>						
April 15, 2024	Final Maturity 1 USD United		100,000.00			0.00
April 15, 2024	States Treasury Note/Bond .375% 15 Apr 2024 For 100,000.00 Par Value Due on 04/15/24 With Ex Date 04/15/24					
April 15, 2024	Final Maturity 100:100 Debit	-100,000.00	0.00	-100,000.00		0.00
April 15, 2024	100,000.00 United States					

Assets Disposed (continued)

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
<i>United States Treasury Note/Bond .375% 15 Apr 2024 (continued)</i>						
	Treasury Note/Bond .375% 15 Apr 2024 For 100,000.00 Par Value of United States					
	Treasury Note/Bond .375% 15 Apr 2024 Due on 04/15/24 With Ex Date 04/15/24					
Total United States Treasury Note/Bond .375% 15 Apr 2024			\$100,000.00	-\$100,000.00	\$0.00	\$0.00
<i>United States Treasury Note/Bond 2.5% 15 May 2024</i>						
May 15, 2024	Final Maturity 1 USD United		80,000.00			0.00
May 15, 2024	States Treasury Note/Bond 2.5% 15 May 2024 For 80,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24					
May 15, 2024	Final Maturity 100:100 Debit	-80,000.00	0.00	-79,621.87		378.13
May 15, 2024	80,000.00 United States Treasury Note/Bond 2.5% 15 May 2024 For 80,000.00 Par Value of United States Treasury Note/Bond 2.5% 15 May 2024 Due on 05/15/24 With Ex Date 05/15/24					
Total United States Treasury Note/Bond 2.5% 15 May 2024			\$80,000.00	-\$79,621.87	\$0.00	\$378.13
Total Fixed Income			\$380,000.00	-\$379,621.87	\$0.00	\$378.13
<i>Cash</i>						
<i>Federated Hermes Government Obligations Fund</i>						
June 30, 2024	Sweep sales totaling	-1,290.74	1,290.74	-1,290.74		0.00
June 30, 2024	-1,290.74 units of Federated Hermes Government					

Assets Disposed (continued)

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
<i>Federated Hermes Government Obligations Fund (continued)</i>						
	Obligations Fund for Managed (Capital) (1 Transactions)					
	Total Federated Hermes Government Obligations Fund		\$1,290.74	-\$1,290.74	\$0.00	\$0.00
	Total Cash		\$1,290.74	-\$1,290.74	\$0.00	\$0.00
	Total 000000252017 WBSD Rate Stabilization Reserve IMA		\$381,290.74	-\$380,912.61	\$0.00	\$378.13



Free Receipts, Deliveries and Adjustments

Trade date Settlement date	Transaction description	Amount	Cost	Realized G/L
000000252017 WBSD Rate Stabilization Reserve IMA				
Adjustments				
<i>SAA Adjustments (Amortization/Accretion)</i>				
April 1, 2024 April 1, 2024	Adjustment - Amortized Premium Current Year of PayPal Holdings Inc 2.4% 01 Oct 2024 - Adjustment Amount of \$569.10, Federal Cost \$569.10, State Cost \$569.10	0.00	-569.10	0.00
April 1, 2024 April 1, 2024	Adjustment - Amortized Premium Current Year of Toyota Motor Credit Corp 3% 01 Apr 2025 - Adjustment Amount of \$3,033.80, Federal Cost \$3,033.80, State Cost \$3,033.80	0.00	-3,033.80	0.00
April 15, 2024 April 15, 2024	Adjustment - Accreted Market Discount Current Year of United States Treasury Note/Bond .375% 15 Apr 2024 - Adjustment Amount of \$2,679.43, Federal Cost \$2,679.43, State Cost \$2,679.43	0.00	2,679.43	0.00
May 1, 2024 May 1, 2024	Adjustment - Amortized Premium Current Year of KLA Corp 4.65% 01 Nov 2024 - Adjustment Amount of \$2,600.29, Federal Cost \$2,600.29, State Cost \$2,600.29	0.00	-2,600.29	0.00
May 15, 2024 May 15, 2024	Adjustment - Amortized Premium Current Year of Tennessee Valley Authority .75% 15 May 2025 - Adjustment Amount of \$271.38, Federal Cost \$271.38, State Cost \$271.38	0.00	-271.38	0.00
June 5, 2024 June 5, 2024	Adjustment - Amortized Premium Current Year of Truist Financial Corp 3.7% 05 Jun 2025 - Adjustment Amount of \$351.73, Federal Cost \$351.73, State Cost \$351.73	0.00	-351.73	0.00
Total SAA Adjustments (Amortization/Accretion)		\$0.00	-\$4,146.87	\$0.00
Total Adjustments		\$0.00	-\$4,146.87	\$0.00
Total 000000252017 WBSD Rate Stabilization Reserve IMA		\$0.00	-\$4,146.87	\$0.00



Reorganizations

No transactions this period.

Brokerage Summary

No activity this period.



Your Pending Transaction Detail

No transactions this period.

Disclosures

Customer Notes

1. Prices, most of which are provided by national pricing services, are not guaranteed for accuracy or realizable value. Generally, the price shown for market-traded securities is the closing price as of the statement date. If a price is not received for that date, then the price will be the last price received. Non-market traded security prices are based on the most recent values provided or obtained. Securities traded in a foreign market show a local market price. A currency exchange rate has been applied so the Market Value is in U.S. dollars.
2. **For holders of the Infinity Q Diversified Alpha fund ("IQ Fund"):** The current price listed on your statement may not be representative of the final liquidation value. Most of the remaining cash in the IQ Fund has been moved to a Special Reserve that is reflected on your statement as a miscellaneous asset titled **Infinity Q Diversified Alpha Special Reserve**. This asset represents an assessment of the most recent Special Reserve per share value based on data available at <https://www.infinityqfundliquidation.com/>. Please note this position is for recordkeeping purposes only and will not be available to be transferred, gifted, and/or liquidated. The ultimate distribution to IQ Fund shareholders may be more or less than this assessment based on (a) fluctuations in the Special Reserve, (b) the possibility that former shareholders will be entitled to receive proceeds from the Special Reserve, and (c) current shareholders that previously redeemed shares may receive more limited payouts. The Special Reserve may decrease over time as costs and liabilities are accrued in ongoing litigation. To support the Special Reserve, the IQ Fund Board has also created a Special Litigation Committee ("SLC") to pursue claims against various third parties, including service providers. The Special Reserve may increase due to the recovery efforts of the SLC.
3. Percentage columns may not total 100.0 due to rounding.
4. For Individual Retirement Trust (IRT) accounts, you have the right to modify the withholding instructions you have on file with us at any time. If you wish to do so, please contact your account administrator.
5. Estimated annual income is based on current assets and returns. It is a snapshot of your account as of the statement date. Variations in the asset composition and returns of the account will change these estimates. Please keep in mind that these are estimates only and not a guarantee of income.
6. Income and gain/loss information are based on the best information we have at the time of the transaction, some of which may have been provided by third parties. Subsequent changes can occur during the year. Also, in some instances, such as complex corporate mergers or tenders, the taxability of the transaction cannot adequately be reflected on your statement. Therefore, you should only use the official tax information letter, which is sent to you after the year-end, in preparation of your tax return.
7. You will receive an official tax information letter after the end of the tax year which advises you regarding the amounts you should include in your tax return. Do not rely on the income reported on this statement to prepare your taxes.
8. Trust accounting income is reflected in the section entitled "Your Account Activity". If your account is a Trust or an Estate, and BMO or an affiliate is Trustee/ Co-Trustee or Executor/ Co-Executor, we will first apply the provisions specified in the governing document(s) or, in the absence of such provisions, the appropriate state law that applies for the allocation of income and principal as it relates to receipts and disbursements. Thus, the allocation may vary from

Disclosures (continued)

state to state and account to account.

9. Receipt of this account statement will serve to confirm that the individual(s) with investment authority (i) directed or approved all account transactions listed on the account statement and (ii) ratifies all trades disclosed on the account statement. Please contact your portfolio manager or trust administrator with any questions.
10. For trust accounts governed by Arizona, Arkansas, Colorado, Connecticut, District of Columbia, Hawaii, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Dakota, South Carolina, Vermont, Virginia, West Virginia, or Wisconsin law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim for breach of trust.
11. For trust accounts governed by Alabama, Georgia, Ohio or Wyoming law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the date the beneficiary, a representative of the beneficiary, or a beneficiary surrogate is sent a report that adequately discloses the existence of a potential claim for breach of trust.
12. For trust accounts governed by Alaska law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a report that adequately discloses the existence of a potential claim against the trustee. If a trustee petitions a court for an order approving a report that adequately discloses the existence of a potential claim, serves the report on all beneficiaries to be bound by the report, gives the beneficiaries at least 60 days' notice of the court proceeding, and notifies the beneficiary that a claim must be begun within 45 days after the beneficiary is served with notice, all potential claims are barred unless the claims are served on the trustee and filed with the court within **45 days** after the beneficiaries are served with notice of the court proceeding. Otherwise, notwithstanding the lack of adequate disclosure, all claims against a trustee who has issued a report received by the beneficiary and who has informed the beneficiary of the location and availability of records for examination by the beneficiary are barred unless a proceeding to assert the claims is commenced within **three years** after the beneficiary's receipt of the report.
13. For trust accounts governed by California, Minnesota, or Montana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after the date the beneficiary receives an account or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into the existence of the claim.
14. For trust accounts governed by Delaware law, a person may not initiate a proceeding against a trustee for breach of trust more than **one year** after the date such person was sent a report that adequately disclosed the facts constituting the potential claim for breach of trust, or in the case of a trustee who has resigned, been removed or ceased to serve as trustee for any reason, **120 days** after the date the beneficiary was sent a report that (i) notifies the beneficiary that the trustee has ceased to serve; (ii) adequately discloses the facts constituting a claim; and (iii) adequately discloses the time allowed for initiating proceedings against the former trustee.
15. For trust accounts governed by Florida law, an action for breach of trust based on matters disclosed in a trust accounting or other written report of the trustee may be subject to a **six month** statute of limitations from the receipt of the trust accounting or other written report.
16. For trust accounts governed by Idaho law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement disclosing the matter and showing termination of the trust relationship between the trustee and beneficiary. Otherwise, notwithstanding lack of full disclosure a trustee who has issued a final account or statement received by the beneficiary and has informed the

Disclosures (continued)

beneficiary of the location and availability of records for his examination is protected after **three years**.

17. For trust accounts governed by Illinois law, a beneficiary may not commence a proceeding against a trustee for breach of trust for trusts that becomes irrevocable after January 01, 2020, and for trustees who accepted appointment after January 01, 2020, more than **two years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished. For trusts that became irrevocable before January 01, 2020, and for trustees who accepted appointment before January 01, 2020, a beneficiary may not commence a proceeding against a trustee more than **three years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished.

18. For trust accounts governed by Indiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after receipt of the final account or statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary.

19. For trust accounts governed by Iowa law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the receipt of accounting or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into its existence.

20. For trust accounts governed by Louisiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the trustee renders an accounting for the accounting period in which the alleged act, omission, or breach of duty arising out of the matters disclosed therein occurred to the beneficiary or if the beneficiary lacks legal capacity, the beneficiary's legal representative. However, such actions must be filed within **three years** of the trustee rendering the accounting for the accounting period in discussion, even actions that happened within **two years** of disclosure. If a beneficiary is a minor when a trustee's accounting for the accounting period in which the alleged act, omission, or breach of duty occurred is rendered, the period of two years begins to run from the day he reaches the age of eighteen.

21. For trust accounts governed by Massachusetts law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary, or more than **three years** after a beneficiary received information regarding the location and availability of records for examination.

22. For trust accounts governed by New Jersey law or Utah law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim.

23. For trust accounts governed by North Carolina law, a beneficiary may not commence a proceeding against a trustee more than **five years** after the first to occur of (i) the removal, resignation, or death of the trustee; (ii) the termination of the beneficiary's interest in the trust; or (iii) the termination of the trust.

24. For trust accounts governed by Oklahoma law, a beneficiary may not commence a proceeding against a trustee more than **two years** after receipt of a report or statement adequately disclosing the existence of the claim or more than **two years** after the termination of the trust relationship between the beneficiary and that trustee.

25. For trust accounts governed by Oregon law, we would like to inform you that ORS 130.820 states as follows: "(1) Notwithstanding ORS chapter 12 or any other provision of law, but subject to subsection (2) of this section, a civil action against a trustee based on any act or omission of the trustee, whether

Disclosures (continued)

based in tort, contract or other theory of recovery, must be commenced within six years after the date the act or omission is discovered, or six years after the date the act or omission should have been discovered, whichever is earlier.(2) A beneficiary may not commence a proceeding against a trustee more than one year after the date the beneficiary or a representative of the beneficiary is sent a report by certified or regular mail that adequately discloses the existence of a potential claim and that informs the beneficiary of the time allowed for commencing a proceeding. A copy of this section must be attached to the report. The report must provide sufficient information so that the beneficiary or representative knows of the potential claim or should have inquired into its existence.”

26. For trust accounts governed by Pennsylvania law, a beneficiary may not commence a proceeding against a trustee if (i) the trustee provided the beneficiary at least annually with periodic written financial reports concerning the trust and (ii) the transaction was disclosed in a report or such report provided sufficient information so that the beneficiary knew or should have known of the potential claim or should have inquired into its existence, and (iii) within **thirty months** after such report was sent by the trustee to the beneficiary, the beneficiary did not notify the trustee in writing that the beneficiary challenges the transaction or asserts a claim and provides in writing the basis for that challenge or assertion.

27. For accounts governed by South Dakota law, a distribution beneficiary may not object to the trustee’s accounting more than **180 days** after a copy of the trustee’s accounting has been mailed, postage prepaid, to the last known address of such distribution, personally or electronically in accordance with SDCL § 15-6-5(d).

28. For trust accounts governed by Tennessee law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the earlier of:

- (i) the date the beneficiary or a representative of the beneficiary was sent information that adequately disclosed facts indicating the existence of a potential claim for breach of trust or (ii) the date the beneficiary or a representative of the beneficiary possessed actual knowledge of facts indicating the existence of a potential claim for breach of trust.

29. For trust accounts governed by Washington State law, a beneficiary may not commence a proceeding against trustee for breach of trust more than **three years** after the date a report was delivered in the manner provided in RCW 11.96A.110 to the beneficiary or to representative of the beneficiary if the report adequately disclosed the existence of a potential claim for breach of trust.

30. If your account is a Trust or an Estate account, the statement reflects the total assets held in that Trust or Estate account and is not necessarily reflective of your rights and interests to the income or assets of the Trust or Estate. Your rights and interests with respect to income or assets detailed on this account statement are determined by the instrument or will governing the Trust or Estate and applicable law.

31. Taxable Bond Election. The IRS requires taxpayers to amortize the premium on all bonds over the life of the bond or until the bond is sold or redeemed. The annual amount of amortized premium will reduce the cost basis of the bond and may provide an offset to the income earned on the bond during the year. If the bond is a taxable bond, the taxpayer may elect out of the amortization rule; there is no opt out for tax-exempt bonds. BMO will amortize premiums paid for all bonds in Client’s account, including taxable bonds unless Client instructs otherwise in writing.

32. **Notice Regarding Our Relationship with Ameriprise Financial, Inc. (“Ameriprise”)** . In November 2021, Bank of Montreal, the parent company of BMO, entered into a relationship agreement with Ameriprise and its affiliates setting forth a framework of mutual cooperation between the parties. As a result, BMO has agreed to consider and retain Ameriprise as an approved manager for certain new sub-advisory mandates where their offering is suitable for the mandate under consideration. BMO addresses the conflict of interest by requiring Ameriprise to present a reasonable and competitive proposal in which their relevant

Disclosures (continued)

performance exceeds the benchmark median in comparison to rolling 1, 3 and 5 year time periods.

33. BMO's annual Privacy Policy is available for your review. For more information, please visit www.bmo.com/usprivacy.

34. BMO's Terms and Conditions Disclosure, as part of your account agreement, is available for your review. To access the appropriate disclosure for your account, please visit <https://uswealth.bmo.com/disclosures/>.

For accounts where BMO provides investment management services, this disclosure provides information on matters such as but not limited to: brokerage discretion (BMO's ability to engage an authorized broker-dealer to buy and sell securities without the client's consent), soft dollars (commission arrangements in which BMO pays brokerage firms for their services and receives products and services which assist in our investment decision making process for the benefit of all managed accounts) and statements.

For custody accounts, this disclosure provides information on matters such as but not limited to: safekeeping (BMO will hold assets as the custodian of the account), pledging (use of assets as collateral for a loan) and statements.

Notification Regarding Proprietary Products and Fees: If permitted, your account will likely contain BMO Proprietary Products. Proprietary Products are investment products or services that are offered, sponsored, or advised by BMO or its affiliates, or for which BMO or its affiliates receive compensation. Proprietary Products may include certificates of deposit; mutual funds; unregistered private funds; structured products; equity, commodity, financial or other derivatives; or other securities. BMO or its affiliates receives compensation directly or indirectly from the Proprietary Products. This compensation may be in addition to any advisory or subadvisory fee or investment management fee for your Account.

Details regarding Proprietary Products and fees can be found in the BMO information and disclosure for the particular product, as updated from time to time ("Disclosure"). For the current copy of the Disclosure, please contact your account representative or go to <https://uswealth.bmo.com/disclosures/>.

"BMO" as used in these Customer Notes means BMO Bank N.A.



Disclosures (continued)

This page intentionally left blank.

Statement of Account

P.O. Box 755
Chicago, IL 60690-0755

April 1, 2024 - June 30, 2024

WBSD Treatment Plant Reserve IMA

It is important for you to review the data reported in this statement. If you have any questions, please contact a member of your Client Strategy Team.

“BMO Wealth Management” is a brand name that refers to BMO Bank N.A. and certain of its affiliates that provide certain investment, investment advisory, trust, banking, and securities products and services. Investment products and services: **ARE NOT A DEPOSIT – NOT INSURED BY THE FDIC OR ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY ANY BANK – MAY LOSE VALUE.**

For Questions Call

Private Wealth Advisor: Maya Gervis 415-796-9621 maya.gervis@bmo.com
Portfolio Manager: Michael Smith 408-490-2079 michael.d1.smith@bmo.com
Trust Administrator: Shenetta Tucker 949-386-0134 shenetta.tucker@bmo.com

Accounts Included In This Statement

000000236010 WBSD Treatment Plant Reserve IMA

West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025
United States

This page intentionally left blank.

P0655UNN 00000149 20240629 218722193



Table of Contents

Schedules	Page
Your Balance Sheet.....	5
Asset Summary.....	6
Portfolio Holdings.....	7
Market Value Reconciliation.....	10
Cash Flow Summary.....	11
Contributions and Benefit Payments.....	12
Other Receipts, Disbursements and Expenses.....	13
Income Received and Capital Gains.....	15
Income Accrual.....	17
Assets Acquired.....	20
Assets Disposed.....	21
Free Receipts, Deliveries and Adjustments.....	23
Reorganizations.....	24
Brokerage Summary.....	25
Your Pending Transaction Detail.....	26
Disclosures.....	27

This page intentionally left blank.



Your Balance Sheet on June 30, 2024

	As of March 31, 2024		As of June 30, 2024		% of account
	Market value	Cost basis	Market value	Cost basis	
Investments					
Fixed Income					
U.S. Government Bonds	11,387,893.80	11,364,281.15	9,876,643.10	9,817,879.05	78.64%
Corp & Taxable Bonds	965,040.00	968,077.99	967,420.00	968,077.99	7.70%
Total Fixed Income	\$12,352,933.80	\$12,332,359.14	\$10,844,063.10	\$10,785,957.04	86.34%
Cash					
Cash Equivalents	18,154.08	18,154.08	1,644,034.95	1,644,034.95	13.09%
Total Cash	\$18,154.08	\$18,154.08	\$1,644,034.95	\$1,644,034.95	13.09%
Total Investments	\$12,371,087.88	\$12,350,513.22	\$12,488,098.05	\$12,429,991.99	99.43%
Non-Investments	67,220.95	67,220.95	72,029.90	72,029.90	0.57%
Total For Your Portfolio	\$12,438,308.83	\$12,417,734.17	\$12,560,127.95	\$12,502,021.89	100.00%

Asset Summary on June 30, 2024

	Cost	Market value	Yield on Market	Estimated Annual Income	% of account
Investments					
Fixed Income					
U.S. Government Bonds	9,817,879.05	9,876,643.10	1.76%	174,087.50	78.64%
Corp & Taxable Bonds	968,077.99	967,420.00	2.71%	26,250.00	7.70%
Total Fixed Income	\$10,785,957.04	\$10,844,063.10	1.85%	\$200,337.50	86.34%
Cash					
Cash Equivalents	1,644,034.95	1,644,034.95	5.32%	87,544.86	13.09%
Total Cash	\$1,644,034.95	\$1,644,034.95	5.32%	\$87,544.86	13.09%
Total Investments	\$12,429,991.99	\$12,488,098.05	2.31%	\$287,882.36	99.43%
Non-Investments	72,029.90	72,029.90		0.00	0.57%
Total For Your Portfolio	\$12,502,021.89	\$12,560,127.95	2.29%	\$287,882.36	100.00%



Portfolio Holdings on June 30, 2024

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
United States Treasury Note/Bond 1.125% 28 Feb 2027 (CUSIP:912828ZB9)	100,000.00 91.438	91,438.00	90,808.59	376.02	629.41	1,125.00 1.23%	0.73%
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	40,000.00 98.075	39,230.00	38,742.36	17.49	487.64	400.00 1.02%	0.31%
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	60,000.00 92.356	55,413.60	54,370.67	63.52	1,042.93	750.00 1.35%	0.44%
United States Treasury Note/Bond 1.5% 30 Nov 2024 (CUSIP:912828YV6)	320,000.00 98.432	314,982.40	310,150.00	406.56	4,832.40	4,800.00 1.52%	2.51%
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	1,000,000.00 93.387	933,870.00	926,757.39	2,737.77	7,112.61	16,250.00 1.74%	7.44%
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	1,000,000.00 93.328	933,280.00	932,209.40	8,797.55	1,070.60	17,500.00 1.88%	7.43%
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	1,000,000.00 94.43	944,300.00	942,817.54	7,829.67	1,482.46	18,750.00 1.99%	7.52%
United States Treasury Note/Bond 2% 15 Aug 2025 (CUSIP:912828K74)	1,000,000.00 96.691	966,910.00	960,796.34	7,527.47	6,113.66	20,000.00 2.07%	7.70%
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	400,000.00 100.00	400,000.00	395,747.52	0.00	4,252.48	8,000.00 2.00%	3.18%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	950,000.00 95.813	910,223.50	907,929.58	3,801.29	2,293.92	22,562.50 2.48%	7.25%
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	700,000.00 94.613	662,291.00	652,390.62	584.92	9,900.38	1,750.00 0.26%	5.27%
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	760,000.00 97.712	742,611.20	740,722.43	10,506.79	1,888.77	20,900.00 2.81%	5.91%
United States Treasury Note/Bond 3% 31 Oct 2025 (CUSIP:9128285J5)	1,000,000.00 97.473	974,730.00	974,907.94	5,054.35	-177.94	30,000.00 3.08%	7.76%
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	400,000.00 93.199	372,796.00	369,531.25	626.37	3,264.75	1,500.00 0.40%	2.97%
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	380,000.00 93.117	353,844.60	348,617.73	635.06	5,226.87	1,900.00 0.54%	2.82%
United States Treasury Note/Bond .5% 30 Jun 2027 (CUSIP:912828ZV5)	360,000.00 88.856	319,881.60	316,968.75	904.89	2,912.85	1,800.00 0.56%	2.55%
United States Treasury Note/Bond .5% 31 Mar 2025 (CUSIP:912828ZF0)	320,000.00 96.571	309,027.20	305,012.50	402.19	4,014.70	1,600.00 0.52%	2.46%
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	600,000.00 91.969	551,814.00	549,398.44	1,504.07	2,415.56	4,500.00 0.82%	4.39%
Total U.S. Government Bonds		\$9,876,643.10	\$9,817,879.05	\$51,775.98	\$58,764.05	\$174,087.50 1.76%	78.64%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Corp & Taxable Bonds							
United States Treasury Note/Bond 2.625% 31 Dec 2025 (CUSIP:9128285T3)	1,000,000.00 96.742	967,420.00	968,077.99	13,196.33	-657.99	26,250.00 2.71%	7.70%
Total Corp & Taxable Bonds		\$967,420.00	\$968,077.99	\$13,196.33	-\$657.99	\$26,250.00 2.71%	7.70%
Total Fixed Income		\$10,844,063.10	\$10,785,957.04	\$64,972.31	\$58,106.06	\$200,337.50 1.85%	86.34%
Cash							
Cash Equivalents							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	1,644,034.95 1.00	1,644,034.95	1,644,034.95	7,057.59	0.00	87,544.86 5.33%	13.09%
Total Cash Equivalents		\$1,644,034.95	\$1,644,034.95	\$7,057.59	\$0.00	\$87,544.86 5.32%	13.09%
Total Cash		\$1,644,034.95	\$1,644,034.95	\$7,057.59	\$0.00	\$87,544.86 5.32%	13.09%
Total Investments		\$12,488,098.05	\$12,429,991.99	\$72,029.90	\$58,106.06	\$287,882.36 2.31%	99.43%
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00 1.00	72,029.90	72,029.90	0.00	0.00	0.00	0.57%
Total Non-Investments		\$72,029.90	\$72,029.90	\$0.00	\$0.00	\$0.00	0.57%
Total For Your Portfolio		\$12,560,127.95	\$12,502,021.89	\$72,029.90	\$58,106.06	\$287,882.36 2.29%	100.00%

Market Value Reconciliation 000000236010 - WBSD Treatment Plant Reserve IMA

	Net amount	Balance
Beginning Market Value		\$12,438,308.83
Fees/ Expenses		
Trustee/Custody Fees	-4,335.93	
Total Fees/ Expenses		-\$4,335.93
Investment Activity		
Income Earned	71,525.75	
Cost Adjustments	16,010.07	
Total Investment Activity		\$87,535.82
Total Realized Gain/Loss		\$1,087.83
Total Net change in Unrealized Gain/Loss		\$37,531.40
Total Ending Market Value		\$12,560,127.95



Cash Flow Summary

	Amount	Balance
Opening Cash Balance on April 1, 2024 - US Dollar		\$0.00
Fees/ Expenses		
Trustee/Custody Fees	-4,335.93	
Total Fees/ Expenses	-\$4,335.93	
Investment Activity		
Income Received	67,450.32	
Security Transactions	-63,114.39	
Total Investment Activity	\$4,335.93	
Closing Cash Balance on June 30, 2024 - US Dollar	\$0.00	\$0.00



Contributions and Benefit Payments

No transactions this period.



Other Receipts, Disbursements and Expenses

Trade date Settlement date	Transaction description	Amount	Realized G/L
00000236010 WBSD Treatment Plant Reserve IMA			
Fee and Expenses			
<i>Trustee/Custody Fees</i>			
April 1, 2024	Periodic Fee: Taken Monthly \$1,443.28 (03/01/24 to 03/31/24)	-1,443.28	0.00
April 1, 2024	Account Services Fee: \$1,443.28 Based on End of Period Market Value of \$65,001,622.50: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$15,001,622.50 @ 0.1% Total Annual Fee: \$91,001.62. Account 00000236010: \$1,443.28. Charged now \$1,443.28. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
May 1, 2024	Periodic Fee: Taken Monthly \$1,443.22 (04/01/24 to 04/30/24)	-1,443.22	0.00
May 1, 2024	Account Services Fee: \$1,443.22 Based on End of Period Market Value of \$64,965,945.28: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$14,965,945.28 @ 0.1% Total Annual Fee: \$90,965.95. Account 00000236010: \$1,443.22. Charged now \$1,443.22. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
June 3, 2024	Periodic Fee: Taken Monthly \$1,449.43 (05/01/24 to 05/31/24)	-1,449.43	0.00
June 3, 2024	Account Services Fee: \$1,449.43 Based on End of Period Market Value of \$65,319,540.37: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15%		



Other Receipts, Disbursements and Expenses (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Trustee/Custody Fees (continued)</i>			
	\$30,000,000.00 @ 0.12%		
	\$15,319,540.37 @ 0.1%		
	Total Annual Fee: \$91,319.54.		
	Account 000000236010: \$1,449.43. Charged now \$1,449.43.		
	Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
Total Trustee/Custody Fees		-\$4,335.93	\$0.00
Total Fee and Expenses		-\$4,335.93	\$0.00
Total 000000236010 WBSD Treatment Plant Reserve IMA		-\$4,335.93	\$0.00

Income Received and Capital Gains

Trade date Settlement date	Transaction description	Amount	Realized G/L
00000236010 WBSD Treatment Plant Reserve IMA			
Income Received			
<i>Interest Income</i>			
April 1, 2024 April 1, 2024	Interest Payment 0.005 USD United States Treasury Note/Bond .5% 31 Mar 2025 For 320,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	800.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0225 USD United States Treasury Note/Bond 2.25% 31 Mar 2024 For 750,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	8,437.50	0.00
April 15, 2024 April 15, 2024	Interest Payment 0.00375 USD United States Treasury Note/Bond .375% 15 Apr 2024 For 500,000.00 Par Value Due on 04/15/24 With Ex Date 04/15/24	937.50	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.01625 USD United States Treasury Note/Bond 1.625% 31 Oct 2026 For 1,000,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	8,125.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.03 USD United States Treasury Note/Bond 3% 31 Oct 2025 For 1,000,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	15,000.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.02375 USD United States Treasury Note/Bond 2.375% 30 Apr 2026 For 950,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	11,281.25	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.025 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 1,000,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	12,500.00	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.015 USD United States Treasury Note/Bond 1.5% 30 Nov 2024 For 320,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	2,400.00	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.0125 USD United States Treasury Note/Bond 1.25% 30 Nov 2026 For 60,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	375.00	0.00
June 17, 2024 June 17, 2024	Interest Payment 0.01 USD United States Treasury Note/Bond 1% 15 Dec 2024 For 40,000.00 Par Value Due on 06/17/24 With Ex Date 06/15/24	200.00	0.00
Total Interest Income		\$60,056.25	\$0.00
<i>Dividend Income</i>			
April 1, 2024 April 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 03/01/24 to 03/31/24 Due on 04/01/24	327.39	0.00
May 1, 2024 May 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 04/01/24 to 04/30/24 Due on 05/01/24	1,827.73	0.00



Income Received and Capital Gains (continued)

Trade date				
Settlement date	Transaction description		Amount	Realized G/L
<i>Dividend Income (continued)</i>				
June 3, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 05/01/24 to		5,238.95	0.00
June 3, 2024	05/31/24 Due on 06/03/24			
Total Dividend Income			\$7,394.07	\$0.00
Total Income Received			\$67,450.32	\$0.00
Total 00000236010 WBSD Treatment Plant Reserve IMA			\$67,450.32	\$0.00



Income Accrual on June 30, 2024

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
United States Treasury Note/Bond 1.125% 28 Feb 2027 (CUSIP:912828ZB9)	100,000.00		1.23%	97.83	278.19	0.00	376.02
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	40,000.00	06/15/24 06/17/24	1.02%	118.03	99.46	200.00	17.49
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	60,000.00	05/31/24 05/31/24	1.35%	252.05	186.47	375.00	63.52
United States Treasury Note/Bond 1.5% 30 Nov 2024 (CUSIP:912828YV6)	320,000.00	05/31/24 05/31/24	1.52%	1,613.11	1,193.45	2,400.00	406.56
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	1,000,000.00	04/30/24 04/30/24	1.74%	6,830.36	4,032.41	8,125.00	2,737.77
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	1,000,000.00		1.88%	4,423.08	4,374.47	0.00	8,797.55
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	1,000,000.00		1.99%	3,142.17	4,687.50	0.00	7,829.67
United States Treasury Note/Bond 2% 15 Aug 2025 (CUSIP:912828K74)	1,000,000.00		2.07%	2,527.47	5,000.00	0.00	7,527.47
United States Treasury Note/Bond 2.25% 31 Mar 2024 (CUSIP:91282CEG2)	0.00	03/31/24 04/01/24		0.00	8,437.50	8,437.50	0.00
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	400,000.00		2.00%	2,021.98	-2,021.98	0.00	0.00
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	950,000.00	04/30/24 04/30/24	2.48%	9,483.69	5,598.85	11,281.25	3,801.29
United States Treasury Note/Bond 2.5% 15 May 2024 (CUSIP:912828WJ5)	0.00	05/15/24 05/15/24		9,478.02	3,021.98	12,500.00	0.00
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	700,000.00		0.26%	152.17	432.75	0.00	584.92

Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	760,000.00		2.81%	5,282.42	5,224.37	0.00	10,506.79
United States Treasury Note/Bond 3% 31 Oct 2025 (CUSIP:9128285J5)	1,000,000.00	04/30/24 04/30/24	3.08%	12,609.89	7,444.46	15,000.00	5,054.35
United States Treasury Note/Bond .375% 15 Apr 2024 (CUSIP:91282CBV2)	0.00	04/15/24 04/15/24		865.78	71.72	937.50	0.00
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	400,000.00		0.40%	0.00	362.63	-263.74	626.37
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	380,000.00		0.54%	165.22	469.84	0.00	635.06
United States Treasury Note/Bond .5% 30 Jun 2027 (CUSIP:912828ZV5)	360,000.00		0.56%	0.00	435.11	-469.78	904.89
United States Treasury Note/Bond .5% 31 Mar 2025 (CUSIP:912828ZF0)	320,000.00	03/31/24 04/01/24	0.52%	804.37	397.82	800.00	402.19
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	600,000.00		0.82%	391.30	1,112.77	0.00	1,504.07
Total U.S. Government Bonds				\$60,258.94	\$50,839.77	\$59,322.73	\$51,775.98
<i>Corp & Taxable Bonds</i>							
United States Treasury Note/Bond 2.625% 31 Dec 2025 (CUSIP:9128285T3)	1,000,000.00		2.71%	6,634.62	6,561.71	0.00	13,196.33
Total Corp & Taxable Bonds				\$6,634.62	\$6,561.71	\$0.00	\$13,196.33
Total Fixed Income				\$66,893.56	\$57,401.48	\$59,322.73	\$64,972.31



Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	1,644,034.95		5.33%	327.39	14,124.27	7,394.07	7,057.59
Total Cash Equivalents				\$327.39	\$14,124.27	\$7,394.07	\$7,057.59
Total Cash				\$327.39	\$14,124.27	\$7,394.07	\$7,057.59
Total Investments				\$67,220.95	\$71,525.75	\$66,716.80	\$72,029.90
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00			0.00	0.00	0.00	0.00
Total Non-Investments				\$0.00	\$0.00	\$0.00	\$0.00
Total Accrual				\$67,220.95	\$71,525.75	\$66,716.80	\$72,029.90

Assets Acquired

Trade date Settlement date	Descriptions	Par Value or Shares	Amount	Total federal cost	Interest bought
00000236010 WBSD Treatment Plant Reserve IMA					
<i>Fixed Income</i>					
<i>United States Treasury Note/Bond .375% 31 Jan 2026</i>					
April 3, 2024	Purchase 400,000.00 Par Value of United States	400,000.00	-369,531.25	369,531.25	-263.74
April 4, 2024	Treasury Note/Bond .375% 31 Jan 2026 @ 92.382813% Paid Accrued Interest of \$263.74				
Total United States Treasury Note/Bond .375% 31 Jan 2026			-\$369,531.25	\$369,531.25	-\$263.74
<i>United States Treasury Note/Bond .5% 30 Jun 2027</i>					
April 3, 2024	Purchase 360,000.00 Par Value of United States	360,000.00	-316,968.75	316,968.75	-469.78
April 4, 2024	Treasury Note/Bond .5% 30 Jun 2027 @ 88.046875% Paid Accrued Interest of \$469.78				
Total United States Treasury Note/Bond .5% 30 Jun 2027			-\$316,968.75	\$316,968.75	-\$469.78
Total Fixed Income			-\$686,500.00	\$686,500.00	-\$733.52
<i>Cash</i>					
<i>Federated Hermes Government Obligations Fund</i>					
June 30, 2024	Sweep purchases totaling 2,316,007.04 units of	2,316,007.04	-2,316,007.04	2,316,007.04	
June 30, 2024	Federated Hermes Government Obligations Fund for Managed (Capital) (13 Transactions)				
Total Federated Hermes Government Obligations Fund			-\$2,316,007.04	\$2,316,007.04	\$0.00
Total Cash			-\$2,316,007.04	\$2,316,007.04	\$0.00
Total 00000236010 WBSD Treatment Plant Reserve IMA			-\$3,002,507.04	\$3,002,507.04	-\$733.52

Assets Disposed

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
00000236010 WBSD Treatment Plant Reserve IMA						
<i>Fixed Income</i>						
<i>United States Treasury Note/Bond .375% 15 Apr 2024</i>						
April 15, 2024	Final Maturity 1 USD United States Treasury Note/Bond .375% 15 Apr 2024 For 500,000.00 Par Value Due on 04/15/24 With Ex Date 04/15/24		500,000.00			0.00
April 15, 2024	Final Maturity 100:100 Debit 500,000.00 United States Treasury Note/Bond .375% 15 Apr 2024 For 500,000.00 Par Value of United States Treasury Note/Bond .375% 15 Apr 2024 Due on 04/15/24 With Ex Date 04/15/24	-500,000.00	0.00	-500,000.00		0.00
Total United States Treasury Note/Bond .375% 15 Apr 2024			\$500,000.00	-\$500,000.00	\$0.00	\$0.00
<i>United States Treasury Note/Bond 2.25% 31 Mar 2024</i>						
April 1, 2024	Final Maturity 1 USD United States Treasury Note/Bond 2.25% 31 Mar 2024 For 750,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24		750,000.00			0.00
April 1, 2024	Final Maturity 100:100 Debit 750,000.00 United States Treasury Note/Bond 2.25% 31 Mar 2024 For 750,000.00 Par Value of United States Treasury Note/Bond 2.25% 31 Mar 2024 Due on 04/01/24 With Ex Date 03/31/24	-750,000.00	0.00	-750,000.00		0.00
Total United States Treasury Note/Bond 2.25% 31 Mar 2024			\$750,000.00	-\$750,000.00	\$0.00	\$0.00

Assets Disposed (continued)

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
<i>United States Treasury Note/Bond 2.5% 15 May 2024</i>						
May 15, 2024	Final Maturity 1 USD United		1,000,000.00			0.00
May 15, 2024	States Treasury Note/Bond 2.5% 15 May 2024 For 1,000,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24					
May 15, 2024	Final Maturity 100:100 Debit	-1,000,000.00	0.00	-998,912.17		1,087.83
May 15, 2024	1,000,000.00 United States Treasury Note/Bond 2.5% 15 May 2024 For 1,000,000.00 Par Value of United States Treasury Note/Bond 2.5% 15 May 2024 Due on 05/15/24 With Ex Date 05/15/24					
Total United States Treasury Note/Bond 2.5% 15 May 2024			\$1,000,000.00	-\$998,912.17	\$0.00	\$1,087.83
Total Fixed Income			\$2,250,000.00	-\$2,248,912.17	\$0.00	\$1,087.83
<i>Cash</i>						
<i>Federated Hermes Government Obligations Fund</i>						
June 30, 2024	Sweep sales totaling	-690,126.17	690,126.17	-690,126.17		0.00
June 30, 2024	-690,126.17 units of Federated Hermes Government Obligations Fund for Managed (Capital) (3 Transactions)					
Total Federated Hermes Government Obligations Fund			\$690,126.17	-\$690,126.17	\$0.00	\$0.00
Total Cash			\$690,126.17	-\$690,126.17	\$0.00	\$0.00
Total 000000236010 WBSD Treatment Plant Reserve IMA			\$2,940,126.17	-\$2,939,038.34	\$0.00	\$1,087.83



Free Receipts, Deliveries and Adjustments

Trade date Settlement date	Transaction description	Amount	Cost	Realized G/L
00000236010 WBSD Treatment Plant Reserve IMA				
Adjustments				
<i>SAA Adjustments (Amortization/Accretion)</i>				
April 1, 2024	Adjustment - Accreted Market Discount Current Year of United States Treasury	0.00	2,612.98	0.00
April 1, 2024	Note/Bond 2.25% 31 Mar 2024 - Adjustment Amount of \$2,612.98, Federal Cost \$2,612.98, State Cost \$2,612.98			
April 15, 2024	Adjustment - Accreted Market Discount Current Year of United States Treasury	0.00	13,397.09	0.00
April 15, 2024	Note/Bond .375% 15 Apr 2024 - Adjustment Amount of \$13,397.09, Federal Cost \$13,397.09, State Cost \$13,397.09			
Total SAA Adjustments (Amortization/Accretion)		\$0.00	\$16,010.07	\$0.00
Total Adjustments		\$0.00	\$16,010.07	\$0.00
Total 00000236010 WBSD Treatment Plant Reserve IMA		\$0.00	\$16,010.07	\$0.00



Reorganizations

No transactions this period.



Brokerage Summary

No activity this period.



Your Pending Transaction Detail

No transactions this period.

Disclosures

Customer Notes

1. Prices, most of which are provided by national pricing services, are not guaranteed for accuracy or realizable value. Generally, the price shown for market-traded securities is the closing price as of the statement date. If a price is not received for that date, then the price will be the last price received. Non-market traded security prices are based on the most recent values provided or obtained. Securities traded in a foreign market show a local market price. A currency exchange rate has been applied so the Market Value is in U.S. dollars.
2. **For holders of the Infinity Q Diversified Alpha fund ("IQ Fund"):** The current price listed on your statement may not be representative of the final liquidation value. Most of the remaining cash in the IQ Fund has been moved to a Special Reserve that is reflected on your statement as a miscellaneous asset titled **Infinity Q Diversified Alpha Special Reserve**. This asset represents an assessment of the most recent Special Reserve per share value based on data available at <https://www.infinityqfundliquidation.com/>. Please note this position is for recordkeeping purposes only and will not be available to be transferred, gifted, and/or liquidated. The ultimate distribution to IQ Fund shareholders may be more or less than this assessment based on (a) fluctuations in the Special Reserve, (b) the possibility that former shareholders will be entitled to receive proceeds from the Special Reserve, and (c) current shareholders that previously redeemed shares may receive more limited payouts. The Special Reserve may decrease over time as costs and liabilities are accrued in ongoing litigation. To support the Special Reserve, the IQ Fund Board has also created a Special Litigation Committee ("SLC") to pursue claims against various third parties, including service providers. The Special Reserve may increase due to the recovery efforts of the SLC.
3. Percentage columns may not total 100.0 due to rounding.
4. For Individual Retirement Trust (IRT) accounts, you have the right to modify the withholding instructions you have on file with us at any time. If you wish to do so, please contact your account administrator.
5. Estimated annual income is based on current assets and returns. It is a snapshot of your account as of the statement date. Variations in the asset composition and returns of the account will change these estimates. Please keep in mind that these are estimates only and not a guarantee of income.
6. Income and gain/loss information are based on the best information we have at the time of the transaction, some of which may have been provided by third parties. Subsequent changes can occur during the year. Also, in some instances, such as complex corporate mergers or tenders, the taxability of the transaction cannot adequately be reflected on your statement. Therefore, you should only use the official tax information letter, which is sent to you after the year-end, in preparation of your tax return.
7. You will receive an official tax information letter after the end of the tax year which advises you regarding the amounts you should include in your tax return. Do not rely on the income reported on this statement to prepare your taxes.
8. Trust accounting income is reflected in the section entitled "Your Account Activity". If your account is a Trust or an Estate, and BMO or an affiliate is Trustee/ Co-Trustee or Executor/ Co-Executor, we will first apply the provisions specified in the governing document(s) or, in the absence of such provisions, the appropriate state law that applies for the allocation of income and principal as it relates to receipts and disbursements. Thus, the allocation may vary from

Disclosures (continued)

state to state and account to account.

9. Receipt of this account statement will serve to confirm that the individual(s) with investment authority (i) directed or approved all account transactions listed on the account statement and (ii) ratifies all trades disclosed on the account statement. Please contact your portfolio manager or trust administrator with any questions.
10. For trust accounts governed by Arizona, Arkansas, Colorado, Connecticut, District of Columbia, Hawaii, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Dakota, South Carolina, Vermont, Virginia, West Virginia, or Wisconsin law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim for breach of trust.
11. For trust accounts governed by Alabama, Georgia, Ohio or Wyoming law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the date the beneficiary, a representative of the beneficiary, or a beneficiary surrogate is sent a report that adequately discloses the existence of a potential claim for breach of trust.
12. For trust accounts governed by Alaska law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a report that adequately discloses the existence of a potential claim against the trustee. If a trustee petitions a court for an order approving a report that adequately discloses the existence of a potential claim, serves the report on all beneficiaries to be bound by the report, gives the beneficiaries at least 60 days' notice of the court proceeding, and notifies the beneficiary that a claim must be begun within 45 days after the beneficiary is served with notice, all potential claims are barred unless the claims are served on the trustee and filed with the court within **45 days** after the beneficiaries are served with notice of the court proceeding. Otherwise, notwithstanding the lack of adequate disclosure, all claims against a trustee who has issued a report received by the beneficiary and who has informed the beneficiary of the location and availability of records for examination by the beneficiary are barred unless a proceeding to assert the claims is commenced within **three years** after the beneficiary's receipt of the report.
13. For trust accounts governed by California, Minnesota, or Montana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after the date the beneficiary receives an account or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into the existence of the claim.
14. For trust accounts governed by Delaware law, a person may not initiate a proceeding against a trustee for breach of trust more than **one year** after the date such person was sent a report that adequately disclosed the facts constituting the potential claim for breach of trust, or in the case of a trustee who has resigned, been removed or ceased to serve as trustee for any reason, **120 days** after the date the beneficiary was sent a report that (i) notifies the beneficiary that the trustee has ceased to serve; (ii) adequately discloses the facts constituting a claim; and (iii) adequately discloses the time allowed for initiating proceedings against the former trustee.
15. For trust accounts governed by Florida law, an action for breach of trust based on matters disclosed in a trust accounting or other written report of the trustee may be subject to a **six month** statute of limitations from the receipt of the trust accounting or other written report.
16. For trust accounts governed by Idaho law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement disclosing the matter and showing termination of the trust relationship between the trustee and beneficiary. Otherwise, notwithstanding lack of full disclosure a trustee who has issued a final account or statement received by the beneficiary and has informed the

Disclosures (continued)

beneficiary of the location and availability of records for his examination is protected after **three years**.

17. For trust accounts governed by Illinois law, a beneficiary may not commence a proceeding against a trustee for breach of trust for trusts that becomes irrevocable after January 01, 2020, and for trustees who accepted appointment after January 01, 2020, more than **two years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished. For trusts that became irrevocable before January 01, 2020, and for trustees who accepted appointment before January 01, 2020, a beneficiary may not commence a proceeding against a trustee more than **three years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished.

18. For trust accounts governed by Indiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after receipt of the final account or statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary.

19. For trust accounts governed by Iowa law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the receipt of accounting or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into its existence.

20. For trust accounts governed by Louisiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the trustee renders an accounting for the accounting period in which the alleged act, omission, or breach of duty arising out of the matters disclosed therein occurred to the beneficiary or if the beneficiary lacks legal capacity, the beneficiary's legal representative. However, such actions must be filed within **three years** of the trustee rendering the accounting for the accounting period in discussion, even actions that happened within **two years** of disclosure. If a beneficiary is a minor when a trustee's accounting for the accounting period in which the alleged act, omission, or breach of duty occurred is rendered, the period of two years begins to run from the day he reaches the age of eighteen.

21. For trust accounts governed by Massachusetts law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary, or more than **three years** after a beneficiary received information regarding the location and availability of records for examination.

22. For trust accounts governed by New Jersey law or Utah law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim.

23. For trust accounts governed by North Carolina law, a beneficiary may not commence a proceeding against a trustee more than **five years** after the first to occur of (i) the removal, resignation, or death of the trustee; (ii) the termination of the beneficiary's interest in the trust; or (iii) the termination of the trust.

24. For trust accounts governed by Oklahoma law, a beneficiary may not commence a proceeding against a trustee more than **two years** after receipt of a report or statement adequately disclosing the existence of the claim or more than **two years** after the termination of the trust relationship between the beneficiary and that trustee.

25. For trust accounts governed by Oregon law, we would like to inform you that ORS 130.820 states as follows: "(1) Notwithstanding ORS chapter 12 or any other provision of law, but subject to subsection (2) of this section, a civil action against a trustee based on any act or omission of the trustee, whether

Disclosures (continued)

based in tort, contract or other theory of recovery, must be commenced within six years after the date the act or omission is discovered, or six years after the date the act or omission should have been discovered, whichever is earlier.(2) A beneficiary may not commence a proceeding against a trustee more than one year after the date the beneficiary or a representative of the beneficiary is sent a report by certified or regular mail that adequately discloses the existence of a potential claim and that informs the beneficiary of the time allowed for commencing a proceeding. A copy of this section must be attached to the report. The report must provide sufficient information so that the beneficiary or representative knows of the potential claim or should have inquired into its existence.”

26. For trust accounts governed by Pennsylvania law, a beneficiary may not commence a proceeding against a trustee if (i) the trustee provided the beneficiary at least annually with periodic written financial reports concerning the trust and (ii) the transaction was disclosed in a report or such report provided sufficient information so that the beneficiary knew or should have known of the potential claim or should have inquired into its existence, and (iii) within **thirty months** after such report was sent by the trustee to the beneficiary, the beneficiary did not notify the trustee in writing that the beneficiary challenges the transaction or asserts a claim and provides in writing the basis for that challenge or assertion.

27. For accounts governed by South Dakota law, a distribution beneficiary may not object to the trustee’s accounting more than **180 days** after a copy of the trustee’s accounting has been mailed, postage prepaid, to the last known address of such distribution, personally or electronically in accordance with SDCL § 15-6-5(d).

28. For trust accounts governed by Tennessee law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the earlier of:

- (i) the date the beneficiary or a representative of the beneficiary was sent information that adequately disclosed facts indicating the existence of a potential claim for breach of trust or (ii) the date the beneficiary or a representative of the beneficiary possessed actual knowledge of facts indicating the existence of a potential claim for breach of trust.

29. For trust accounts governed by Washington State law, a beneficiary may not commence a proceeding against trustee for breach of trust more than **three years** after the date a report was delivered in the manner provided in RCW 11.96A.110 to the beneficiary or to representative of the beneficiary if the report adequately disclosed the existence of a potential claim for breach of trust.

30. If your account is a Trust or an Estate account, the statement reflects the total assets held in that Trust or Estate account and is not necessarily reflective of your rights and interests to the income or assets of the Trust or Estate. Your rights and interests with respect to income or assets detailed on this account statement are determined by the instrument or will governing the Trust or Estate and applicable law.

31. Taxable Bond Election. The IRS requires taxpayers to amortize the premium on all bonds over the life of the bond or until the bond is sold or redeemed. The annual amount of amortized premium will reduce the cost basis of the bond and may provide an offset to the income earned on the bond during the year. If the bond is a taxable bond, the taxpayer may elect out of the amortization rule; there is no opt out for tax-exempt bonds. BMO will amortize premiums paid for all bonds in Client’s account, including taxable bonds unless Client instructs otherwise in writing.

32. **Notice Regarding Our Relationship with Ameriprise Financial, Inc. (“Ameriprise”)** . In November 2021, Bank of Montreal, the parent company of BMO, entered into a relationship agreement with Ameriprise and its affiliates setting forth a framework of mutual cooperation between the parties. As a result, BMO has agreed to consider and retain Ameriprise as an approved manager for certain new sub-advisory mandates where their offering is suitable for the mandate under consideration. BMO addresses the conflict of interest by requiring Ameriprise to present a reasonable and competitive proposal in which their relevant

Disclosures (continued)

performance exceeds the benchmark median in comparison to rolling 1, 3 and 5 year time periods.

33. BMO's annual Privacy Policy is available for your review. For more information, please visit www.bmo.com/usprivacy.

34. BMO's Terms and Conditions Disclosure, as part of your account agreement, is available for your review. To access the appropriate disclosure for your account, please visit <https://uswealth.bmo.com/disclosures/>.

For accounts where BMO provides investment management services, this disclosure provides information on matters such as but not limited to: brokerage discretion (BMO's ability to engage an authorized broker-dealer to buy and sell securities without the client's consent), soft dollars (commission arrangements in which BMO pays brokerage firms for their services and receives products and services which assist in our investment decision making process for the benefit of all managed accounts) and statements.

For custody accounts, this disclosure provides information on matters such as but not limited to: safekeeping (BMO will hold assets as the custodian of the account), pledging (use of assets as collateral for a loan) and statements.

Notification Regarding Proprietary Products and Fees: If permitted, your account will likely contain BMO Proprietary Products. Proprietary Products are investment products or services that are offered, sponsored, or advised by BMO or its affiliates, or for which BMO or its affiliates receive compensation. Proprietary Products may include certificates of deposit; mutual funds; unregistered private funds; structured products; equity, commodity, financial or other derivatives; or other securities. BMO or its affiliates receives compensation directly or indirectly from the Proprietary Products. This compensation may be in addition to any advisory or subadvisory fee or investment management fee for your Account.

Details regarding Proprietary Products and fees can be found in the BMO information and disclosure for the particular product, as updated from time to time ("Disclosure"). For the current copy of the Disclosure, please contact your account representative or go to <https://uswealth.bmo.com/disclosures/>.

"BMO" as used in these Customer Notes means BMO Bank N.A.



Disclosures (continued)

This page intentionally left blank.

Statement of Account

P.O. Box 755
Chicago, IL 60690-0755

April 1, 2024 - June 30, 2024

WBSD Capital Project Reserve IMA

It is important for you to review the data reported in this statement. If you have any questions, please contact a member of your Client Strategy Team.

“BMO Wealth Management” is a brand name that refers to BMO Bank N.A. and certain of its affiliates that provide certain investment, investment advisory, trust, banking, and securities products and services. Investment products and services: **ARE NOT A DEPOSIT – NOT INSURED BY THE FDIC OR ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY ANY BANK – MAY LOSE VALUE.**

For Questions Call

Private Wealth Advisor: Maya Gervis 415-796-9621 maya.gervis@bmo.com
Portfolio Manager: Michael Smith 408-490-2079 michaeld1.smith@bmo.com
Trust Administrator: Shenetta Tucker 949-386-0134 shenetta.tucker@bmo.com

Accounts Included In This Statement

000000235012 WBSD Capital Project Reserve IMA

West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025
United States



This page intentionally left blank.

P0655UNN 00000143 20240629 218721779



Table of Contents

Schedules	Page
Your Balance Sheet.....	5
Asset Summary.....	6
Portfolio Holdings.....	7
Market Value Reconciliation.....	13
Cash Flow Summary.....	14
Contributions and Benefit Payments.....	15
Other Receipts, Disbursements and Expenses.....	16
Income Received and Capital Gains.....	18
Income Accrual.....	20
Assets Acquired.....	24
Assets Disposed.....	25
Free Receipts, Deliveries and Adjustments.....	26
Reorganizations.....	27
Brokerage Summary.....	28
Your Pending Transaction Detail.....	29
Disclosures.....	30

This page intentionally left blank.



Your Balance Sheet on June 30, 2024

	As of March 31, 2024		As of June 30, 2024		% of account
	Market value	Cost basis	Market value	Cost basis	
Investments					
Fixed Income					
U.S. Government Bonds	22,599,651.83	22,583,675.95	22,542,978.54	22,423,927.50	77.38%
Corp & Taxable Bonds	837,838.72	875,109.88	844,313.01	872,820.23	2.90%
Total Fixed Income	\$23,437,490.55	\$23,458,785.83	\$23,387,291.55	\$23,296,747.73	80.28%
Cash					
Cash Equivalents	5,241,275.91	5,241,275.91	5,411,538.40	5,411,538.40	18.57%
Total Cash	\$5,241,275.91	\$5,241,275.91	\$5,411,538.40	\$5,411,538.40	18.57%
Total Investments	\$28,678,766.46	\$28,700,061.74	\$28,798,829.95	\$28,708,286.13	98.85%
Non-Investments	164,971.79	164,971.79	335,134.70	335,134.70	1.15%
Total For Your Portfolio	\$28,843,738.25	\$28,865,033.53	\$29,133,964.65	\$29,043,420.83	100.00%



Asset Summary on June 30, 2024

	Cost	Market value	Yield on Market	Estimated Annual Income	% of account
Investments					
Fixed Income					
U.S. Government Bonds	22,423,927.50	22,542,978.54	2.13%	480,030.03	77.38%
Corp & Taxable Bonds	872,820.23	844,313.01	1.88%	15,856.25	2.90%
Total Fixed Income	\$23,296,747.73	\$23,387,291.55	2.12%	\$495,886.28	80.28%
Cash					
Cash Equivalents	5,411,538.40	5,411,538.40	0.20%	10,934.24	18.57%
Total Cash	\$5,411,538.40	\$5,411,538.40	0.20%	\$10,934.24	18.57%
Total Investments	\$28,708,286.13	\$28,798,829.95	1.76%	\$506,820.52	98.85%
Non-Investments	335,134.70	335,134.70		0.00	1.15%
Total For Your Portfolio	\$29,043,420.83	\$29,133,964.65	1.74%	\$506,820.52	100.00%



Portfolio Holdings on June 30, 2024

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 (CUSIP:3133EMWH1)	300,000.00 96.29	288,870.00	300,000.00	414.17	-11,130.00	2,130.00 0.74%	0.99%
Federal Home Loan Banks .6% 30 Dec 2024 (CUSIP:3130AMAC6)	50,000.00 97.639	48,819.50	50,000.00	50.83	-1,180.50	300.00 0.61%	0.17%
Federal Home Loan Banks .6% 30 Oct 2024 (CUSIP:3130AM4E9)	100,000.00 98.371	98,371.00	100,000.00	101.67	-1,629.00	600.00 0.61%	0.34%
Tennessee Valley Authority .75% 15 May 2025 (CUSIP:880591EW8)	300,000.00 96.2062	288,618.74	301,012.53	287.50	-12,393.79	2,250.00 0.78%	0.99%
United States Treasury Note/Bond 1.125% 15 Jan 2025 (CUSIP:91282CDS7)	5,000,000.00 97.80	4,890,000.00	4,819,335.95	25,961.55	70,664.05	56,250.01 1.15%	16.78%
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	240,000.00 98.075	235,380.00	232,454.23	104.92	2,925.77	2,400.00 1.02%	0.81%
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	520,000.00 92.356	480,251.20	471,212.49	550.54	9,038.71	6,500.00 1.35%	1.65%
United States Treasury Note/Bond 1.5% 31 Jan 2027 (CUSIP:912828Z78)	250,000.00 92.547	231,367.50	230,665.39	1,565.94	702.11	3,750.00 1.62%	0.79%
United States Treasury Note/Bond 1.625% 15 Feb 2026 (CUSIP:912828P46)	100,000.00 94.988	94,988.00	96,739.90	611.61	-1,751.90	1,625.00 1.71%	0.33%
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	200,000.00 93.387	186,774.00	185,351.47	547.55	1,422.53	3,250.00 1.74%	0.64%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	140,000.00 100.00	140,000.00	135,869.61	0.00	4,130.39	2,450.00 1.75%	0.48%
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	100,000.00 93.328	93,328.00	93,220.93	879.76	107.07	1,750.00 1.88%	0.32%
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	200,000.00 94.43	188,860.00	188,563.50	1,565.93	296.50	3,750.00 1.99%	0.65%
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	100,000.00 100.00	100,000.00	98,936.87	0.00	1,063.13	2,000.00 2.00%	0.34%
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	250,000.00 94.289	235,722.50	228,701.17	157.11	7,021.33	625.00 0.27%	0.81%
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	400,000.00 94.613	378,452.00	364,531.25	334.24	13,920.75	1,000.00 0.26%	1.30%
United States Treasury Note/Bond .25% 31 Jul 2025 (CUSIP:91282CAB7)	470,000.00 94.965	446,335.50	433,331.03	490.66	13,004.47	1,175.00 0.26%	1.53%
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	120,000.00 97.712	117,254.40	115,791.87	1,658.97	1,462.53	3,300.00 2.81%	0.40%
United States Treasury Note/Bond 3% 15 Jul 2025 (CUSIP:91282CEY3)	5,000,000.00 97.899	4,894,950.00	4,888,671.90	69,230.75	6,278.10	150,000.02 3.06%	16.80%
United States Treasury Note/Bond .375% 30 Nov 2025 (CUSIP:91282CAZ4)	500,000.00 93.816	469,080.00	453,824.62	158.81	15,255.38	1,875.00 0.40%	1.61%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond .375% 31 Dec 2025 (CUSIP:91282CBC4)	1,000,000.00 93.52	935,200.00	924,960.94	1,885.19	10,239.06	3,750.00 0.40%	3.21%
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	320,000.00 93.199	298,236.80	292,344.72	501.10	5,892.08	1,200.00 0.40%	1.02%
United States Treasury Note/Bond .375% 31 Jul 2027 (CUSIP:91282CAD3)	340,000.00 88.203	299,890.20	298,137.50	532.42	1,752.70	1,275.00 0.43%	1.03%
United States Treasury Note/Bond 3.875% 15 Jan 2026 (CUSIP:91282CGE5)	5,000,000.00 98.496	4,924,800.00	4,952,929.70	89,423.10	-28,129.70	193,750.00 3.93%	16.91%
United States Treasury Note/Bond 4.625% 15 Sep 2026 (CUSIP:91282CHY0)	400,000.00 99.867	399,468.00	397,718.75	5,429.35	1,749.25	18,500.00 4.63%	1.37%
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	30,000.00 93.117	27,935.10	27,522.44	50.14	412.66	150.00 0.54%	0.10%
United States Treasury Note/Bond .5% 30 Apr 2027 (CUSIP:912828ZN3)	160,000.00 89.371	142,993.60	141,837.50	134.78	1,156.10	800.00 0.56%	0.49%
United States Treasury Note/Bond .75% 30 Apr 2026 (CUSIP:91282CBW0)	220,000.00 93.008	204,617.60	203,431.25	277.99	1,186.35	1,650.00 0.81%	0.70%
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	250,000.00 91.969	229,922.50	227,687.21	626.70	2,235.29	1,875.00 0.82%	0.79%
United States Treasury Note/Bond .75% 31 Mar 2026 (CUSIP:91282CBT7)	740,000.00 93.258	690,109.20	697,278.90	1,395.09	-7,169.70	5,550.00 0.80%	2.37%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	520,000.00 92.766	482,383.20	471,863.88	2,287.37	10,519.32	4,550.00 0.94%	1.66%
Total U.S. Government Bonds		\$22,542,978.54	\$22,423,927.50	\$207,215.74	\$119,051.04	\$480,030.03 2.13%	77.38%
<i>Corp & Taxable Bonds</i>							
American Express Co 3% 30 Oct 2024 (CUSIP:025816BR9)	90,000.00 99.1169	89,205.19	90,862.84	457.50	-1,657.65	2,700.00 3.03%	0.31%
Apple Inc .7% 08 Feb 2026 (CUSIP:037833EB2)	50,000.00 93.387	46,693.50	49,948.00	139.03	-3,254.50	350.00 0.75%	0.16%
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBNO)	45,000.00 97.997	44,098.65	46,689.17	573.75	-2,590.52	1,518.75 3.44%	0.15%
John Deere Capital Corp 3.45% 13 Mar 2025 (CUSIP:24422EUE7)	50,000.00 98.664	49,332.00	51,403.21	517.50	-2,071.21	1,725.00 3.50%	0.17%
KLA Corp 4.65% 01 Nov 2024 (CUSIP:482480AEO)	50,000.00 99.69	49,845.00	50,872.75	387.50	-1,027.75	2,325.00 4.66%	0.17%
Synchrony Financial 4.25% 15 Aug 2024 (CUSIP:87165BAD5)	135,000.00 99.7592	134,674.97	136,643.24	2,167.50	-1,968.27	5,737.50 4.26%	0.46%
Toyota Motor Credit Corp 3% 01 Apr 2025 (CUSIP:89236TGX7)	50,000.00 98.2314	49,115.70	51,123.96	375.00	-2,008.26	1,500.00 3.05%	0.17%
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2024 (CUSIP:929845UN3)	100,000.00 99.33	99,330.00	99,478.18	0.00	-148.18	0.00	0.34%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>Corp & Taxable Bonds (continued)</i>							
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2025 (CUSIP:929845UP8)	300,000.00 94.006	282,018.00	295,798.88	0.00	-13,780.88	0.00	0.97%
Total Corp & Taxable Bonds		\$844,313.01	\$872,820.23	\$4,617.78	-\$28,507.22	\$15,856.25 1.88%	2.90%
Total Fixed Income		\$23,387,291.55	\$23,296,747.73	\$211,833.52	\$90,543.82	\$495,886.28 2.12%	80.28%
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	205,337.85 1.00	205,337.85	205,337.85	879.73	0.00	10,934.24 5.33%	0.70%
United States Treasury Bill Zero 03 Oct 2024 (CUSIP:912797GW1)	5,000,000.00 98.649	4,826,009.30	4,826,009.30	106,440.70	0.00	0.00	16.57%
United States Treasury Bill Zero 05 Sep 2024 (CUSIP:912797GL5)	400,000.00 99.043	380,191.25	380,191.25	15,980.75	0.00	0.00	1.30%
Total Cash Equivalents		\$5,411,538.40	\$5,411,538.40	\$123,301.18	\$0.00	\$10,934.24 0.20%	18.57%
Total Cash		\$5,411,538.40	\$5,411,538.40	\$123,301.18	\$0.00	\$10,934.24 0.20%	18.57%
Total Investments		\$28,798,829.95	\$28,708,286.13	\$335,134.70	\$90,543.82	\$506,820.52 1.76%	98.85%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00 1.00	335,134.70	335,134.70	0.00	0.00	0.00	1.15%
Total Non-Investments		\$335,134.70	\$335,134.70	\$0.00	\$0.00	\$0.00	1.15%
Total For Your Portfolio		\$29,133,964.65	\$29,043,420.83	\$335,134.70	\$90,543.82	\$506,820.52 1.74%	100.00%



Market Value Reconciliation 000000235012 - WBSD Capital Project Reserve IMA

	Net amount	Balance
Beginning Market Value		\$28,843,738.25
Fees/ Expenses		
Trustee/Custody Fees	-10,059.34	
Total Fees/ Expenses		-\$10,059.34
Investment Activity		
Income Earned	190,484.74	
Cost Adjustments	-2,794.35	
Total Investment Activity		\$187,690.39
Total Realized Gain/Loss		\$756.25
Total Net change in Unrealized Gain/Loss		\$111,839.10
Total Ending Market Value		\$29,133,964.65



Cash Flow Summary

	Amount	Balance
Opening Cash Balance on April 1, 2024 - US Dollar		\$0.00
Fees/ Expenses		
Trustee/Custody Fees	-10,059.34	
Total Fees/ Expenses	-\$10,059.34	
Investment Activity		
Income Received	20,321.83	
Security Transactions	-10,262.49	
Total Investment Activity	\$10,059.34	
Closing Cash Balance on June 30, 2024 - US Dollar	\$0.00	\$0.00

Contributions and Benefit Payments

No transactions this period.



Other Receipts, Disbursements and Expenses

Trade date Settlement date	Transaction description	Amount	Realized G/L
000000235012 WBSD Capital Project Reserve IMA			
Fee and Expenses			
<i>Trustee/Custody Fees</i>			
April 1, 2024	Periodic Fee: Taken Monthly \$3,352.33 (03/01/24 to 03/31/24)	-3,352.33	0.00
April 1, 2024	Account Services Fee: \$3,352.33 Based on End of Period Market Value of \$65,001,622.50: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$15,001,622.50 @ 0.1% Total Annual Fee: \$91,001.62. Account 000000235012: \$3,352.33. Charged now \$3,352.33. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
May 1, 2024	Periodic Fee: Taken Monthly \$3,348.69 (04/01/24 to 04/30/24)	-3,348.69	0.00
May 1, 2024	Account Services Fee: \$3,348.69 Based on End of Period Market Value of \$64,965,945.28: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$14,965,945.28 @ 0.1% Total Annual Fee: \$90,965.95. Account 000000235012: \$3,348.69. Charged now \$3,348.69. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
June 3, 2024	Periodic Fee: Taken Monthly \$3,358.32 (05/01/24 to 05/31/24)	-3,358.32	0.00
June 3, 2024	Account Services Fee: \$3,358.32 Based on End of Period Market Value of \$65,319,540.37: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15%		

Other Receipts, Disbursements and Expenses (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Trustee/Custody Fees (continued)</i>			
	\$30,000,000.00 @ 0.12%		
	\$15,319,540.37 @ 0.1%		
	Total Annual Fee: \$91,319.54.		
	Account 000000235012: \$3,358.32. Charged now \$3,358.32.		
	Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
Total Trustee/Custody Fees		-\$10,059.34	\$0.00
Total Fee and Expenses		-\$10,059.34	\$0.00
Total 000000235012 WBSD Capital Project Reserve IMA		-\$10,059.34	\$0.00



Income Received and Capital Gains

Trade date Settlement date	Transaction description	Amount	Realized G/L
000000235012 WBSD Capital Project Reserve IMA			
Income Received			
<i>Interest Income</i>			
April 1, 2024 April 1, 2024	Interest Payment 0.03 USD Toyota Motor Credit Corp 3% 01 Apr 2025 For 50,000.00 Par Value Due on 04/01/24 With Ex Date 04/01/24	750.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0025 USD United States Treasury Note/Bond .25% 30 Sep 2025 For 250,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	312.50	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0075 USD United States Treasury Note/Bond .75% 31 Mar 2026 For 740,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	2,775.00	0.00
April 22, 2024 April 22, 2024	Interest Payment 0.0071 USD Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 For 300,000.00 Par Value Due on 04/22/24 With Ex Date 04/21/24	1,065.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.03 USD American Express Co 3% 30 Oct 2024 For 90,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	1,350.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.005 USD United States Treasury Note/Bond .5% 30 Apr 2027 For 160,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	400.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.006 USD Federal Home Loan Banks .6% 30 Oct 2024 For 100,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	300.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.01625 USD United States Treasury Note/Bond 1.625% 31 Oct 2026 For 200,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	1,625.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.0075 USD United States Treasury Note/Bond .75% 30 Apr 2026 For 220,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	825.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.006 USD Federal Home Loan Banks .6% 30 Dec 2024 For 50,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	150.00	0.00
May 1, 2024 May 1, 2024	Interest Payment 0.02325 USD KLA Corp 4.65% 01 Nov 2024 For 50,000.00 Par Value Due on 05/01/24 With Ex Date 05/01/24	1,162.50	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.025 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 160,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	2,000.00	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.0075 USD Tennessee Valley Authority .75% 15 May 2025 For 300,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	1,125.00	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.00375 USD United States Treasury Note/Bond .375% 30 Nov 2025 For 500,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	937.50	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.0125 USD United States Treasury Note/Bond 1.25% 30 Nov 2026 For 520,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	3,250.00	0.00



Income Received and Capital Gains (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Interest Income (continued)</i>			
June 17, 2024	Interest Payment 0.01 USD United States Treasury Note/Bond 1% 15 Dec 2024 For 240,000.00 Par	1,200.00	0.00
June 17, 2024	Value Due on 06/17/24 With Ex Date 06/15/24		
Total Interest Income		\$19,227.50	\$0.00
<i>Dividend Income</i>			
April 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 03/01/24 to	364.59	0.00
April 1, 2024	03/31/24 Due on 04/01/24		
May 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 04/01/24 to	156.05	0.00
May 1, 2024	04/30/24 Due on 05/01/24		
June 3, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 05/01/24 to	573.69	0.00
June 3, 2024	05/31/24 Due on 06/03/24		
Total Dividend Income		\$1,094.33	\$0.00
Total Income Received		\$20,321.83	\$0.00
Total 00000235012 WBSD Capital Project Reserve IMA		\$20,321.83	\$0.00



Income Accrual on June 30, 2024

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 (CUSIP:3133EMWH1)	300,000.00	04/21/24 04/22/24	0.74%	946.67	532.50	1,065.00	414.17
Federal Home Loan Banks .6% 30 Dec 2024 (CUSIP:3130AMAC6)	50,000.00	04/30/24 04/30/24	0.61%	125.83	75.00	150.00	50.83
Federal Home Loan Banks .6% 30 Oct 2024 (CUSIP:3130AM4E9)	100,000.00	04/30/24 04/30/24	0.61%	251.67	150.00	300.00	101.67
Tennessee Valley Authority .75% 15 May 2025 (CUSIP:880591EW8)	300,000.00	05/15/24 05/15/24	0.78%	850.00	562.50	1,125.00	287.50
United States Treasury Note/Bond 1.125% 15 Jan 2025 (CUSIP:91282CDS7)	5,000,000.00		1.15%	11,899.05	14,062.50	0.00	25,961.55
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	240,000.00	06/15/24 06/17/24	1.02%	708.20	596.72	1,200.00	104.92
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	520,000.00	05/31/24 05/31/24	1.35%	2,184.43	1,616.11	3,250.00	550.54
United States Treasury Note/Bond 1.5% 31 Jan 2027 (CUSIP:912828Z78)	250,000.00		1.62%	628.44	937.50	0.00	1,565.94
United States Treasury Note/Bond 1.625% 15 Feb 2026 (CUSIP:912828P46)	100,000.00		1.71%	205.36	406.25	0.00	611.61
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	200,000.00	04/30/24 04/30/24	1.74%	1,366.07	806.48	1,625.00	547.55
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	140,000.00		1.75%	619.23	-619.23	0.00	0.00
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	100,000.00		1.88%	442.31	437.45	0.00	879.76

Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	200,000.00		1.99%	628.43	937.50	0.00	1,565.93
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	100,000.00		2.00%	505.50	-505.50	0.00	0.00
United States Treasury Note/Bond 2.5% 15 May 2024 (CUSIP:912828WJ5)	0.00	05/15/24 05/15/24		1,516.48	483.52	2,000.00	0.00
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	250,000.00	03/31/24 04/01/24	0.27%	314.21	155.40	312.50	157.11
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	400,000.00		0.26%	86.96	247.28	0.00	334.24
United States Treasury Note/Bond .25% 31 Jul 2025 (CUSIP:91282CAB7)	470,000.00		0.26%	196.91	293.75	0.00	490.66
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	120,000.00		2.81%	834.07	824.90	0.00	1,658.97
United States Treasury Note/Bond 3% 15 Jul 2025 (CUSIP:91282CEY3)	5,000,000.00		3.06%	31,730.75	37,500.00	0.00	69,230.75
United States Treasury Note/Bond .375% 30 Nov 2025 (CUSIP:91282CAZ4)	500,000.00	05/31/24 05/31/24	0.40%	630.13	466.18	937.50	158.81
United States Treasury Note/Bond .375% 31 Dec 2025 (CUSIP:91282CBC4)	1,000,000.00		0.40%	947.80	937.39	0.00	1,885.19
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	320,000.00		0.40%	201.10	300.00	0.00	501.10
United States Treasury Note/Bond .375% 31 Jul 2027 (CUSIP:91282CAD3)	340,000.00		0.43%	213.67	318.75	0.00	532.42
United States Treasury Note/Bond 3.875% 15 Jan 2026 (CUSIP:91282CGE5)	5,000,000.00		3.93%	40,985.60	48,437.50	0.00	89,423.10
United States Treasury Note/Bond 4.625% 15 Sep 2026 (CUSIP:91282CHY0)	400,000.00		4.63%	854.62	4,574.73	0.00	5,429.35

Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
U.S. Government Bonds (continued)							
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	30,000.00		0.54%	13.04	37.10	0.00	50.14
United States Treasury Note/Bond .5% 30 Apr 2027 (CUSIP:912828ZN3)	160,000.00	04/30/24 04/30/24	0.56%	336.26	198.52	400.00	134.78
United States Treasury Note/Bond .75% 30 Apr 2026 (CUSIP:91282CBW0)	220,000.00	04/30/24 04/30/24	0.81%	693.54	409.45	825.00	277.99
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	250,000.00		0.82%	163.04	463.66	0.00	626.70
United States Treasury Note/Bond .75% 31 Mar 2026 (CUSIP:91282CBT7)	740,000.00	03/31/24 04/01/24	0.80%	2,790.16	1,379.93	2,775.00	1,395.09
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	520,000.00		0.94%	1,150.00	1,137.37	0.00	2,287.37
Total U.S. Government Bonds				\$105,019.53	\$118,161.21	\$15,965.00	\$207,215.74
Corp & Taxable Bonds							
American Express Co 3% 30 Oct 2024 (CUSIP:025816BR9)	90,000.00	04/30/24 04/30/24	3.03%	1,132.50	675.00	1,350.00	457.50
Apple Inc .7% 08 Feb 2026 (CUSIP:037833EB2)	50,000.00		0.75%	51.53	87.50	0.00	139.03
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBNO)	45,000.00		3.44%	194.06	379.69	0.00	573.75
John Deere Capital Corp 3.45% 13 Mar 2025 (CUSIP:24422EUE7)	50,000.00		3.50%	86.25	431.25	0.00	517.50
KLA Corp 4.65% 01 Nov 2024 (CUSIP:482480AEO)	50,000.00	05/01/24 05/01/24	4.66%	968.75	581.25	1,162.50	387.50
Synchrony Financial 4.25% 15 Aug 2024 (CUSIP:87165BAD5)	135,000.00		4.26%	733.13	1,434.37	0.00	2,167.50
Toyota Motor Credit Corp 3% 01 Apr 2025 (CUSIP:89236TGX7)	50,000.00	04/01/24 04/01/24	3.05%	750.00	375.00	750.00	375.00
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2024 (CUSIP:929845UN3)	100,000.00			0.00	0.00	0.00	0.00



Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>Corp & Taxable Bonds (continued)</i>							
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2025 (CUSIP:929845UP8)	300,000.00			0.00	0.00	0.00	0.00
Total Corp & Taxable Bonds				\$3,916.22	\$3,964.06	\$3,262.50	\$4,617.78
Total Fixed Income				\$108,935.75	\$122,125.27	\$19,227.50	\$211,833.52
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	205,337.85		5.33%	364.59	1,609.47	1,094.33	879.73
United States Treasury Bill Zero 03 Oct 2024 (CUSIP:912797GW1)	5,000,000.00			44,790.70	61,650.00	0.00	106,440.70
United States Treasury Bill Zero 05 Sep 2024 (CUSIP:912797GL5)	400,000.00			10,880.75	5,100.00	0.00	15,980.75
Total Cash Equivalents				\$56,036.04	\$68,359.47	\$1,094.33	\$123,301.18
Total Cash				\$56,036.04	\$68,359.47	\$1,094.33	\$123,301.18
Total Investments				\$164,971.79	\$190,484.74	\$20,321.83	\$335,134.70
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00			0.00	0.00	0.00	0.00
Total Non-Investments				\$0.00	\$0.00	\$0.00	\$0.00
Total Accrual				\$164,971.79	\$190,484.74	\$20,321.83	\$335,134.70



Assets Acquired

Trade date Settlement date	Descriptions	Par Value or Shares	Amount	Total federal cost	Interest bought
000000235012 WBSD Capital Project Reserve IMA					
<i>Cash</i>					
<i>Federated Hermes Government Obligations Fund</i>					
June 30, 2024	Sweep purchases totaling 178,409.33 units of	178,409.33	-178,409.33	178,409.33	
June 30, 2024	Federated Hermes Government Obligations Fund for Managed (Capital) (12 Transactions)				
Total Federated Hermes Government Obligations Fund			-\$178,409.33	\$178,409.33	\$0.00
Total Cash			-\$178,409.33	\$178,409.33	\$0.00
Total 000000235012 WBSD Capital Project Reserve IMA			-\$178,409.33	\$178,409.33	\$0.00

Assets Disposed

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
000000235012 WBSD Capital Project Reserve IMA						
<i>Fixed Income</i>						
<i>United States Treasury Note/Bond 2.5% 15 May 2024</i>						
May 15, 2024	Final Maturity 1 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 160,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24		160,000.00			0.00
May 15, 2024	Final Maturity 100:100 Debit 160,000.00 United States Treasury Note/Bond 2.5% 15 May 2024 For 160,000.00 Par Value of United States Treasury Note/Bond 2.5% 15 May 2024 Due on 05/15/24 With Ex Date 05/15/24	-160,000.00	0.00	-159,243.75		756.25
Total United States Treasury Note/Bond 2.5% 15 May 2024			\$160,000.00	-\$159,243.75	\$0.00	\$756.25
Total Fixed Income			\$160,000.00	-\$159,243.75	\$0.00	\$756.25
<i>Cash</i>						
<i>Federated Hermes Government Obligations Fund</i>						
June 30, 2024	Sweep sales totaling -8,146.84 units of Federated Hermes Government Obligations Fund for Managed (Capital) (3 Transactions)	-8,146.84	8,146.84	-8,146.84		0.00
Total Federated Hermes Government Obligations Fund			\$8,146.84	-\$8,146.84	\$0.00	\$0.00
Total Cash			\$8,146.84	-\$8,146.84	\$0.00	\$0.00
Total 000000235012 WBSD Capital Project Reserve IMA			\$168,146.84	-\$167,390.59	\$0.00	\$756.25



Free Receipts, Deliveries and Adjustments

Trade date Settlement date	Transaction description	Amount	Cost	Realized G/L
000000235012 WBSD Capital Project Reserve IMA				
Adjustments				
<i>SAA Adjustments (Amortization/Accretion)</i>				
April 1, 2024 April 1, 2024	Adjustment - Amortized Premium Current Year of Toyota Motor Credit Corp 3% 01 Apr 2025 - Adjustment Amount of \$558.88, Federal Cost \$558.88, State Cost \$558.88	0.00	-558.88	0.00
April 30, 2024 April 30, 2024	Adjustment - Amortized Premium Current Year of American Express Co 3% 30 Oct 2024 - Adjustment Amount of \$862.95, Federal Cost \$862.95, State Cost \$862.95	0.00	-862.95	0.00
May 1, 2024 May 1, 2024	Adjustment - Amortized Premium Current Year of KLA Corp 4.65% 01 Nov 2024 - Adjustment Amount of \$867.82, Federal Cost \$867.82, State Cost \$867.82	0.00	-867.82	0.00
May 15, 2024 May 15, 2024	Adjustment - Amortized Premium Current Year of Tennessee Valley Authority .75% 15 May 2025 - Adjustment Amount of \$504.70, Federal Cost \$504.70, State Cost \$504.70	0.00	-504.70	0.00
Total SAA Adjustments (Amortization/Accretion)		\$0.00	-\$2,794.35	\$0.00
Total Adjustments		\$0.00	-\$2,794.35	\$0.00
Total 000000235012 WBSD Capital Project Reserve IMA		\$0.00	-\$2,794.35	\$0.00



Reorganizations

No transactions this period.

Brokerage Summary

No activity this period.



Your Pending Transaction Detail

No transactions this period.

Disclosures

Customer Notes

1. Prices, most of which are provided by national pricing services, are not guaranteed for accuracy or realizable value. Generally, the price shown for market-traded securities is the closing price as of the statement date. If a price is not received for that date, then the price will be the last price received. Non-market traded security prices are based on the most recent values provided or obtained. Securities traded in a foreign market show a local market price. A currency exchange rate has been applied so the Market Value is in U.S. dollars.
2. **For holders of the Infinity Q Diversified Alpha fund ("IQ Fund"):** The current price listed on your statement may not be representative of the final liquidation value. Most of the remaining cash in the IQ Fund has been moved to a Special Reserve that is reflected on your statement as a miscellaneous asset titled **Infinity Q Diversified Alpha Special Reserve**. This asset represents an assessment of the most recent Special Reserve per share value based on data available at <https://www.infinityqfundliquidation.com/>. Please note this position is for recordkeeping purposes only and will not be available to be transferred, gifted, and/or liquidated. The ultimate distribution to IQ Fund shareholders may be more or less than this assessment based on (a) fluctuations in the Special Reserve, (b) the possibility that former shareholders will be entitled to receive proceeds from the Special Reserve, and (c) current shareholders that previously redeemed shares may receive more limited payouts. The Special Reserve may decrease over time as costs and liabilities are accrued in ongoing litigation. To support the Special Reserve, the IQ Fund Board has also created a Special Litigation Committee ("SLC") to pursue claims against various third parties, including service providers. The Special Reserve may increase due to the recovery efforts of the SLC.
3. Percentage columns may not total 100.0 due to rounding.
4. For Individual Retirement Trust (IRT) accounts, you have the right to modify the withholding instructions you have on file with us at any time. If you wish to do so, please contact your account administrator.
5. Estimated annual income is based on current assets and returns. It is a snapshot of your account as of the statement date. Variations in the asset composition and returns of the account will change these estimates. Please keep in mind that these are estimates only and not a guarantee of income.
6. Income and gain/loss information are based on the best information we have at the time of the transaction, some of which may have been provided by third parties. Subsequent changes can occur during the year. Also, in some instances, such as complex corporate mergers or tenders, the taxability of the transaction cannot adequately be reflected on your statement. Therefore, you should only use the official tax information letter, which is sent to you after the year-end, in preparation of your tax return.
7. You will receive an official tax information letter after the end of the tax year which advises you regarding the amounts you should include in your tax return. Do not rely on the income reported on this statement to prepare your taxes.
8. Trust accounting income is reflected in the section entitled "Your Account Activity". If your account is a Trust or an Estate, and BMO or an affiliate is Trustee/ Co-Trustee or Executor/ Co-Executor, we will first apply the provisions specified in the governing document(s) or, in the absence of such provisions, the appropriate state law that applies for the allocation of income and principal as it relates to receipts and disbursements. Thus, the allocation may vary from

Disclosures (continued)

state to state and account to account.

9. Receipt of this account statement will serve to confirm that the individual(s) with investment authority (i) directed or approved all account transactions listed on the account statement and (ii) ratifies all trades disclosed on the account statement. Please contact your portfolio manager or trust administrator with any questions.
10. For trust accounts governed by Arizona, Arkansas, Colorado, Connecticut, District of Columbia, Hawaii, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Dakota, South Carolina, Vermont, Virginia, West Virginia, or Wisconsin law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim for breach of trust.
11. For trust accounts governed by Alabama, Georgia, Ohio or Wyoming law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the date the beneficiary, a representative of the beneficiary, or a beneficiary surrogate is sent a report that adequately discloses the existence of a potential claim for breach of trust.
12. For trust accounts governed by Alaska law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a report that adequately discloses the existence of a potential claim against the trustee. If a trustee petitions a court for an order approving a report that adequately discloses the existence of a potential claim, serves the report on all beneficiaries to be bound by the report, gives the beneficiaries at least 60 days' notice of the court proceeding, and notifies the beneficiary that a claim must be begun within 45 days after the beneficiary is served with notice, all potential claims are barred unless the claims are served on the trustee and filed with the court within **45 days** after the beneficiaries are served with notice of the court proceeding. Otherwise, notwithstanding the lack of adequate disclosure, all claims against a trustee who has issued a report received by the beneficiary and who has informed the beneficiary of the location and availability of records for examination by the beneficiary are barred unless a proceeding to assert the claims is commenced within **three years** after the beneficiary's receipt of the report.
13. For trust accounts governed by California, Minnesota, or Montana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after the date the beneficiary receives an account or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into the existence of the claim.
14. For trust accounts governed by Delaware law, a person may not initiate a proceeding against a trustee for breach of trust more than **one year** after the date such person was sent a report that adequately disclosed the facts constituting the potential claim for breach of trust, or in the case of a trustee who has resigned, been removed or ceased to serve as trustee for any reason, **120 days** after the date the beneficiary was sent a report that (i) notifies the beneficiary that the trustee has ceased to serve; (ii) adequately discloses the facts constituting a claim; and (iii) adequately discloses the time allowed for initiating proceedings against the former trustee.
15. For trust accounts governed by Florida law, an action for breach of trust based on matters disclosed in a trust accounting or other written report of the trustee may be subject to a **six month** statute of limitations from the receipt of the trust accounting or other written report.
16. For trust accounts governed by Idaho law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement disclosing the matter and showing termination of the trust relationship between the trustee and beneficiary. Otherwise, notwithstanding lack of full disclosure a trustee who has issued a final account or statement received by the beneficiary and has informed the

Disclosures (continued)

beneficiary of the location and availability of records for his examination is protected after **three years**.

17. For trust accounts governed by Illinois law, a beneficiary may not commence a proceeding against a trustee for breach of trust for trusts that becomes irrevocable after January 01, 2020, and for trustees who accepted appointment after January 01, 2020, more than **two years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished. For trusts that became irrevocable before January 01, 2020, and for trustees who accepted appointment before January 01, 2020, a beneficiary may not commence a proceeding against a trustee more than **three years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished.

18. For trust accounts governed by Indiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after receipt of the final account or statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary.

19. For trust accounts governed by Iowa law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the receipt of accounting or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into its existence.

20. For trust accounts governed by Louisiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the trustee renders an accounting for the accounting period in which the alleged act, omission, or breach of duty arising out of the matters disclosed therein occurred to the beneficiary or if the beneficiary lacks legal capacity, the beneficiary's legal representative. However, such actions must be filed within **three years** of the trustee rendering the accounting for the accounting period in discussion, even actions that happened within **two years** of disclosure. If a beneficiary is a minor when a trustee's accounting for the accounting period in which the alleged act, omission, or breach of duty occurred is rendered, the period of two years begins to run from the day he reaches the age of eighteen.

21. For trust accounts governed by Massachusetts law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary, or more than **three years** after a beneficiary received information regarding the location and availability of records for examination.

22. For trust accounts governed by New Jersey law or Utah law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim.

23. For trust accounts governed by North Carolina law, a beneficiary may not commence a proceeding against a trustee more than **five years** after the first to occur of (i) the removal, resignation, or death of the trustee; (ii) the termination of the beneficiary's interest in the trust; or (iii) the termination of the trust.

24. For trust accounts governed by Oklahoma law, a beneficiary may not commence a proceeding against a trustee more than **two years** after receipt of a report or statement adequately disclosing the existence of the claim or more than **two years** after the termination of the trust relationship between the beneficiary and that trustee.

25. For trust accounts governed by Oregon law, we would like to inform you that ORS 130.820 states as follows: "(1) Notwithstanding ORS chapter 12 or any other provision of law, but subject to subsection (2) of this section, a civil action against a trustee based on any act or omission of the trustee, whether

Disclosures (continued)

based in tort, contract or other theory of recovery, must be commenced within six years after the date the act or omission is discovered, or six years after the date the act or omission should have been discovered, whichever is earlier.(2) A beneficiary may not commence a proceeding against a trustee more than one year after the date the beneficiary or a representative of the beneficiary is sent a report by certified or regular mail that adequately discloses the existence of a potential claim and that informs the beneficiary of the time allowed for commencing a proceeding. A copy of this section must be attached to the report. The report must provide sufficient information so that the beneficiary or representative knows of the potential claim or should have inquired into its existence.”

26. For trust accounts governed by Pennsylvania law, a beneficiary may not commence a proceeding against a trustee if (i) the trustee provided the beneficiary at least annually with periodic written financial reports concerning the trust and (ii) the transaction was disclosed in a report or such report provided sufficient information so that the beneficiary knew or should have known of the potential claim or should have inquired into its existence, and (iii) within **thirty months** after such report was sent by the trustee to the beneficiary, the beneficiary did not notify the trustee in writing that the beneficiary challenges the transaction or asserts a claim and provides in writing the basis for that challenge or assertion.

27. For accounts governed by South Dakota law, a distribution beneficiary may not object to the trustee’s accounting more than **180 days** after a copy of the trustee’s accounting has been mailed, postage prepaid, to the last known address of such distribution, personally or electronically in accordance with SDCL § 15-6-5(d).

28. For trust accounts governed by Tennessee law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the earlier of:

- (i) the date the beneficiary or a representative of the beneficiary was sent information that adequately disclosed facts indicating the existence of a potential claim for breach of trust or (ii) the date the beneficiary or a representative of the beneficiary possessed actual knowledge of facts indicating the existence of a potential claim for breach of trust.

29. For trust accounts governed by Washington State law, a beneficiary may not commence a proceeding against trustee for breach of trust more than **three years** after the date a report was delivered in the manner provided in RCW 11.96A.110 to the beneficiary or to representative of the beneficiary if the report adequately disclosed the existence of a potential claim for breach of trust.

30. If your account is a Trust or an Estate account, the statement reflects the total assets held in that Trust or Estate account and is not necessarily reflective of your rights and interests to the income or assets of the Trust or Estate. Your rights and interests with respect to income or assets detailed on this account statement are determined by the instrument or will governing the Trust or Estate and applicable law.

31. Taxable Bond Election. The IRS requires taxpayers to amortize the premium on all bonds over the life of the bond or until the bond is sold or redeemed. The annual amount of amortized premium will reduce the cost basis of the bond and may provide an offset to the income earned on the bond during the year. If the bond is a taxable bond, the taxpayer may elect out of the amortization rule; there is no opt out for tax-exempt bonds. BMO will amortize premiums paid for all bonds in Client’s account, including taxable bonds unless Client instructs otherwise in writing.

32. **Notice Regarding Our Relationship with Ameriprise Financial, Inc. (“Ameriprise”)** . In November 2021, Bank of Montreal, the parent company of BMO, entered into a relationship agreement with Ameriprise and its affiliates setting forth a framework of mutual cooperation between the parties. As a result, BMO has agreed to consider and retain Ameriprise as an approved manager for certain new sub-advisory mandates where their offering is suitable for the mandate under consideration. BMO addresses the conflict of interest by requiring Ameriprise to present a reasonable and competitive proposal in which their relevant

Disclosures (continued)

performance exceeds the benchmark median in comparison to rolling 1, 3 and 5 year time periods.

33. BMO's annual Privacy Policy is available for your review. For more information, please visit www.bmo.com/usprivacy.

34. BMO's Terms and Conditions Disclosure, as part of your account agreement, is available for your review. To access the appropriate disclosure for your account, please visit <https://uswealth.bmo.com/disclosures/>.

For accounts where BMO provides investment management services, this disclosure provides information on matters such as but not limited to: brokerage discretion (BMO's ability to engage an authorized broker-dealer to buy and sell securities without the client's consent), soft dollars (commission arrangements in which BMO pays brokerage firms for their services and receives products and services which assist in our investment decision making process for the benefit of all managed accounts) and statements.

For custody accounts, this disclosure provides information on matters such as but not limited to: safekeeping (BMO will hold assets as the custodian of the account), pledging (use of assets as collateral for a loan) and statements.

Notification Regarding Proprietary Products and Fees: If permitted, your account will likely contain BMO Proprietary Products. Proprietary Products are investment products or services that are offered, sponsored, or advised by BMO or its affiliates, or for which BMO or its affiliates receive compensation. Proprietary Products may include certificates of deposit; mutual funds; unregistered private funds; structured products; equity, commodity, financial or other derivatives; or other securities. BMO or its affiliates receives compensation directly or indirectly from the Proprietary Products. This compensation may be in addition to any advisory or subadvisory fee or investment management fee for your Account.

Details regarding Proprietary Products and fees can be found in the BMO information and disclosure for the particular product, as updated from time to time ("Disclosure"). For the current copy of the Disclosure, please contact your account representative or go to <https://uswealth.bmo.com/disclosures/>.

"BMO" as used in these Customer Notes means BMO Bank N.A.

Statement of Account

P.O. Box 755
Chicago, IL 60690-0755

April 1, 2024 - June 30, 2024

WBSD Emergency Capital Reserve IMA

It is important for you to review the data reported in this statement. If you have any questions, please contact a member of your Client Strategy Team.

“BMO Wealth Management” is a brand name that refers to BMO Bank N.A. and certain of its affiliates that provide certain investment, investment advisory, trust, banking, and securities products and services. Investment products and services: **ARE NOT A DEPOSIT – NOT INSURED BY THE FDIC OR ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY ANY BANK – MAY LOSE VALUE.**

For Questions Call

Private Wealth Advisor: Maya Gervis 415-796-9621 maya.gervis@bmo.com
Portfolio Manager: Michael Smith 408-490-2079 michael.d1.smith@bmo.com
Trust Administrator: Shenetta Tucker 949-386-0134 shenetta.tucker@bmo.com

Accounts Included In This Statement

000001004012 WBSD Emergency Capital Reserve IMA

West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025
United States



This page intentionally left blank.

P0655UNN 00000167 20240629 218723714



Table of Contents

Schedules	Page
Your Balance Sheet.....	5
Asset Summary.....	6
Portfolio Holdings.....	7
Market Value Reconciliation.....	12
Cash Flow Summary.....	13
Contributions and Benefit Payments.....	14
Other Receipts, Disbursements and Expenses.....	15
Income Received and Capital Gains.....	17
Income Accrual.....	19
Assets Acquired.....	23
Assets Disposed.....	24
Free Receipts, Deliveries and Adjustments.....	26
Reorganizations.....	27
Brokerage Summary.....	28
Your Pending Transaction Detail.....	29
Disclosures.....	30

This page intentionally left blank.



Your Balance Sheet on June 30, 2024

	As of March 31, 2024		As of June 30, 2024		% of account
	Market value	Cost basis	Market value	Cost basis	
Investments					
Fixed Income					
U.S. Government Bonds	5,203,358.18	5,181,177.81	5,071,623.45	5,011,745.34	76.56%
Corp & Taxable Bonds	899,929.62	932,512.25	907,774.06	930,875.24	13.70%
Total Fixed Income	\$6,103,287.80	\$6,113,690.06	\$5,979,397.51	\$5,942,620.58	90.26%
Cash					
Cash Equivalents	428,710.31	428,710.31	611,708.79	611,708.79	9.23%
Total Cash	\$428,710.31	\$428,710.31	\$611,708.79	\$611,708.79	9.23%
Total Investments	\$6,531,998.11	\$6,542,400.37	\$6,591,106.30	\$6,554,329.37	99.49%
Non-Investments	28,705.68	28,705.68	33,720.28	33,720.28	0.51%
Total For Your Portfolio	\$6,560,703.79	\$6,571,106.05	\$6,624,826.58	\$6,588,049.65	100.00%

Asset Summary on June 30, 2024

	Cost	Market value	Yield on Market	Estimated Annual Income	% of account
Investments					
Fixed Income					
U.S. Government Bonds	5,011,745.34	5,071,623.45	0.86%	43,730.00	76.56%
Corp & Taxable Bonds	930,875.24	907,774.06	1.58%	14,368.75	13.70%
Total Fixed Income	\$5,942,620.58	\$5,979,397.51	0.97%	\$58,098.75	90.26%
Cash					
Cash Equivalents	611,708.79	611,708.79	1.85%	11,316.05	9.23%
Total Cash	\$611,708.79	\$611,708.79	1.85%	\$11,316.05	9.23%
Total Investments	\$6,554,329.37	\$6,591,106.30	1.05%	\$69,414.80	99.49%
Non-Investments	33,720.28	33,720.28		0.00	0.51%
Total For Your Portfolio	\$6,588,049.65	\$6,624,826.58	1.05%	\$69,414.80	100.00%



Portfolio Holdings on June 30, 2024

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 (CUSIP:3133EMWH1)	100,000.00 96.29	96,290.00	100,000.00	138.06	-3,710.00	710.00 0.74%	1.45%
Federal Home Loan Banks .6% 30 Dec 2024 (CUSIP:3130AMAC6)	270,000.00 97.639	263,625.30	270,000.00	274.50	-6,374.70	1,620.00 0.61%	3.98%
Federal Home Loan Banks .6% 30 Oct 2024 (CUSIP:3130AM4E9)	100,000.00 98.371	98,371.00	100,000.00	101.67	-1,629.00	600.00 0.61%	1.48%
Tennessee Valley Authority .75% 15 May 2025 (CUSIP:880591EW8)	100,000.00 96.2062	96,206.25	100,348.75	95.83	-4,142.50	750.00 0.78%	1.45%
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	120,000.00 98.075	117,690.00	116,227.11	52.46	1,462.89	1,200.00 1.02%	1.78%
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	300,000.00 92.356	277,068.00	271,853.36	317.62	5,214.64	3,750.00 1.35%	4.18%
United States Treasury Note/Bond 1.5% 31 Jan 2027 (CUSIP:912828Z78)	150,000.00 92.547	138,820.50	138,399.23	939.56	421.27	2,250.00 1.62%	2.10%
United States Treasury Note/Bond 1.625% 15 Feb 2026 (CUSIP:912828P46)	200,000.00 94.988	189,976.00	193,479.82	1,223.21	-3,503.82	3,250.00 1.71%	2.87%
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	100,000.00 93.387	93,387.00	92,675.73	273.78	711.27	1,625.00 1.74%	1.41%
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	160,000.00 100.00	160,000.00	155,279.55	0.00	4,720.45	2,800.00 1.75%	2.42%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	100,000.00 94.43	94,430.00	94,281.75	782.97	148.25	1,875.00 1.99%	1.43%
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	100,000.00 100.00	100,000.00	98,936.87	0.00	1,063.13	2,000.00 2.00%	1.51%
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	210,000.00 95.813	201,207.30	200,700.22	840.29	507.08	4,987.50 2.48%	3.04%
United States Treasury Note/Bond .25% 30 Jun 2025 (CUSIP:912828ZW3)	660,000.00 95.31	629,046.00	618,878.90	829.48	10,167.10	1,650.00 0.26%	9.49%
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	250,000.00 94.289	235,722.50	228,701.17	157.11	7,021.33	625.00 0.27%	3.56%
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	420,000.00 94.613	397,374.60	382,757.81	350.95	14,616.79	1,050.00 0.26%	6.00%
United States Treasury Note/Bond .25% 31 Jul 2025 (CUSIP:91282CAB7)	200,000.00 94.965	189,930.00	184,396.18	208.79	5,533.82	500.00 0.26%	2.87%
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	140,000.00 97.712	136,796.80	135,090.52	1,935.46	1,706.28	3,850.00 2.81%	2.06%
United States Treasury Note/Bond .375% 15 Aug 2024 (CUSIP:91282CCT6)	100,000.00 99.381	99,381.00	97,055.87	141.14	2,325.13	375.00 0.38%	1.50%
United States Treasury Note/Bond .375% 30 Nov 2025 (CUSIP:91282CAZ4)	300,000.00 93.816	281,448.00	272,294.77	95.29	9,153.23	1,125.00 0.40%	4.25%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
U.S. Government Bonds (continued)							
United States Treasury Note/Bond .375% 31 Dec 2025 (CUSIP:91282CBC4)	340,000.00 93.52	317,968.00	315,243.75	640.96	2,724.25	1,275.00 0.40%	4.80%
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	150,000.00 93.199	139,798.50	137,036.58	234.89	2,761.92	562.50 0.40%	2.11%
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	20,000.00 93.117	18,623.40	18,348.29	33.42	275.11	100.00 0.54%	0.28%
United States Treasury Note/Bond .5% 31 Aug 2027 (CUSIP:91282CAH4)	180,000.00 88.293	158,927.40	158,104.69	300.82	822.71	900.00 0.57%	2.40%
United States Treasury Note/Bond .5% 31 May 2027 (CUSIP:912828ZS2)	180,000.00 89.106	160,390.80	159,110.16	76.23	1,280.64	900.00 0.56%	2.42%
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	150,000.00 91.969	137,953.50	136,612.32	376.02	1,341.18	1,125.00 0.82%	2.08%
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	260,000.00 92.766	241,191.60	235,931.94	1,143.68	5,259.66	2,275.00 0.94%	3.64%
Total U.S. Government Bonds		\$5,071,623.45	\$5,011,745.34	\$11,564.19	\$59,878.11	\$43,730.00 0.86%	76.56%
Corp & Taxable Bonds							
American Express Co 2.5% 30 Jul 2024 (CUSIP:025816CG2)	100,000.00 100.00	100,000.00	100,711.75	1,048.61	-711.75	2,500.00 2.50%	1.51%
Apple Inc .7% 08 Feb 2026 (CUSIP:037833EB2)	50,000.00 93.387	46,693.50	49,948.00	139.03	-3,254.50	350.00 0.75%	0.70%



Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>Corp & Taxable Bonds (continued)</i>							
Asotin Cnty Wa Txbl-Ser B 25 Feb 2021 0.583% 01 Dec 2024 (CUSIP:045208JK2)	100,000.00 98.003	98,003.00	100,000.00	48.58	-1,997.00	583.00 0.59%	1.48%
Cashmere Wa Wtr & Swr Revenue Txbl-Ref-Ser B 24 Feb 2021 0.658% 01 Dec 2024 (CUSIP:147565EM3)	100,000.00 98.044	98,044.00	100,000.00	54.83	-1,956.00	658.00 0.67%	1.48%
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBNO)	55,000.00 97.997	53,898.35	57,064.54	701.25	-3,166.19	1,856.25 3.44%	0.81%
John Deere Capital Corp 3.45% 13 Mar 2025 (CUSIP:24422EUE7)	40,000.00 98.664	39,465.60	41,122.57	414.00	-1,656.97	1,380.00 3.50%	0.60%
PayPal Holdings Inc 2.4% 01 Oct 2024 (CUSIP:70450YAC7)	96,000.00 99.1832	95,215.91	96,776.76	576.00	-1,560.85	2,304.00 2.42%	1.44%
Synchrony Financial 4.25% 15 Aug 2024 (CUSIP:87165BAD5)	55,000.00 99.7592	54,867.58	55,697.63	883.06	-830.05	2,337.50 4.26%	0.83%
Toyota Motor Credit Corp 3% 01 Apr 2025 (CUSIP:89236TGX7)	80,000.00 98.2314	78,585.12	81,737.00	600.00	-3,151.88	2,400.00 3.05%	1.19%
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2024 (CUSIP:929845UN3)	150,000.00 99.33	148,995.00	149,217.56	0.00	-222.56	0.00	2.24%
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2025 (CUSIP:929845UP8)	100,000.00 94.006	94,006.00	98,599.43	0.00	-4,593.43	0.00	1.42%
Total Corp & Taxable Bonds		\$907,774.06	\$930,875.24	\$4,465.36	-\$23,101.18	\$14,368.75 1.58%	13.70%
Total Fixed Income		\$5,979,397.51	\$5,942,620.58	\$16,029.55	\$36,776.93	\$58,098.75 0.97%	90.26%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	212,507.98 1.00	212,507.98	212,507.98	910.94	0.00	11,316.05 5.33%	3.21%
United States Treasury Bill Zero 05 Sep 2024 (CUSIP:912797GL5)	420,000.00 99.043	399,200.81	399,200.81	16,779.79	0.00	0.00	6.02%
Total Cash Equivalents		\$611,708.79	\$611,708.79	\$17,690.73	\$0.00	\$11,316.05 1.85%	9.23%
Total Cash		\$611,708.79	\$611,708.79	\$17,690.73	\$0.00	\$11,316.05 1.85%	9.23%
Total Investments		\$6,591,106.30	\$6,554,329.37	\$33,720.28	\$36,776.93	\$69,414.80 1.05%	99.49%
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00 1.00	33,720.28	33,720.28	0.00	0.00	0.00	0.51%
Total Non-Investments		\$33,720.28	\$33,720.28	\$0.00	\$0.00	\$0.00	0.51%
Total For Your Portfolio		\$6,624,826.58	\$6,588,049.65	\$33,720.28	\$36,776.93	\$69,414.80 1.05%	100.00%



Market Value Reconciliation 000001004012 - WBSD Emergency Capital Reserve IMA

	Net amount	Balance
Beginning Market Value		\$6,560,703.79
Fees/ Expenses		
Trustee/Custody Fees	-2,293.27	
Total Fees/ Expenses		-\$2,293.27
Investment Activity		
Income Earned	20,306.35	
Cost Adjustments	-1,636.67	
Total Investment Activity		\$18,669.68
Total Realized Gain/Loss		\$567.19
Total Net change in Unrealized Gain/Loss		\$47,179.19
Total Ending Market Value		\$6,624,826.58

Cash Flow Summary

	Amount	Balance
Opening Cash Balance on April 1, 2024 - US Dollar		\$0.00
Fees/ Expenses		
Trustee/Custody Fees	-2,293.27	
Total Fees/ Expenses	-\$2,293.27	
Investment Activity		
Income Received	15,291.75	
Security Transactions	-12,998.48	
Total Investment Activity	\$2,293.27	
Closing Cash Balance on June 30, 2024 - US Dollar	\$0.00	\$0.00



Contributions and Benefit Payments

No transactions this period.



Other Receipts, Disbursements and Expenses

Trade date Settlement date	Transaction description	Amount	Realized G/L
000001004012 WBSD Emergency Capital Reserve IMA			
Fee and Expenses			
<i>Trustee/Custody Fees</i>			
April 1, 2024	Periodic Fee: Taken Monthly \$763.39 (03/01/24 to 03/31/24)	-763.39	0.00
April 1, 2024	Account Services Fee: \$763.39 Based on End of Period Market Value of \$65,001,622.50: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$15,001,622.50 @ 0.1% Total Annual Fee: \$91,001.62. Account 000001004012: \$763.39. Charged now \$763.39. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
May 1, 2024	Periodic Fee: Taken Monthly \$763.26 (04/01/24 to 04/30/24)	-763.26	0.00
May 1, 2024	Account Services Fee: \$763.26 Based on End of Period Market Value of \$64,965,945.28: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$14,965,945.28 @ 0.1% Total Annual Fee: \$90,965.95. Account 000001004012: \$763.26. Charged now \$763.26. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
June 3, 2024	Periodic Fee: Taken Monthly \$766.62 (05/01/24 to 05/31/24)	-766.62	0.00
June 3, 2024	Account Services Fee: \$766.62 Based on End of Period Market Value of \$65,319,540.37: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15%		



Other Receipts, Disbursements and Expenses (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Trustee/Custody Fees (continued)</i>			
	\$30,000,000.00 @ 0.12%		
	\$15,319,540.37 @ 0.1%		
	Total Annual Fee: \$91,319.54.		
	Account 000001004012: \$766.62. Charged now \$766.62.		
	Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
Total Trustee/Custody Fees		-\$2,293.27	\$0.00
Total Fee and Expenses		-\$2,293.27	\$0.00
Total 000001004012 WBSD Emergency Capital Reserve IMA		-\$2,293.27	\$0.00



Income Received and Capital Gains

Trade date Settlement date	Transaction description	Amount	Realized G/L
000001004012 WBSD Emergency Capital Reserve IMA			
Income Received			
<i>Interest Income</i>			
April 1, 2024 April 1, 2024	Interest Payment 0.03 USD Toyota Motor Credit Corp 3% 01 Apr 2025 For 80,000.00 Par Value Due on 04/01/24 With Ex Date 04/01/24	1,200.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.024 USD PayPal Holdings Inc 2.4% 01 Oct 2024 For 96,000.00 Par Value Due on 04/01/24 With Ex Date 04/01/24	1,152.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0025 USD United States Treasury Note/Bond .25% 30 Sep 2025 For 250,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	312.50	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0225 USD United States Treasury Note/Bond 2.25% 31 Mar 2024 For 50,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	562.50	0.00
April 22, 2024 April 22, 2024	Interest Payment 0.0071 USD Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 For 100,000.00 Par Value Due on 04/22/24 With Ex Date 04/21/24	355.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.006 USD Federal Home Loan Banks .6% 30 Oct 2024 For 100,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	300.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.01625 USD United States Treasury Note/Bond 1.625% 31 Oct 2026 For 100,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	812.50	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.006 USD Federal Home Loan Banks .6% 30 Dec 2024 For 270,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	810.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.02375 USD United States Treasury Note/Bond 2.375% 30 Apr 2026 For 210,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	2,493.75	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.025 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 120,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	1,500.00	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.0075 USD Tennessee Valley Authority .75% 15 May 2025 For 100,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	375.00	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.00375 USD United States Treasury Note/Bond .375% 30 Nov 2025 For 300,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	562.50	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.0125 USD United States Treasury Note/Bond 1.25% 30 Nov 2026 For 300,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	1,875.00	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.005 USD United States Treasury Note/Bond .5% 31 May 2027 For 180,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	450.00	0.00
June 3, 2024 June 3, 2024	Interest Payment 0.00583 USD Asotin Cnty Wa Txbl-Ser B 25 Feb 2021 0.583% 01 Dec 2024 For 100,000.00 Par Value Due on 06/03/24 With Ex Date 06/01/24	291.50	0.00

Income Received and Capital Gains (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Interest Income (continued)</i>			
June 3, 2024	Interest Payment 0.00658 USD Cashmere Wa Wtr & Swr Revenue TxbI-Ref-Ser B 24 Feb 2021 0.658%	329.00	0.00
June 3, 2024	01 Dec 2024 For 100,000.00 Par Value Due on 06/03/24 With Ex Date 06/01/24		
June 17, 2024	Interest Payment 0.01 USD United States Treasury Note/Bond 1% 15 Dec 2024 For 120,000.00 Par	600.00	0.00
June 17, 2024	Value Due on 06/17/24 With Ex Date 06/15/24		
Total Interest Income		\$13,981.25	\$0.00
<i>Dividend Income</i>			
April 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 03/01/24 to	275.20	0.00
April 1, 2024	03/31/24 Due on 04/01/24		
May 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 04/01/24 to	353.70	0.00
May 1, 2024	04/30/24 Due on 05/01/24		
June 3, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 05/01/24 to	681.60	0.00
June 3, 2024	05/31/24 Due on 06/03/24		
Total Dividend Income		\$1,310.50	\$0.00
Total Income Received		\$15,291.75	\$0.00
Total 000001004012 WBSD Emergency Capital Reserve IMA		\$15,291.75	\$0.00



Income Accrual on June 30, 2024

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 (CUSIP:3133EMWH1)	100,000.00	04/21/24 04/22/24	0.74%	315.56	177.50	355.00	138.06
Federal Home Loan Banks .6% 30 Dec 2024 (CUSIP:3130AMAC6)	270,000.00	04/30/24 04/30/24	0.61%	679.50	405.00	810.00	274.50
Federal Home Loan Banks .6% 30 Oct 2024 (CUSIP:3130AM4E9)	100,000.00	04/30/24 04/30/24	0.61%	251.67	150.00	300.00	101.67
Tennessee Valley Authority .75% 15 May 2025 (CUSIP:880591EW8)	100,000.00	05/15/24 05/15/24	0.78%	283.33	187.50	375.00	95.83
United States Treasury Note/Bond 1% 15 Dec 2024 (CUSIP:91282CDN8)	120,000.00	06/15/24 06/17/24	1.02%	354.10	298.36	600.00	52.46
United States Treasury Note/Bond 1.25% 30 Nov 2026 (CUSIP:91282CDK4)	300,000.00	05/31/24 05/31/24	1.35%	1,260.25	932.37	1,875.00	317.62
United States Treasury Note/Bond 1.5% 31 Jan 2027 (CUSIP:912828Z78)	150,000.00		1.62%	377.06	562.50	0.00	939.56
United States Treasury Note/Bond 1.625% 15 Feb 2026 (CUSIP:912828P46)	200,000.00		1.71%	410.71	812.50	0.00	1,223.21
United States Treasury Note/Bond 1.625% 31 Oct 2026 (CUSIP:912828YQ7)	100,000.00	04/30/24 04/30/24	1.74%	683.04	403.24	812.50	273.78
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	160,000.00		1.75%	707.69	-707.69	0.00	0.00
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	100,000.00		1.99%	314.22	468.75	0.00	782.97
United States Treasury Note/Bond 2.25% 31 Mar 2024 (CUSIP:91282CEG2)	0.00	03/31/24 04/01/24		0.00	562.50	562.50	0.00
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	100,000.00		2.00%	505.50	-505.50	0.00	0.00

Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	210,000.00	04/30/24 04/30/24	2.48%	2,096.39	1,237.65	2,493.75	840.29
United States Treasury Note/Bond 2.5% 15 May 2024 (CUSIP:912828WJ5)	0.00	05/15/24 05/15/24		1,137.36	362.64	1,500.00	0.00
United States Treasury Note/Bond .25% 30 Jun 2025 (CUSIP:912828ZW3)	660,000.00		0.26%	417.03	412.45	0.00	829.48
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	250,000.00	03/31/24 04/01/24	0.27%	314.21	155.40	312.50	157.11
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	420,000.00		0.26%	91.30	259.65	0.00	350.95
United States Treasury Note/Bond .25% 31 Jul 2025 (CUSIP:91282CAB7)	200,000.00		0.26%	83.79	125.00	0.00	208.79
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	140,000.00		2.81%	973.08	962.38	0.00	1,935.46
United States Treasury Note/Bond .375% 15 Aug 2024 (CUSIP:91282CCT6)	100,000.00		0.38%	47.39	93.75	0.00	141.14
United States Treasury Note/Bond .375% 30 Nov 2025 (CUSIP:91282CAZ4)	300,000.00	05/31/24 05/31/24	0.40%	378.08	279.71	562.50	95.29
United States Treasury Note/Bond .375% 31 Dec 2025 (CUSIP:91282CBC4)	340,000.00		0.40%	322.25	318.71	0.00	640.96
United States Treasury Note/Bond .375% 31 Jan 2026 (CUSIP:91282CBH3)	150,000.00		0.40%	94.26	140.63	0.00	234.89
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	20,000.00		0.54%	8.70	24.72	0.00	33.42
United States Treasury Note/Bond .5% 31 Aug 2027 (CUSIP:91282CAH4)	180,000.00		0.57%	78.26	222.56	0.00	300.82
United States Treasury Note/Bond .5% 31 May 2027 (CUSIP:912828ZS2)	180,000.00	05/31/24 05/31/24	0.56%	302.46	223.77	450.00	76.23
United States Treasury Note/Bond .75% 31 Aug 2026 (CUSIP:91282CCW9)	150,000.00		0.82%	97.83	278.19	0.00	376.02



Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	260,000.00		0.94%	575.00	568.68	0.00	1,143.68
Total U.S. Government Bonds				\$13,160.02	\$9,412.92	\$11,008.75	\$11,564.19
<i>Corp & Taxable Bonds</i>							
American Express Co 2.5% 30 Jul 2024 (CUSIP:025816CG2)	100,000.00		2.50%	423.61	625.00	0.00	1,048.61
Apple Inc .7% 08 Feb 2026 (CUSIP:037833EB2)	50,000.00		0.75%	51.53	87.50	0.00	139.03
Asotin Cnty Wa Txbl-Ser B 25 Feb 2021 0.583% 01 Dec 2024 (CUSIP:045208JK2)	100,000.00	06/01/24 06/03/24	0.59%	194.33	145.75	291.50	48.58
Cashmere Wa Wtr & Swr Revenue Txbl-Ref-Ser B 24 Feb 2021 0.658% 01 Dec 2024 (CUSIP:147565EM3)	100,000.00	06/01/24 06/03/24	0.67%	219.33	164.50	329.00	54.83
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBN0)	55,000.00		3.44%	237.19	464.06	0.00	701.25
John Deere Capital Corp 3.45% 13 Mar 2025 (CUSIP:24422EUE7)	40,000.00		3.50%	69.00	345.00	0.00	414.00
PayPal Holdings Inc 2.4% 01 Oct 2024 (CUSIP:70450YAC7)	96,000.00	04/01/24 04/01/24	2.42%	1,152.00	576.00	1,152.00	576.00
Synchrony Financial 4.25% 15 Aug 2024 (CUSIP:87165BAD5)	55,000.00		4.26%	298.68	584.38	0.00	883.06
Toyota Motor Credit Corp 3% 01 Apr 2025 (CUSIP:89236TGX7)	80,000.00	04/01/24 04/01/24	3.05%	1,200.00	600.00	1,200.00	600.00
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2024 (CUSIP:929845UN3)	150,000.00			0.00	0.00	0.00	0.00



Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>Corp & Taxable Bonds (continued)</i>							
Waco Tx Indep Sch Dist Txbl-Ref-Cabs 01 Jan 2021 0% 15 Aug 2025 (CUSIP:929845UP8)	100,000.00			0.00	0.00	0.00	0.00
Total Corp & Taxable Bonds				\$3,845.67	\$3,592.19	\$2,972.50	\$4,465.36
Total Fixed Income				\$17,005.69	\$13,005.11	\$13,981.25	\$16,029.55
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	212,507.98		5.33%	275.20	1,946.24	1,310.50	910.94
United States Treasury Bill Zero 05 Sep 2024 (CUSIP:912797GL5)	420,000.00			11,424.79	5,355.00	0.00	16,779.79
Total Cash Equivalents				\$11,699.99	\$7,301.24	\$1,310.50	\$17,690.73
Total Cash				\$11,699.99	\$7,301.24	\$1,310.50	\$17,690.73
Total Investments				\$28,705.68	\$20,306.35	\$15,291.75	\$33,720.28
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00			0.00	0.00	0.00	0.00
Total Non-Investments				\$0.00	\$0.00	\$0.00	\$0.00
Total Accrual				\$28,705.68	\$20,306.35	\$15,291.75	\$33,720.28



Assets Acquired

Trade date Settlement date	Descriptions	Par Value or Shares	Amount	Total federal cost	Interest bought
000001004012 WBSD Emergency Capital Reserve IMA					
<i>Cash</i>					
<i>Federated Hermes Government Obligations Fund</i>					
June 30, 2024	Sweep purchases totaling 183,907.86 units of	183,907.86	-183,907.86	183,907.86	
June 30, 2024	Federated Hermes Government Obligations Fund for Managed (Capital) (13 Transactions)				
Total Federated Hermes Government Obligations Fund			-\$183,907.86	\$183,907.86	\$0.00
Total Cash			-\$183,907.86	\$183,907.86	\$0.00
Total 000001004012 WBSD Emergency Capital Reserve IMA			-\$183,907.86	\$183,907.86	\$0.00



Assets Disposed

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
000001004012 WBSD Emergency Capital Reserve IMA						
<i>Fixed Income</i>						
<i>United States Treasury Note/Bond 2.25% 31 Mar 2024</i>						
April 1, 2024 April 1, 2024	Final Maturity 1 USD United States Treasury Note/Bond 2.25% 31 Mar 2024 For 50,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24		50,000.00			0.00
April 1, 2024 April 1, 2024	Final Maturity 100:100 Debit 50,000.00 United States Treasury Note/Bond 2.25% 31 Mar 2024 For 50,000.00 Par Value of United States Treasury Note/Bond 2.25% 31 Mar 2024 Due on 04/01/24 With Ex Date 03/31/24	-50,000.00	0.00	-50,000.00		0.00
Total United States Treasury Note/Bond 2.25% 31 Mar 2024			\$50,000.00	-\$50,000.00	\$0.00	\$0.00
<i>United States Treasury Note/Bond 2.5% 15 May 2024</i>						
May 15, 2024 May 15, 2024	Final Maturity 1 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 120,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24		120,000.00			0.00
May 15, 2024 May 15, 2024	Final Maturity 100:100 Debit 120,000.00 United States Treasury Note/Bond 2.5% 15 May 2024 For 120,000.00 Par Value of United States Treasury Note/Bond 2.5% 15	-120,000.00	0.00	-119,432.81		567.19

Assets Disposed (continued)

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
<i>United States Treasury Note/Bond 2.5% 15 May 2024 (continued)</i>						
	May 2024 Due on 05/15/24 With Ex Date 05/15/24					
Total United States Treasury Note/Bond 2.5% 15 May 2024			\$120,000.00	-\$119,432.81	\$0.00	\$567.19
Total Fixed Income			\$170,000.00	-\$169,432.81	\$0.00	\$567.19
<i>Cash</i>						
<i>Federated Hermes Government Obligations Fund</i>						
June 30, 2024	Sweep sales totaling -909.38	-909.38	909.38	-909.38		0.00
June 30, 2024	units of Federated Hermes Government Obligations Fund for Managed (Capital) (2 Transactions)					
Total Federated Hermes Government Obligations Fund			\$909.38	-\$909.38	\$0.00	\$0.00
Total Cash			\$909.38	-\$909.38	\$0.00	\$0.00
Total 000001004012 WBSD Emergency Capital Reserve IMA			\$170,909.38	-\$170,342.19	\$0.00	\$567.19



Free Receipts, Deliveries and Adjustments

Trade date Settlement date	Transaction description	Amount	Cost	Realized G/L
000001004012 WBSD Emergency Capital Reserve IMA				
Adjustments				
<i>SAA Adjustments (Amortization/Accretion)</i>				
April 1, 2024 April 1, 2024	Adjustment - Amortized Premium Current Year of PayPal Holdings Inc 2.4% 01 Oct 2024 - Adjustment Amount of \$773.77, Federal Cost \$773.77, State Cost \$773.77	0.00	-773.77	0.00
April 1, 2024 April 1, 2024	Adjustment - Amortized Premium Current Year of Toyota Motor Credit Corp 3% 01 Apr 2025 - Adjustment Amount of \$863.24, Federal Cost \$863.24, State Cost \$863.24	0.00	-863.24	0.00
April 1, 2024 April 1, 2024	Adjustment - Accreted Market Discount Current Year of United States Treasury Note/Bond 2.25% 31 Mar 2024 - Adjustment Amount of \$174.20, Federal Cost \$174.20, State Cost \$174.20	0.00	174.20	0.00
May 15, 2024 May 15, 2024	Adjustment - Amortized Premium Current Year of Tennessee Valley Authority .75% 15 May 2025 - Adjustment Amount of \$173.86, Federal Cost \$173.86, State Cost \$173.86	0.00	-173.86	0.00
Total SAA Adjustments (Amortization/Accretion)		\$0.00	-\$1,636.67	\$0.00
Total Adjustments		\$0.00	-\$1,636.67	\$0.00
Total 000001004012 WBSD Emergency Capital Reserve IMA		\$0.00	-\$1,636.67	\$0.00

Reorganizations

No transactions this period.

Brokerage Summary

No activity this period.



Your Pending Transaction Detail

No transactions this period.

Disclosures

Customer Notes

1. Prices, most of which are provided by national pricing services, are not guaranteed for accuracy or realizable value. Generally, the price shown for market-traded securities is the closing price as of the statement date. If a price is not received for that date, then the price will be the last price received. Non-market traded security prices are based on the most recent values provided or obtained. Securities traded in a foreign market show a local market price. A currency exchange rate has been applied so the Market Value is in U.S. dollars.
2. **For holders of the Infinity Q Diversified Alpha fund ("IQ Fund"):** The current price listed on your statement may not be representative of the final liquidation value. Most of the remaining cash in the IQ Fund has been moved to a Special Reserve that is reflected on your statement as a miscellaneous asset titled **Infinity Q Diversified Alpha Special Reserve**. This asset represents an assessment of the most recent Special Reserve per share value based on data available at <https://www.infinityqfundliquidation.com/>. Please note this position is for recordkeeping purposes only and will not be available to be transferred, gifted, and/or liquidated. The ultimate distribution to IQ Fund shareholders may be more or less than this assessment based on (a) fluctuations in the Special Reserve, (b) the possibility that former shareholders will be entitled to receive proceeds from the Special Reserve, and (c) current shareholders that previously redeemed shares may receive more limited payouts. The Special Reserve may decrease over time as costs and liabilities are accrued in ongoing litigation. To support the Special Reserve, the IQ Fund Board has also created a Special Litigation Committee ("SLC") to pursue claims against various third parties, including service providers. The Special Reserve may increase due to the recovery efforts of the SLC.
3. Percentage columns may not total 100.0 due to rounding.
4. For Individual Retirement Trust (IRT) accounts, you have the right to modify the withholding instructions you have on file with us at any time. If you wish to do so, please contact your account administrator.
5. Estimated annual income is based on current assets and returns. It is a snapshot of your account as of the statement date. Variations in the asset composition and returns of the account will change these estimates. Please keep in mind that these are estimates only and not a guarantee of income.
6. Income and gain/loss information are based on the best information we have at the time of the transaction, some of which may have been provided by third parties. Subsequent changes can occur during the year. Also, in some instances, such as complex corporate mergers or tenders, the taxability of the transaction cannot adequately be reflected on your statement. Therefore, you should only use the official tax information letter, which is sent to you after the year-end, in preparation of your tax return.
7. You will receive an official tax information letter after the end of the tax year which advises you regarding the amounts you should include in your tax return. Do not rely on the income reported on this statement to prepare your taxes.
8. Trust accounting income is reflected in the section entitled "Your Account Activity". If your account is a Trust or an Estate, and BMO or an affiliate is Trustee/ Co-Trustee or Executor/ Co-Executor, we will first apply the provisions specified in the governing document(s) or, in the absence of such provisions, the appropriate state law that applies for the allocation of income and principal as it relates to receipts and disbursements. Thus, the allocation may vary from

Disclosures (continued)

state to state and account to account.

9. Receipt of this account statement will serve to confirm that the individual(s) with investment authority (i) directed or approved all account transactions listed on the account statement and (ii) ratifies all trades disclosed on the account statement. Please contact your portfolio manager or trust administrator with any questions.
10. For trust accounts governed by Arizona, Arkansas, Colorado, Connecticut, District of Columbia, Hawaii, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Dakota, South Carolina, Vermont, Virginia, West Virginia, or Wisconsin law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim for breach of trust.
11. For trust accounts governed by Alabama, Georgia, Ohio or Wyoming law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the date the beneficiary, a representative of the beneficiary, or a beneficiary surrogate is sent a report that adequately discloses the existence of a potential claim for breach of trust.
12. For trust accounts governed by Alaska law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a report that adequately discloses the existence of a potential claim against the trustee. If a trustee petitions a court for an order approving a report that adequately discloses the existence of a potential claim, serves the report on all beneficiaries to be bound by the report, gives the beneficiaries at least 60 days' notice of the court proceeding, and notifies the beneficiary that a claim must be begun within 45 days after the beneficiary is served with notice, all potential claims are barred unless the claims are served on the trustee and filed with the court within **45 days** after the beneficiaries are served with notice of the court proceeding. Otherwise, notwithstanding the lack of adequate disclosure, all claims against a trustee who has issued a report received by the beneficiary and who has informed the beneficiary of the location and availability of records for examination by the beneficiary are barred unless a proceeding to assert the claims is commenced within **three years** after the beneficiary's receipt of the report.
13. For trust accounts governed by California, Minnesota, or Montana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after the date the beneficiary receives an account or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into the existence of the claim.
14. For trust accounts governed by Delaware law, a person may not initiate a proceeding against a trustee for breach of trust more than **one year** after the date such person was sent a report that adequately disclosed the facts constituting the potential claim for breach of trust, or in the case of a trustee who has resigned, been removed or ceased to serve as trustee for any reason, **120 days** after the date the beneficiary was sent a report that (i) notifies the beneficiary that the trustee has ceased to serve; (ii) adequately discloses the facts constituting a claim; and (iii) adequately discloses the time allowed for initiating proceedings against the former trustee.
15. For trust accounts governed by Florida law, an action for breach of trust based on matters disclosed in a trust accounting or other written report of the trustee may be subject to a **six month** statute of limitations from the receipt of the trust accounting or other written report.
16. For trust accounts governed by Idaho law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement disclosing the matter and showing termination of the trust relationship between the trustee and beneficiary. Otherwise, notwithstanding lack of full disclosure a trustee who has issued a final account or statement received by the beneficiary and has informed the

Disclosures (continued)

beneficiary of the location and availability of records for his examination is protected after **three years**.

17. For trust accounts governed by Illinois law, a beneficiary may not commence a proceeding against a trustee for breach of trust for trusts that becomes irrevocable after January 01, 2020, and for trustees who accepted appointment after January 01, 2020, more than **two years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished. For trusts that became irrevocable before January 01, 2020, and for trustees who accepted appointment before January 01, 2020, a beneficiary may not commence a proceeding against a trustee more than **three years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished.

18. For trust accounts governed by Indiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after receipt of the final account or statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary.

19. For trust accounts governed by Iowa law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the receipt of accounting or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into its existence.

20. For trust accounts governed by Louisiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the trustee renders an accounting for the accounting period in which the alleged act, omission, or breach of duty arising out of the matters disclosed therein occurred to the beneficiary or if the beneficiary lacks legal capacity, the beneficiary's legal representative. However, such actions must be filed within **three years** of the trustee rendering the accounting for the accounting period in discussion, even actions that happened within **two years** of disclosure. If a beneficiary is a minor when a trustee's accounting for the accounting period in which the alleged act, omission, or breach of duty occurred is rendered, the period of two years begins to run from the day he reaches the age of eighteen.

21. For trust accounts governed by Massachusetts law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary, or more than **three years** after a beneficiary received information regarding the location and availability of records for examination.

22. For trust accounts governed by New Jersey law or Utah law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim.

23. For trust accounts governed by North Carolina law, a beneficiary may not commence a proceeding against a trustee more than **five years** after the first to occur of (i) the removal, resignation, or death of the trustee; (ii) the termination of the beneficiary's interest in the trust; or (iii) the termination of the trust.

24. For trust accounts governed by Oklahoma law, a beneficiary may not commence a proceeding against a trustee more than **two years** after receipt of a report or statement adequately disclosing the existence of the claim or more than **two years** after the termination of the trust relationship between the beneficiary and that trustee.

25. For trust accounts governed by Oregon law, we would like to inform you that ORS 130.820 states as follows: "(1) Notwithstanding ORS chapter 12 or any other provision of law, but subject to subsection (2) of this section, a civil action against a trustee based on any act or omission of the trustee, whether

Disclosures (continued)

based in tort, contract or other theory of recovery, must be commenced within six years after the date the act or omission is discovered, or six years after the date the act or omission should have been discovered, whichever is earlier.(2) A beneficiary may not commence a proceeding against a trustee more than one year after the date the beneficiary or a representative of the beneficiary is sent a report by certified or regular mail that adequately discloses the existence of a potential claim and that informs the beneficiary of the time allowed for commencing a proceeding. A copy of this section must be attached to the report. The report must provide sufficient information so that the beneficiary or representative knows of the potential claim or should have inquired into its existence.”

26. For trust accounts governed by Pennsylvania law, a beneficiary may not commence a proceeding against a trustee if (i) the trustee provided the beneficiary at least annually with periodic written financial reports concerning the trust and (ii) the transaction was disclosed in a report or such report provided sufficient information so that the beneficiary knew or should have known of the potential claim or should have inquired into its existence, and (iii) within **thirty months** after such report was sent by the trustee to the beneficiary, the beneficiary did not notify the trustee in writing that the beneficiary challenges the transaction or asserts a claim and provides in writing the basis for that challenge or assertion.

27. For accounts governed by South Dakota law, a distribution beneficiary may not object to the trustee’s accounting more than **180 days** after a copy of the trustee’s accounting has been mailed, postage prepaid, to the last known address of such distribution, personally or electronically in accordance with SDCL § 15-6-5(d).

28. For trust accounts governed by Tennessee law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the earlier of:

- (i) the date the beneficiary or a representative of the beneficiary was sent information that adequately disclosed facts indicating the existence of a potential claim for breach of trust or (ii) the date the beneficiary or a representative of the beneficiary possessed actual knowledge of facts indicating the existence of a potential claim for breach of trust.

29. For trust accounts governed by Washington State law, a beneficiary may not commence a proceeding against trustee for breach of trust more than **three years** after the date a report was delivered in the manner provided in RCW 11.96A.110 to the beneficiary or to representative of the beneficiary if the report adequately disclosed the existence of a potential claim for breach of trust.

30. If your account is a Trust or an Estate account, the statement reflects the total assets held in that Trust or Estate account and is not necessarily reflective of your rights and interests to the income or assets of the Trust or Estate. Your rights and interests with respect to income or assets detailed on this account statement are determined by the instrument or will governing the Trust or Estate and applicable law.

31. Taxable Bond Election. The IRS requires taxpayers to amortize the premium on all bonds over the life of the bond or until the bond is sold or redeemed. The annual amount of amortized premium will reduce the cost basis of the bond and may provide an offset to the income earned on the bond during the year. If the bond is a taxable bond, the taxpayer may elect out of the amortization rule; there is no opt out for tax-exempt bonds. BMO will amortize premiums paid for all bonds in Client’s account, including taxable bonds unless Client instructs otherwise in writing.

32. **Notice Regarding Our Relationship with Ameriprise Financial, Inc. (“Ameriprise”)** . In November 2021, Bank of Montreal, the parent company of BMO, entered into a relationship agreement with Ameriprise and its affiliates setting forth a framework of mutual cooperation between the parties. As a result, BMO has agreed to consider and retain Ameriprise as an approved manager for certain new sub-advisory mandates where their offering is suitable for the mandate under consideration. BMO addresses the conflict of interest by requiring Ameriprise to present a reasonable and competitive proposal in which their relevant

Disclosures (continued)

performance exceeds the benchmark median in comparison to rolling 1, 3 and 5 year time periods.

33. BMO's annual Privacy Policy is available for your review. For more information, please visit www.bmo.com/usprivacy.

34. BMO's Terms and Conditions Disclosure, as part of your account agreement, is available for your review. To access the appropriate disclosure for your account, please visit <https://uswealth.bmo.com/disclosures/>.

For accounts where BMO provides investment management services, this disclosure provides information on matters such as but not limited to: brokerage discretion (BMO's ability to engage an authorized broker-dealer to buy and sell securities without the client's consent), soft dollars (commission arrangements in which BMO pays brokerage firms for their services and receives products and services which assist in our investment decision making process for the benefit of all managed accounts) and statements.

For custody accounts, this disclosure provides information on matters such as but not limited to: safekeeping (BMO will hold assets as the custodian of the account), pledging (use of assets as collateral for a loan) and statements.

Notification Regarding Proprietary Products and Fees: If permitted, your account will likely contain BMO Proprietary Products. Proprietary Products are investment products or services that are offered, sponsored, or advised by BMO or its affiliates, or for which BMO or its affiliates receive compensation. Proprietary Products may include certificates of deposit; mutual funds; unregistered private funds; structured products; equity, commodity, financial or other derivatives; or other securities. BMO or its affiliates receives compensation directly or indirectly from the Proprietary Products. This compensation may be in addition to any advisory or subadvisory fee or investment management fee for your Account.

Details regarding Proprietary Products and fees can be found in the BMO information and disclosure for the particular product, as updated from time to time ("Disclosure"). For the current copy of the Disclosure, please contact your account representative or go to <https://uswealth.bmo.com/disclosures/>.

"BMO" as used in these Customer Notes means BMO Bank N.A.

Statement of Account

P.O. Box 755
Chicago, IL 60690-0755

April 1, 2024 - June 30, 2024

WBSD Recycled Water Cash Flow IMA

It is important for you to review the data reported in this statement. If you have any questions, please contact a member of your Client Strategy Team.

“BMO Wealth Management” is a brand name that refers to BMO Bank N.A. and certain of its affiliates that provide certain investment, investment advisory, trust, banking, and securities products and services. Investment products and services: **ARE NOT A DEPOSIT – NOT INSURED BY THE FDIC OR ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY ANY BANK – MAY LOSE VALUE.**

For Questions Call

Private Wealth Advisor: Maya Gervis 415-796-9621 maya.gervis@bmo.com
Portfolio Manager: Michael Smith 408-490-2079 michael.d1.smith@bmo.com
Trust Administrator: Shenetta Tucker 949-386-0134 shenetta.tucker@bmo.com

Accounts Included In This Statement

000000260010 WBSD Recycled Water Cash Flow IMA

West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025
United States



This page intentionally left blank.

P0655UNN 00000161 20240629 218723607



Table of Contents

Schedules	Page
Your Balance Sheet.....	5
Asset Summary.....	6
Portfolio Holdings.....	7
Market Value Reconciliation.....	11
Cash Flow Summary.....	12
Contributions and Benefit Payments.....	13
Other Receipts, Disbursements and Expenses.....	14
Income Received and Capital Gains.....	16
Income Accrual.....	18
Assets Acquired.....	21
Assets Disposed.....	22
Free Receipts, Deliveries and Adjustments.....	24
Reorganizations.....	25
Brokerage Summary.....	26
Your Pending Transaction Detail.....	27
Disclosures.....	28

This page intentionally left blank.



Your Balance Sheet on June 30, 2024

	As of March 31, 2024		As of June 30, 2024		% of account
	Market value	Cost basis	Market value	Cost basis	
Investments					
Fixed Income					
U.S. Government Bonds	6,180,313.40	6,172,802.39	4,530,665.30	4,492,112.48	70.37%
Corp & Taxable Bonds	103,669.25	107,879.88	103,963.44	107,321.71	1.61%
Total Fixed Income	\$6,283,982.65	\$6,280,682.27	\$4,634,628.74	\$4,599,434.19	71.98%
Cash					
Cash Equivalents	44,139.45	44,139.45	1,784,990.51	1,784,990.51	27.72%
Total Cash	\$44,139.45	\$44,139.45	\$1,784,990.51	\$1,784,990.51	27.72%
Total Investments	\$6,328,122.10	\$6,324,821.72	\$6,419,619.25	\$6,384,424.70	99.70%
Non-Investments	24,798.85	24,798.85	19,412.09	19,412.09	0.30%
Total For Your Portfolio	\$6,352,920.95	\$6,349,620.57	\$6,439,031.34	\$6,403,836.79	100.00%

Asset Summary on June 30, 2024

	Cost	Market value	Yield on Market	Estimated Annual Income	% of account
Investments					
Fixed Income					
U.S. Government Bonds	4,492,112.48	4,530,665.30	0.86%	38,767.00	70.37%
Corp & Taxable Bonds	107,321.71	103,963.44	4.04%	4,197.50	1.61%
Total Fixed Income	\$4,599,434.19	\$4,634,628.74	0.93%	\$42,964.50	71.98%
Cash					
Cash Equivalents	1,784,990.51	1,784,990.51	5.32%	95,050.74	27.72%
Total Cash	\$1,784,990.51	\$1,784,990.51	5.32%	\$95,050.74	27.72%
Total Investments	\$6,384,424.70	\$6,419,619.25	2.15%	\$138,015.24	99.70%
Non-Investments	19,412.09	19,412.09		0.00	0.30%
Total For Your Portfolio	\$6,403,836.79	\$6,439,031.34	2.14%	\$138,015.24	100.00%



Portfolio Holdings on June 30, 2024

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 (CUSIP:3133EMWH1)	20,000.00 96.29	19,258.00	20,000.00	27.61	-742.00	142.00 0.74%	0.30%
United States Treasury Note/Bond 1.125% 28 Feb 2027 (CUSIP:912828ZB9)	600,000.00 91.438	548,628.00	544,804.69	2,256.11	3,823.31	6,750.00 1.23%	8.52%
United States Treasury Note/Bond 1.125% 31 Oct 2026 (CUSIP:91282CDG3)	300,000.00 92.285	276,855.00	276,316.41	568.61	538.59	3,375.00 1.22%	4.30%
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	20,000.00 100.00	20,000.00	19,409.93	0.00	590.07	350.00 1.75%	0.31%
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	150,000.00 93.328	139,992.00	139,831.41	1,319.63	160.59	2,625.00 1.88%	2.17%
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	200,000.00 94.43	188,860.00	188,563.51	1,565.93	296.49	3,750.00 1.99%	2.93%
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	20,000.00 100.00	20,000.00	19,787.37	0.00	212.63	400.00 2.00%	0.31%
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	180,000.00 95.813	172,463.40	172,028.76	720.24	434.64	4,275.00 2.48%	2.68%
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	100,000.00 94.289	94,289.00	91,480.47	62.84	2,808.53	250.00 0.27%	1.46%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	80,000.00 94.613	75,690.40	72,906.25	66.85	2,784.15	200.00 0.26%	1.18%
United States Treasury Note/Bond .25% 31 Jul 2025 (CUSIP:91282CAB7)	140,000.00 94.965	132,951.00	130,878.13	146.15	2,072.87	350.00 0.26%	2.06%
United States Treasury Note/Bond .25% 31 Oct 2025 (CUSIP:91282CAT8)	660,000.00 93.981	620,274.60	614,470.32	277.99	5,804.28	1,650.00 0.27%	9.66%
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	40,000.00 97.712	39,084.80	38,597.29	552.99	487.51	1,100.00 2.81%	0.61%
United States Treasury Note/Bond .375% 15 Aug 2024 (CUSIP:91282CCT6)	120,000.00 99.381	119,257.20	116,467.05	169.37	2,790.15	450.00 0.38%	1.85%
United States Treasury Note/Bond .375% 30 Nov 2025 (CUSIP:91282CAZ4)	500,000.00 93.816	469,080.00	464,863.28	158.81	4,216.72	1,875.00 0.40%	7.28%
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	30,000.00 93.117	27,935.10	27,522.44	50.14	412.66	150.00 0.54%	0.43%
United States Treasury Note/Bond .5% 30 Apr 2027 (CUSIP:912828ZN3)	100,000.00 89.371	89,371.00	89,066.41	84.24	304.59	500.00 0.56%	1.39%
United States Treasury Note/Bond .5% 31 Mar 2025 (CUSIP:912828ZF0)	500,000.00 96.571	482,855.00	476,621.10	628.42	6,233.90	2,500.00 0.52%	7.50%
United States Treasury Note/Bond .5% 31 Oct 2027 (CUSIP:91282CAU5)	160,000.00 87.777	140,443.20	139,393.75	134.78	1,049.45	800.00 0.57%	2.18%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
<i>U.S. Government Bonds (continued)</i>							
United States Treasury Note/Bond .75% 31 Mar 2026 (CUSIP:91282CBT7)	20,000.00 93.258	18,651.60	19,896.88	37.71	-1,245.28	150.00 0.80%	0.29%
United States Treasury Note/Bond .75% 31 May 2026 (CUSIP:91282CCF6)	600,000.00 92.738	556,428.00	552,023.44	381.15	4,404.56	4,500.00 0.81%	8.64%
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	300,000.00 92.766	278,298.00	277,183.59	1,319.63	1,114.41	2,625.00 0.94%	4.32%
Total U.S. Government Bonds		\$4,530,665.30	\$4,492,112.48	\$10,529.20	\$38,552.82	\$38,767.00 0.86%	70.37%
<i>Corp & Taxable Bonds</i>							
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBNO)	30,000.00 97.997	29,399.10	31,071.20	382.50	-1,672.10	1,012.50 3.44%	0.46%
KLA Corp 4.65% 01 Nov 2024 (CUSIP:482480AEO)	20,000.00 99.69	19,938.00	20,349.10	155.00	-411.10	930.00 4.66%	0.31%
Synchrony Financial 4.25% 15 Aug 2024 (CUSIP:87165BAD5)	40,000.00 99.7592	39,903.70	40,476.64	642.22	-572.94	1,700.00 4.26%	0.61%
Truist Financial Corp 3.7% 05 Jun 2025 (CUSIP:05531FBE2)	15,000.00 98.1509	14,722.64	15,424.77	40.08	-702.13	555.00 3.77%	0.23%
Total Corp & Taxable Bonds		\$103,963.44	\$107,321.71	\$1,219.80	-\$3,358.27	\$4,197.50 4.04%	1.61%
Total Fixed Income		\$4,634,628.74	\$4,599,434.19	\$11,749.00	\$35,194.55	\$42,964.50 0.93%	71.98%

Portfolio Holdings on June 30, 2024 (continued)

	Number of shares / Share price	Market value	Cost	Accrued Income	Unrealized Gain/Loss	Est. ann. inc. / Yield at market	% of account
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	1,784,990.51 1.00	1,784,990.51	1,784,990.51	7,663.09	0.00	95,050.74 5.33%	27.72%
Total Cash Equivalents		\$1,784,990.51	\$1,784,990.51	\$7,663.09	\$0.00	\$95,050.74 5.32%	27.72%
Total Cash		\$1,784,990.51	\$1,784,990.51	\$7,663.09	\$0.00	\$95,050.74 5.32%	27.72%
Total Investments		\$6,419,619.25	\$6,384,424.70	\$19,412.09	\$35,194.55	\$138,015.24 2.15%	99.70%
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00 1.00	19,412.09	19,412.09	0.00	0.00	0.00	0.30%
Total Non-Investments		\$19,412.09	\$19,412.09	\$0.00	\$0.00	\$0.00	0.30%
Total For Your Portfolio		\$6,439,031.34	\$6,403,836.79	\$19,412.09	\$35,194.55	\$138,015.24 2.14%	100.00%



Market Value Reconciliation 000000260010 - WBSD Recycled Water Cash Flow IMA

	Net amount	Balance
Beginning Market Value		\$6,352,920.95
Fees/ Expenses		
Trustee/Custody Fees	-2,222.69	
Total Fees/ Expenses		-\$2,222.69
Investment Activity		
Income Earned	48,985.44	
Cost Adjustments	5,712.96	
Total Investment Activity		\$54,698.40
Total Realized Gain/Loss		\$1,740.51
Total Net change in Unrealized Gain/Loss		\$31,894.17
Total Ending Market Value		\$6,439,031.34



Cash Flow Summary

	Amount	Balance
Opening Cash Balance on April 1, 2024 - US Dollar		\$0.00
Fees/ Expenses		
Trustee/Custody Fees	-2,222.69	
Total Fees/ Expenses	-\$2,222.69	
Investment Activity		
Income Received	57,270.50	
Security Transactions	-55,047.81	
Total Investment Activity	\$2,222.69	
Closing Cash Balance on June 30, 2024 - US Dollar	\$0.00	\$0.00



Contributions and Benefit Payments

No transactions this period.



Other Receipts, Disbursements and Expenses

Trade date Settlement date	Transaction description	Amount	Realized G/L
000000260010 WBSD Recycled Water Cash Flow IMA			
Fee and Expenses			
<i>Trustee/Custody Fees</i>			
April 1, 2024	Periodic Fee: Taken Monthly \$738.28 (03/01/24 to 03/31/24)	-738.28	0.00
April 1, 2024	Account Services Fee: \$738.28 Based on End of Period Market Value of \$65,001,622.50: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$15,001,622.50 @ 0.1% Total Annual Fee: \$91,001.62. Account 000000260010: \$738.28. Charged now \$738.28. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
May 1, 2024	Periodic Fee: Taken Monthly \$739.56 (04/01/24 to 04/30/24)	-739.56	0.00
May 1, 2024	Account Services Fee: \$739.56 Based on End of Period Market Value of \$64,965,945.28: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15% \$30,000,000.00 @ 0.12% \$14,965,945.28 @ 0.1% Total Annual Fee: \$90,965.95. Account 000000260010: \$739.56. Charged now \$739.56. Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
June 3, 2024	Periodic Fee: Taken Monthly \$744.85 (05/01/24 to 05/31/24)	-744.85	0.00
June 3, 2024	Account Services Fee: \$744.85 Based on End of Period Market Value of \$65,319,540.37: \$10,000,000.00 @ 0.25% \$10,000,000.00 @ 0.15%		

Other Receipts, Disbursements and Expenses (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Trustee/Custody Fees (continued)</i>			
	\$30,000,000.00 @ 0.12%		
	\$15,319,540.37 @ 0.1%		
	Total Annual Fee: \$91,319.54.		
	Account 000000260010: \$744.85. Charged now \$744.85.		
	Note: Fee is computed based on all accounts in the fee group. The remainder of the fee may be collected from other accounts in the fee group.		
Total Trustee/Custody Fees		-\$2,222.69	\$0.00
Total Fee and Expenses		-\$2,222.69	\$0.00
Total 000000260010 WBSD Recycled Water Cash Flow IMA		-\$2,222.69	\$0.00



Income Received and Capital Gains

Trade date Settlement date	Transaction description	Amount	Realized G/L
00000260010 WBSD Recycled Water Cash Flow IMA			
Income Received			
<i>Interest Income</i>			
April 1, 2024 April 1, 2024	Interest Payment 0.005 USD United States Treasury Note/Bond .5% 31 Mar 2025 For 500,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	1,250.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0025 USD United States Treasury Note/Bond .25% 30 Sep 2025 For 100,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	125.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0075 USD United States Treasury Note/Bond .75% 31 Mar 2026 For 20,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	75.00	0.00
April 1, 2024 April 1, 2024	Interest Payment 0.0225 USD United States Treasury Note/Bond 2.25% 31 Mar 2024 For 1,800,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24	20,250.00	0.00
April 22, 2024 April 22, 2024	Interest Payment 0.0071 USD Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 For 20,000.00 Par Value Due on 04/22/24 With Ex Date 04/21/24	71.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.005 USD United States Treasury Note/Bond .5% 30 Apr 2027 For 100,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	250.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.005 USD United States Treasury Note/Bond .5% 31 Oct 2027 For 160,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	400.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.0025 USD United States Treasury Note/Bond .25% 31 Oct 2025 For 660,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	825.00	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.01125 USD United States Treasury Note/Bond 1.125% 31 Oct 2026 For 300,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	1,687.50	0.00
April 30, 2024 April 30, 2024	Interest Payment 0.02375 USD United States Treasury Note/Bond 2.375% 30 Apr 2026 For 180,000.00 Par Value Due on 04/30/24 With Ex Date 04/30/24	2,137.50	0.00
May 1, 2024 May 1, 2024	Interest Payment 0.02325 USD KLA Corp 4.65% 01 Nov 2024 For 20,000.00 Par Value Due on 05/01/24 With Ex Date 05/01/24	465.00	0.00
May 15, 2024 May 15, 2024	Interest Payment 0.025 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 1,600,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24	20,000.00	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.0075 USD United States Treasury Note/Bond .75% 31 May 2026 For 600,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	2,250.00	0.00
May 31, 2024 May 31, 2024	Interest Payment 0.00375 USD United States Treasury Note/Bond .375% 30 Nov 2025 For 500,000.00 Par Value Due on 05/31/24 With Ex Date 05/31/24	937.50	0.00



Income Received and Capital Gains (continued)

Trade date Settlement date	Transaction description	Amount	Realized G/L
<i>Interest Income (continued)</i>			
June 5, 2024	Interest Payment 0.037 USD Truist Financial Corp 3.7% 05 Jun 2025 For 15,000.00 Par Value Due on	277.50	0.00
June 5, 2024	06/05/24 With Ex Date 06/05/24		
Total Interest Income		\$51,001.00	\$0.00
<i>Dividend Income</i>			
April 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 03/01/24 to	239.10	0.00
April 1, 2024	03/31/24 Due on 04/01/24		
May 1, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 04/01/24 to	1,384.68	0.00
May 1, 2024	04/30/24 Due on 05/01/24		
June 3, 2024	Daily Rate Income on Federated Hermes Government Obligations Fund For Period of 05/01/24 to	4,645.72	0.00
June 3, 2024	05/31/24 Due on 06/03/24		
Total Dividend Income		\$6,269.50	\$0.00
Total Income Received		\$57,270.50	\$0.00
Total 000000260010 WBSD Recycled Water Cash Flow IMA		\$57,270.50	\$0.00

Income Accrual on June 30, 2024

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
Investments							
Fixed Income							
<i>U.S. Government Bonds</i>							
Federal Farm Credit Banks Funding Corp .71% 21 Apr 2025 (CUSIP:3133EMWH1)	20,000.00	04/21/24 04/22/24	0.74%	63.11	35.50	71.00	27.61
United States Treasury Note/Bond 1.125% 28 Feb 2027 (CUSIP:912828ZB9)	600,000.00		1.23%	0.00	1,614.13	-641.98	2,256.11
United States Treasury Note/Bond 1.125% 31 Oct 2026 (CUSIP:91282CDG3)	300,000.00	04/30/24 04/30/24	1.22%	1,418.61	837.50	1,687.50	568.61
United States Treasury Note/Bond 1.75% 30 Jun 2024 (CUSIP:9128286Z8)	20,000.00		1.75%	88.46	-88.46	0.00	0.00
United States Treasury Note/Bond 1.75% 31 Dec 2026 (CUSIP:912828YX2)	150,000.00		1.88%	663.46	656.17	0.00	1,319.63
United States Treasury Note/Bond 1.875% 31 Jul 2026 (CUSIP:912828Y95)	200,000.00		1.99%	628.43	937.50	0.00	1,565.93
United States Treasury Note/Bond 2.25% 31 Mar 2024 (CUSIP:91282CEG2)	0.00	03/31/24 04/01/24		0.00	20,250.00	20,250.00	0.00
United States Treasury Note/Bond 2% 30 Jun 2024 (CUSIP:912828XX3)	20,000.00		2.00%	101.10	-101.10	0.00	0.00
United States Treasury Note/Bond 2.375% 30 Apr 2026 (CUSIP:9128286S4)	180,000.00	04/30/24 04/30/24	2.48%	1,796.91	1,060.83	2,137.50	720.24
United States Treasury Note/Bond 2.5% 15 May 2024 (CUSIP:912828WJ5)	0.00	05/15/24 05/15/24		15,164.83	4,835.17	20,000.00	0.00
United States Treasury Note/Bond .25% 30 Sep 2025 (CUSIP:91282CAM3)	100,000.00	03/31/24 04/01/24	0.27%	125.68	62.16	125.00	62.84
United States Treasury Note/Bond .25% 31 Aug 2025 (CUSIP:91282CAJ0)	80,000.00		0.26%	17.39	49.46	0.00	66.85

Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
U.S. Government Bonds (continued)							
United States Treasury Note/Bond .25% 31 Jul 2025 (CUSIP:91282CAB7)	140,000.00		0.26%	58.65	87.50	0.00	146.15
United States Treasury Note/Bond .25% 31 Oct 2025 (CUSIP:91282CAT8)	660,000.00	04/30/24 04/30/24	0.27%	0.00	395.85	117.86	277.99
United States Treasury Note/Bond 2.75% 30 Jun 2025 (CUSIP:912828XZ8)	40,000.00		2.81%	278.02	274.97	0.00	552.99
United States Treasury Note/Bond .375% 15 Aug 2024 (CUSIP:91282CCT6)	120,000.00		0.38%	56.87	112.50	0.00	169.37
United States Treasury Note/Bond .375% 30 Nov 2025 (CUSIP:91282CAZ4)	500,000.00	05/31/24 05/31/24	0.40%	630.13	466.18	937.50	158.81
United States Treasury Note/Bond .5% 28 Feb 2026 (CUSIP:91282CBQ3)	30,000.00		0.54%	13.04	37.10	0.00	50.14
United States Treasury Note/Bond .5% 30 Apr 2027 (CUSIP:912828ZN3)	100,000.00	04/30/24 04/30/24	0.56%	210.17	124.07	250.00	84.24
United States Treasury Note/Bond .5% 31 Mar 2025 (CUSIP:912828ZF0)	500,000.00	03/31/24 04/01/24	0.52%	1,256.83	621.59	1,250.00	628.42
United States Treasury Note/Bond .5% 31 Oct 2027 (CUSIP:91282CAU5)	160,000.00	04/30/24 04/30/24	0.57%	336.26	198.52	400.00	134.78
United States Treasury Note/Bond .75% 31 Mar 2026 (CUSIP:91282CBT7)	20,000.00	03/31/24 04/01/24	0.80%	75.41	37.30	75.00	37.71
United States Treasury Note/Bond .75% 31 May 2026 (CUSIP:91282CCF6)	600,000.00	05/31/24 05/31/24	0.81%	0.00	1,081.97	700.82	381.15
United States Treasury Note/Bond .875% 30 Jun 2026 (CUSIP:91282CCJ8)	300,000.00		0.94%	663.46	656.17	0.00	1,319.63
Total U.S. Government Bonds				\$23,646.82	\$34,242.58	\$47,360.20	\$10,529.20
Corp & Taxable Bonds							
Comcast Corp 3.375% 15 Aug 2025 (CUSIP:20030NBNO)	30,000.00		3.44%	129.38	253.12	0.00	382.50
KLA Corp 4.65% 01 Nov 2024 (CUSIP:482480AEO)	20,000.00	05/01/24 05/01/24	4.66%	387.50	232.50	465.00	155.00



Income Accrual on June 30, 2024 (continued)

	Number of shares	Ex date Pay date	Annual rate	Beginning Accrual	Income Earned	Income Received	Ending Accrual
<i>Corp & Taxable Bonds (continued)</i>							
Synchrony Financial 4.25% 15 Aug 2024 (CUSIP:87165BAD5)	40,000.00		4.26%	217.22	425.00	0.00	642.22
Truist Financial Corp 3.7% 05 Jun 2025 (CUSIP:05531FBE2)	15,000.00	06/05/24 06/05/24	3.77%	178.83	138.75	277.50	40.08
Total Corp & Taxable Bonds				\$912.93	\$1,049.37	\$742.50	\$1,219.80
Total Fixed Income				\$24,559.75	\$35,291.95	\$48,102.70	\$11,749.00
Cash							
<i>Cash Equivalents</i>							
Federated Hermes Government Obligations Fund (CUSIP:608919718)	1,784,990.51		5.33%	239.10	13,693.49	6,269.50	7,663.09
Total Cash Equivalents				\$239.10	\$13,693.49	\$6,269.50	\$7,663.09
Total Cash				\$239.10	\$13,693.49	\$6,269.50	\$7,663.09
Total Investments				\$24,798.85	\$48,985.44	\$54,372.20	\$19,412.09
Non-Investments							
Accrued Interest (Firm Defined Security ID:TOTALACCR)	0.00			0.00	0.00	0.00	0.00
Total Non-Investments				\$0.00	\$0.00	\$0.00	\$0.00
Total Accrual				\$24,798.85	\$48,985.44	\$54,372.20	\$19,412.09

Assets Acquired

Trade date Settlement date	Descriptions	Par Value or Shares	Amount	Total federal cost	Interest bought
00000260010 WBSD Recycled Water Cash Flow IMA					
<i>Fixed Income</i>					
<i>United States Treasury Note/Bond .25% 31 Oct 2025</i>					
April 3, 2024	Purchase 660,000.00 Par Value of United States	660,000.00	-614,470.32	614,470.32	-707.14
April 4, 2024	Treasury Note/Bond .25% 31 Oct 2025 @ 93.101563% Paid Accrued Interest of \$707.14				
Total United States Treasury Note/Bond .25% 31 Oct 2025			-\$614,470.32	\$614,470.32	-\$707.14
<i>United States Treasury Note/Bond .75% 31 May 2026</i>					
April 3, 2024	Purchase 600,000.00 Par Value of United States	600,000.00	-552,023.44	552,023.44	-1,549.18
April 4, 2024	Treasury Note/Bond .75% 31 May 2026 @ 92.003906% Paid Accrued Interest of \$1,549.18				
Total United States Treasury Note/Bond .75% 31 May 2026			-\$552,023.44	\$552,023.44	-\$1,549.18
<i>United States Treasury Note/Bond 1.125% 28 Feb 2027</i>					
April 3, 2024	Purchase 600,000.00 Par Value of United States	600,000.00	-544,804.69	544,804.69	-641.98
April 4, 2024	Treasury Note/Bond 1.125% 28 Feb 2027 @ 90.800781% Paid Accrued Interest of \$641.98				
Total United States Treasury Note/Bond 1.125% 28 Feb 2027			-\$544,804.69	\$544,804.69	-\$641.98
Total Fixed Income			-\$1,711,298.45	\$1,711,298.45	-\$2,898.30
<i>Cash</i>					
<i>Federated Hermes Government Obligations Fund</i>					
June 30, 2024	Sweep purchases totaling 3,456,067.22 units of	3,456,067.22	-3,456,067.22	3,456,067.22	
June 30, 2024	Federated Hermes Government Obligations Fund for Managed (Capital) (11 Transactions)				
Total Federated Hermes Government Obligations Fund			-\$3,456,067.22	\$3,456,067.22	\$0.00
Total Cash			-\$3,456,067.22	\$3,456,067.22	\$0.00
Total 00000260010 WBSD Recycled Water Cash Flow IMA			-\$5,167,365.67	\$5,167,365.67	-\$2,898.30

Assets Disposed

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
000000260010 WBSD Recycled Water Cash Flow IMA						
<i>Fixed Income</i>						
<i>United States Treasury Note/Bond 2.25% 31 Mar 2024</i>						
April 1, 2024 April 1, 2024	Final Maturity 1 USD United States Treasury Note/Bond 2.25% 31 Mar 2024 For 1,800,000.00 Par Value Due on 04/01/24 With Ex Date 03/31/24		1,800,000.00			0.00
April 1, 2024 April 1, 2024	Final Maturity 100:100 Debit 1,800,000.00 United States Treasury Note/Bond 2.25% 31 Mar 2024 For 1,800,000.00 Par Value of United States Treasury Note/Bond 2.25% 31 Mar 2024 Due on 04/01/24 With Ex Date 03/31/24	-1,800,000.00	0.00	-1,800,000.00		0.00
Total United States Treasury Note/Bond 2.25% 31 Mar 2024			\$1,800,000.00	-\$1,800,000.00	\$0.00	\$0.00
<i>United States Treasury Note/Bond 2.5% 15 May 2024</i>						
May 15, 2024 May 15, 2024	Final Maturity 1 USD United States Treasury Note/Bond 2.5% 15 May 2024 For 1,600,000.00 Par Value Due on 05/15/24 With Ex Date 05/15/24		1,600,000.00			0.00
May 15, 2024 May 15, 2024	Final Maturity 100:100 Debit 1,600,000.00 United States Treasury Note/Bond 2.5% 15 May 2024 For 1,600,000.00 Par Value of United States Treasury Note/Bond 2.5% 15	-1,600,000.00	0.00	-1,598,259.49		1,740.51

Assets Disposed (continued)

Trade date Settlement date	Descriptions	Par Value or Shares	Proceeds	Federal tax cost	Interest sold	Realized gain / loss
<i>United States Treasury Note/Bond 2.5% 15 May 2024 (continued)</i>						
	May 2024 Due on 05/15/24 With Ex Date 05/15/24					
Total United States Treasury Note/Bond 2.5% 15 May 2024			\$1,600,000.00	-\$1,598,259.49	\$0.00	\$1,740.51
Total Fixed Income			\$3,400,000.00	-\$3,398,259.49	\$0.00	\$1,740.51
<i>Cash</i>						
<i>Federated Hermes Government Obligations Fund</i>						
June 30, 2024	Sweep sales totaling	-1,715,216.16	1,715,216.16	-1,715,216.16		0.00
June 30, 2024	-1,715,216.16 units of Federated Hermes Government Obligations Fund for Managed (Capital) (3 Transactions)					
Total Federated Hermes Government Obligations Fund			\$1,715,216.16	-\$1,715,216.16	\$0.00	\$0.00
Total Cash			\$1,715,216.16	-\$1,715,216.16	\$0.00	\$0.00
Total 00000260010 WBSD Recycled Water Cash Flow IMA			\$5,115,216.16	-\$5,113,475.65	\$0.00	\$1,740.51



Free Receipts, Deliveries and Adjustments

Trade date Settlement date	Transaction description	Amount	Cost	Realized G/L
000000260010 WBSD Recycled Water Cash Flow IMA				
Adjustments				
<i>SAA Adjustments (Amortization/Accretion)</i>				
April 1, 2024	Adjustment - Accreted Market Discount Current Year of United States Treasury	0.00	6,271.13	0.00
April 1, 2024	Note/Bond 2.25% 31 Mar 2024 - Adjustment Amount of \$6,271.13, Federal Cost \$6,271.13, State Cost \$6,271.13			
May 1, 2024	Adjustment - Amortized Premium Current Year of KLA Corp 4.65% 01 Nov	0.00	-347.13	0.00
May 1, 2024	2024 - Adjustment Amount of \$347.13, Federal Cost \$347.13, State Cost \$347.13			
June 5, 2024	Adjustment - Amortized Premium Current Year of Truist Financial Corp 3.7% 05	0.00	-211.04	0.00
June 5, 2024	Jun 2025 - Adjustment Amount of \$211.04, Federal Cost \$211.04, State Cost \$211.04			
Total SAA Adjustments (Amortization/Accretion)		\$0.00	\$5,712.96	\$0.00
Total Adjustments		\$0.00	\$5,712.96	\$0.00
Total 000000260010 WBSD Recycled Water Cash Flow IMA		\$0.00	\$5,712.96	\$0.00



Reorganizations

No transactions this period.



Brokerage Summary

No activity this period.



Your Pending Transaction Detail

No transactions this period.

Disclosures

Customer Notes

1. Prices, most of which are provided by national pricing services, are not guaranteed for accuracy or realizable value. Generally, the price shown for market-traded securities is the closing price as of the statement date. If a price is not received for that date, then the price will be the last price received. Non-market traded security prices are based on the most recent values provided or obtained. Securities traded in a foreign market show a local market price. A currency exchange rate has been applied so the Market Value is in U.S. dollars.
2. **For holders of the Infinity Q Diversified Alpha fund ("IQ Fund"):** The current price listed on your statement may not be representative of the final liquidation value. Most of the remaining cash in the IQ Fund has been moved to a Special Reserve that is reflected on your statement as a miscellaneous asset titled **Infinity Q Diversified Alpha Special Reserve**. This asset represents an assessment of the most recent Special Reserve per share value based on data available at <https://www.infinityqfundliquidation.com/>. Please note this position is for recordkeeping purposes only and will not be available to be transferred, gifted, and/or liquidated. The ultimate distribution to IQ Fund shareholders may be more or less than this assessment based on (a) fluctuations in the Special Reserve, (b) the possibility that former shareholders will be entitled to receive proceeds from the Special Reserve, and (c) current shareholders that previously redeemed shares may receive more limited payouts. The Special Reserve may decrease over time as costs and liabilities are accrued in ongoing litigation. To support the Special Reserve, the IQ Fund Board has also created a Special Litigation Committee ("SLC") to pursue claims against various third parties, including service providers. The Special Reserve may increase due to the recovery efforts of the SLC.
3. Percentage columns may not total 100.0 due to rounding.
4. For Individual Retirement Trust (IRT) accounts, you have the right to modify the withholding instructions you have on file with us at any time. If you wish to do so, please contact your account administrator.
5. Estimated annual income is based on current assets and returns. It is a snapshot of your account as of the statement date. Variations in the asset composition and returns of the account will change these estimates. Please keep in mind that these are estimates only and not a guarantee of income.
6. Income and gain/loss information are based on the best information we have at the time of the transaction, some of which may have been provided by third parties. Subsequent changes can occur during the year. Also, in some instances, such as complex corporate mergers or tenders, the taxability of the transaction cannot adequately be reflected on your statement. Therefore, you should only use the official tax information letter, which is sent to you after the year-end, in preparation of your tax return.
7. You will receive an official tax information letter after the end of the tax year which advises you regarding the amounts you should include in your tax return. Do not rely on the income reported on this statement to prepare your taxes.
8. Trust accounting income is reflected in the section entitled "Your Account Activity". If your account is a Trust or an Estate, and BMO or an affiliate is Trustee/ Co-Trustee or Executor/ Co-Executor, we will first apply the provisions specified in the governing document(s) or, in the absence of such provisions, the appropriate state law that applies for the allocation of income and principal as it relates to receipts and disbursements. Thus, the allocation may vary from

Disclosures (continued)

state to state and account to account.

9. Receipt of this account statement will serve to confirm that the individual(s) with investment authority (i) directed or approved all account transactions listed on the account statement and (ii) ratifies all trades disclosed on the account statement. Please contact your portfolio manager or trust administrator with any questions.
10. For trust accounts governed by Arizona, Arkansas, Colorado, Connecticut, District of Columbia, Hawaii, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Dakota, South Carolina, Vermont, Virginia, West Virginia, or Wisconsin law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim for breach of trust.
11. For trust accounts governed by Alabama, Georgia, Ohio or Wyoming law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the date the beneficiary, a representative of the beneficiary, or a beneficiary surrogate is sent a report that adequately discloses the existence of a potential claim for breach of trust.
12. For trust accounts governed by Alaska law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a report that adequately discloses the existence of a potential claim against the trustee. If a trustee petitions a court for an order approving a report that adequately discloses the existence of a potential claim, serves the report on all beneficiaries to be bound by the report, gives the beneficiaries at least 60 days' notice of the court proceeding, and notifies the beneficiary that a claim must be begun within 45 days after the beneficiary is served with notice, all potential claims are barred unless the claims are served on the trustee and filed with the court within **45 days** after the beneficiaries are served with notice of the court proceeding. Otherwise, notwithstanding the lack of adequate disclosure, all claims against a trustee who has issued a report received by the beneficiary and who has informed the beneficiary of the location and availability of records for examination by the beneficiary are barred unless a proceeding to assert the claims is commenced within **three years** after the beneficiary's receipt of the report.
13. For trust accounts governed by California, Minnesota, or Montana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after the date the beneficiary receives an account or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into the existence of the claim.
14. For trust accounts governed by Delaware law, a person may not initiate a proceeding against a trustee for breach of trust more than **one year** after the date such person was sent a report that adequately disclosed the facts constituting the potential claim for breach of trust, or in the case of a trustee who has resigned, been removed or ceased to serve as trustee for any reason, **120 days** after the date the beneficiary was sent a report that (i) notifies the beneficiary that the trustee has ceased to serve; (ii) adequately discloses the facts constituting a claim; and (iii) adequately discloses the time allowed for initiating proceedings against the former trustee.
15. For trust accounts governed by Florida law, an action for breach of trust based on matters disclosed in a trust accounting or other written report of the trustee may be subject to a **six month** statute of limitations from the receipt of the trust accounting or other written report.
16. For trust accounts governed by Idaho law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement disclosing the matter and showing termination of the trust relationship between the trustee and beneficiary. Otherwise, notwithstanding lack of full disclosure a trustee who has issued a final account or statement received by the beneficiary and has informed the

Disclosures (continued)

beneficiary of the location and availability of records for his examination is protected after **three years**.

17. For trust accounts governed by Illinois law, a beneficiary may not commence a proceeding against a trustee for breach of trust for trusts that becomes irrevocable after January 01, 2020, and for trustees who accepted appointment after January 01, 2020, more than **two years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished. For trusts that became irrevocable before January 01, 2020, and for trustees who accepted appointment before January 01, 2020, a beneficiary may not commence a proceeding against a trustee more than **three years** after trust accounting that discloses the existence of a potential claim or provides sufficient information so that the person entitled to receive the information knows of the potential claim or should have inquired into its existence is furnished.

18. For trust accounts governed by Indiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **three years** after receipt of the final account or statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary.

19. For trust accounts governed by Iowa law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the receipt of accounting or report that adequately discloses the existence of a claim and provides sufficient information so that the beneficiary knows of the claim or reasonably should have inquired into its existence.

20. For trust accounts governed by Louisiana law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **two years** after the trustee renders an accounting for the accounting period in which the alleged act, omission, or breach of duty arising out of the matters disclosed therein occurred to the beneficiary or if the beneficiary lacks legal capacity, the beneficiary's legal representative. However, such actions must be filed within **three years** of the trustee rendering the accounting for the accounting period in discussion, even actions that happened within **two years** of disclosure. If a beneficiary is a minor when a trustee's accounting for the accounting period in which the alleged act, omission, or breach of duty occurred is rendered, the period of two years begins to run from the day he reaches the age of eighteen.

21. For trust accounts governed by Massachusetts law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after receipt of a final account or other statement fully disclosing the matter and showing termination of the trust relationship between the trustee and the beneficiary, or more than **three years** after a beneficiary received information regarding the location and availability of records for examination.

22. For trust accounts governed by New Jersey law or Utah law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **six months** after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim.

23. For trust accounts governed by North Carolina law, a beneficiary may not commence a proceeding against a trustee more than **five years** after the first to occur of (i) the removal, resignation, or death of the trustee; (ii) the termination of the beneficiary's interest in the trust; or (iii) the termination of the trust.

24. For trust accounts governed by Oklahoma law, a beneficiary may not commence a proceeding against a trustee more than **two years** after receipt of a report or statement adequately disclosing the existence of the claim or more than **two years** after the termination of the trust relationship between the beneficiary and that trustee.

25. For trust accounts governed by Oregon law, we would like to inform you that ORS 130.820 states as follows: "(1) Notwithstanding ORS chapter 12 or any other provision of law, but subject to subsection (2) of this section, a civil action against a trustee based on any act or omission of the trustee, whether

Disclosures (continued)

based in tort, contract or other theory of recovery, must be commenced within six years after the date the act or omission is discovered, or six years after the date the act or omission should have been discovered, whichever is earlier.(2) A beneficiary may not commence a proceeding against a trustee more than one year after the date the beneficiary or a representative of the beneficiary is sent a report by certified or regular mail that adequately discloses the existence of a potential claim and that informs the beneficiary of the time allowed for commencing a proceeding. A copy of this section must be attached to the report. The report must provide sufficient information so that the beneficiary or representative knows of the potential claim or should have inquired into its existence.”

26. For trust accounts governed by Pennsylvania law, a beneficiary may not commence a proceeding against a trustee if (i) the trustee provided the beneficiary at least annually with periodic written financial reports concerning the trust and (ii) the transaction was disclosed in a report or such report provided sufficient information so that the beneficiary knew or should have known of the potential claim or should have inquired into its existence, and (iii) within **thirty months** after such report was sent by the trustee to the beneficiary, the beneficiary did not notify the trustee in writing that the beneficiary challenges the transaction or asserts a claim and provides in writing the basis for that challenge or assertion.

27. For accounts governed by South Dakota law, a distribution beneficiary may not object to the trustee’s accounting more than **180 days** after a copy of the trustee’s accounting has been mailed, postage prepaid, to the last known address of such distribution, personally or electronically in accordance with SDCL § 15-6-5(d).

28. For trust accounts governed by Tennessee law, a beneficiary may not commence a proceeding against a trustee for breach of trust more than **one year** after the earlier of:

- (i) the date the beneficiary or a representative of the beneficiary was sent information that adequately disclosed facts indicating the existence of a potential claim for breach of trust or (ii) the date the beneficiary or a representative of the beneficiary possessed actual knowledge of facts indicating the existence of a potential claim for breach of trust.

29. For trust accounts governed by Washington State law, a beneficiary may not commence a proceeding against trustee for breach of trust more than **three years** after the date a report was delivered in the manner provided in RCW 11.96A.110 to the beneficiary or to representative of the beneficiary if the report adequately disclosed the existence of a potential claim for breach of trust.

30. If your account is a Trust or an Estate account, the statement reflects the total assets held in that Trust or Estate account and is not necessarily reflective of your rights and interests to the income or assets of the Trust or Estate. Your rights and interests with respect to income or assets detailed on this account statement are determined by the instrument or will governing the Trust or Estate and applicable law.

31. Taxable Bond Election. The IRS requires taxpayers to amortize the premium on all bonds over the life of the bond or until the bond is sold or redeemed. The annual amount of amortized premium will reduce the cost basis of the bond and may provide an offset to the income earned on the bond during the year. If the bond is a taxable bond, the taxpayer may elect out of the amortization rule; there is no opt out for tax-exempt bonds. BMO will amortize premiums paid for all bonds in Client’s account, including taxable bonds unless Client instructs otherwise in writing.

32. **Notice Regarding Our Relationship with Ameriprise Financial, Inc. (“Ameriprise”)** . In November 2021, Bank of Montreal, the parent company of BMO, entered into a relationship agreement with Ameriprise and its affiliates setting forth a framework of mutual cooperation between the parties. As a result, BMO has agreed to consider and retain Ameriprise as an approved manager for certain new sub-advisory mandates where their offering is suitable for the mandate under consideration. BMO addresses the conflict of interest by requiring Ameriprise to present a reasonable and competitive proposal in which their relevant

Disclosures (continued)

performance exceeds the benchmark median in comparison to rolling 1, 3 and 5 year time periods.

33. BMO's annual Privacy Policy is available for your review. For more information, please visit www.bmo.com/usprivacy.

34. BMO's Terms and Conditions Disclosure, as part of your account agreement, is available for your review. To access the appropriate disclosure for your account, please visit <https://uswealth.bmo.com/disclosures/>.

For accounts where BMO provides investment management services, this disclosure provides information on matters such as but not limited to: brokerage discretion (BMO's ability to engage an authorized broker-dealer to buy and sell securities without the client's consent), soft dollars (commission arrangements in which BMO pays brokerage firms for their services and receives products and services which assist in our investment decision making process for the benefit of all managed accounts) and statements.

For custody accounts, this disclosure provides information on matters such as but not limited to: safekeeping (BMO will hold assets as the custodian of the account), pledging (use of assets as collateral for a loan) and statements.

Notification Regarding Proprietary Products and Fees: If permitted, your account will likely contain BMO Proprietary Products. Proprietary Products are investment products or services that are offered, sponsored, or advised by BMO or its affiliates, or for which BMO or its affiliates receive compensation. Proprietary Products may include certificates of deposit; mutual funds; unregistered private funds; structured products; equity, commodity, financial or other derivatives; or other securities. BMO or its affiliates receives compensation directly or indirectly from the Proprietary Products. This compensation may be in addition to any advisory or subadvisory fee or investment management fee for your Account.

Details regarding Proprietary Products and fees can be found in the BMO information and disclosure for the particular product, as updated from time to time ("Disclosure"). For the current copy of the Disclosure, please contact your account representative or go to <https://uswealth.bmo.com/disclosures/>.

"BMO" as used in these Customer Notes means BMO Bank N.A.



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 10**

To: Board of Directors

From: Debra Fisher, Finance Manager

Subject: Financial Software Proposal

Background

The Board of Directors gave direction to staff to move its software platforms to the cloud whenever feasible. On January 17, 2023 West Bay migrated the Abila MIP Fund Accounting software to a cloud version. The cloud version only included the general ledger and accounts payable, so accounts receivable continues to be used through a classic interface. The MIP Fund Accounting is functional, however lacks the capabilities of an enterprise resource planning (ERP) system. ERP systems incorporate several tasks which the District currently does in Excel, such as budgeting, asset management, and cash receipts.

On March 22, 2023 the board approved a new online permit system through Central Square, whose main product is Finance Enterprise. West Bay staff reviewed the Finance Enterprise system and an initial quote of \$82,000 for an annual subscription and \$188,000 for installation and implementation was included in the FY 2023-24 budget, which was approved by the board June 14, 2023. Additional quotes and demonstrations were requested from SAP and Oracle. SAP never provided a written quote or demonstration after multiple meetings, while verbally stating costs would be under our budget amounts. The Oracle Local Government division provided several demonstrations for the NetSuite for Government Cloud Service.

Although both Central Square and Oracle’s software are similar, the implications timelines vary dramatically, with Central Square proposing a one-year implementation and Oracle six months, with the possibility of four months for finance only.

Fiscal Impact

The Oracle Local Government NetSuite for Government Cloud Service quote is \$277,260 for five years, with an optional three year renewal at \$165,197.75 (\$55,066 per year). Installation includes two years of data, including the current year, with four years of journal entries to provide financial yearend comparison for three prior years. Installation and implementation costs are one-time in the first year.

<u>Financial Software Expense</u>	<u>MIP Fund Accounting</u>	<u>Central Sq Finance</u>	<u>SAP</u>	<u>Oracle NetSuite</u>
Installation/Implementation	12,212.03	219,137.50		160,718.00
Annual Subscription	10,491.57	80,000.00		55,452.00
First year expense	22,703.60	299,137.50	-	216,170.00

The FY 2024-25 budget includes \$188,000 for installation and \$82,000 for the annual software subscription. The Oracle software is \$55,066 under the budget amount for FY 2024-25.

Recommendation

The Finance Manager recommends the District Board approve the five year contract for Oracle NetSuite for Government Cloud Service upon review by General Counsel.

Attachments: Oracle Contract, Oracle 5 Year Proposal, Oracle Installation

PUBLIC SECTOR AGREEMENT FOR ORACLE CLOUD SERVICES

This Public Sector Agreement for Oracle Cloud Services (this “Agreement”) is between Oracle America, Inc. (“Oracle,” “we,” “us,” or “our”) and the entity that has executed this Agreement as identified in the signature block below (“You” or “Your”). This Agreement sets forth the terms and conditions that govern orders placed under this Agreement.

1. USE OF THE SERVICES

1.1. We will make the Oracle services listed in Your order (the “Services”) available to You pursuant to this Agreement and Your order. Except as otherwise stated in this Agreement or Your order, You have the non-exclusive, worldwide, limited right to use the Services during the period defined in Your order, unless earlier terminated in accordance with this Agreement or Your order (the “Services Period”), solely for Your internal business operations. You may allow Your Users (as defined below) to use the Services for this purpose, and You are responsible for their compliance with this Agreement and Your order.

1.2. The Service Specifications describe and govern the Services. During the Services Period, we may update the Services and Service Specifications to reflect changes in, among other things, laws, regulations, rules, technology, industry practices, patterns of system use, and availability of Third Party Content (as defined below). Oracle updates to the Services or Service Specifications will not materially reduce the level of performance, functionality, security or availability of the Services during the Services Period of Your order.

1.3. You may not, and may not cause or permit others to: (a) use the Services to harass any person; cause damage or injury to any person or property; publish any material that is false, defamatory, harassing or obscene; violate privacy rights; promote bigotry, racism, hatred or harm; send unsolicited bulk e-mail, junk mail, spam or chain letters; infringe intellectual or other property rights; sell, manufacture, market and/or distribute any product or service in violation of applicable laws; or otherwise violate applicable laws, ordinances or regulations; (b) perform or disclose any benchmarking or availability testing of the Services, except as permitted in the Service Specifications; (c) perform or disclose any performance or vulnerability testing of the Services without Oracle’s prior written approval, except as permitted in the Service Specifications, or perform or disclose network discovery, port and service identification, vulnerability scanning, password cracking or remote access testing of the Services; or (d) use the Services to perform cyber currency or crypto currency mining ((a) through (d) collectively, the “Acceptable Use Policy”). In addition to other rights that we have in this Agreement and Your order, we have the right to take remedial action if the Acceptable Use Policy is violated, and such remedial action may include removing or disabling access to material that violates the policy.

2. FEES AND PAYMENT

2.1. All fees payable are due within 30 days from the invoice date. Once placed, Your order is non-cancelable and the sums paid nonrefundable, except as provided in this Agreement or Your order. You will pay any sales, value-added or other similar taxes imposed by applicable law that we must pay based on the Services You ordered, except for taxes based on our income. Fees for Services listed in an order are exclusive of taxes and expenses, unless expressly stated otherwise in Your order.

2.2. If You exceed the quantity of Services ordered, then You promptly must purchase and pay fees for the excess quantity.

2.3. You understand that You may receive multiple invoices for the Services. Invoices will be submitted to You pursuant to Oracle’s Invoicing Standards Policy, available at <https://www.oracle.com/contracts/cloud-services>.

3. OWNERSHIP RIGHTS AND RESTRICTIONS

3.1. You or Your licensors retain all ownership and intellectual property rights in and to Your Content (as defined below). We or our licensors retain all ownership and intellectual property rights in and to the Services, derivative works thereof, and anything developed or delivered by or on behalf of us under this Agreement.

3.2. You may have access to Third Party Content through use of the Services. Unless otherwise stated in Your order, all ownership and intellectual property rights in and to Third Party Content and the use of such content is governed by separate third party terms between You and the third party.

3.3. You have the authority to and do grant us the right to host, use, process, display and transmit Your Content to provide the Services pursuant to and in accordance with this Agreement and Your order. You have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of Your Content, and for obtaining all rights related to Your Content required by Oracle to perform the Services.

3.4. Except as permitted by this Agreement or Your order, You may not, and may not cause or permit others to: (a) modify, make derivative works of, disassemble, decompile, reverse engineer, reproduce, republish, download, or copy any part of the Services (including data structures or similar materials produced by programs); (b) access or use the Services to build or support, directly or indirectly, products or services competitive to Oracle; or (c) license, sell, transfer, assign, distribute, outsource, permit timesharing or service bureau use of, commercially exploit, or make available the Services to any third party.

4. NONDISCLOSURE

4.1. By virtue of this Agreement, the parties may disclose to each other information that is confidential (“Confidential Information”). Confidential Information shall be limited to the terms and pricing under this Agreement and Your order, Your Content residing in the Services, and all information clearly identified as confidential at the time of disclosure.

4.2. A party’s Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party; (b) was in the other party’s lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party.

4.3 Subject to applicable law, each party agrees not to disclose the other party’s Confidential Information to any third party other than as set forth in the following sentence for a period of five years from the date of the disclosing party’s disclosure of the Confidential Information to the receiving party; however, we will protect the confidentiality of Your Content residing in the Services for as long as such information resides in the Services. Each party may disclose Confidential Information only to those employees, agents or subcontractors who are required to protect it against unauthorized disclosure in a manner no less protective than required under this Agreement, and each party may disclose the other party’s Confidential Information in any legal proceeding or to a governmental entity as required by law.

4.4 The parties acknowledge and agree that You and this Agreement are subject to applicable freedom of information or open records laws. Should You receive a request under such law for Oracle’s Confidential Information, You agree to give Oracle adequate prior notice of the request and before releasing Oracle’s Confidential Information to a third party, in order to allow Oracle sufficient time to seek injunctive relief or other relief against such disclosure.

5. PROTECTION OF YOUR CONTENT

5.1. In order to protect Your Content provided to Oracle as part of the provision of the Services, Oracle will comply with the applicable administrative, physical, technical and other safeguards, and other applicable aspects of system and content management, available at <https://www.oracle.com/contracts/cloud-services>.

5.2. To the extent Your Content includes Personal Information (as that term is defined in the applicable data privacy policies and the Data Processing Agreement (as defined below)), Oracle will furthermore comply with the following:

- a. the relevant Oracle privacy policies applicable to the Services, available at <http://www.oracle.com/us/legal/privacy/overview/index.html>; and
- b. the applicable version of the Data Processing Agreement for Oracle Services (the “Data Processing Agreement”), unless stated otherwise in Your order. The version of the Data Processing Agreement applicable to Your order (i) is available at <https://www.oracle.com/contracts/cloud-services> and is incorporated herein by reference, and (ii) will remain in force during the Services Period of Your order. In

the event of any conflict between the terms of the Data Processing Agreement and the terms of the Service Specifications (including any applicable Oracle privacy policies), the terms of the Data Processing Agreement shall take precedence.

5.3. Without prejudice to Sections 5.1 and 5.2 above, You are responsible for (a) any required notices, consents and/or authorizations related to Your provision of, and our processing of, Your Content (including any Personal Information) as part of the Services, (b) any security vulnerabilities, and the consequences of such vulnerabilities, arising from Your Content, including any viruses, Trojan horses, worms or other harmful programming routines contained in Your Content, and (c) any use by You or Your Users of the Services in a manner that is inconsistent with the terms of this Agreement and/or Your order. To the extent You disclose or transmit Your Content to a third party, we are no longer responsible for the security or confidentiality of such content outside of Oracle's control.

5.4. Unless otherwise specified in Your order (including in the Service Specifications), Your Content may not include any data that imposes specific data security, data protection, or regulatory obligations on Oracle in addition to or different from those specified in the Data Processing Agreement, Service Specifications or this Agreement. If Your Content includes any of the foregoing data (e.g., certain regulated health or payment card information), Oracle will process such data only pursuant to the terms of Your order, the Data Processing Agreement, Service Specifications and this Agreement. You are responsible for complying with Your specific regulatory, legal or data security obligations which may apply to such data. If available for the Services, You may purchase additional services from us (e.g., Oracle Payment Card Industry Compliance Services) designed to address specific data security, data protection or regulatory requirements applicable to such data.

6. WARRANTIES, DISCLAIMERS AND EXCLUSIVE REMEDIES

6.1. Each party represents that it has validly entered into this Agreement and that it has the power and authority to do so. We warrant that during the Services Period we will perform the Services using commercially reasonable care and skill and in all material respects as described in the Service Specifications (the "Services Warranty"). If the Services provided to You were not performed as warranted, You must promptly provide us with a written notice that describes the deficiency in the Services (including, as applicable, the service request number notifying us of the deficiency in the Services).

6.2. WE DO NOT WARRANT THAT THE SERVICES WILL BE PERFORMED ERROR-FREE OR UNINTERRUPTED, THAT WE WILL CORRECT ALL SERVICES ERRORS, OR THAT THE SERVICES WILL MEET YOUR REQUIREMENTS OR EXPECTATIONS. WE ARE NOT RESPONSIBLE FOR ANY ISSUES RELATED TO THE PERFORMANCE, OPERATION OR SECURITY OF THE SERVICES THAT ARISE FROM YOUR CONTENT OR THIRD PARTY CONTENT OR SERVICES PROVIDED BY THIRD PARTIES.

FOR ANY BREACH OF THE SERVICES WARRANTY, YOUR EXCLUSIVE REMEDY AND OUR ENTIRE LIABILITY SHALL BE THE CORRECTION OF THE DEFICIENT SERVICES THAT CAUSED THE BREACH OF WARRANTY, OR, IF WE CANNOT SUBSTANTIALLY CORRECT THE DEFICIENCY IN A COMMERCIALY REASONABLE MANNER, YOU MAY END THE DEFICIENT SERVICES AND WE WILL REFUND TO YOU THE FEES PAID FOR THE DEFICIENT SERVICES FOR THE PERIOD OF TIME DURING WHICH THE SERVICES WERE DEFICIENT.

6.3. TO THE EXTENT NOT PROHIBITED BY LAW, THESE WARRANTIES ARE EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING FOR SOFTWARE, HARDWARE, SYSTEMS, NETWORKS OR ENVIRONMENTS OR FOR MERCHANTABILITY, SATISFACTORY QUALITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. LIMITATION OF LIABILITY

7.1. IN NO EVENT WILL EITHER PARTY OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES, OR ANY LOSS OF REVENUE, PROFITS (EXCLUDING FEES UNDER THIS AGREEMENT), SALES, DATA, DATA USE, GOODWILL, OR REPUTATION.

7.2. IN NO EVENT SHALL THE AGGREGATE LIABILITY OF ORACLE AND OUR AFFILIATES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR YOUR ORDER, WHETHER IN CONTRACT, TORT, OR OTHERWISE, EXCEED THE TOTAL AMOUNTS ACTUALLY PAID UNDER YOUR ORDER FOR THE ORACLE

PRODUCTS OR SERVICES GIVING RISE TO THE LIABILITY DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE OF THE EVENT GIVING RISE TO SUCH LIABILITY.

8. INDEMNIFICATION

If a third party makes a claim against either You or Oracle ("Recipient," which may refer to You or us, depending upon which party received the Material), that any information, design, specification, instruction, software, service, data, hardware, or material (collectively, "Material") furnished by either You or us ("Provider," which may refer to You or us depending on which party provided the Material) infringes the third party's intellectual property rights, the Provider, at the Provider's sole cost and expense, will, to the extent not prohibited by law, defend the Recipient against the claim and indemnify the Recipient from the damages, liabilities, costs and expenses awarded by the court to the third party claiming infringement or the settlement agreed to by the Provider, if the Recipient does the following:

- a. notifies the Provider promptly in writing, not later than 30 days after the Recipient receives notice of the claim (or sooner if required by applicable law);
- b. gives the Provider sole control of the defense and any settlement negotiations to the extent permitted by law; and
- c. gives the Provider the information, authority and assistance the Provider needs to defend against or settle the claim.

8.1. If the Provider believes or it is determined that any of the Material may have violated a third party's intellectual property rights, the Provider may choose to either modify the Material to be non-infringing (while substantially preserving its utility or functionality) or obtain a license to allow for continued use, or if these alternatives are not commercially reasonable, the Provider may end the license for, and require return of, the applicable Material and refund any unused, prepaid fees the Recipient may have paid to the other party for such Material. If such return materially affects our ability to meet obligations under the relevant order, then we may, upon 30 days' prior written notice, terminate the order and refund any unused, prepaid fees for the Services under the terminated order. If such Material is third party technology and the terms of the third party license do not allow us to terminate the license, then we may, upon 30 days' prior written notice, end the Services associated with such Material and refund any unused, prepaid fees for such Services.

8.2. The Provider will not indemnify the Recipient if the Recipient (a) alters the Material or uses it outside the scope of use identified in the Provider's user or program documentation or Service Specifications, or (b) uses a version of the Material which has been superseded (and the Recipient has been notified in writing of the new version), if the infringement claim could have been avoided by using an unaltered current version of the Material which was made available to the Recipient. The Provider will not indemnify the Recipient to the extent that an infringement claim is based upon any material not furnished by the Provider. We will not indemnify You to the extent that an infringement claim is based on Third Party Content or any material from a third party portal or other external source that is accessible or made available to You within or by the Services (e.g., a social media post from a third party blog or forum, a third party web page accessed via a hyperlink, marketing data from third party data providers, etc.).

8.3. This Section 8 provides the parties' exclusive remedy for any claims or damages under Section 8.1.

9. TERM AND TERMINATION

9.1. Unless this Agreement is terminated earlier, You may place orders governed by this Agreement for a period of five years from the date You accept this Agreement. Even if terminated, this Agreement will continue to govern any order for the duration of the Services Period of such order.

9.2. Services shall be provided for the Services Period defined in Your order. Notwithstanding anything to the contrary in the Service Specifications, the Services You order will not be automatically renewed.

9.3. We may suspend Your and/or Your Users' access to, or use of, the Services if we believe that (a) there is a significant threat to the functionality, security, integrity, or availability of the Services or any content, data, or applications in the Services; (b) You or Your Users are accessing or using the Services to commit an illegal act; (c) there is a violation of the Acceptable Use Policy; or (d) You provided false account or payment information or Your digital payment method is refused. When reasonably practicable and lawfully permitted, we will provide You with advance notice of any such suspension. For Services with the applicable operational capability, Oracle will

use reasonable efforts to limit any suspension only to the portion of the Services related to the issue causing suspension. We will use reasonable efforts to re-establish the Services promptly after we determine that the issue causing the suspension has been resolved. During any suspension period, we will make Your Content (as it existed on the suspension date) available to You. Any suspension under this Section shall not excuse You from Your payment obligations.

9.4. If either of us breaches a material term of this Agreement or any order and fails to correct the breach within 30 days of written specification of the breach (provided in accordance with Section 16.1 below), then the breaching party is in default and the non-breaching party may terminate (a) in the case of breach of any order, the order under which the breach occurred; or (b) in the case of breach of this Agreement, this Agreement and any orders that have been placed under this Agreement. If we terminate any orders as specified in the preceding sentence, You must pay within 30 days all amounts that have accrued prior to such termination, as well as all sums remaining unpaid for the terminated order(s) plus related taxes and expenses. Except for nonpayment of fees, the non-breaching party may agree in its sole discretion to extend the 30 day period for so long as the breaching party continues reasonable efforts to cure the breach. You agree that if You are in default under this Agreement and/or Your order, You may not use those Services ordered.

9.5 You may terminate this Agreement at any time without cause by giving Oracle 30 days prior written notice of such termination. Termination of the Agreement will not affect orders that are outstanding at the time of termination. Those orders will be performed according to their terms as if this Agreement were still in full force and effect. However, those orders may not be renewed or extended subsequent to termination of this Agreement.

9.6 At the end of the Services Period, we will make Your Content (as it existed at the end of the Services Period) available for retrieval by You during a retrieval period specified in the Service Specifications. Following the retrieval period, and except as may be required by law, we will delete any of Your Content that remains in the Services. Our data deletion practices are described in more detail in the Service Specifications.

9.7 Provisions that survive termination or expiration of this Agreement are those relating to limitation of liability, indemnification, payment and others which by their nature are intended to survive.

10. THIRD PARTY CONTENT, SERVICES AND WEBSITES

10.1. The Services may enable You to link to, transfer Your Content or Third Party Content to, or otherwise access, third parties' websites, platforms, content, products, services, and information ("Third Party Services"). Oracle does not control and is not responsible for Third Party Content or Third Party Services. You are solely responsible for complying with the terms of access and use of Third Party Services, and if Oracle accesses or uses any Third Party Services on Your behalf to facilitate performance of the Services, You are solely responsible for ensuring that such access and use, including through passwords, credentials or tokens issued or otherwise made available to You, is authorized by the terms of access and use for such services. If You transfer or cause the transfer of Your Content or Third Party Content from the Services to a Third Party Service or other location, that transfer constitutes a distribution by You and not by Oracle.

10.2. Any Third Party Content we make accessible is provided on an "as-is" and "as available" basis without any warranty of any kind. We disclaim all liabilities arising from or related to Third Party Content.

10.3. You acknowledge that: (a) the nature, type, quality and availability of Third Party Content may change at any time during the Services Period, and (b) features of the Services that interoperate with Third Party Services, such as Facebook™, YouTube™ and Twitter™, etc., depend on the continuing availability of such third parties' respective application programming interfaces (APIs). We may need to update, change or modify the Services under this Agreement as a result of a change in, or unavailability of, such Third Party Content, Third Party Services or APIs. Any change to Third Party Content, Third Party Services or APIs, including their unavailability, during the Services Period does not affect Your obligations under this Agreement or the applicable order, and You will not be entitled to any refund, credit or other compensation due to any such changes.

11. SERVICE MONITORING, ANALYSES AND ORACLE-PROVIDED SOFTWARE

11.1. We continuously monitor the Services to facilitate Oracle's operation of the Services; to help resolve Your service requests; to detect and address threats to the functionality, security, integrity, and availability of the Services as well as any content, data, or applications in the Services; and to detect and address illegal acts or violations of the Acceptable Use Policy. Oracle monitoring tools do not collect or store any of Your Content residing

in the Services, except as needed for such purposes. Oracle does not monitor, and does not address issues with, non-Oracle software provided by You or any of Your Users that is stored in, or run on or through, the Services. Information collected by Oracle monitoring tools (excluding Your Content) may also be used to assist in managing Oracle's product and service portfolio, to help Oracle address deficiencies in its product and service offerings, and for license management purposes.

11.2. We may (a) compile statistical and other information related to the performance, operation and use of the Services, and (b) use data from the Services in aggregated form for security and operations management, to create statistical analyses, and for research and development purposes (above clauses (a) and (b) are collectively referred to as "Service Analyses"). We retain all intellectual property rights in Service Analyses.

11.3. We may provide You with the ability to obtain certain Oracle-provided Software (as defined below) for use with the Services. Unless we specify that separate terms will apply to Oracle-provided Software, any Oracle-provided Software is provided as part of the Services and You have the non-exclusive, worldwide, limited right to use, and allow Your Users to use, such Oracle-provided Software, subject to the terms of this Agreement and Your order, solely to facilitate Your authorized use of the Services. Your right to use any Oracle-provided Software will terminate upon the earlier of our notice (by web posting or otherwise) or the end of the Services associated with the Oracle-provided Software. Your right to use any part of the Oracle-provided Software that is licensed under the separate terms is not restricted in any way by this Agreement.

12. HARDWARE DEVICES

The terms in this Section 12 (Hardware Devices) only apply to an order which includes a Hardware Device.

12.1. Your order may include a Hardware Device (as defined below), which You may use with the applicable Services as described in the Service Specifications. The terms of this Agreement and Your order (including those terms that refer to Services) govern Hardware Devices, the Operating System and Integrated Software (both as defined below), unless expressly stated otherwise in this Section 12, or if the terms by their nature would be inapplicable to Hardware Devices.

12.2. We provide a limited warranty for Hardware Devices as described in the Oracle Hardware Warranty available at <http://www.oracle.com/contracts/hardware>. Any changes to the Oracle Hardware Warranty will not apply to Hardware Devices ordered prior to such change.

12.3. We provide technical support services for Hardware Devices as described in the Service Specifications and/or Oracle's Hardware and Systems Support Policies in effect at the time the technical support services are provided (available at <http://www.oracle.com/contracts/hardware>), as applicable.

12.4. With respect to our indemnification for Hardware Devices under Section 8, notwithstanding the provisions of Section 8.2, if we believe or it is determined that the Hardware Device (or portion thereof) may have violated a third party's intellectual property rights, we may choose to either replace or modify the Hardware Device (or portion thereof) to be non-infringing (while substantially preserving its utility or functionality) or obtain a right to allow for continued use, or if these alternatives are not commercially reasonable, we may remove the applicable Hardware Device (or portion thereof) and refund the net book value for the Hardware Device.

12.5. "Hardware Device" is defined as hardware that meets both of the following requirements: (a) the hardware is managed by or used as part of the Services, and (b) the hardware is designated as a Hardware Device by Oracle. Title to Hardware Devices will transfer to You upon delivery to You unless otherwise specified in Your order.

12.6. "Operating System" refers to the software that manages the Hardware Device. You have the right to use the Operating System delivered with the Hardware Device (and any updates acquired through our technical support services) only as incorporated in, and as part of, the Hardware Device and subject to the terms of the license agreement(s) delivered with or on the Hardware Device. Current versions of the license agreements are located in the documentation for the Hardware Device.

12.7. "Integrated Software" refers to any software or programmable code that is embedded or integrated in a Hardware Device and enables the functionality of the Hardware Device. Integrated Software does not include and You do not have rights to (a) code or functionality for diagnostic, maintenance, repair or technical support services; or (b) separately licensed applications, development tools, or system management software or other code that is separately licensed by us or a third party. You have the limited, non-exclusive right to use Integrated Software

delivered with a Hardware Device (and any updates acquired through our technical support services) only as incorporated in, and as part of, the Hardware Device and subject to any terms delivered with or on the Hardware Device and/or in the applicable documentation.

12.8. We or our licensors retain all ownership and intellectual property rights in and to the Operating System and Integrated Software. The Hardware Device may contain or require the use of third party technology that is provided with or pre-installed on the Hardware Device. Third party technology is licensed under terms which we may provide to You (i) with or on the Hardware Device, (ii) in the applicable product documentation, (iii) in the readme files, or (iv) in the notice files. Your right to use this third party technology under separate license terms are not restricted in any way by this Agreement. We do not warrant or provide any technical support services for this third party technology.

12.9. The Operating System or Integrated Software may include separate works, identified in a readme file, notice file or the applicable documentation, which are licensed under open source or similar license terms; Your rights to use the Operating System and Integrated Software under such terms are not restricted in any way by this Agreement. The appropriate terms associated with these separate works can be found in the readme files, notice files or in the documentation accompanying the Operating System and Integrated Software. For software (i) that is part of the Operating System or Integrated Software and (ii) that You receive from us in binary form and (iii) that is licensed under an open source license that gives You the right to receive the source code for that binary, You may obtain a copy of the applicable source code from <https://oss.oracle.com/sources/> or <http://www.oracle.com/goto/opensourcecode>. If the source code for the software was not provided to You with the binary, You may also receive a copy of the source code on physical media by submitting a written request pursuant to the instructions in the "Written Offer for Source Code" section of the latter website.

13. EXPORT

13.1. Export control and economic sanctions laws and regulations ("export laws") of the United States and any other relevant local export laws apply to the Oracle Products and Services ordered under this Agreement. Such export laws govern use of the Oracle Products and Services (including technical data) and any Oracle products or services deliverables provided under this Agreement, and You and we each agree to comply with all such export laws (including "deemed export" and "deemed re-export" regulations). You agree that no data, information, software programs and/or materials resulting from the Oracle products or services (or direct product thereof) will be exported, directly or indirectly, in violation of these laws, or will be used for any purpose prohibited by these laws including, without limitation, nuclear, chemical, or biological weapons proliferation, or development of missile technology.

13.2. You acknowledge that the Services are designed with capabilities for You and Your Users to access the Services without regard to geographic location and to transfer or otherwise move Your Content between the Services and other locations such as User workstations. You are solely responsible for the authorization and management of User accounts across geographic locations, as well as export control and geographic transfer of Your Content.

14. FORCE MAJEURE

Neither You nor we shall be responsible for failure or delay of performance if caused by: an act of war, hostility, or sabotage; act of God; pandemic; electrical, internet, or telecommunication outage that is not caused by the obligated party; government restrictions (including, without limitation, an embargo, economic sanction or the denial or cancelation of any export, import or other license); or other event outside the reasonable control of the obligated party. Both You and we will use reasonable efforts to mitigate the effect of a force majeure event. If such event continues for more than 30 days, either of You or we may cancel unperformed Services and affected orders upon written agreement. This Section does not excuse either party's obligation to take reasonable steps to follow its normal disaster recovery procedures or Your obligation to pay for the Services.

15. UCITA

The Uniform Computer Information Transactions Act does not apply to this Agreement or to orders placed under it.

16. NOTICE

Any notice required under this Agreement shall be provided to the other party in writing. If You have a legal dispute with us or if You wish to provide a notice under the Indemnification Section of this Agreement, or if You become subject to insolvency or other similar legal proceedings, You will promptly send written notice to: Oracle America, Inc., 500 Oracle Parkway Redwood Shores, CA 94065, Attention: General Counsel, Legal Department.

16.1. We may give notices applicable to our Services customers by means of a general notice on the Oracle portal for the Services, and notices specific to You (a) by electronic mail to Your e-mail address on record in our account information or (b) by written communication sent by first class mail or pre-paid post to Your address on record in our account information.

16.2. You may register to receive notice of updates to the Oracle Cloud Hosting and Delivery Policies and the Data Processing Agreement (and certain other Service Specifications made available by Oracle) at <http://www.oracle.com/contracts/cloud-services>.

17. ASSIGNMENT

You may not assign this Agreement or give or transfer the Services or any interest in the Services to another individual or entity.

18. OTHER

18.1. We are an independent contractor, and each party agrees that no partnership, joint venture, or agency relationship exists between the parties.

18.2. Our business partners and other third parties, including any third parties with which the Services have integrations or that are retained by You to provide consulting services, implementation services or applications that interact with the Services, are independent of Oracle and are not Oracle's agents. Even if recommended by us, we are not liable for, bound by, or responsible for any problems with the Services or Your Content arising due to any acts or omissions of any business partner or third party, unless the business partner or third party is providing Services as our subcontractor or is otherwise engaged by Oracle in connection with performance of its obligations under this Agreement, and, if so, then only to the same extent as we would be responsible for our resources under this Agreement.

18.3. If any term of this Agreement is found to be invalid or unenforceable, the remaining provisions will remain effective and such term shall be replaced with another term consistent with the purpose and intent of this Agreement.

18.4. Except for actions for nonpayment or breach of Oracle's proprietary rights, no action, regardless of form, arising out of or relating to this Agreement may be brought by either party more than two years after the cause of action has accrued.

18.5. Prior to entering into an order governed by this Agreement, You are solely responsible for determining whether the Services meet Your technical, business or regulatory requirements. Oracle will cooperate with Your efforts to determine whether use of the standard Services are consistent with those requirements. Additional fees may apply to any additional work performed by Oracle or changes to the Services. You remain solely responsible for Your regulatory compliance in connection with Your use of the Services.

19. ENTIRE AGREEMENT

19.1. You agree that this Agreement and the information which is incorporated into this Agreement by written reference (including reference to information contained in a URL or referenced policy), together with the applicable order, is the complete agreement for the Oracle Products and Services ordered by You and supersedes all prior or contemporaneous agreements, proposals, negotiations, demonstrations or representations, written or oral, regarding such Oracle Products and Services.

19.2. It is expressly agreed that the terms of this Agreement and any Oracle order shall supersede the terms in any purchase order, procurement internet portal, or other similar non-Oracle document, and no terms included in

any such purchase order, portal, or other non-Oracle document shall apply to Your order. In the event of any inconsistencies between the terms of an order and the Agreement, the order shall take precedence; however, unless expressly stated otherwise in an order, the terms of the Data Processing Agreement shall take precedence over any inconsistent terms in an order. This Agreement and orders hereunder may not be modified and the rights and restrictions may not be altered or waived except in a writing signed or accepted online by authorized representatives of You and of Oracle; however, Oracle may update the Service Specifications, including by posting updated documents on Oracle's websites. No third party beneficiary relationships are created by this Agreement.

20. AGREEMENT DEFINITIONS

20.1. **"Oracle-provided Software"** means any software agent, application or tool that Oracle makes available to You specifically for purposes of facilitating Your access to, operation of, and/or use with, the Services.

20.2. **"Program Documentation"** refers to the user manuals, help windows, readme files for the Services and any Oracle-provided Software. You may access the documentation online at <http://oracle.com/contracts> or such other address specified by Oracle.

20.3. **"Service Specifications"** means the following documents, as applicable to the Services under Your order: (a) the Oracle Cloud Hosting and Delivery Policies, the Program Documentation, the Oracle service descriptions, and the Oracle Corporate Security Practices; (b) Oracle's privacy policies; and (c) any other Oracle documents that are referenced in or incorporated into Your order. The following do not apply to any non-Cloud Oracle service offerings acquired under Your order, such as professional services: the Oracle Cloud Hosting and Delivery Policies and Program Documentation. The following do not apply to any Oracle-provided Software: the Oracle Cloud Hosting and Delivery Policies.

20.4. **"Third Party Content"** means all software, data, text, images, audio, video, photographs and other content and material, in any format, that are obtained or derived from third party sources outside of Oracle that You may access through, within, or in conjunction with Your use of, the Services. Examples of Third Party Content include data feeds from social network services, rss feeds from blog posts, Oracle data marketplaces and libraries, dictionaries, and marketing data. Third Party Content includes third-party sourced materials accessed or obtained by Your use of the Services or any Oracle-provided tools.

20.5. **"Users"** means, for Services, those employees, contractors, and end users, as applicable, authorized by You or on Your behalf to use the Services in accordance with this Agreement and Your order. For Services that are specifically designed to allow Your clients, agents, customers, suppliers or other third parties to access the Services to interact with You, such third parties will be considered "Users" subject to the terms of this Agreement and Your order.

20.6. **"Your Content"** means all software, data (including Personal Information), text, images, audio, video, photographs, non-Oracle or third party applications, and other content and material, in any format, provided by You or any of Your Users that is stored in, or run on or through, the Services. Services under this Agreement, Oracle-provided Software, other Oracle Products and Services, and Oracle intellectual property, and all derivative works thereof, do not fall within the meaning of the term "Your Content." Your Content includes any Third Party Content that is brought by You into the Services by Your use of the Services or any Oracle-provided tools.

21. CLOUD SERVICES AGREEMENT EFFECTIVE DATE

The Effective Date of this Cloud Services Agreement is _____. (DATE TO BE COMPLETED BY ORACLE)

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK. THE SIGNATURE BLOCK FOR THIS AGREEMENT FOLLOWS IMMEDIATELY ON THE NEXT PAGE.

West Bay Sanitary District

Oracle America, Inc.

Authorized Signature: _____

Authorized Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Signature Date: _____

Signature Date: _____

Agreement No.: US-CSA-CPQ-3453923

ORDERING DOCUMENT

Oracle America, Inc.
 500 Oracle Parkway
 Redwood Shores, CA
 94065

Name	West Bay Sanitary District	Contact	Debra Fisher
Address	500 Laurel St Menlo Park CA 94025	Phone Number	+1 (650) 321-0384
		Email Address	dfisher@westbaysanitary.org

New Subscription

Services Period: 60 months							
Cloud Services	Data Center Region	Quantity	Term	List Fee	Discount %	Unit Net Price	Net Fee
B94583 - Oracle NetSuite for Government Cloud Service, Standard Edition - Hosted Environment	NORTH AMERICA	1	60 mo	504,000.00	50.0	4,200.00	252,000.00
B94584 - Oracle NetSuite for Government Cloud Service, Additional General User - Hosted Named User	NORTH AMERICA	3	60 mo	8,820.00	50.0	24.50	4,410.00
B94585 - Oracle NetSuite for Government Cloud Service, Additional Self Service Users - 5 Hosted Named Users	NORTH AMERICA	4	60 mo	11,760.00	50.0	24.50	5,880.00
B94592 - Oracle NetSuite for Government Cloud Service, Sandbox Environment - Each	NORTH AMERICA	1	60 mo	29,940.00	50.0	249.50	14,970.00
Subtotal				554,520.00			277,260.00

Fee Description	Net Fee
Cloud Services Fees	277,260.00
Net Fees	277,260.00
Total Fees	277,260.00

A. Terms of Your Order

1. Applicable Agreement:

a. Public Sector Agreement for Cloud Services US-CSA-CPQ-3453923

2. Cloud Payment Terms:

a. Net 30 days from invoice date

3. Cloud Payment Frequency:

a. Quarterly in Arrears

4. Currency:

a. US Dollars

5. Offer Valid through:

a. 28-AUG-2024

6. Service Specifications

a. The Service Specifications applicable to the Cloud Services and the Consulting/Professional Services ordered may be accessed at <http://www.oracle.com/contracts>.

7. Services Period

a. The Services Period for the Services commences on the date stated in this order. If no date is specified, then the "Cloud Services Start Date" for each Service will be the date that you are issued access that enables you to activate your Services, and the "Consulting/Professional Services Start Date" is the date that Oracle begins performing such services.

B. Additional Order Terms

1. Non-Appropriation

In the event funds are not appropriated for a new fiscal year period, You may terminate this order immediately without penalty or expense; provided, however, that: (a) for each of the 12-month terms of the order, You must provide a purchase order, and (b) Your issuance of each 12-month purchase order shall signify to Oracle that all funds for the given 12-month term have been fully appropriated and encumbered. Notwithstanding the foregoing, You agree to pay for all Services performed by Oracle prior to Oracle's receipt of Your notice of non-appropriation.

2. No Auto-Renewal

Notwithstanding any statement to the contrary in the Service Specifications, the parties expressly agree that the Services acquired under this order will not Auto-Renew.

3. Optional 3 year Renewal Term

You shall have an option to renew the same services listed in the table above at the same usage limits for one (1) additional 36-month renewal period for the fee of \$165,197.75.

Annual Amount:

Year 1 \$55,065.92

Year 2 \$55,065.92

Year 3 \$55,065.92

Professional Services are not included in the renewal term. The cloud services listed above may not be renewed at the option year pricing listed above if: (i) Oracle is no longer making such cloud services generally available to customers, or (ii) You are seeking to cancel or reduce the number of user licenses of the cloud services set forth in this ordering document.

4. Linking Language

You acknowledge and agree that the terms and conditions of this order are contingent upon the simultaneous execution of the Agreement (as defined in section A.1.a above) between the parties. If the parties do not simultaneously execute the Agreement with this order, then this order shall be deemed to have no legal effect, even if executed.

West Bay Sanitary District

Signature _____

Name _____

Title _____

Signature Date _____

BILL TO / SHIP TO INFORMATION

Bill To		Ship To	
Customer Name	West Bay Sanitary District	Customer Name	West Bay Sanitary District
Customer Address	500 Laurel St Menlo Park CA 94025	Customer Address	500 Laurel St Menlo Park CA 94025
Contact Name	Debra Fisher	Contact Name	Debra Fisher
Contact Phone	+1 (650) 321-0384	Contact Phone	+1 (650) 321-0384
Contact Email	dfisher@westbaysanitary.org	Contact Email	dfisher@westbaysanitary.org



PROFESSIONAL SERVICES ORDERING DOCUMENT

Ordering Document Number: US-17133347

Oracle America, Inc. 500 Oracle Parkway Redwood Shores, CA 94065	Your Name: West Bay Sanitary District Your Address: 500 Laurel Suite Menlo Park CA- 94025
--	---

Oracle Representative:	Scott Weir	Your Billing Contact:	Debra Fisher
Address:	2300 Oracle Way Austin, TX 78741	Address:	500 Laurel Suite Menlo Park CA-94025
Phone Number:	562-370-3384	Phone Number:	650-321-0384
Email Address:	scott.weir@oracle.com	Email Address:	dfisher@westbaysanitary.org

You have ordered the Services listed in the table below and detailed in the attached exhibit(s), which are incorporated herein by reference.

Services	Reference	Fees	Estimated Expenses	Total Fees and Estimated Expenses
Time and Materials Services	Exhibit 1	\$146,108.00	\$14,610.00	\$160,718.00
Total Fees and Estimated Expenses				\$160,718.00

A. TERMS

- Applicable Master Agreement:** This order incorporates by reference the Master Agreement **US-CSA-CPQ-3453923** and all amendments and addenda thereto (collectively, the "Master Agreement"). You acknowledge and agree that the terms and conditions of this ordering document are contingent upon the execution of the Master Agreement between the parties on or prior to the last signature date of this ordering document. If the parties do not execute the Master Agreement on or prior to the last signature date of this ordering document, then this ordering document shall be deemed to have no legal effect, even if executed.
- Professional Services Delivery Policies:** The Oracle Professional Services Delivery Policies ("Policies") available at <https://www.oracle.com/a/ocom/docs/corporate/professional-services-delivery-policies.pdf> apply to and are incorporated into this order.
- Payment Terms:** Net 30 days from invoice date.
- Currency:** US Dollars.
- Offer Valid through:** 31-AUG-2024.
- Service Specifications:** The Service Specifications shall include any exhibit(s) attached to this order (including referenced or incorporated Oracle documents) and the Policies.
- Order of Precedence:** In the event of any inconsistencies, priority shall be established in the following descending order: (a) any exhibit(s) attached to this order; (b) this order; (c) the Policies; and (d) the Master Agreement.
- Rights Granted:** Upon payment, You have the non-exclusive, non-assignable, royalty-free, worldwide, limited right to use the services and anything developed and delivered by Oracle under this order ("services and deliverables")

for Your internal business operations. You may allow Your agents and contractors to use the services and deliverables for Your internal business operations, and You are responsible for their compliance in such use. The services and deliverables may be related to Your right to use cloud or hosted/managed services or Products owned or distributed by Oracle which You acquired under a separate order. The agreement referenced in that order shall govern Your use of such services or Products, and nothing in this order is intended to grant a right to use such services or Products in excess of the terms of that order, such as the services period or number and type of environments specified in a cloud or hosted/managed service order.

You retain all ownership and intellectual property rights to Your confidential and proprietary information that You provide to Oracle under this order.

B. ADDITIONAL ORDER TERMS

1. When services will be performed on-site at customer location in the US, as required by US Department of Labor regulations (20 CFR 655.734), You will allow Oracle to post a notice regarding Oracle H-1B employee(s) at the work site prior to the employee's arrival on-site.

West Bay Sanitary District	Oracle America, Inc.
Authorized Signature: _____	Authorized Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Signature Date: _____	Signature Date: _____
Ordering Document Effective Date: _____	{to be completed by Oracle}

Your Name: West Bay Sanitary District
Ordering Document Number: US-17133347
Exhibit Number: 1

1. Description of Services.

Oracle will provide You with up to one hundred twenty-seven (127) person days of technical and functional Services to assist with the cloud enablement of Oracle NetSuite for Government Cloud Service (“NetSuite for Government”) (the “Services”). Oracle will assist You in the following phases:

A. Phase 1 – Finance:

1. Focus Phase:

- a. Conduct one (1) project kick-off workshop for up to two (2) person days for Your project team to review the project governance processes and complete strategy sessions including:
 - 1. Scope management process;
 - 2. Risk management process;
 - 3. Issue management process;
 - 4. Communications management process;
 - 5. Configuration management process;
 - 6. Quality management process;
 - 7. Review the welcome packet;
 - 8. Data conversion strategy session;
 - 9. Integration strategy session; and
 - 10. Workflow strategy session.
- b. Create and provide an initial project work plan, which will include the following:
 - 1. Tasks, estimated start and end dates, and estimated durations;
 - 2. Assigned resources from You and Oracle; and
 - 3. Known dependencies.

2. Refine Phase:

- a. Conduct up to six (6) “Finance Data Migration Workshops” for up to two (2) hours each for Your project team to review the following processes for the NetSuite for Government:
 - 1. Chart of accounts (“COA”) setup and fund management;
 - 2. Entity setup;
 - 3. Account balances;
 - 4. Historical data;
 - 5. Current fiscal year data import; and
 - 6. Fixed assets.
- b. Document the findings from each Finance Data Migration Workshop in a Finance Migration Engagement Report.
- c. Assist with the loading of Your finalized datasets for Finance as follows:

Finance Functional Area	Years of finalized datasets to be loaded
Journals	Four (4)
Budget	Two (2)
Purchasing and Accounts Payable	Two (2)
Projects	Two (2)
Grants	Two (2)
Accounts Receivable	Two (2)
Fixed Assets	Two (2)
Inventory	Two (2)

- d. Conduct up to five (5) “Finance Configuration Workshops” for up to two (2) hours each for Your project team to review the following processes:
 1. System administration;
 2. Planning and budgeting;
 3. Integrations;
 4. Analytics and reports; and
 5. Workflows and automation.
- e. Document the findings each Finance Configuration Workshop in a Finance Configuration Engagement Report.
- f. Configure NetSuite for Government hosted environment based upon the Finance Configuration Engagement Reports.
- g. Provide up to four (4) total person days of guidance on configuring integrations to the following third-party applications:

Name of third party	Type of data	One-way Import/Export / Bidirectional	Frequency	Method (Application Programming Interface (“API”) / Flat file)
Central Square	Permitting/Licensing	One-way import	On demand	Flat file
ADP	Payroll	One-way import	On demand	Flat file

- h. Configure up to one (1) of each of the following form templates to include Your information (logo, legal name, address, bill-to address, ship-to address, bank information, etc.):
 1. Invoice;
 2. Purchase Order; and
 3. Accounts Payable check.
3. Enable Phase:
 - a. Conduct up to four (4) functional training session(s) of up to two (2) hours each for Your project team on the NetSuite for Government Finance module.
 - b. Create a testing plan with You.
 - c. Provide up to four (4) person days over the course of six (6) weeks to assist with Finance user acceptance testing (“UAT”).
 4. Live-Operate Phase:
 - a. Conduct one (1) “Final Data Migration Workshop” for up to two (2) hours to complete final Finance data cutover.
 - b. Provide up to eight (8) person days of consulting post go-live support to be used within the first thirty (30) calendar days immediately following production go-live for Finance.
 - c. Facilitate the transition from Your implementation team to the NetSuite for Government support team for the Finance module.

B. Phase 2 – NetSuite Planning and Budgeting (“NSPB”):

1. Focus Phase:
 - a. Conduct one (1) business process review session for up to two (2) hours to review the following:
 1. Current budgeting processes;
 2. Changes to process updates;
 3. Budget reporting needs;
 4. Confirm administrator access; and
 5. Project timeline considerations.
2. Refine Phase:
 - a. Import up to one thousand (1,000) pre-defined, active general ledger (“GL”) dimension members from NetSuite for Government into the NSPB instance for each of the following:

1. COA;
 2. Funds;
 3. Departments;
 4. Projects; and
 5. Grants.
- b. Migrate up to two (2) years of historical income statements and balance sheets, and prior year budget data, from NetSuite for Government into the NSPB instance.
 1. Set up a schedule to import trial balances on a recurring basis from NetSuite for Government into the NSPB instance using standard saved searches.
 - c. Conduct up to five (5) "NSPB Configuration Workshops" for up to one and a half (1.5) hours each for Your project team to review the following:
 1. Web forms;
 2. Reports;
 3. Dashboards; and
 4. Business rules.
 - d. Document the findings from each NSPB Configuration Workshop in a NSPB Configuration Engagement Report.
 - e. Configure NSPB hosted environment based upon the NSPB Engagement Reports.
3. Enable Phase:
 - a. Conduct up to one (1) functional training session of up to two (2) hours each for Your project team on the NetSuite Planning and Budgeting module.
 4. Live-Operate Phase:
 - a. Provide up to one (1) person days of consulting post go-live support to be used within the first thirty (30) calendar days immediately following production go-live for NetSuite Planning and Budgeting.
 - b. Facilitate the transition from Your implementation team to the NetSuite for Government support team for NetSuite Planning and Budgeting module.
2. Rates, Estimated Fees and Expenses, and Taxes.
 - A. The Services are performed on a time and materials ("T&M") basis; that is, You shall pay Oracle for the actual time spent performing the Services, plus materials, taxes, and expenses.
 - B. Rates. For a period of eighteen (18) months from the ordering document effective date, the Services will be provided at the rates of \$144.38 per hour. Thereafter, unless otherwise agreed by You and Oracle in an amendment, the Services will be provided at Oracle's consulting rates in effect when the Services are performed.
 - C. Estimated Fees and Expenses. All fees and expenses will be invoiced monthly. The fee and expense estimates specified in Your order are intended only to be for Your budgeting and Oracle's resource scheduling purposes, and may exceed the specified totals; these estimates do not include taxes. Once fees for Services reach the estimate, Oracle will cooperate with You to provide continuing Services on a T&M basis.
 3. Project Management. You and Oracle each agree to designate a project manager who shall work together to facilitate an efficient delivery of the Services.
 4. Your Cooperation.
 - A. Prior to the commencement of Services, designate and identify a project sponsor and a project manager that will be responsible for coordinating Your participation in this project and provide on-going support for Your implementation of the NetSuite hosted environment. Responsibilities include but are not limited to:
 1. Provide user feedback during configuration and validation.
 2. Be available as needed during the project to answer Oracle's questions, provide business decisions and other items as required.
 3. Provide on-going support to internal users following the implementation.

- B. Enable administrator access to allow provisioning of Your NetSuite for Government hosted environment prior to the commencement of Services.
 - C. Modify Your processes as necessary to align with the standard functionality of NetSuite for Government.
 - D. Complete and return the questionnaire in the NetSuite for Government Welcome Packet to Your Oracle project manager prior to the project kick-off workshop.
 - E. Be responsible for choosing your desired form templates from the samples provided to You during the project kick-off workshop.
 - F. Make Your existing procedure and business process documentation available to Oracle at least two (2) weeks prior to the Configuration Workshop.
 - G. Notify Oracle within two (2) business days about any inaccuracies or incomplete information in project documentation provided by Oracle to You.
 - H. You will accept Oracle NetSuite release upgrades.
 - I. You will not film or record Oracle's delivery of Services, Oracle resources, or any Oracle materials.
 - J. You are responsible for planning, executing, and managing all aspects of end-to-end and final reviews, including customizing the Oracle provided templates to prepare and execute test cases and plans and reviewing test results.
 - K. Ensure that Your designated Learning Cloud Support passholder training attendee(s) are completing any implementation training courses assigned to them by the Oracle team in the timeline specified as mutually agreed by You and received from the Oracle at the start of the implementation.
 - L. Develop any necessary end-user documentation, including, but not limited to, documenting specific business practices, data examples and organization/end-user specific policies and procedures.
 - M. Manage the post-production maintenance and support of Your NetSuite for Government hosted environment.
 - N. Integration-related cooperation:
 - 1. For each third-party listed in Section 1.A.2.g, You must provide integration specifications, third-party requirements, and have a live operating environment in place in order for the implementation team to deliver the Services.
 - 2. You will be live in production on all of Your third-party applications to be integrated with NetSuite for Government at least six (6) months prior to the planned go-live date of this implementation.
 - 3. Implement and maintain the production and consumption of the file-based interfaces with Your existing systems.
 - O. Migration-related cooperation:
 - 1. Be responsible for extracting the data from Your legacy system(s), providing it in the format specified by Oracle, and assisting Oracle resources to complete data cleansing and mapping within three (3) weeks from the project kickoff call.
 - 2. Audit Your data for data migration, including historical years up through the current fiscal year.
 - 3. Financial data to be migrated must include the following:
 - a. Balances of fully qualified accounts (e.g., Fund-Dept-Obj, and other segments).
 - b. All general ledger impacting transactions (trial balance details), summed and compared by each fully qualified account to the provided balances; no transactions are omitted.
 - c. Transaction details such as purchase orders, bills, invoices, credits, voids, adjustments, payments, checks, wires, etc. must identify which general ledger impacting transaction it is associated with. The values of these details are compared to the general ledger impacting transaction totals to validate that no details are omitted.
 - 4. Validate the final list data and transactional data within two (2) weeks from data upload.
5. Project Assumptions.
- A. A person day is defined as one (1) resource working up to eight (8) hours.
 - B. Standard functionality is defined as the functionality described in applicable documentation, for the NetSuite for Government application, provided by Oracle.
 - C. Hosted environment is defined as the combination of systems and supporting resources to which Oracle grants You access as part of the services ordered by You, that are (i) configured for the Oracle Programs operating on it and for specific uses as part of the services, and (ii) used by Oracle to perform the Services. The hosted environment consists of the production environment, and any non-production environment(s), as referenced in the applicable ordering document and services policies.
 - D. The implementation methodology for the Services is the Oracle True Cloud Method ("TCM").

- E. The NetSuite for Government standard chart of accounts segmentation structure will be used as a default segmentation with localization as required.
- F. Integration-related assumptions:
1. If the effort to implement the third-party integrations identified by You exceeds the estimates in Section 1.A.2.g such adjustments shall be subject to the change control process.
 2. Except to the extent expressly stated in the Description of Services section of this document, the use of the terms "integrate" and "integration" throughout this document is not intended to mean that Oracle will ensure (i) the physical or functional integration of Oracle products with external legacy systems, third party products and/or other software applications; (ii) the functioning of Oracle products as a coordinated whole with such external legacy systems, third party products and/or other software applications; or (iii) any non-standard integration between Oracle products. Rather, the terms are used to refer to the overall concept of data exchange between the Oracle products and other systems, products or applications identified in this document, and may include interfacing and/or other methods of integration or interoperation as described in the Description of Services section of this document.
- G. Migration-related assumptions:
1. Data migration is limited to the assistance described in Section 1.A.2.c and Section 1.B.2.b.
 2. Data provided by Your organization will be validated by the Oracle Local Government implementation team before being loaded into NetSuite for Government. However, any discrepancies or inconsistencies will be returned to You for correction or clarification, up to three (3) revisions. It is recommended that data validation occur prior to submission of the finalized dataset for loading.
 3. The amount of time required to import legacy transactions and associated detail is determined by Your ability to provide reconciled data in the format requested. Delays may impact key implementation dates, including go-live.
 4. A finalized dataset for finance is defined as up to one (1) year worth of historical data containing all the information that You wish to migrate, as validated by Your project team. Modifying the structure of the data can cause delays in the migration process and/or inconsistencies in the final result. This dataset should have all relevant details comprising the debits and credits against each accounting segment that impacts the general ledger. All transaction lines should be rounded to two (2) decimal places while maintaining balanced debits and credits and aligning with balances for each fiscal year. All transaction detail records (e.g., vendor bills, checks, accounts receivable invoices, cash receipts) must include an associating reference to the general ledger impacting transaction as well its relationship with other detail transactions such as bills-to-purchase orders or checks-to-bills. Subledger transactions details (i.e., subledger project transaction details) should be free of conflicts from their associated general ledger impact transaction.
- H. The following are not included in the scope of, or fees for, Services under this exhibit:
1. Performance testing, tuning, or any management of performance.
 2. Testing beyond the activities described in this exhibit.
 3. Customizations to NetSuite for Government.
 4. Oracle Cloud subscription services.
 5. Languages other than U.S. English.
 6. Integrations or data conversions beyond what is explicitly described in this exhibit.
 7. Form configuration beyond what is explicitly described in this exhibit.
 8. Cloud middleware, database, operating and other hardware activities.
 9. Oracle transactional business intelligence training.
 10. Complex business processing or orchestration related to integrations.
 11. Transformations or data mapping of elements.
 12. Additional workforce structures for future use, expansion, or acquisitions.
 13. Extensions, customizations, or custom reports.
 14. Localizations other than those made to the chart of accounts structure.
 15. Post-production Services exceeding the person days in Section 1.A.4.b and Section 1.B.4.a, or thirty (30) calendar days after go-live for the respective module, whichever comes first.
 16. Anything not expressly listed in the Description of Services.



WEST BAY SANITARY DISTRICT AGENDA ITEM 11

To: *Board of Directors*

From: *Debra Fisher, Finance Manager*

Subject: *Grand Jury Report*

Background

In 2023-24 a San Mateo County Grand Jury served for the purpose of “Assessing and reporting internal controls in San Mateo County Agencies and School Districts”. West Bay Sanitary District was one of twenty-eight (28) agencies selected. There was a short survey followed by an interview of Sergio Ramirez, General Manager on April 15, 2024.

Grand Jury Report Summary

Issue:

San Mateo County, Cities, Special Districts, Joint Power Authorities, or Schools are not assessing internal controls and are not reporting the results of assessments to governing boards and the public.

Findings:

F1. When an entity does not have a process to identify organizational risks, and the entity does not demonstrate how its internal controls address identified risks, the likelihood of a failure in internal controls that results in fraud or waste increases.

F2. When an entity does not periodically assess its internal controls and the entity cannot demonstrate that it is monitoring its internal controls, the likelihood of a failure in internal controls that results in fraud or waste increases.

F3. When management does not report the results of its assessments of internal controls to its governing board and the entity has not communicated externally, the likelihood that others see this as an opportunity to commit fraud or waste increases.

Recommendations:

R1. Beginning by no later than December 31, 2024 and at least annually thereafter, each entity will document its organizational risks and address those risks in its annual Assessment of Internal Controls.

R2. Beginning by no later than March 31, 2025 and at least annually thereafter, each governing board will require its management to complete its annual assessments of internal controls.

R3. Beginning by no later than June 30, 2025 and annually thereafter, each governing board will require management to report the results of its annual assessment of the entity’s internal controls.

History

The District has several policies that are intended to safeguard public funds and provide transparency, such as the Investment, Reserve, and Purchasing policies. These policies are reviewed as needed, or annually as required by government regulations, and revised to address new legislation or identified risks.

During the annual financial audit there are several control narratives that are reviewed with the auditors, that are used for designing appropriate audit procedures, although they do not express an opinion on the District's internal control over financial reporting. The auditors express an opinion to the board on whether the financial statements presented fairly, in all material respects, in conformity with accounting principles generally accepted in the US (GAAP).

The grand jury references recommended internal control guidelines issued by the State of California and the Federal Government Green Book. These guidelines have been used to draft an Internal Control Policy requiring an Annual Assessment of Internal Controls, as recommended, that incorporate policies and procedures currently in place.

The District addresses internal controls in several ways which are recommended by the State of California and the Federal Green Book, although the findings by the Grand Jury identified that the District is missing the transparent identification of all risks in writing and annually reporting to the board in an easily identified manner.

To comply with the SMC Grand Jury recommendations the District Board should adopt an Internal Control Policy to perform an Assessment of Internal Controls and report to the board annually. A draft policy has been provided to frame the recommendations by the State of California and the Federal Government Green Book. A final Internal Control Policy will be provided by December 2024, in line with the Grand Jury timeline.

Fiscal Impact

Undetermined.

Recommendation

The Finance Manager recommends the District Board accepts the Grand Jury recommendations and reviews the draft Internal Control Policy.

Attachments: 2024 SMC Grand Jury Report - Internal Controls
SMCGJ Internal Controls Survey
Internal Control Policy – Draft



[Issue](#) | [Summary](#) | [Glossary](#) | [Background](#) | [Methodology](#) | [Discussion](#) | [Findings](#) | [Recommendations](#) | [Requests for Responses](#) | [Appendixes](#)

Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts

“FAILURE OF ANY CONTRIBUTES TO PUBLIC DISTRUST OF ALL”

ISSUE

San Mateo County, Cities, Special Districts, Joint Power Authorities, or Schools are not assessing internal controls and are not reporting the results of assessments to governing boards and the public.

SUMMARY

Our government faces risks, including fraud and waste.

Internal controls are put in place by an entity's oversight body, management, and other personnel to provide reasonable assurance that the entity will achieve its objectives. Internal controls in our government are key to ensuring that goals are met without fraud and waste and are critical to the public trust. An example of an internal control is having separate people approve a transaction before paying the bill for that transaction.

Internal controls hit the public eye back in the 1990s, after the scandals at Enron, WorldCom and other organizations, all of which served as examples of fraud and waste. The United States Congress reacted in 2002 by enacting the laws known as Sarbanes–Oxley that impact publicly-traded companies. In 2015, the State of California issued “Internal Control Guidelines - California Local Agencies” covering the need for internal controls in government entities.

Given the enormity of the challenge of reviewing individual controls at any one agency, the Civil Grand Jury looked into the way government entities in San Mateo County assess their internal controls and how the results of those assessments are reported to governing boards and to the

public. Assessments and reporting should follow the State of California guidelines and the underlying referenced guidelines from the Green Book and the Committee of Sponsoring Corporations. Management’s assessment of internal controls and communication, both internally within an entity and externally to the entity’s constituents, are key principles of internal controls.

Too many examples of lack of or failed internal controls exist, including recent news stories about taxpayer money used for constructing personal residences in train stations in Burlingame and San Mateo that are referenced in the attached Appendix.

The Civil Grand Jury learned from survey respondents that all of them do have established internal controls and publish external audit reports. Most of them, however, do not assess internal controls and do not communicate with governing boards or the public regarding management of internal controls. Of the few entities that do assess internal controls, they do not report those results.

The Civil Grand Jury recommends timely and documented assessments of internal controls with clear, appropriate reports from management to governing-boards and to the public to reduce the risk of failed internal controls, to enhance public confidence in our government and to improve the efficiency of external audits.

By rule of the Civil Grand Jury, the recommendations included in this report can only be sent to entities that participated in interviews with the Civil Grand Jury. While the Civil Grand Jury could not efficiently interview all entities that participated in surveys, common sense suggests that these recommendations are applicable to all entities within San Mateo County. The current Civil Grand Jury encourages future civil grand juries to investigate the recommendations in this report as appropriate, to help optimize trust in the integrity of internal controls in San Mateo County government.

GLOSSARY

Assessment and Evaluation

Assessment for the purpose of this report is defined in the Green Book as follows: “To determine if an internal control system is effective, management assesses the design, implementation, and operating effectiveness of the five components and 17 principles.” Examples in an internal control assessment include to confirm and document that all requisitions are properly approved and that payments for goods or services are made by authorized individuals. This process helps management and stakeholders have confidence in the reliability of financial reporting, compliance with laws and regulations, and the overall integrity of the organization's operations. In general, Assessment and evaluation can be used interchangeably.

Committee of Sponsoring Organizations of the Treadway Commission (COSO)

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is an organization that develops guidelines for businesses to evaluate internal controls, risk management, and fraud deterrence.

Enterprise Risk Management (ERM)

Enterprise risk management is an entity-wide strategy to identify and prepare for hazards with the entity's finances, operations, and objectives.

Entity

An Entity for this report is San Mateo County, Cities, Special Districts, Joint Power Authorities, or Schools.

External Auditor

An external auditor is a public accountant who conducts audits, reviews, and other work for its clients. An external auditor is independent, and so is in a good position to make an impartial evaluation of the financial statements and systems of internal controls of those clients.

Green Book

Standards for internal control in the Federal Government issued by the General Accounting Office of the U.S. Government.

Internal Auditor

An internal auditor is responsible for reviewing a company's processes, identifying anomalies, and reporting any issues found to management. An internal auditor is an employee of a company, so is not independent of the company.

Internal Controls

A process effected by those charged with governance, management, and other personnel that is designed to provide reasonable assurance about the achievement of the entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control over safeguarding of assets against unauthorized acquisition, use or disposition may include controls relating to financial reporting and operations objectives.

Management

Management consists of those individuals directly responsible for all activities of an entity, including design, implementation and operation of an internal control system.

Oversight Body

The oversight body is the group responsible for overseeing the strategic direction of the entity and obligations related to the accountability of the entity, including management's design, implementation and operation of an internal control system. The oversight body may include elected or appointed officials and employees of the Entity.

BACKGROUND

Internal controls help an entity's management achieve its objectives. Also, internal controls help an entity run its operations efficiently and effectively, report reliable information about its operations and comply with applicable laws and regulations.

The need for internal controls applies to all entities, regardless of size. Large complex entities have different risk profiles than small, less-complex entities. All entities seek to control risk

appropriate for its operations, designing and implementing internal controls for its own particular risk profile. Even small, less-complex entities face risks that demand related internal controls.

Whether an internal control is followed or not is not a matter of materiality. A failure in what might seem to someone to be a trivial control is the same as a failure in what everyone might consider to be a very important control. There are no big or small controls, just controls. Failure in any contributes to public distrust of all.

The Green Book, which sets the standards for an effective internal control system for federal agencies, identifies five components of an internal control system:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

Each of these components applies to different levels of an organizational structure, such as a Parks and Recreation Department within a City Government.

The Green Book summaries 17 Principles of Internal Control for these five components as:

Control Environment

1. The oversight body and management should demonstrate a commitment to integrity and ethical values.
2. The oversight body should oversee the entity's internal control system.
3. Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity's objectives.
4. Management should demonstrate a commitment to recruit, develop, and retain competent individuals.
5. Management should evaluate performance and hold individuals accountable for their internal control responsibilities.

Risk Assessment

6. Management should define objectives clearly to enable the identification of risks and define risk tolerances.
7. Management should identify, analyze, and respond to risks related to achieving the defined objectives.
8. Management should consider the potential for fraud when identifying, analyzing, and responding to risks.
9. Management should identify, analyze, and respond to significant changes that could impact the internal control system.

Source: GAO. | GAO-14-704G

Control Activities

10. Management should design control activities to achieve objectives and respond to risks.
11. Management should design the entity's information system and related control activities to achieve objectives and respond to risks.
12. Management should implement control activities through policies.

Information and Communication

13. Management should use quality information to achieve the entity's objectives.
14. Management should internally communicate the necessary quality information to achieve the entity's objectives.
15. Management should externally communicate the necessary quality information to achieve the entity's objectives.

Monitoring

16. Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.
17. Management should remediate identified internal control deficiencies on a timely basis.

Each entity's oversight body is specifically responsible for oversight of internal control. Each entity's management is responsible for the design, implementation and maintenance of internal controls.

Each entity's internal controls are its own – no one would expect all entities to have the same internal controls, because all entities are different.

The Civil Grand Jury found examples of fraud and waste in government listed in the appendix. Each of these examples likely reflects a failure of internal controls to prevent or detect fraud and waste. In other words, you ordinarily can't have a problem with fraud and waste without a failure in internal controls.

Focus on the Control Environment, Information and Communication and Monitoring principles

The Civil Grand Jury focused on the control environment, information and communication and monitoring principles of internal control, seeking information about:

- *Control Environment Principle* - how governing boards oversee internal controls, such as a review of management's report on its assessment of internal controls.
- *Information and Communication Principle* - how management reports to the governing board regarding its assessment of internal control and how management's assessment of internal controls is communicated to the public, such as through an agenda item in a public meeting of the governing board.
- *Monitoring Principle* - information about how management monitors its internal control systems, such as management's assessment of internal controls.

It is of note that this investigation did not evaluate the quality of any entity's internal control or the effectiveness of an entity's internal controls.

The Civil Grand Jury sent a survey, received responses and confirmed survey responses via interviews with the 28 entities from whom it requests responses. However, common sense suggests each of the recommendations included in this report apply to all entities in the County.

The Civil Grand Jury recognizes that for a variety of reasons, management may not want to publicly report its controls and results of investigations. For example, an internal report might include details of needs for improving controls that might be considered a roadmap for fraud until the improvements are in place. Management reports available to the public through public release or materials for a public meeting could exclude such details, while the report available to the public could include an appropriate summary of information from an assessment.

METHODOLOGY

Preliminary Research

The Civil Grand Jury reviewed the websites of San Mateo County public entities and public media related to fraud and waste in government.

Preliminary Interview

To better understand, as a baseline, how the County Controller's Office oversees its internal controls, the Civil Grand Jury interviewed the Controller's Office of the County of San Mateo.

Survey and Survey Response Analysis

The Civil Grand Jury designed a survey focused on an entity's assessment of its internal controls, reporting, training and risk evaluation. See Appendix A for the survey. The Civil Grand Jury sent the survey to 75 entities.

The Civil Grand Jury reviewed and analyzed the responses.

Interviews with Entities

By rule, the Civil Grand Jury must interview an entity to use that entity's responses to a survey as a matter of fact. The Civil Grand Jury interviewed 28 entities, mostly focusing on entities that did not conduct an assessment of its internal controls in the last 18 months.

The Civil Grand Jury also interviewed a Certified Public Accountant with experience serving as external auditor of entities within San Mateo County.

DISCUSSION

Regulatory History

In 2013, our California Assembly approved Bill No. 1248, to require the state controller to establish internal controls for California local agencies. Bill No. 1248 applies to the County of San Mateo and the cities, special districts and other local government entities, except school districts. Bill No.1248 appears in the California Government Code section 12422.5.

In 2014, The General Accounting Office (GAO) of the U.S. Government issued the Green Book. The U.S. Comptroller General prescribes internal control standards in the Green Book for the federal government. The Green Book says that state, local and quasi-governmental agencies and not-for-profit organizations may adopt the Green Book as a framework for an internal control system.

In 2015, the California State Controller's Office issued "Internal Control Guidelines - California Local Agencies" to comply with California Government Code section 12422.5. The State Guidelines refer to the Green Book, among other resources.

The State Guidelines refer to the same structure of internal controls in the Green Book as well as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) publications, both of which refer to the Governing Board's responsibility to ensure completion of periodic risk assessments and to oversee internal controls.

Schools in San Mateo County are governed by the California Education Code (EDC). The county superintendent of schools may review or audit internal controls of any school district in its county per the California Education Code section 1241.5. The guidance in the Green Book and the State Guidelines naturally apply.

Tone at the Top

The oversight body and management set the tone at the top and throughout the organization by its example. Tone at the top is fundamental to effective internal controls. The tone at the top helps ensure:

- the entity's risk identification is complete
- risk responses are appropriate
- control activities are appropriately designed or implemented
- information and communication are effective
- results of monitoring are understood and acted upon.

Accountability for Performance

The State Guidelines include a section on Accountability for Performance, including:

- establishing mechanisms for holding individuals accountable for internal control responsibilities, which naturally include the oversight body and management
- establishing performance measures for all levels of the organization
- performing timely evaluations and aligning incentives with the fulfillment of internal control responsibilities.

All governing bodies and its management have basic responsibilities regarding internal controls, even if the State Guidelines do not specifically refer to those basic responsibilities. Those responsibilities naturally include:

- Oversight boards must demonstrate its oversight of management's internal controls, such as clear and timely reporting on its review of internal controls
- Management's reports on internal controls should be clearly and readily available to the public
- Management must be evaluated for its assessments of internal controls and its external reporting.

Role of the External Auditor

External auditors are not considered a part of an entity's internal controls. While management may look into and use recommendations by external auditors, management owns the entity's internal controls. Management may communicate with and get quality information from its external auditors as it monitors and maintains internal controls.

Management may hire an external service provider to conduct assessments of internal controls. Data from these assessments can aid management ensuring that the entity's internal controls are appropriate for that entity. In conducting an audit, external auditors may rely on these assessments, which could result in a more efficient and less expensive external audit.

The Civil Grand Jury found through its research **that audits uncover only about 4% of fraud.**

Several entities we interviewed stated that they rely on or interact with its external auditors as part of its internal controls. Comments from respondents included:

- We have been using the external auditors and have been reviewing the internal controls with them annually.
- This is done with the regular annual audit. We do not have reasons to justify an additional assessment.
- Annually, the internal controls are updated as part of our external audit, not separately from the external audit process.

The reports from external auditors include limitations on the results of its review of internal controls they conduct in connection with an audit. These limitations include statements like “we did not identify any deficiencies in internal control that we consider to be material weaknesses” and “material weaknesses may exist that have not been identified.” The external auditor reports are clear that they do not express an opinion on the effectiveness of internal controls.

The Civil Grand Jury interviewed a Certified Public Accountant who audits local governments and agencies and confirmed that management should assess its internal controls independently of the external auditor’s work, noting management can separately refer to the independent auditor’s work in its report to its governing board regarding internal controls.

Furthermore, the Certified Public Accountant and interviewees generally agreed that if management performed its own assessment of its internal controls, the results of that assessment can be shared with the external auditor and the auditor may use those results in designing audit work, increasing efficiency. Increases in efficiency in external audits likely at least partially offset any incremental staff work in conducting management’s assessment.

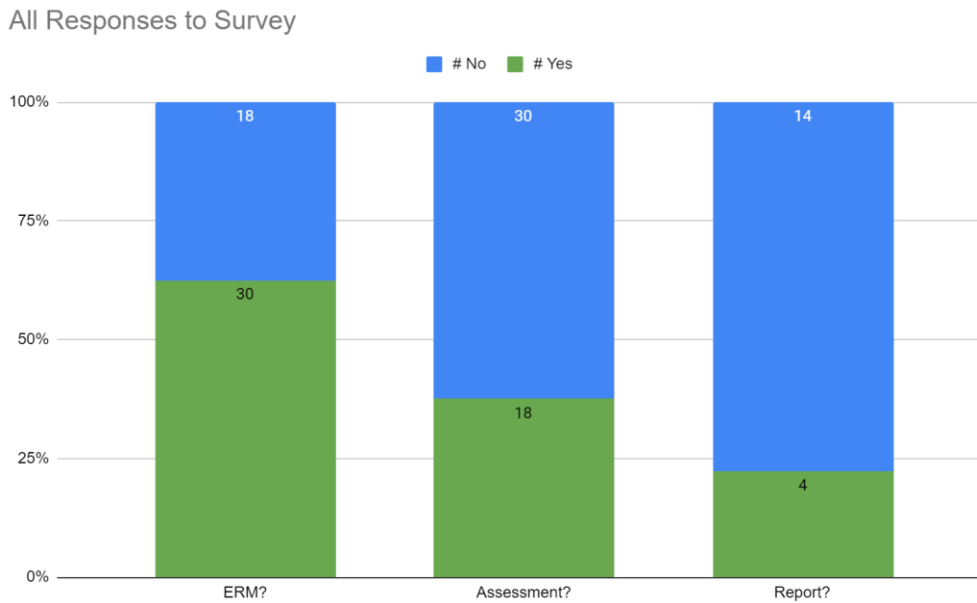
Survey Responses

Survey requests were sent to 75 entities, including municipalities, school districts, independent special districts and joint power authorities. Responses were received from 54 entities.

Given the enormity of the challenge of reviewing individual controls at any one agency, the Civil Grand Jury looked into the way government entities in San Mateo County assess its internal controls and how the results of those assessments are reported to governing boards and to the public. This assessment and reporting should follow the State of California guidelines and the underlying referenced guidelines from the Green Book and the Committee of Sponsoring Corporations. Management’s assessment of its internal controls and communication, both internally within an entity and externally to the entity’s constituents, are key principles of internal controls.

The Civil Grand Jury focused on responses to three questions from the survey:

1. Do you have an established process in place to identify organizational risks (also known as Enterprise Risk Management, or ERM)? The tables below refer to this question as ‘ERM?’.
2. Other than outside audits of your organization's financial statements, have you or your organization performed an assessment of your organization's "internal controls" within the last 18 months? The tables below refer to this as ‘Assessment?’.
3. Was a written report of the assessment produced? The tables below refer to this as ‘Report?’.



Identifying risks to an entity is a critical part of effective internal controls. See Principle 7 in the Green Book Principles of Internal Controls Table above.

Eighteen entities responded that they had performed an assessment of internal controls in the prior 18 months. Each entity must assess its internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with the fulfillment of internal control responsibilities.

Four entities responded that they prepared a report regarding assessments of internal controls. Each governing board must oversee its entity’s internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with goals and objectives. Management should both internally and externally communicate the results of its assessments of internal controls. If management does not communicate the results of its assessments of internal controls, others may see this as an opportunity to commit fraud or waste government assets. Management should communicate the results of its assessments of internal controls in writing to its governing board.

These data led the Civil Grand Jury to conduct interviews with selected entities that responded to the survey.

Interviews with Selected Entities

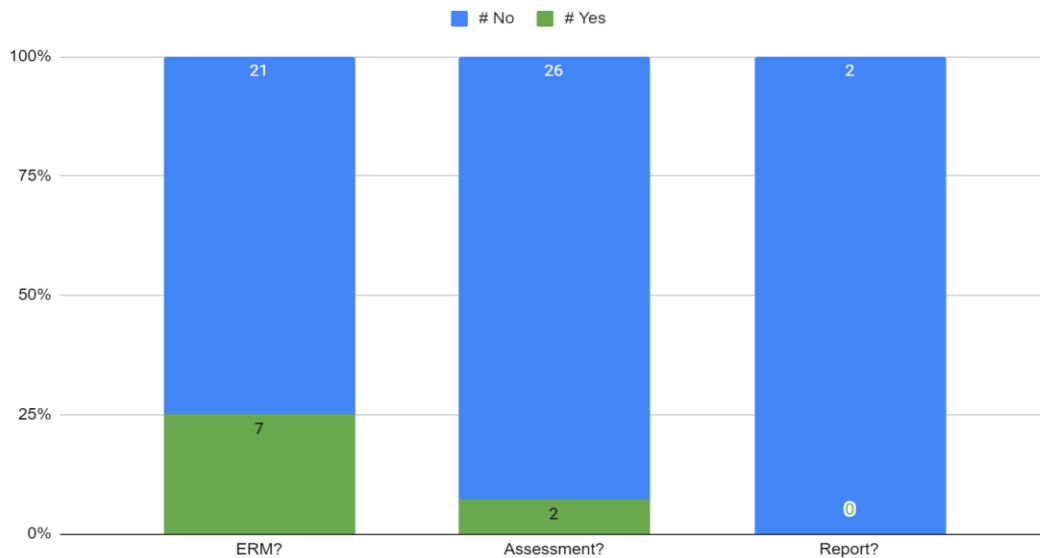
By rule of the Civil Grand Jury, the findings and recommendations included in this report can only be sent to entities that responded to the survey and participated in interviews with the Civil Grand Jury. In other words, the survey responses do not suffice to be considered a matter of fact and be used to come to a conclusion or make a recommendation.

The 28 Entities we interviewed are listed below in the section titled “Request for Responses.”

Of the Entities interviewed to confirm survey responses:

- Seven Entities reported that they did not have an established process in place to identify organizational risks.
- Twenty-six entities reported that, other than outside audits, its organization had not performed an assessment of its internal controls in the last 18 months.
- Two entities that did perform an assessment of its internal controls did not produce a written report of its assessment.

Survey Responses Confirmed by Interview



Identifying risks

Identifying risks in an organization is a critical part of effective internal controls - see Principle 7 in the Green Book Principles of Internal Controls (Table above).

When an entity does not have a process to identify organizational risks, the entity does not demonstrate how its internal controls address identified risks, and the likelihood of a failure in internal controls that results in fraud or waste increases.

Assessing Internal Controls

Entities must assess its internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with the fulfillment of internal control responsibilities.

When an entity does not periodically assess its internal controls, the entity cannot demonstrate that they are monitoring its internal controls, and the likelihood of a failure in internal controls that results in fraud or waste increases.

Reporting Results of Assessments

Each governing board must oversee its entity's internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with goals and objectives.

Management should both internally and externally communicate the results of its assessments of internal controls. If management does not communicate the results of its assessments of internal controls, others may see this as an opportunity to commit fraud or waste government assets.

Management should communicate the results of its assessments of internal controls in writing to its governing board.

When management does not report the results of its assessments of internal controls to its governing board and the entity has not communicated externally, the likelihood that others may see this as an opportunity to commit fraud or avoid waste increases.

FINDINGS

- F1. When an entity does not have a process to identify organizational risks, and the entity does not demonstrate how its internal controls address identified risks, the likelihood of a failure in internal controls that results in fraud or waste increases.
- F2. When an entity does not periodically assess its internal controls and the entity cannot demonstrate that it is monitoring its internal controls, the likelihood of a failure in internal controls that results in fraud or waste increases.
- F3. When management does not report the results of its assessments of internal controls to its governing board and the entity has not communicated externally, the likelihood that others see this as an opportunity to commit fraud or waste increases.

RECOMMENDATIONS

- R1. Beginning by no later than December 31, 2024 and at least annually thereafter, each entity will document its organizational risks and address those risks in its annual Assessment of Internal Controls.
- R2. Beginning by no later than March 31, 2025 and at least annually thereafter, each governing board will require its management to complete its annual assessments of internal controls.
- R3. Beginning by no later than June 30, 2025 and annually thereafter, each governing board will require management to report the results of its annual assessment of the entity's internal controls.

REQUEST FOR RESPONSES

The following responses from governing bodies are required pursuant to Penal Code sections 933 and 933.05:

<u>Entity</u>	<u>Findings</u>	<u>Recommendations</u>
Belmont-Redwood Shores SD	F1, F2, F3	R1, R2, R3
Brisbane School District	F1, F2, F3	R1, R2, R3
City of Burlingame	F1, F2, F3	R1, R2, R3
City of East Palo Alto	F1, F2	R1, R2
City of Half Moon Bay	F1, F2, F3	R1, R2, R3
City of Menlo Park	F1, F2, F3	R1, R2, R3
City of Redwood City	F2, F3	R2, R3
Coastside Fire Protection District	F1, F2, F3	R1, R2, R3
Colma Fire Protection District	F1, F2, F3	R1, R2, R3
Jefferson Union High School District	F1, F2, F3	R1, R2, R3
La Honda-Pescadero USD	F1, F2, F3	R1, R2, R3
Menlo Park City School District	F2, F3	R2, R3
Menlo Park Fire Protection District	F1, F2, F3	R1, R2, R3
Mid-Peninsula Water District	F2, F3	R2, R3
North Coast County Water District	F1, F2, F3	R1, R2, R3
Pacifica School District	F1, F2, F3	R1, R2, R3
Portola Valley School District	F1, F2, F3	R1, R2, R3
Ravenswood City School District	F1, F2, F3	R1, R2, R3
Redwood City School District	F1, F2, F3	R1, R2, R3

San Mateo County Libraries	F1, F2, F3	R1, R2, R3
San Mateo Foster City School District	F1, F2, F3	R1, R2, R3
San Mateo Union High School District	F1, F2, F3	R1, R2, R3
Sequoia Healthcare District	F2	R2
Silicon Valley Clean Water	F2, F3	R2, R3
South Bayside Waste Management Authority	F1, F2, F3	R1, R2, R3
Town of Atherton	F2, F3	R2, R3
West Bay Sanitary District	F1, F2, F3	R1, R2, R3
Woodside School District	F1, F2, F3	R1, R2, R3

RESPONSE REQUIREMENTS

California Penal Code Section 933.05 provides: For purposes of subdivision of Section 933, as to each Civil Grand Jury finding, the responding person or entity shall report one of the following:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding; in which case the response shall specify the portion of the disputed finding and shall include an explanation of the reasons.

For purposes of subdivision of Section 933, as to each Civil Grand Jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has yet to be implemented but will be implemented in the future, with a timeframe for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall be at most six months from the Civil Grand Jury report's publication date.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore.

APPENDIXES

Appendix A - Form of Survey

Appendix B - Examples of Fraud and Waste

Form of Survey

1. Please list your name, title and organization
2. Other than outside audits of your organization's financial statements, have you or your organization performed an assessment of your organization's "internal controls" within the last 18 months? (Yes/No)
3. If your organization has not performed an assessment of its internal controls or has not completed one in the last 18 months, why?
4. What was the date of your internal controls assessment?
5. What type of tool was used to assess your internal controls? If "Other", please provide a brief description of the tool. (Checklist/Guided questions/Other)
6. Was a written report of the assessment produced? (Yes/No)
7. Was this assessment report shared with your governing board? (Shared/Not shared/Written assessment report was not produced)
8. Does your governing board require or suggest that your organization periodically review its internal controls?
9. Have the personnel in your organization received training specific to building effective internal controls?
10. If your organization has received training in building effective internal controls, who provided the training?
11. Do you have an established process in place to identify organizational risks (also known as Enterprise Risk Management or "ERM")?
12. When substantial risks are identified, does your process require changes or improvements to the applicable internal controls?
13. Have you shared the organizational risk assessment findings with your governing board?
14. Internal controls assessment tool:
15. Internal controls assessment report:
16. Risk assessment report:
17. Other links, please describe and include link(s):

Examples of Alleged Fraud and Waste

Broadmoor Police Protection District Fraud

<https://www.chronline.com/stories/outrageous-pension-double-dipping-triggers-criminal-investigation-into-california-cops,281359>

San Mateo County Pay to Play Prosecution

<https://www.almanacnews.com/news/2023/02/10/community-college-district-lawsuit-alleges-pay-to-play-in-construction-projects-under-former-chancellor/>

Reporting of Personal Residences paid for with government funds.

<https://www.nbcbayarea.com/news/local/former-caltrain-manager-secret-apartments-bay-area-train-stations/3496068/>

Release Date: June 27, 2024
2023-2024 San Mateo County Civil Grand Jury

Internal Controls in your Organization

The San Mateo Civil Grand Jury would like to understand how your organization assesses its "Internal Controls" as described in [The Green Book | U.S. GAO](#).

Please answer the following questions and submit the completed form and any attachments by January 19, 2024. This survey should take less than 30 minutes to complete.

Should you have any questions, please email Jerry Gramaglia at jgramaglia@smcivilgrandjury.org.

Thank you for your time and responses.

Please list your name, title and organization *

Sergio Ramirez, General Manager, West Bay Sanitary District

Internal Controls assessment

Other than outside audits of your organization's financial statements, have you or your organization performed an assessment of your organization's "internal controls" within the last 18 months? *

Yes

No

Internal Controls assessment - continued

If your organization has not performed an assessment of its internal controls or has not completed one in the last 18 months, why? *

District does ongoing assessments.

Internal Controls assessment details

Please tell us more about your completed assessment.

What was the date of your internal controls assessment? *

MM DD YYYY

/ /

What type of tool was used to assess your internal controls? If "Other", please provide a brief description of the tool. *

Checklist

Guided questions

Other:

Was a written report of the assessment produced? *

Yes

No

Was this assessment report shared with your governing board? *

Shared

Not shared

Written assessment report was not produced

Does your governing board require or suggest that your organization periodically review its internal controls? *

Yes

No

Have the personnel in your organization received training specific to building effective internal controls? *

Yes

No

If your organization has received training in building effective internal controls, who provided the training?

The district trains staff in policies.

Risk Management

Do you have an established process in place to identify organizational risks (also known as Enterprise Risk Management or "ERM")? *

Yes

No

Risk Assessment findings

When substantial risks are identified, does your process require changes or improvements to the applicable internal controls? *

Yes

No

Risk Assessment findings

Have you shared the organizational risk assessment findings with your governing board? *

Yes

No

Report links

If you have assessment tools and reports to share, please include links to PDFs here. Alternately, you can email PDFs to jgramaglia@smcivilgrandjury.org.

Internal controls assessment tool:

.....

Internal controls assessment report:

.....

Risk assessment report:

.....

Other links, please describe and include link(s):

.....

Thank you

The Civil Grand Jury appreciates your time in completing this survey.

If applicable, please be sure to include links on the previous screen or email copies of your reports to jgramaglia@smcivilgrandjury.org.

This form was created inside of smcivilgrandjury.org.

Google Forms

WEST BAY SANITARY DISTRICT
Internal Control Policy
July 24, 2024
DRAFT

Purpose

West Bay Sanitary District [The District] has established several policies to ensure the district fulfills its mission in an efficient and transparent manner, while safeguarding public safety and funds entrusted to the district. An Annual Assessment of Internal Controls will identify risks, review all policies and procedures, and provide a report to the Board.

California Government Code (GC) section 12422.51 requires the State Controller to develop internal control guidelines applicable to each local agency, to assist local agencies in establishing a system of internal control to safeguard assets and prevent and detect financial errors and fraud. The District has adopted internal control guidelines outlined in "Internal Control Guidelines - California Local Agencies", issued by the State of California in 2015 and the "Standards for Internal Control in the Federal Government" (Green Book), issued by the U.S. Government Accountability Office in September 2014.

Procedure

The District's Internal controls are comprised of five components that work together in an integrated framework that will be annually reviewed and reported to the Board.

- Control Environment:
 - The District will maintain the highest integrity and ethical values.
 - The Board will provide oversight of District activities and may delegate daily responsibilities to the General Manager.
 - Authority and responsibility is defined within District policy, procedures, and job descriptions.
 - The District will maintain a process for attracting, developing, and retaining employees.
 - The District provides measures, incentives, and rewards to drive accountability for performance, such as the Performance Merit Pay Program.
- Risk Assessment:
 - Management shall define objectives clearly to enable the identification of risks and define risk tolerances.
 - Management shall identify, analyze, and respond to risks related to achieving the defined objectives.
 - Staff supervision and communication
 - Effective training
 - Conflict of interest shall be identified and avoided.
 - Information Technology (IT) shall periodically identify and communicate risks for which employees should be particularly vigilant.

WEST BAY SANITARY DISTRICT
Internal Control Policy
July 24, 2024
DRAFT

- The budget shall be used as a means to anticipate, identify, and react to changes in conditions that may increase the risk of misstatement.
 - Management shall consider the potential for fraud when identifying, analyzing, and responding to risks.
 - Management shall identify, analyze, and respond to significant changes that could impact the internal control system
- Control Activities:
 - *Management shall design control activities and policies to achieve objectives and respond to risks.*
 - Job descriptions
 - Separation of duties
 - Physical controls
 - Performance reviews
 - *Management shall design the entity's information system and related control activities to achieve objectives and respond to risks.*
 - *Management shall implement control activities through policies and procedures.*
 - *Accounting Policies and Procedures, including Cash, Investments, Payroll, Accounts Receivable, Accounts Payable, Capital Assets, Debt, Financial Reporting.*
 - Capital Assets, including Buildings, Vehicles, Equipment, Inventory, and other Infrastructure
 - Purchasing Policy
 - Investment & Reserve Policies
- Information and Communication:
 - Management shall use quality information to achieve the District's objectives.
 - Management shall internally communicate the necessary information to the Board in an Annual Assessment of Internal Controls.
 - Management shall externally communicate to the public the Annual Assessment of Internal Controls by posting on the District's website.
- Monitoring Activities:
 - Management shall establish and monitor internal control systems and evaluate the results.
 - Management shall remediate identified internal control deficiencies on a timely basis.

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 12**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Review and Consideration to Approve the Conflict-of-Interest Code and General Rules of Office for the District Board

Background

The Fair Political Practices Commission under Title 2 California Administrative Code, Section 18730, requires the District maintain a Conflict-of-Interest Code as a statement of policies and guiding principles. This Code of Ethics and Conduct is meant to outline some of the legal and ethical obligations of Board Members.

Each local agency is required to review its Conflict-of-Interest Code biennially to determine if it is accurate or, alternatively, if it must be amended. Upon review or amendment, the District must submit a completed notice to the Office of the Assessor-County Clerk-Recorder, due September 1, 2024.

As a more comprehensive guideline the Board also maintains a code of ethics within the General Rules of Office for the District Board which is also subject to periodic review, and revision if needed. Efficiency and opportunity provide cause to review the Rules of Office simultaneously with the Conflict-of-Interest Code.

The Board last reviewed this item on July 13, 2022.

Analysis

The GENERAL RULES OF OFFICE include a section for Conflicts of Interest and Statement of Economic Interest. The Conflicts of Interest section outlines prohibitions designed to restrain a public Board Member from participating in or attempting to influence those governmental decisions or actions in which he or she has a "financial interest" which could be materially affected by the decision.

Statements of Economic Interest or better known as Form 700's are required to be filed annually and at the beginning of term of office, and require Members to disclose all investments, business positions, sources of income, and interests in real property which could be materially affected by the decisions made by their commission.

Attached for review are:

- Resolution 1595 (2006) – the existing Conflict of Interest Code
- General Rules of Office for the District Board
- List of “Designated Filers” for which the District has Form 700’s

Fiscal Impact

N/A

Recommendation

The General Manager recommends the Board review and approve the General Rules of Office and review the Conflict-of-Interest Code and determine whether any amendments are needed:

1. If amendments are needed, direct the General Manager to incorporate those amendments in the document(s) and bring to the Board for final approval at a future Board meeting and file notice to the Office of the Assessor-County Clerk-Recorder that the code is currently under review by the Board.
2. If no amendments are needed, approve and direct the District Manager to file the required notice to the Office of the Assessor-County Clerk-Recorder that “No Amendment is Required” (this designation refers to the Conflict-of-Interest Code rather than the General Rules of Office).



OFFICE OF
**ASSESSOR-COUNTY CLERK-
RECORDER & ELECTIONS**
COUNTY OF SAN MATEO

MARK CHURCH
ASSESSOR-COUNTY CLERK-
RECORDER & CHIEF ELECTIONS OFFICER

DATE: July 1, 2024
TO: All Filing Officials and Designees
FROM: Mark Church, Assessor-County Clerk-Recorder (County Filing Officer)
RE: 2024 Biennial Review Notice

The Political Reform Act requires every local government agency to review its Conflict of Interest (COI) Code biennially. A COI Code informs public officials, governmental employees, and consultants the financial interests they must disclose on their Statement of Economic Interests (Form 700).

To assist your agency with the Biennial Review of your COI Code, we have attached a fillable PDF Biennial Review Notice form for your use.

Upon completion of your Biennial Review, the filing official must sign the document and upload the electronic copy of the signed form with the list of designated filers (redline to add or remove), and all other supporting documents such as board Resolutions or bylaws in [Netfile](#).

The deadline to submit your agency's completed Biennial Review Notice is September 2, 2024.

The Local Agency Biennial Notice does not need to be forwarded to the FPPC. For your reference, attached is the list of instructions for uploading the PDF Biennial Review Notice in NetFile.

Please refer to your legal counsel for details to report in your Biennial Review Notice. If you need technical support, please contact [Netfile](#) directly.

If you answer yes, to any of the questions below, your agency's code probably needs to be amended.

- Is the current code more than five years old?
- Have there been any substantial changes to the agency's organizational structure since the last code was approved?
- Have any positions been eliminated or re-named since the last code was approved?
- Have any new positions been added since the last code was approved?
- Have there been any substantial changes in duties or responsibilities for any positions since the last code was approved?

Instructions to Upload the PDF Biennial Review Notice in NetFile

1. Log in with your User and Password at <https://ssl.netfile.com/admin/Login.aspx?aid=MAT>. If you don't know your User and/or Password, contact NetFile Support at staffhelp@netfile.com.
2. Once logged in, select the SEI application.
3. Go to the Filers menu in the main menu across the top of the page and select View & Edit Filers.
4. On the View & Edit Filers page, change the Type of Filer to Biennial Review and then click the Submit button. This will display all Biennial Review filers you have access to, and the results list the Department.
5. Locate the Biennial Review filer you want to upload a PDF for and click its Edit link to open the Filer Dashboard.
6. Scroll down the Filer Dashboard page to the Active Filing Deadlines table and find the requirement for the Biennial Review. The Form name column displays "MAT_BIENNIAL_REVIEW" as the form type.
7. In the Fulfilled? Column, click the "Add_W" link to open the Record Filing page.
8. Enter the Date Filed. This should be the current date.
9. Click the "Browse..." or "Choose File" button (depending on the browser you are using).
10. Locate the PDF of the Biennial Review you want to upload and select it.
11. Click the Submit button to upload the filing.
12. On the Filer Dashboard, you will see the filing in the Filing History table and the requirement in the Active Filing Deadlines table will be fulfilled.

Example of Designated Filers list:

(NAME OF THE DEPARTMENT)

Executive Officer

Assistant Executive Officer

Deputy Executive Officer

~~Manager, Financial Services - Delete~~

~~Manager, Building and Maintenance - Delete~~

Managers - ADD

Management Analyst – ADD

Contractor

2024 Local Agency Biennial Notice

Name of Agency: _____

Mailing Address: _____

Contact Person: _____ Phone No. _____

Email: _____ Alternate Email: _____

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

An amendment is required. The following amendments are necessary:

(*Check all that apply.*)

- Include new positions
- Revise disclosure categories
- Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- Other (*describe*) _____

The code is currently under review by the code reviewing body.

No amendment is required. (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended.

Deadline to upload in NETFILE is September 2, 2024

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

RESOLUTION NO. 1595 (2006)

**IN THE DISTRICT BOARD OF THE WEST BAY SANITARY DISTRICT
COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

**A Resolution Restating a Conflict of Interest Code
For the West Bay Sanitary District By Adopting
Fair Political Practices Commission Standard Code**

BE IT RESOLVED, by the Board of Directors of the West Bay Sanitary District, San Mateo County, California, as follows:

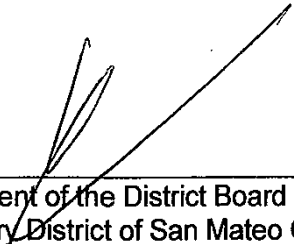
1. That the "Code" entitled "Conflict of Interest Code of the West Bay Sanitary District", being the standard conflict of interest code promulgated by the Fair Political Practices Commission under 2 California Administrative Code, Section 18730, a copy of which Code is attached hereto and by reference incorporated herein, be, and is hereby, approved and adopted for the District, subject to the approval thereof by the Board of Supervisors of the County of San Mateo.

2. That the Secretary of the District be, and is hereby, authorized and instructed to submit a copy of such Code to the Board of Supervisors of the County of San Mateo and to request said Board of Supervisors to approve said Code in accordance with Government Code Section 87303.

3. That pursuant to Section 4(B) of the Standard Code, designated Officials and Employees shall file statements of economic interests with the District which shall retain the originals. The District Manager shall be designated as the filing officer.


I hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Board of Directors of the West Bay Sanitary District, San Mateo County, California, at a meeting thereof held on the 24th day of July, 2006, by the following vote:

Ayes:	Shepherd, Walker, Knight, Lomax, Harrison
Noes:	None
Abstain:	None
Absent:	None



President of the District Board of the West Bay
Sanitary District of San Mateo County, State of
California

Attest:



Secretary of the District Board of the West Bay
Sanitary District of San Mateo County, State of
California

WEST BAY SANITARY DISTRICT CONFLICT OF INTEREST CODE

The purposes of this Conflict of Interest Code are to provide for the disclosure of investments, real property, income and business positions of designated WEST BAY SANITARY DISTRICT officials and employees that may be materially affected by their official actions and to provide for the disqualification of designated officials and employees from participation in WEST BAY SANITARY DISTRICT decisions in which they may have a financial interest.

Background

The political reform Act of 1974 (Government Code Sections 81000 et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, California Code of Regulations Section 18730, which contains the terms of a standard conflict of interest code. This regulation and any amendments thereto may be incorporated by reference by local agencies and, together with the designation of employees and disclosure categories, meets the requirements of the Political Reform Act.

Adoption of Conflict of Interest Code

The terms of Title 2 California Code of Regulations Section 18730 are hereby incorporated by reference and, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the WEST BAY SANITARY DISTRICT.

Pursuant to the Political Reform Act and its regulations, all designated employees shall file statements of economic interests with the District Manager who shall be the filing officer. The San Mateo County Board of Supervisors shall be the code reviewing body.

Subsequent amendments to Title 2 California Code of Regulations Section 18730 duly adopted by the Fair Political Practices Commission, after public notice and hearings, are also incorporated by reference unless the WEST BAY SANITARY DISTRICT, within 90 days after the date on which an amendment to Section 18730 becomes effective, adopts a resolution providing that the amendment is not to be incorporated into this Code.

WEST BAY SANITARY DISTRICT
Conflict Of Interest Code

List of Designated WEST BAY SANITARY DISTRICT Officials and Employees
Description of Financial Disclosure Categories

Each person holding any position listed below must file statements disclosing the kinds of financial interest shown for the designated employee's position. Statements must be filed at the times and on the forms prescribed by law. Failure to file statements on time may result in penalties including, but not limited to, late fines.

<u>Designated Employees</u>	<u>Disclosure Category</u>
Director	1,2,3,4
District Manger	1,2,3,4
Legal Counsel	1,2,3,4
District Engineer	1,2,3,4
Consultants*	1,2,3,4

* Each agency or department shall review the duties and authority of all consultants retained by the agency. Those consultants who, within the meaning of 2 California Code of Regulations 18700 (a) (2) are required to file statements of economic interests, shall do so. During each calendar year, the WEST BAY SANITARY DISTRICT shall maintain a list of such consultants for public inspection in the same manner and location as this Conflict of Interest Code. Nothing herein excuses any consultant from any other provision of the Conflict of Interest Code, specifically those dealing with disqualification.

Disclosure Categories

Category 1. A designated official or employee assigned to Category 1 is required to disclose direct or indirect investments in any business entity that may foreseeable be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 2. A designated official or employee assigned to Category 2 is required to disclose interests in any real property that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 3. A designated official or employee assigned to Category 2 is required to disclose any source of income that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 4. A designated official or employee assigned to Category 2 is required to disclose any business entity in which the designated official or employee is a director, officer, partner, trustee, employee or holds any position of management that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Forms to be filed with: District Manager
West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025



Serving Our Community Since 1902

500 Laurel Street, Menlo Park, California 94025-3486 (650) 321-0384 (650)321-4265 FAX

Sergio Ramirez
General Manager

In reply, please refer to our
File No.

West Bay Sanitary District's List of Designated Filers

Directors:

Fran Dehn, President
Roy Allen Thiele-Sardina, Treasurer
David Walker, Secretary
Edward P. Moritz, Director
George B. Otte, Director

General Manager

Sergio Ramirez

Legal Counsel

Anthony P. Condotti, General Counsel
Barbara H. Choi, Assistant General Counsel
Victoria Thompson, Assistant General Counsel
Stephanie Hall, Assistant General Counsel
Catherine Mary Bronson, Assistant General Counsel

District Engineer

Fariborz Heydari

Consultants

Michael David Smith, Bank of the West

Effective: 7/24/24

**WEST BAY SANITARY DISTRICT
GENERAL RULES OF OFFICE
FOR THE
DISTRICT BOARD**

Revision Date: 2/13/2013

Reviewed Date: 3/28/2018, 8/12/20, 7/13/22, 7/24/24

GENERAL RULES OF OFFICE FOR THE DISTRICT BOARD

1. Code of Ethics and Conduct

A. Purpose. The Board of Directors of the West Bay Sanitary District has adopted the following set of principles of ethics and conduct as an expression of policy to guide the Board in its decision-making. As a statement of policies and guiding principles, this Code of Ethics and Conduct is meant to outline some of the legal and ethical obligations of Board Members, but shall not supersede existing laws and regulations.

B. Board Member Duties and Obligations. Each Board Member has the following duties:

1. To represent and work for the common good of the District and its citizens.
2. To provide fair and equal treatment for all persons and matters coming before the Board.
3. To faithfully perform all duties of their elected office, including:
 - a) understanding the roles and responsibilities of the Board position; and
 - b) becoming thoroughly knowledgeable about items of business before voting or developing a conclusion or recommendation; and
 - c) attending regular meetings.
4. To listen courteously and attentively to all public discussions and avoid interrupting other speakers, except as may be permitted by established Rules of Order.
5. To refrain from abusive conduct, personal charges or verbal attacks upon the character, motives, ethics or morals of other members of the District Board, District Employees, or members of the public.
6. All Board meeting shall be properly noticed and agendized in accordance with the Brown Act, and individual Board Members shall conduct themselves in accordance with the requirements thereof.

7. Confidential information shall not be disclosed by individual Board Members without the prior consent of a majority of the Board. Confidential information includes, but is not limited to the following: (1) documents which are exempted from disclosure under the Public Record Act (Govt. Code section 6250, et seq.); (2) information received in closed session; and (3) communications from legal counsel which are protected by attorney-client and attorney work-product privileges.
8. To scrupulously adhere to all pertinent laws and regulations governing conflicts of interest.
9. To refrain from accepting gifts, favors, or promises of future benefits which might compromise or tend to impair independent judgment or action.

C. Disciplinary Action

The Board of Directors may exercise any and all available legal remedies if it determines that a Board Member has violated any provision of state law governing conflicts of interest or self-interested contracts including, if applicable, referring the matter to appropriate prosecutorial authorities. The Board of Directors may further exercise all available legal remedies including, but not limited to, seeking injunctive relief, to prevent any violation of this Code respecting confidentiality and privilege. And the Board may publicly censure or reprimand any Board Member who violates any provision of this Code. Ultimate responsibility for complying with the Code rests with the individual Board Members.

2. Conflicts of Interest

The following is a brief summary of relevant portions of state law affecting service on the Board of Directors:

- A. **Interests in Contracts:** Members of the District Board and other public officers may not make any contract with the District in which they have a financial interest. Such contracts are void. (Government Code 1090, et seq.)
- B. **Discounted or Free Transportation Passes:** Office holders in California are strictly prohibited from accepting free passes or discounts from transportation companies. Violation of this prohibition is punishable by forfeiture of office. (California State Constitution)
- C. **The Political Reform Act:** The Political Reform Act (Government Code 81000, et seq.) forbids a public Board Member from participating in or attempting to influence those governmental decisions or actions in which he or she has a “financial interest” which could be materially affected by the decision. The Act defines the kinds of interests, (which includes interests owned by spouses, dependent children and agents, and certain businesses and trusts) which might cause a conflict and requires public Board Members to disqualify themselves from decisions which could affect those interests.

The Fair Political Practices Commission (FPPC) enforces the Political Reform Act.

3. Statement of Economic Interest

As established in Government Code 87200, Board Members must file Statements of Economic Interest upon assumption of office, on an annual basis, and when leaving office. The proper forms are supplied by the District. Members must disclose all investments, business positions, sources of income, and interests in real property which could be materially affected by the decisions made by their commission. The completed statements are kept on file by the District and are available for public inspection. Since the law permits the Fair Political Practices Commission to impose a penalty for failure to disclose in a timely manner, elected Board Members should be certain the statements are complete and filed on time.

4. Relations with District Staff

The District staff works under the direction of the District Manager. While the Board as a whole may direct the District Manager, individual Board Members shall not provide such direction or to become involved in the administrative or operational concerns of the District departments. However, the staff will be happy to answer questions and provide whatever assistance they can when authorized to do so by the District Manager.

It is expected that a mutually respectful and professional relationship will be maintained between the staff personnel and the Board Members. In the event that a conflict does arise, the problem should be brought to the attention of the District Manager, and if it is not satisfactorily resolved, brought to the attention of the President of the Board.

5. Officers and Committees

It shall be the policy of the District Board to elect officers of the Board during the month of December depending on ranges of Board Member terms. A Board Member must have served at least one year in office to qualify for service as an Officer.

A. Board Officers: The Board shall hold annual elections at its last December meeting for President and Secretary. The terms of office for President and Secretary shall be one year, commencing on the first day of January and end on the thirty-first day of December.

B. President Duties: The President shall serve as the presiding officer and chair all meetings of the Board, shall collaborate with the District Manager to establish the agenda for regular and special meeting, shall sign all documents on behalf of the Board and District that may be required, and shall have the same right and responsibilities as other Directors to participate in and vote at board meetings. The President shall appoint a Board Member to serve as Treasurer, and shall have the authority to establish and specify the duties and responsibilities of all advisory committees, and appoint Directors who will serve thereon for the upcoming year provided, however, that the Board, by majority vote, may modify such committees or appointments. All committees appointed by the President shall serve in an advisory capacity only, and shall report directly to the Board of Directors.

C. Secretary Duties: The Secretary shall countersign all documents on behalf of the Board and District that may be required, and shall serve as the President pro tem in case of the absence or inability of the President to act. In case of the absence or

inability of the Secretary to act on behalf of the District, or in event that the Secretary is serving as President pro tem, the Board shall choose a Secretary pro tem to act on his or her behalf.

D. Treasurer Duties: The Treasurer shall be appointed by the President, and shall participate in discussions regarding District investments and audits. The Treasurer shall be bonded and, in event of the unavailability of the President or Secretary, may sign official documents on behalf of the District. The Treasurer may provide reports on financial matters in regular or special Board meetings.

6. Orientation for New Members

Shortly after election, a general orientation will be provided by the District Manager and staff. This orientation is intended to acquaint newly elected Board Members with the District goals, the responsibilities of the appointment, and current issues before the body and meeting schedules.

7. Resignation

If a Board member resigns from office before the end of his or her term, the member should write a letter announcing the resignation and specifying the effective date thereof, and deliver it to the District Manager, who will forward copies to the District Board.

8. Benefits/Insurance/Immunity

Board Members are covered by Workers' Compensation and, in the event of an accident while serving in an official capacity, the member will be required to file an accident report. Members are also covered under the District's general liability insurance policy for actions taken in the course and scope of their duties. The Tort Claims Act also limits individual liability and in most situations immunizes Board Members from legal liability for actions taken in exercising discretion, or in exercising duties of their positions.

9. Travel and Expense Reimbursement

A. PURPOSE. The purpose of this policy is to provide guidance to Board Members and other District officials on the use and expenditure of District resources and to establish a written policy for reimbursement of necessary expenses by Board Members. This section shall also apply to Regular District employees for the purposes of Travel and Expense Reimbursement.

B. In addition:

1. This policy satisfies the requirements of Government Code sections 53232.2 and 53233.3.
2. This policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources.
3. This policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws.

4. This policy also applies to any charges made to a District credit card, cash advances or other line of credit.

C. AUTHORIZED EXPENSES. District funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized District business. Expenses incurred in connection with the following types of activities generally constitute authorized expenses:

1. Communicating with representatives of local, regional, state and national government on District business or adopted policy positions;
2. Attending educational seminars designed to improve officials' skill and information levels;
3. Participating in regional, state and national organizations whose activities affect the District's interests;
4. Recognizing service to the District (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
5. Attending District events; and
6. All other expenditures require prior approval by the Board of Directors.

D. Examples of personal expenses that the District will not reimburse include, but are not limited to:

1. The personal portion of any trip;
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses when accompanying official on agency-related business, as well as children- or pet-related expenses;
4. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf-related expenses), or other cultural events; and
5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and

E. Any questions regarding the propriety of a particular type of expense should be resolved before the expense is incurred.

F. To conserve District resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the District will be limited to the costs that fall within the guidelines, unless special circumstances are shown and a majority of the Board of Directors approves reimbursement of the expense in advance of the event or occasion resulting in the expense.

G. Whenever possible, registration and travel arrangements shall be coordinated through the District Manager's Office.

H. Transportation. The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Government and group rates must be used

when available. Automobile mileage is reimbursed at Internal Revenue Service rates presently in effect (see <http://www.irs.gov>). Bridge and road tolls are reimbursable.

- I. **Lodging.** Lodging expenses will be reimbursed or paid for when travel on official District business reasonably requires an overnight stay.
 1. **Conferences/Meetings.** If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, then comparable lodging may be used, subject to subsection 2, below.
 2. **Other Lodging.** Travelers must request government rates, when available. In the event that government rates are not available at a given time or in a given area, lodging rates that do not exceed the median retail price for lodging for that area listed on websites like <http://www.priceline.com> or an equivalent service shall be considered reasonable and hence reimbursable.
- J. **Meals.** Each meal expenditure must comply with the limits and reporting requirements of local, state and federal laws. Meal expenses will be reimbursed at the Internal Revenue Service rates for reimbursement of meals as established in Publication 463, or any successor publication.
- K. **Telephone/Fax/Cellular.** Officials will be reimbursed for actual telephone and fax expenses incurred on District business. Telephone bills should identify which calls were made on District business. For cellular calls when the official has a particular number of minutes included in the official's plan, the official can identify the percentage of calls made on public business.
- L. **Other.** Baggage handling fees of up to \$1 per bag and gratuities of up to 15 percent will be reimbursed. Expenses for which District officials receive reimbursement from another agency are not reimbursable.
- M. **Expense Report Content and Submission Deadline.** All cash advance expenditures and expense reimbursement requests must be submitted on an expense report form provided by the District, which must document that the expense in question meets the requirements of this policy, with copies of receipts documenting each expense. Such forms and supporting documentation are public records subject to disclosure under the Public Records Act. Expense reports should be submitted within 30 days of an expense being incurred.
- N. **Audits of Expense Reports.** All expenses are subject to verification that they comply with this policy.
- O. **Reports to Board.** At the following Board meeting, a report shall be presented on meetings attended at District expense. If multiple officials attended, a joint report may be made.
- P. **Compliance with Laws.** District officials should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act.

Q. Violation of this Policy. Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:

1. Loss of reimbursement privileges;
2. A demand for restitution to the District;
3. The District's reporting the expenses as income to the official to state and federal tax authorities;
4. Civil penalties of up to \$1,000 per day and three times the value of the resources used; and
5. Prosecution for misuse of public resources.

10. Authority of Board Members

Individual members of the Board are not authorized to expend public funds, enter into agreements or contracts, employ staff, sign documents on behalf of the District, or bind the District in any way. This authority can only be granted by motion or resolution of the District Board.



Procedure for: Swearing in of Board Members and Appointment of Officers (and related filings)

(A) Swearing in Procedure for Board Members.

New Board Members shall be sworn in at the first District Board Meeting in January following the election. The swearing in shall be performed by District Legal Counsel or other as determined by the Board. At this meeting, the new Board Members shall be presented with Certificates of Election and shall sign the Oath of Office form provided by the District.

The date the Board Member is sworn in shall constitute the assuming office date of the Board Member.

The District Counsel shall attend the swearing in, as well as any other dignitary the Board decides to invite such as a County Supervisor or Judge.

(B) Appointment of Officers.

The District Board shall nominate and appoint Board Officers in the month of December. At the first District Board Meeting in January the newly appointed Board Officers shall be sworn in. The date of assuming office for Board Officers shall be the date the Officer is sworn in or otherwise authorized to serve in the position.

(C) Form 700 Disclosures.

Pursuant to California Government Code Section 87202, new District Board Members and Officers must file within thirty (30) days after the assuming office date, a Form 700 Assuming Office Statement reporting any investments, interests in real property, and business positions held on the date the Board Member assumed office. In addition, income received during the 12 months prior to the assuming office date is reportable.

Each year, existing District Board Members must file an annual statement reporting any investments, interests in real property, business positions held, and income received during the period covered by the statement. Generally, the period covered by the statement is January 1 through December 31 of the previous year. The District Board Member shall file the annual statement by April 1, in compliance with the San Mateo County deadline.

When leaving office, District Board Members must file a leaving office statement for the period of January 1 of the current year through the date the Board Member stopped performing the duties of the position.

(D) District Statement of Facts.

Pursuant to California Government Code Section 53051, the District must maintain a statement of the following facts (hereinafter referred to as "Statement of Facts"):

1. The full, legal name of the District.
2. The official mailing address of the District Board.
3. The name and residence or business address of each District Board Member.
4. The name, title, and residence or business address of the president and secretary of the District Board.

Within 10 days after any installation of new officers, or swearing in of board members, or any other changes to the Statement of Facts, the District's Office Manager shall file with the Secretary of State and with the San Mateo County Clerk an amended Statement of Facts, on the Statement of Facts form prescribed by the Secretary of State.



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 13**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Discussion and Direction on the West Bay and Sharon Heights Recycled Water Facility

A discussion will be held on the Sharon Heights Recycled Water Facility and other events related to the recycled water plant. The Board will have the opportunity to provide direction to staff and legal counsel.

Recycled Water Facility Production Data:

2024	Processed	Delivered
January	5.8MG	175K gallons
February	5.6MG	464K
March	6.5MG	1.5MG
April	8.1MG	4.4MG
May	10.6MG	9.3MG
June	10.7MG	9.9MG

2023	Processed	Delivered
January	5MG	0 gallons
February	3.3MG	0 gallons
March	3.5MG	0 gallons
April	4.9MG	32k gals. Dust Control
May	5.1MG	432k gals. Dust Control
June	4.8MG	456k gals. Dust Control
July	6.2MG	1.05MG Dust Control
August	8.1MG	2.7MG (+ 1.5 MG Dust Control)
September	8.4MG	4MG (+ 1.04 MG Dust Control)
October	9.6MG	7.4MG
November	7.7MG	3.7MG
December	7.4MG	970K

2022	Processed	Delivered
January	4.4MG	97,000 gallons
February	4.4MG	1.5MG
March	6.6MG	3.5MG
April	7.6MG	3.8MG
May	9.2MG	7.4MG
June	9.8MG	8.7MG
July	9.6MG	8.1MG
August	9.2MG	8.1MG
September	8.6MG	6.7MG
October	7.9MG	4.6MG
November	5.9MG	310,000 gallons
December	5.4MG	154,690 gallons

2021	Total Processed	Total Delivered
Yearly Total	88.2MG	56.26MG (*) (**)
2020	Total Processed	Total Delivered
August-Dec.	34.1MG	19.75MG

* Sharon Heights substantially tapered off their water usage for September which is the reason for the large discrepancy between treated and delivered.

** Treatment was reduced in the second half of the month. Rain in late October and an irrigation equipment malfunctions caused water delivery to decrease.

The following is a disclosure statement required for any document, written report or brochure prepared in whole or in part pursuant to the Finance Agreement with the State Water Resources Control Board for the West Bay Sanitary District Recycled Water Project - Sharon Heights: Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. California's Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.



WEST BAY SANITARY DISTRICT AGENDA ITEM 14A

To: *Board of Directors*

From: *Sergio Ramirez, General Manager*

Subject: *Consider Authorizing the Award of Design-Build Agreement – Phase 1 to Design-Build Entity (Anderson Pacific Engineering Construction, Inc., with Waterworks Engineers) for Site Demolition and Preparation Work*

Background

West Bay Sanitary District (WBSD) is developing, financing, designing and building a water recycling facility at its Bayfront Property and the associated infrastructure to serve recycled water to the Bayfront area in Menlo Park. New development is conditioned based upon the understanding that recycled water will be used in those developments for all appropriate non potable uses, whenever recycled water is available, and developments exceeding certain size criteria are required to use recycled water. WBSD has completed the planning, has completed the Design Build Selection Process, and has selected Anderson Pacific as its Design Build Contractor for the project. WBSD team has been working with Anderson Pacific on final pricing for the project in order to execute the agreement for construction of the complete project. WBSD is also securing State Grant and Loan financing for the majority of the project with the State of California. Meantime, WBSD has been working with its first large customer (Meta) on securing private financing for its proportionate share of the first phase of the Bayfront Project. That financing is not able to be executed until early in 2025. In order to prepare the site for construction in 2025 and 2026, WBSD's team has determined that it needs to begin demolition and early engineering and permitting within site constraints at the Bayfront property, well before the private financing will be completed.

Analysis

The first step (bridging) agreement is anticipated to include key elements to prepare the site for full construction in 2025 and 2026. Those key elements include the following:

- Hazardous Materials abatement
- Demolition of existing structures having no remaining useful life or salvage value
- High priority design for critical path items
- Potholing (for underground interferences for pipeline route and recycled water facility-- RWF)
- Geotechnical borings (RWF)
- Rough grading (RWF)
- Pier installation (RWF site)
- Pipeline installation at RWF (beneath structures)
- Initial permitting for the above elements.

This work will allow the WBSD and Anderson Pacific Team to progress the project within environmental constraints on the site, and be fully prepared for above ground construction in the Spring of 2025 when the private financing is finalized to complement the public financing which is being executed now by WBSD and the State of California Water Resources Control Board.

Fiscal Impact

The estimated cost for the scope described above is \$7.1 M. This cost is consistent with the overall pricing that has been negotiated between WBSD staff and Anderson Pacific, and will preserve and enhance the value of the Bayfront property for its ultimate beneficial use as a Recycled Water Facility. WBSD staff will also be presenting to the Board in August a first step bridging agreement for Project Management with Woodard & Curran to manage this early work.

Recommendation

The General Manager recommends that the Board authorize the General Manager, on contract form reviewed and approved by District Counsel, to execute the Design Build Agreement (attached to this staff report), within the general scope and budget parameters presented in this Staff Report. The more detailed scope and budget will be developed and attached to the executed Agreement.

WEST BAY SANITARY DISTRICT



Project #1763.0

Recycled Water Project – Bayfront
Design-Build (DB) and Short-Term Operations

Design-Build Agreement/General Conditions
(Phase 1)

Table of Contents

DESIGN - BUILD AGREEMENT	1
1. The Work	2
1.1. Final Design and Construction.	2
2. The Project.....	2
3. Contract Time	2
3.2. Contract Time for Final Design, Construction and Operation Services.....	2
3.3. Time of the Essence.	2
3.4. Delay Liquidated Damages.	2
4. Compensation and Contract Price	3
4.1. Contract Price.	3
5. Payment Procedures	3
5.1. Submittal and Processing of Payments.	3
5.2. Progress Payments And Retention	4
5.3. Final Payment	6
5.4. Date of Payment.	6
6. DB Entity’s Representations.....	7
6.1. Representations.	7
7. Contract Documents	9
7.1. Contract Documents.	9
7.2. Amending the Contract Documents.	9
7.3. Order of Precedence of the Contract Documents	9
8. Miscellaneous.....	10
8.1. Defined Terms.....	10
8.2. Exhibits.....	10
EXHIBIT 1—GENERAL CONDITIONS.....	13
ARTICLE 1 - DEFINITIONS AND TERMINOLOGY.....	13
1.01 Defined Terms	13
1.02 Terminology	19
Article 2 - PRELIMINARY MATTERS.....	20
2.01 Delivery of Bonds, Insurance Certificates and Insurance Declaration Page(s)	20
2.02 Commencement of Work; Notice to Proceed.....	20
2.03 Intent of the Contract Documents	20
2.04 Submission of Schedules.....	21
2.05 Applicable Owner Policies	21
Article 3 - CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE.....	21
3.01 Intent of the Contract Documents	21
3.03 Resolving Discrepancies	22
3.04 Amending and Supplementing Contract Documents	22
3.05 Ownership and Use of Work Product.....	23
3.06 Electronic Data	23
Article 4 - AVAILABILITY OF LANDS; DIFFERING SITE CONDITIONS; REFERENCE POINTS; HAZARDOUS ENVIRONMENTAL CONDITIONS.....	24
4.01 Availability of Lands.....	24
4.02 Differing Site Conditions	24
4.03 Reference Points.....	25
4.04 Hazardous Environmental Conditions at Site	25

Article 5 - BONDS AND INSURANCE	26
5.01 Performance, Payment and Other Bonds	26
5.02 Licensed Sureties and Insurers	27
5.03 Certificates of Insurance	27
5.04 DB Entity's Insurance	27
5.05 Owner is Self-Insured	28
5.06 Property Insurance	28
5.07 Waiver of Rights	29
5.08 Receipt and Application of Insurance Proceeds	29
5.09 Acceptance of Bonds and Insurance; Option to Replace	30
5.10 Partial Utilization, Acknowledgment of Property Insurance	30
Article 6 - DB ENTITY'S RESPONSIBILITIES	30
6.01 Design Professional Services	30
6.02 Supervision and Superintendence of Construction	31
6.03 Labor, Working Hours	32
6.04 Services, Materials, and Equipment	35
6.05 Progress Schedule	36
6.06 Concerning DB-Related Entities	36
6.07 Patent Fees and Royalties	37
6.08 Permits	37
6.09 Laws or Regulations	38
6.10 Taxes	39
6.11 Use of Site and Other Areas	39
6.12 Record Documents	40
6.13 Safety and Protection	41
6.14 Safety Representative	42
6.15 Hazard Communication Programs	42
6.16 Emergencies	42
6.17 Continuing the Work	42
6.18 DB Entity's General Warranty and Guarantee	43
6.19 Indemnification	43
Article 7 - OTHER CONSTRUCTION	44
7.01 Related Work at Site	44
7.02 Coordination	45
7.03 Legal Relationships	45
Article 8 - OWNER'S RESPONSIBILITIES	46
8.01 General	46
8.02 Insurance	47
8.03 Limitations on Owner's Responsibilities	47
8.04 Undisclosed Hazardous Materials and Hazardous Environmental Conditions	47
8.05 Owner's Advisor	47
8.06 Compliance with Safety Program	47
Article 9 - CHANGES IN THE WORK; CLAIMS	47
9.01 Authorized Changes in the Work	47
9.02 Unauthorized Changes in the Work	48
9.03 Claims	49
9.04 Execution of Change Orders	49
9.05 Notice to Sureties	50

Article 10 - COST OF THE WORK; CASH ALLOWANCES; UNIT PRICE WORK	50
10.01 Cost of the Work	50
10.02 Unit Prices	52
Article 11 - CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIME(S)...	53
11.01 Change of Contract Price	53
11.02 Change of Contract Time(s).....	54
Article 12 - TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK	55
12.01 Notice of Defects.....	55
12.02 Access to Construction.....	56
12.03 Tests and Inspections.....	56
12.04 Uncovering Construction	56
12.05 Owner May Stop Construction.....	57
12.06 Correction or Removal of Defective Work	57
12.07 Correction Period	57
12.08 Acceptance of Defective Work	58
12.09 Owner May Correct Defective Work	58
Article 13 - PAYMENTS TO DB ENTITY AND COMPLETION.....	59
13.01 Progress Payment Schedule.....	59
13.02 Application for Progress Payment.....	59
13.03 Progress Payments.....	59
13.04 DB Entity's Warranty of Title	60
13.05 Substantial Completion	61
13.06 Partial Utilization	61
13.09 Final Payment.....	62
13.10 Waiver of Claims.....	63
Article 14 - SUSPENSION OF WORK AND TERMINATION	64
14.01 Owner May Suspend Work	64
14.02 Owner May Terminate for Cause.....	64
14.03 Owner May Terminate for Convenience.....	65
14.04 DB Entity May Suspend or Terminate for Cause.....	66
Article 15 - CLAIMS AND DISPUTE RESOLUTION	66
15.01 General	66
15.02 Notice	67
15.03 Meet and Confer.....	67
15.04 Litigation	68
15.05 Auditing of Claims	69
15.06 Costs for Dispute Resolution.....	69
Article 16 - MISCELLANEOUS	69
16.01 Giving Notice	69
16.02 Computation of Times.....	70
16.03 Cumulative Remedies.....	70
16.04 Survival of Obligations	70
16.05 Controlling Law	70
16.06 Truth-In-Negotiation	70
16.07 Notice to Other Agencies	71
16.08 No Conflict with Laws Or Regulations.....	71
16.09 Advertising	71

16.10 Non-Solicitation	71
16.11 Records	72
16.12 Public Access	73
16.13 Standards of Compliance.....	73
16.14 DB Entity is an Independent Contractor	73
16.15 No Right to Assign.....	73
16.16 No Right to Pledge	73
16.17 No Right to Employment Benefits	74
16.18 Void or Unenforceable Provisions Entire Agreement.....	74
16.19 Counterparts	74
16.20 Nondiscrimination.....	74
16.21 Entire Agreement	74
<u>EXHIBIT 4 - PREVAILING WAGE CERTIFICATION</u>	71
<u>EXHIBIT 5 – WORKERS’ COMPENSATION CERTIFICATION</u>	72
<u>EXHIBIT 6 – ASBESTOS & OTHER HAZARDOUS MATERIALS CERTIFICATION</u>	73
<u>EXHIBIT 7 – PERFORMANCE BOND</u>	74
<u>EXHIBIT 8 – LABOR AND MATERIALS PAYMENT BOND</u>	76
<u>EXHIBIT 9 – INSURANCE REQUIREMENTS</u>	78
<u>EXHIBIT 10 – ADDITIONAL FORMS</u>	81

DESIGN - BUILD AGREEMENT – Phase 1

This **AGREEMENT-PHASE 1** (“Agreement – Phase 1”) is entered into this ___ day of _____, 2024 (“Effective Date of the Agreement”) by and between the West Bay Sanitary District (“Owner” or “District”) and Anderson Pacific Engineering Construction, Inc. (“DB Entity”).

WHEREAS, Owner intends to design and construct a project known as Recycled Water Project – Bayfront (the “Overall Project”) in Menlo Park, San Mateo County, California; and

WHEREAS, Owner anticipates that the construction and operational demonstration of the Overall Project will be completed no later than March, 2027 (herein referred to as Final Acceptance), followed by a 12-month Operation Period anticipated to conclude by September, 2028; and

WHEREAS, Owner determined that its goals for the Overall Project would be best-served by using a process whereby Owner and DB Entity will implement the Overall Project through Design and Build project delivery method, during which DB Entity will complete the design and construction of the Overall Project as defined by the Design-Build Phase; and

WHEREAS, after conducting a design/build procurement process, Owner intends to award this Design and Build Agreement to DB Entity; and

WHEREAS, Owner is in the process of securing financing for the Overall Project cost (est. approx. \$80 million) in early 2025; and

WHEREAS, Owner and DB Entity have determined that to ensure the Overall Project timelines and cost remain on track, it is in their mutual interest for Owner to award the contract for preliminary site demolition and other related tasks (“Project – Phase 1”) prior to awarding the contract for the Overall Project after funding for Overall Project; the contract for the Overall Project will be awarded when all funding is secured; and

WHEREAS, Owner and DB Entity understand and agree that nothing contained herein shall be deemed to commit Owner to award a contract for the Overall Project to DB Entity should Owner determine, in its sole discretion, that it does not intend to proceed with construction of the Overall Project due to the inability to secure financing, lack of anticipated customer demand, or other factors determined by Owner in its sole discretion. A separate Agreement between Owner and DB Entity shall be required in order to award the Overall Project to DB Entity.

In consideration of the mutual covenants and obligations contained herein, Owner and DB Entity hereby agree as follows:

1. The Work

1.1. Final Design and Construction.

DB Entity will perform the “Project – Phase 1 Scope of Work” (as more particularly set forth in Exhibit 10, attached hereto and incorporated herein by reference in accordance with the General Conditions and Contract Documents.

2. The Project

The Owner has developed the Recycled Water Project – Bayfront (“Overall Project”) to construct a 0.6 million gallons per day (MGD) satellite treatment facility, a recycled water distribution line, recycled water pump station, recycled water storage tanks, and an influent wastewater pumping station with force main (PS/FM). The purpose of the project is to offset potable demands and deliver recycled water to users in the Menlo Park-Bayshore Area. The District is pursuing a recycled water facility with an initial product-water capacity of approximately 0.6 MGD, with provisions to expand this capacity to up to 1.0 MGD in the future. For purposes of this Agreement – Phase 1, the Project shall be deemed to include solely the work detailed in the Project – Phase 1 Scope of Work.

3. Contract Time

3.1. Date of Commencement.

DB Entity shall commence the Project – Phase 1 Scope of Work upon DB Entity’s receipt of Owner’s Notice to Proceed (“NTP with Phase 1 Scope of Work”).

3.2. Contract Time for Final Design, Construction and Operation Services.

- A. Scheduled Substantial Completion Date. DB Entity shall substantially complete the Project - Phase 1 Scope of Work no later than March, 2025, (“Phase 1 Scheduled Substantial Completion Date”), subject to adjustment in accordance with the General Conditions.
- B. Scheduled Final Acceptance Date. DB Entity shall achieve Final Acceptance no later than thirty (30) days from Substantial Completion (“Phase 1 Scheduled Final Acceptance Date”), subject to adjustment in accordance with the General Conditions.

3.3. Time of the Essence.

The time limits for Substantial Completion and Final Acceptance are of the essence of the Contract.

3.4. Delay Liquidated Damages.

- 3.4.1. Calculation of Delay Liquidated Damages. It is hereby understood and agreed that it is and will be difficult and/or impossible to ascertain and determine the actual

damage that Owner will sustain in the event of and by reason of DB Entity's delay; therefore, DB Entity agrees that it shall pay to Owner the sum of TWO THOUSAND DOLLARS (\$2,000) per day as liquidated damages for each and every following day's delay beyond the Substantial Completion Date that Substantial Completion is not achieved.

- 3.4.2. Liquidated Damages Not Penalty. It is hereby understood and agreed that this amount is not a penalty, but is a reasonable estimate of the damages that Owner will incur. In the event any portion of the liquidated damages is not paid to Owner, Owner may deduct that amount from any money due or that may become due the DB Entity under this Agreement, Owner may seek recovery of Liquidated Damages from the DB Entity's Performance Bond Surety and/or Owner may seek recovery of Liquidated Damages from the DB Entity or the Performance Bond Surety without having exhausted remedies against the other.

4. Compensation and Contract Price

4.1. Contract Price.

- A. Owner shall pay DB Entity in accordance with the General Conditions a contract price ("Phase 1 Contract Price") as more particularly set forth in the Project - Phase 1 Scope of Work. The Phase 1 Contract Price is subject to adjustments made in accordance with Article 9 of the General Conditions. The Phase 1 Contract Price is as stated the DB Entity's proposal for the Project - Phase 1 Scope of Work and is summarized as follows:
- (1) Project - Phase 1 Scope of Work: \$7,100,000.00
- B. The Phase 1 Contract Price is deemed to include but not be limited to all labor, materials, equipment, supplies, and all sales, consumer, use, employment-related and other taxes mandated by applicable Laws and Regulations or that result from the performance of the Work.

5. Payment Procedures

5.1. Submittal and Processing of Payments.

- A. DB Entity shall submit, and Owner will process, Applications for Payment in accordance with Article 13 of the General Conditions.
- B. All Applications for Payment shall reference Owner's contract number, and shall follow the same format as shown on the Application for Payment provided in the Contract Documents.
- C. Failure of DB Entity to follow the instructions set forth in the Contract Documents regarding a proper Application for Payment and acceptable services may result in an unavoidable delay in payment by Owner.

- D. Any early payment discount offered by DB Entity shall be clearly indicated on the Application for Payment), including the percentage of the discount and the time period for which the discount is valid. Owner reserves the option to accept such early payment discounts.
- E. DB Entity shall comply with all provisions of the Technical Requirements relating to funding.

5.2. Progress Payments And Retention

- A. Payments for Work Performed after the Effective Date of the Phase 1 - Contract Price Proposal. For Work performed after the Effective Date of the Phase 1 - Contract Price Proposal, Owner shall make progress payments within the time set forth in Section 5.4 below after Owner's receipt of each properly submitted and accurate Application for Payment submitted in accordance with Paragraph 13.02 of the General Conditions. All such payments will be measured by the Progress Payment Schedule, pursuant to Paragraph 13.01 of the General Conditions, and shall reflect the total of payments previously made and amounts properly withheld as retainage, as set forth below, and under the Paragraph 13.03 of the General Conditions. Work completed as estimated shall be an estimate only and no inaccuracy or error in said estimate shall release DB Entity or any Surety from such work or from enforcing each and every provision of the Contract Documents.
 - (1) Progress payments will be in an amount equal to ninety five percent (95%) of Work completed (with the balance as retention), and at the option of Owner, Owner may pay an amount equal to ninety five percent (95%) of materials and equipment not incorporated in the Work in place but delivered and suitably stored on Site, less in each case the aggregate of payments previously made. In no event shall payments for materials and equipment stored exceed ninety five percent (95%) of the value of the related cost for the specific item of work in place shown in the progress payment schedule regardless of the stated value of the materials or equipment. Owner may, at its sole option, pay an amount equal to ninety five percent (95%) of materials and equipment not incorporated in the work stored offsite if stored in a manner acceptable to Owner, as stated above for on-site stored materials. When payment to DB Entity is made for stored materials and equipment, DB Entity shall submit invoices marked paid by the supplier with the next month's request for payment to document that DB Entity has paid for said materials and equipment or the previously paid amount for stored materials shall be deducted from any remaining payment(s) or retainage for any stored materials not so properly documented.
 - (2) The remaining five percent (5%) of such amounts shall be held as the Retention Amount and shall be released in accordance with Public Contract Code section 7107. If all of the necessary information is properly submitted, undisputed and accurate (including the progress payment schedule and certified payrolls), Owner shall approve the Progress Payment in accordance with Public Contract Code section 20104.50.

- B. Waiver and Release upon Payment. Each Progress Payment shall be conditioned upon DB Entity providing to Owner with the corresponding Application for Payment a conditional waiver and release of claims for payment upon payment from the DB Entity and each of its subcontractors and materials suppliers that have contracts with DB Entity that exceed \$250,000 in the form required by Civil Code Section 8132, covering all sums requested in such Application for Payment , and an unconditional waiver and release of claims for payment from each party, in the form required by Civil Code Section 8132, covering sums disbursed pursuant to the most recently preceding Application for Payment. Failure to provide either a condition waiver and release, or unconditional waiver and release shall result in the subject sums being in dispute, and thus withheld from payment.
- C. Option for Escrow or Securities in Lieu of Retention. Pursuant to the requirements of Public Contract Code Section 22300, upon DB Entity's request within ten (10) days of execution of this Agreement – Phase 1, Owner will make payment to DB Entity of any earned retention funds withheld from payments under this Agreement – Phase 1 if DB Entity deposits with Owner or in escrow with a California or federally chartered bank acceptable to Owner, securities eligible for the investment pursuant to Government Code Section 16430 or bank or savings and loan certificates of deposit.
- (1) Conditions upon such deposit include the following:
- (a) DB Entity shall be the beneficial owner of any securities substituted for retention funds withheld and shall receive any interest thereon.
 - (b) All expenses relating to the substitution of securities under said Section 22300 and under this Article 5.2, including, but not limited to Owner's overhead and administrative expenses, and expenses of escrow agent shall be the responsibility of the DB Entity.
 - (c) If DB Entity shall choose to enter into an escrow agreement, such agreement shall be in the form as set forth in Public Contract Code section 22300(f) and which shall allow for the conversion to cash to provide funds to meet defaults by the DB Entity including, but not limited to, termination of the DB Entity's control over the work, stop notices filed pursuant to law, assessment of liquidated damages or amount to be kept or retained under the provisions of the Contract Documents.
 - (d) Securities, if any, shall be returned to DB Entity only upon satisfactory completion of the Agreement – Phase 1.
- (2) To minimize the expense caused by such substitution of securities, DB Entity shall, prior to or at the time DB Entity requests to substitute security, deposit sufficient security to cover the entire amount to be then withheld and to be withheld under the General Conditions of this Agreement – Phase

1. Should the value of such substituted security at any time fall below the amount for which it was substituted, or any other amount which Owner determines to withhold, DB Entity shall immediately, and at DB Entity's expense, deposit additional security qualifying under said Section 22300 until the total security deposited is no less than equivalent to the amount subject to withholding under the Agreement – Phase 1.

- (3) In the alternative, under Section 22300, DB Entity, at its own expense, may request Owner to make payment of earned retention funds directly to the escrow agent. Also at the expense of DB Entity, DB Entity may direct investment of the payments into securities, and DB Entity shall receive the interest earned on the investment upon the same conditions as shown in this Agreement – Phase 1 for securities deposited by DB Entity. Upon satisfactory completion of the Agreement – Phase 1, DB Entity shall receive from the escrow agent all securities, interest and payments received by the escrow agent from Owner, pursuant to the terms of Section 22300.
- (4) If any provision of this Article 5.2 shall be found to be illegal or unenforceable, then, notwithstanding, this Article 5.2 shall remain in full force and effect, and such provision shall be deemed stricken.

5.3. Final Payment.

Upon Final Acceptance of the Project - Phase 1 Scope of Work in accordance with Paragraph 13.08 of the General Conditions, Owner shall pay the remainder of the Phase 1 Contract Price as provided in said Paragraph 13.08. DB Entity shall not be entitled to payment for non-conforming work performed, so long as any lawful or proper direction concerning that non-conforming work or any portion thereof given by Owner lacks correction by DB Entity. Owner may withhold from the Progress Payments one hundred fifty percent (150%) of the estimated value of any amount in dispute between Owner and DB Entity. This provision shall also apply in the event that a portion of non-complying Work may impact other completed Work, resulting in a need to reconstruct or rework related Work. Owner shall not unreasonably withhold payment for unrelated and uninvolved Work in the event of dispute over non-complying Work without entering into negotiations to arrive at settlement of said conflict, unless withholding pursuant to a Stop Payment Notice.

5.4. Date of Payment.

It is the policy of Owner that payment for all goods and services shall be made in a timely manner and that interest payments are made on late payments. The time at which payment shall be due from Owner shall be thirty (30) days from receipt of a proper invoice (i.e., Application for Payment) and acceptance of services, based on compliance with the statutory requirements set forth in California Public Contract Code section 7107, and upon satisfaction of the conditions as detailed in the contract.

6. DB Entity's Representations

6.1. Representations.

DB Entity shall be deemed to have made the following representations with its submission of the Phase 1 - Contract Price Proposal:

- A. DB Entity has examined, carefully studied, and thoroughly understands the Contract Documents and the Reference Documents associated with the Work covered by a Phase 1 - Contract Price Proposal.
- B. DB Entity has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work covered by the Phase 1 - Contract Price Proposal.
- C. DB Entity is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work covered by the Phase 1 - Contract Price Proposal.
- D. DB Entity is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- E. DB Entity has correlated the Contract Documents with the information known to DB Entity, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies and data.
- F. DB Entity has given Owner written notice of all conflicts, errors, ambiguities or discrepancies that DB Entity has discovered in the Contract Documents before submitting a Phase 1 - Contract Price Proposal and the written resolution thereof by Owner is acceptable to DB Entity.
- G. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work covered by the Phase 1 - Contract Price Proposal.
- H. DB Entity shall be bound by and shall perform its obligations in full compliance with the Contract Documents.
- I. DB Entity, in the performance of this Agreement – Phase 1, shall be and act as an independent contractor. DB Entity understands and agrees that he/she and all of his/her employees shall not be considered officers, employees, agents, partner, or joint venture of Owner, and are not entitled to benefits of any kind or nature normally provided employees of Owner and/or to which Owner's employees are normally entitled, including, but not limited to, State Unemployment Compensation, Worker's Compensation or eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Owner and entitlement to any contribution to be paid by Owner for employer contributions

and/or employee contributions for PERS and other post-employment benefits. DB Entity shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to DB Entity's employees. DB Entity shall be liable for its own actions, including its negligence or gross negligence, and shall be liable for the acts, omissions, or errors of its agents or employees.

- J. DB Entity shall perform its obligations under this Agreement – Phase 1 using its best professional skill and judgment, acting with due care and in accordance with the standard of care applicable to the Work and Services to be provided by DB Entity, the covenants, terms and conditions of this Agreement – Phase 1, and all applicable laws, codes, rules and regulations of the State of California and all other federal, state, and local jurisdictions having authority. DB Entity represents and warrants that it is fully experienced in projects of the nature and scope of Project - Phase 1 Scope of Work, and that it is properly qualified, licensed and equipped to supply and perform the Project - Phase 1 Scope of Work. The Project - Phase 1 Scope of Work completed herein must meet the approval of Owner and shall be subject to Owner's general right of inspection and supervision to secure the satisfactory completion thereof.
- K. DB Entity agrees that all technologies, formulae, procedures, processes, methods, writings, ideas, dialogue, compositions, recordings, teleplays and video productions prepared for, written for, or submitted to Owner and/or used in connection with this Agreement – Phase 1, shall either be the property of DB Entity, or DB Entity shall have all necessary rights to use such formulae, procedures, processes, methods, writings, ideas, dialogue, compositions, recordings, teleplays and video productions and to provide the same and derivative works thereof to Owner in connection with this Agreement – Phase 1, and shall not otherwise be copied in whole or in part from any other source.
- L. Except with respect to design pre-check documents and associated works and other third party intellectual property used by DB Entity on an authorized basis, all drawings, specifications, calculations, data, notes and other materials and documents, including electronic data (other than System performance data provided during operation, which shall not be deemed "Work Product") furnished by DB Entity to Owner under this Agreement – Phase 1 ("Work Product") shall be and remain the property of Owner. DB Entity, or the author of such works, if other than DB Entity, will retain all common law, statutory and other reserved rights, including copyrights in the Work Product. Upon Final Completion, DB Entity will grant Owner, and its successors and assigns, a perpetual, non-transferable royalty-free license to use the Work Product for the purposes of repair, maintenance, renovation, modernization, and all other purposes related to the Project, including, without limitation, additions, alignments, or other development on the Site.

7. Contract Documents

7.1. Contract Documents.

The Contract Documents consist of the following:

- A. This Agreement – Phase 1, including all of the Exhibits;
- B. The General Conditions
- C. Technical Requirements;
- D. The following, which shall be designated, completed, delivered, prepared, or issued after the Effective Date of the Agreement – Phase 1 and are not attached hereto:
 - (1) Any and all written amendments, Change Orders, Work Change Directives, and Field Orders amending, modifying, or supplementing the Contract Documents.
 - (2) The Final Drawings and Specifications, which shall be developed, submitted and acted upon pursuant to Paragraph 6.17 of the General Conditions.

7.2. Amending the Contract Documents.

The Contract Documents may only be amended, modified, or supplemented as provided in Article 8 hereof with respect to the Contract Price Proposal, and as provided in Paragraph 3.04.A of the General Conditions for any other amendment, modification or supplementation.

7.3. Order of Precedence of the Contract Documents.

The following order of precedence shall apply in the case of direct, irresolvable conflicts between or among Contract Documents:

- A. Written amendments signed by the Parties (other than the Phase 1 - Contract Price Proposal) with those of a later date taking precedence;
- B. Work Change Directives, Change Orders, and Field Orders with those of a later date taking precedence;
- C. This Agreement – Phase 1, including all Exhibits;
- D. The General Conditions;
- E. The Final Drawings and Specifications; and

F. Technical Requirements.

8. Miscellaneous

8.1. Defined Terms.

Terms used in this Agreement – Phase 1 will have the meanings indicated in the General Conditions.

8.2. Exhibits.

The following exhibits (“Exhibits”) are specifically made part of, and incorporated by reference into, this Agreement:

Exhibit 1	General Conditions
Exhibit 2	Technical Requirements, consisting of Request for Proposal Volume 3 and all subsequent addenda thereto, DB Entity Proposal (INSERT DATE)
Exhibit 3	Designated Proposal Forms (<i>as applicable</i>) (Request for Proposal Volume 1)
Exhibit 4	Prevailing Wage Certification
Exhibit 5	Worker’s Compensation Certification
Exhibit 6	Asbestos & Other Hazardous Materials Certification
Exhibit 7	Performance Bond
Exhibit 8	Labor and Materials Payment Bond
Exhibit 9	Insurance Requirements
Exhibit 10	Skilled and Trained Workforce Certificate

Exhibit 11 contains forms that will be used after the Effective Date of the Agreement – Phase 1, during the administration of the Contract.

[Signature Page to Follow]

IN WITNESS WHEREOF, Owner and DB Entity have signed this Agreement – Phase 1 in duplicate. One counterpart each has been delivered to Owner and DB Entity.

OWNER:

DB ENTITY:

WEST BAY SANITARY DISTRICT

ANDERSON PACIFIC ENGINEERING
CONSTRUCTION, INC.

FRAN DEHN
President

President

Date: _____

Date: _____

Attest:

Attest:

DAVID WALKER
Secretary

Name:
Secretary

Approved as to form:

 7/24/24

ANTHONY P. CONDOTTI
District Counsel

Information regarding Design-Builder:

Proper Name:

Employer Identification and/or Social Security Number

License No.:

Address:

Telephone:

Facsimile:

E-Mail:

NOTE: Section 6041 of the Internal Revenue Code (26 U.S.C. 6041) and Section 1.6041-1 of Title 26 of the Code of Federal Regulations (26 C.F.R. 1.6041-1) requires the recipients of \$600.00 or more to furnish their taxpayer information to the payer. In order to comply with these requirements, Owner requires the Design-Builder to furnish the information requested in this section.

Type of Business Entity:

Individual

Sole Proprietorship

Partnership

Limited Partnership

Corporation, State: _____

Limited Liability Company

Other: _____

*Important Note: Labor Code §1771.1(a) provides that “A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.” Go to <https://apps.dir.ca.gov/ecpr/DAS/AltLogin> for more information and to register. This project is subject to monitoring by the Department of Industrial Relations.

**EXHIBIT 1—GENERAL CONDITIONS
OF THE CONTRACT BETWEEN
OWNER AND DB ENTITY**

ARTICLE 1 - DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

Wherever used in the Contract Documents and printed with initial capital letters, the following terms have the meanings indicated which are applicable to both the singular and plural thereof. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.

Addenda: Written or graphic instruments issued prior to the opening of Proposals which clarify, correct or change the Request for Proposals or the Contract Documents.

Agreement: The written instrument which is evidence of the agreement between Owner and DB Entity covering the Project – Phase 1 Scope of Work.

Application for Payment: The form which is to be used by DB Entity in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.

Asbestos: Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.

Bonds: Performance and payment bonds and other instruments of security.

Change Order: A written order which, when signed by Owner, authorizes an addition, deletion or revision in the Work, or an adjustment in the Contract Price or the Contract Time(s), issued on or after the Effective Date of the Agreement – Phase 1.

District: Another name for "Owner" that may be used in Technical Requirements. See definition for "Owner." District or Owner may be used interchangeably throughout the Contract Documents.

Construction: The part of the Project – Phase 1 Scope of Work that is the result of performing or furnishing of labor, the furnishing and incorporating of materials and equipment into the Project – Phase 1 Scope of Work and the furnishing of services (other than Design Professional Services) and documents, all as required by the Contract Documents.

Construction Subagreement: A written agreement between DB Entity and a construction Subcontractor for provision of Construction.

Contract: The entire and integrated written agreement between Owner and DB Entity concerning the Project – Phase 1 Scope of Work. The Contract supersedes prior negotiations, representations, or agreements, whether written or oral.

Contract Documents: Those items so designated in the Agreement – Phase 1. Only printed or hard copies of the items listed in the Agreement – Phase 1 are Contract Documents.

Contract Price: The moneys payable by Owner to DB Entity for completion of the Project – Phase 1 Scope of Work in accordance with Article 4 of the Agreement – Phase 1.

Contract Price Proposal: The document submitted by DB Entity setting forth, among other things, the design concepts, proposed prices, and other conditions for the Project – Phase 1 Scope of Work to be performed thereunder.

Contract Time(s): The Scheduled Substantial Completion Date and Scheduled Final Acceptance Date.

Contractor: Another name for "DB Entity" that may be used in Technical Requirements. See definition for "DB Entity." Contractor and DB Entity may be used interchangeably throughout Contract Documents.

DB-Related Entity: DB Entity, Design Sub-consultants, Subcontractors, Suppliers, and anyone for whose acts any of them may be legally or contractually responsible.

Delay Liquidated Damages: Those liquidated damages set forth in Section 3.4 of the Agreement – Phase 1.

DB Entity: The individual or entity with whom Owner has entered into the Agreement – Phase 1. There may be instances in Technical Requirements where the DB Entity is referred to as "Contractor."

Design Professional Services: That part of the Project – Phase 1 Scope of Work comprised of services relating to the preparation of Drawings, Specifications, and other design submittals specified by the Contract Documents and required to be performed by licensed design professionals, as well as other services provided by or for licensed design professionals as part of the Project – Phase 1 Scope of Work.

Design Sub-agreement: A written agreement between DB Entity and a Design Sub-consultant for provision of Design Professional Services.

Design Sub-consultant: A qualified, licensed design professional, eligible to provide professional engineering, architectural and/or land surveying services in California, who is not an employee of DB Entity, but is retained by DB Entity to furnish design services on the Overall Project through a Design Sub-agreement.

Drawings: Consists of drawings, diagrams, illustrations, schedules and other data which show the scope, extent, and character of the Project – Phase 1 Scope of Work.

Effective Date of the Agreement – Phase 1: The date that the Contract is executed by both Owner and DB Entity.

Effective Date of the Phase 1 - Contract Price Proposal: The date that the Contract Price Proposal is executed by both Owner and DB Entity.

Facilities: The reference to the collective Overall Project components that consists generally of certain Project Elements as described in RFQ Section 2.4.

Field Order: A written order issued by Owner which orders minor changes in the Project – Phase 1 Scope of Work but which does not involve a change in the Phase 1 - Contract Price or the Contract Time(s).

Final Acceptance: The written notice from Owner to DB Entity pursuant to Paragraph 13.08 of the General Conditions that Owner is satisfied that the Project – Phase 1 Scope of Work has been completed and DB Entity's other obligations under the Contract Documents have been fulfilled with the exception of all work included in the 6-month Operating Period.

Final Drawings and Specifications: Those Drawings and Specifications that will be approved by Owner and will become Contract Documents.

General Conditions: The General Conditions of the Contract between Owner and DB Entity included as part of the Contract Documents.

Hazardous Environmental Condition: The presence at the Site of Hazardous Materials in such quantities or circumstances that may present an imminent or substantial danger to persons or property exposed thereto on connection with the Project – Phase 1 Scope of Work.

Hazardous Materials: Collectively, Asbestos, Hazardous Waste, PCB's, Petroleum Products, Radioactive Materials and other materials, waste, substances and chemicals deemed to be hazardous under applicable Laws or Regulations.

Hazardous Waste: The term Hazardous Waste shall have the meaning provided in Section 25117 of the California Health and Safety Code as amended from time to time.

Indemnified Parties or Owner Indemnitee(s): Owner and its representatives, appointed and elected officials, officers, employees, authorized agents, consultants (including Owner's Advisor), and other duly authorized representatives.

Joint Venture: An association of two or more persons or businesses carrying out a single business enterprise for which purpose they combine their capital, efforts, skills, knowledge and/or property. Joint ventures must be established by written agreement.

Key Personnel: The individuals, employed by Design-Builder or other firm included on the Project Team, who would fill certain key roles in delivery of the Project and related services if Respondent is chosen as the Design-Builder, including the following positions: Project Manager, Design Manager, On-Site Construction Superintendent, and Construction Manager.

Laws and/or Regulations: Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities and courts having jurisdiction.

Lead Contractor: The member of the Project Team having primary responsibility for construction services for the Project – Phase 1.

Lead Designer: The member of the Project Team having primary responsibility for design services for the Project – Phase 1.

Liens: Charges, security interests or encumbrances upon real property or personal property.

Major Subcontractor/Subconsultant: Any entity on the Project Team that will perform specialized design or construction services for Project – Phase 1 and/or will perform a minimum of ten percent (10 percent) of the project scope (by dollar value).

Milestone: Completion date(s), if any, specified as “Milestones” in Article 6 of the Agreement and relating to an intermediate completion date or time prior to Substantial Completion of all the Project – Phase 1 Scope of Work.

Notice to Proceed (“NTP”): A written notice given by Owner to DB Entity, which notice is the date on which the Contract Time(s) will commence to run and is the date on which DB Entity shall start to perform the Project – Phase 1 Scope of Work.

Owner: West Bay Sanitary District. There may be instances in Technical Requirements where the Owner is referred to as "District."

Owner's Advisor: Woodard & Curran, Inc.

Partial Utilization: Use by Owner of a substantially completed part of the Project – Phase 1 Scope of Work for the purpose for which it is intended (or a related purpose) prior to Substantial Completion of all the Project – Phase 1 Scope of Work.

PCBs: Polychlorinated biphenyls.

Progress Payment Schedule: A schedule prepared by DB Entity and acceptable to Owner indicating that portion of the Phase 1 Contract Price to be paid for each major component of the Phase 1 – Scope of Work.

Overall Project: The Recycled Water Project – Bayfront – Design Build Services Project that is the subject of this RFP and ultimate DB Contract. The Overall Project is generally

described in RFP Section 2, including, but not limited to, the Project Elements described in RFP Section 3.

Project – Phase 1: The portion of the Overall Project work described in the Phase 1 – Scope of Work.

Project Team: The DB Entity; the Lead Contractor and the Lead Designer (with the understanding that one or more of these entities will be the DB Entity); Key Personnel; and any additional subcontractors and subconsultants included in the SOQ.

Project Technical Specifications: A Contract Document that is provided as part of the RFP that shall serve, in part, as the basis of the Respondents’ technical design proposals.

Proposal: Shortlisted Respondents’ response to the RFP issued by District, which shall consist of a detailed “best-value”- based proposal (i.e., cost, technical, and qualifications evaluated) for the Design-Build Project. The cost component of the Proposal will be submitted in a separate envelope and will consist of a guaranteed maximum price (GMP) that will be further defined in the RFP.

Respondent: The entity responding to this RFP by submitting the Proposal, and the entity proposed as the DB Entity.

Responsibility Requirements: The requirements set forth in the RFP that, at a minimum, must be satisfied (or waived by the District) in order for the Proposal to be evaluated and ranked according to the comparative evaluation criteria.

Responsiveness Requirements: The requirements set forth in the RFP that, at a minimum, must be satisfied (or waived by the District) in order for the Proposal to be evaluated and ranked according to the comparative evaluation criteria.

Respondent: The Design-Build entity/firm responding to this RFQ by submitting the SOQ, and the entity/firm proposed as the DB Entity and that, if selected by the District, will enter into the DB Contract with the District for delivery of the Design-Build services and the Overall Project.

Scheduled Final Acceptance Date: The date set forth in Article 13 of the Agreement – Phase 1 by which Final Acceptance shall be achieved.

Scheduled Substantial Completion Date: The date set forth in the Contract Documents by which the Phase 1 – Scope of Work shall be substantially complete.

Shortlist: A limited list of Respondents selected by the District to compete in the RFP process.

Shortlisted Respondent: Those entities who submitted an SOQ in response to the RFQ and were invited to submit Design-Build Proposals in response to the RFP. The RFP is the second

step in the District's two-step procurement process employed to procure a DB Entity for the Project.

Site: Lands or other areas designated in the Contract Documents as being furnished by Owner upon which Construction is to be performed, including rights-of-way and easements for access thereto, and such other lands furnished by Owner which are designated for use of DB Entity.

Specifications: Those Submittals prepared by or for DB Entity and approved by Owner consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship as applied to the Phase 1 – Scope of Work and certain administrative details applicable thereto.

Subcontractor or Sub-consultant: An individual or entity other than a Design Sub-consultant or Supplier having a direct contract with DB Entity or with any other Subcontractor for the performance of a part of the Phase 1 – Scope of Work.

Submittal: A written or graphic document prepared by or for DB Entity which is required by the Contract Documents to be submitted to Owner by DB Entity. Submittals may include Drawings, Specifications, progress schedules, shop drawings, samples, cash flow projections, and Schedules of Values. Except for the Contract Price Proposal Documents and the Final Drawings and Specifications, Submittals are not Contract Documents.

Substantial Completion: The time at which the Phase 1 – Scope of Work (or a specified part) has progressed to the point where it is sufficiently complete, in accordance with the Contract Documents, so that the Phase 1 – Scope of Work (or a specified part) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.

Successful Respondent: The Respondent with the highest total Proposal score that will be offered the opportunity to serve as the DB Entity and negotiate the DB Contract for the Overall Project.

Supplier: A manufacturer, fabricator, supplier, distributor, materialman or vendor having a direct contract with DB Entity or with any Subcontractor to furnish materials or equipment to be incorporated in the Phase 1 – Scope of Work by DB Entity or any Subcontractor.

Technical Requirements: The Overall Project requirements provided as RFP Volume 3, DB Entity Proposal (October 4, 2017), and the DB Entity proposal modification letter (December 21, 2017)

Unit Price Work: Work to be paid for on the basis of unit prices.

Phase 1 – Scope of Work: All of the DB Entity's design, construction, and other services required by the DB Contract, including procuring and furnishing all materials, equipment, services and labor reasonably inferable from the DB Contract documents.

Work Change Directive: A written directive to DB Entity, issued on or after the Effective Date of the Agreement and signed by Owner ordering an addition, deletion or revision in the Work, or responding to differing site conditions under which the Work is to be performed or to emergencies. A Work Change Directive will not change the Phase 1 Contract Price or the Contract Time(s), but is evidence that the parties expect that the change directed or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Phase 1 – Scope of Work Contract Price or Contract Time(s).

Work Product: All Drawings, Specifications, Submittals, and other documents and data identified in the Contract Documents as being prepared or furnished by DB Entity and submitted to Owner.

1.02 *Terminology*

- A. The words and terms discussed in Paragraph 1.02.B are not defined terms, but when used in the Contract Documents have the indicated meanings.
- B. Intent of Certain Terms or Adjectives:
 - 1. The word “day” shall constitute a calendar day of 24 hours measured from midnight to the next midnight.
 - 2. The word “defective,” when modifying the word “Construction” refers to Construction that is unsatisfactory, faulty, or deficient in that it does not conform to the Contract Documents, or does not meet the requirements of any inspection, reference standard, test or approval referred to in the Contract Documents, or has been damaged prior to Final Acceptance (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion) provided that the defect was not caused by Owner.
 - 3. The word "furnish," when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
 - 4. The word "install," when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials or equipment or equipment complete and ready for intended use.
 - 5. The words "perform" or "provide" when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
 - 6. When "furnish," "install," "perform," or "provide" is not used in connection with services, materials, or equipment in a context clearly requiring an obligation of DB Entity, "provide" is implied.

7. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with that meaning.

ARTICLE 2 - PRELIMINARY MATTERS

2.01 Delivery of Bonds, Insurance Certificates and Insurance Declaration Page(s)

When DB Entity delivers the executed Agreement to Owner, DB Entity shall also deliver to Owner: (a) an updated letter from DB Entity's surety or sureties verifying that DB Entity has bonding capacity of TWENTY MILLION DOLLARS (\$20,000,000) available for this Overall Project; (b) certificates of insurance and the insurance declaration page(s) for the insurance requirements and policies set forth herein which DB Entity is required to purchase and maintain in accordance with Paragraphs 5.04 and 5.06; and (c) evidence that DB Entity is enrolled in the e-verify system required by Paragraph 6.03 below.

2.02 Commencement of Work; Notice to Proceed

DB Entity shall commence the Phase 1 – Scope of Work in accordance with Contract Documents.

2.03 Intent of the Contract Documents

- A. The Contract Documents are complementary; what is required by one shall be as binding as if required by all.
- B. All Phase 1 – Scope of Work that may reasonably be inferred from the Contract Documents or from prevailing custom or trade usage as necessary to properly execute and complete the Phase 1 – Scope of Work to conform to the requirements of the Contract Documents shall be provided by DB Entity with no change in the Phase 1 Contract Price or Contract Time. Additionally:
 1. Arrangement and titles of drawings and organization of the specifications into divisions, sections and articles in the Contract Documents shall not be construed as segregating the various units of material and labor, dividing the Phase 1 – Scope of Work among Subcontractors, or establishing the extent of Phase 1 – Scope of Work to be performed by any trade. DB Entity may arrange and delegate the Phase 1 – Scope of Work in conformance with trade practices, but DB Entity shall be responsible for completion of all Phase 1 – Scope of Work in accordance with the Contract Documents.
 2. Before undertaking the Phase 1 – Scope of Work, DB Entity shall carefully study and compare the Contract Documents and check and verify pertinent figures therein and all applicable field measurements. DB Entity shall promptly report in writing to Owner any conflict, error, ambiguity, or discrepancy which DB Entity may discover and shall obtain a written interpretation or clarification from Owner before proceeding with any Phase 1 – Scope of Work affected thereby.

2.04 *Submission of Schedules*

The schedules set forth below shall be included in the Phase 1 Contract Price Proposal:

- A. A progress schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Phase 1 – Scope of Work, including the Scheduled Substantial Completion Date upon which the proposal and progress schedule is based;
- B. A schedule of Submittals which will list each required Submittal and the times for submitting, reviewing and processing each Submittal;
- C. A Progress Payment Schedule for all of the Phase 1 – Scope of Work which will include quantities and prices of items which when added together equal the Contract Price and subdivides the Phase 1 – Scope of Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Phase 1 – Scope of Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Phase 1 – Scope of Work; and
- D. A cash flow projection estimating that portion of the Phase 1 Contract Price to be due during each month of performance.

2.05 *Applicable Owner Policies*

DB Entity hereby agrees to be bound by all applicable Owner policies and standards of conduct. It is DB Entity's responsibility to advise its employees, Design Subconsultants, Subcontractors, Suppliers, or hired workers of the nature of the Overall Project, as described in the Contract Documents. Upon request, DB Entity shall, at its sole expense, conduct background checks for any DB Entity employee or hired worker providing services on the Overall Project.

ARTICLE 3 - CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE

3.01 *Intent of the Contract Documents*

- A. The Contract Documents are complementary; what is called for by one is as binding as if called for by all.
 - B. It is the intent of the Contract Documents, including but not limited to the Final Drawings and Specifications, to describe a functionally complete Project (or part thereof) to be designed and constructed in accordance with the Contract Documents. DB Entity will furnish or perform all labor, documentation, services, materials, and equipment that may reasonably be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the intended result whether or not specifically called for, at no additional cost to Owner.
- A. 3.02 Reference Standards Reference to standards, specifications, manuals or codes of any technical society, organization or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean (except as may be otherwise specifically

stated in the Contract Documents) the standard, specification, manual, code, or Laws or Regulations in effect on the Effective Date of the Agreement – Phase 1.

- B. No provision of any such standard, specification, manual, or code, or instruction of a Supplier, shall be effective to change the duties and responsibilities of Owner, DB Entity, or any of their subcontractors, consultants, agents, or employees from those set forth in the Contract Documents, nor shall it be effective to assign to Owner any duty or authority to supervise or direct the furnishing or performance of the Phase 1 – Scope of Work or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

3.03 *Resolving Discrepancies*

- A. Except as otherwise specifically stated in the Contract Documents, the provisions of the Contract Documents shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between the provisions of the Contract Documents and:
 - 1. The provisions of any such standard, specification, manual, code, or instruction (whether or not specifically incorporated by reference in the Contract Documents); or
 - 2. The provisions of any such Laws or Regulations applicable to the performance of the Phase 1 – Scope of Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).
- A. Section 7.3 of the Agreement establishes the order of precedence shall apply in the case of direct, unresolvable conflicts between or among Contract Documents.
- B. For the avoidance of doubt, in the event of a discrepancy between the Phase 1 Contract Price Proposal Documents on the one hand and the Drawings and Specifications on the other hand, the Phase 1 Contract Price Proposal Documents will control, except when Owner has accepted a Submittal pursuant to the Contract Documents.

3.04 *Amending and Supplementing Contract Documents*

The Contract Documents may be amended to provide for additions, deletions, and revisions in the Phase 1 – Scope of Work or to modify the terms and conditions thereof in one or more of the following ways:

- 1. A Work Change Directive;
- 2. A Change Order;
- 3. Field Order.
- 4. A written amendment executed by the Parties.
- 5. Owner’s acceptance of required Submittals pursuant to the Contract Documents.

3.05 *Ownership and Use of Work Product*

- A. DB Entity hereby assigns to Owner all right, title and interest, including but not limited to any intellectual property rights, copyrights and/or patents, in all Work Product. All Work Product shall become the property of Owner upon the earlier of: (a) Owner's payment to DB Entity of monies due in accordance with this Agreement – Phase 1; (b) the date any Work Product is delivered to Owner; or (c) upon termination of the Agreement – Phase 1 pursuant to Article 14 below.
- B. The Work Product is not intended or represented to be suitable for reuse by Owner or others on extensions of the Overall Project or on any other project. Any reuse without written verification or adaptation by DB Entity for the specific purpose intended will be at Owner's sole risk and without liability or legal exposure to DB Entity. DB Entity will be entitled to further compensation at rates to be agreed upon by Owner and DB Entity if it is asked by Owner to verify or adapt the Work Product for extensions of the Overall Project or any other project.
- C. DB Entity may make and retain copies of the Work Product for information, reference, and use on this Overall Project by DB Entity and all other DB-Related Entities.
- D. Owner acknowledges and agrees that in the performance of the services under this Agreement – Phase 1, DB Entity will use its proprietary algorithms, software, hardware, databases and other background technology that DB Entity or any other DB-Related Entity developed or licensed from third parties prior to the Effective Date of the Agreement = Phase 1 ("Pre-Existing Technology"). Pre-Existing Technology used by a DB-Related Entity in connection with the Project shall remain the property of such DB-Related Entity, but DB Entity shall cause such DB-Related Entity to grant a non-exclusive, irrevocable, royalty-free license to Owner to use, copy or modify such Pre-Existing Technology solely with respect to this Overall Project.
- E. With respect to any intellectual property rights in software vested in any third party that are supplied to Owner by DB Entity as part of the Phase 1 – Scope of Work, but not prepared, developed or modified under or in connection with this Overall Project, DB Entity shall use all reasonable efforts to obtain from such third party such permission, waiver, or license as may be necessary to enable the software to be used, copied, or modified by Owner solely in connection with this Overall Project.

3.06 *Electronic Data*

- A. Copies of data furnished by Owner to DB Entity or by DB Entity to Owner that may be relied upon are limited to the printed copies (also known as hard copies). Files in electronic media format of text, data, graphics, or other types are furnished only for the convenience of the receiving party. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.
- B. Because data stored on electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving data in electronic format agrees that it will perform acceptance tests or procedures within 60 days, after which

the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the transferring party.

- C. When transferring documents in electronic media format, the transferring party makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by the data's creator.

ARTICLE 4 - AVAILABILITY OF LANDS; DIFFERING SITE CONDITIONS; REFERENCE POINTS; HAZARDOUS ENVIRONMENTAL CONDITIONS

4.01 Availability of Lands

- A. Owner shall notify DB Entity of any encumbrances or restrictions not of general application but specifically related to use of the Site which DB Entity will have to comply in performing the Phase 1 – Scope of Work. Unless otherwise provided in the Contract Documents, Owner will obtain in a timely manner and pay for easements for permanent structures or permanent changes in existing facilities. If DB Entity and Owner are unable to agree on entitlement to or the amount or extent of any adjustments in the Phase 1 Contract Price or the Contract Time(s) as a result of any delay in Owner's furnishing the Site, DB Entity may make a claim therefor as provided in Article 9.
- B. DB Entity shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

4.02 Differing Site Conditions

- A. DB Entity shall promptly, but in no event later than ten (10) days, after discovery, and before the conditions are further disturbed, give a written notice to Owner of: (i) subsurface or latent physical conditions at the Site which differ materially from those indicated in the Contract Documents; or (ii) unknown physical conditions at the Site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character called for by the Contract Documents.
- B. Owner will investigate the Site conditions promptly after receiving the notice. If the conditions do materially differ and cause an increase or decrease in DB Entity's cost of, or the time required for, performing any part of the Phase 1 – Scope of Work, whether or not changed as a result of the conditions, an equitable adjustment shall be made under this clause and the Phase 1 Contract Price or Times modified in writing by Change Order in accordance with Article 9.
- C. No request by DB Entity for an equitable adjustment under Paragraph 4.02 shall be allowed unless DB Entity has given the written notice required; provided that the time prescribed in Paragraph 15.02 for giving written notice may be extended by Owner.
- D. The provisions of this Paragraph 4.02 are not intended to apply to a Hazardous Environmental Condition uncovered or revealed at the Site.

- E. DB Entity shall not be entitled to any adjustment in the Phase 1 Contract Price or Contract Time(s) if: (a) DB Entity knew of the existence of such conditions as of the Effective Date of the Phase 1 Contract Price Proposal; or (b) the existence of such condition could reasonably have been discovered or revealed as a result of the examinations, investigations, explorations, tests or studies of the Site during DB Entity's performance of the Overall Project.
- F. In the event that a dispute arises between Owner and the DB Entity, as to whether the conditions materially differ, involve hazardous waste, or cause a decrease or increase in the DB Entity's cost of or time required for performance of any part of the work, the DB Entity shall proceed with all work to be performed under the Construction Provisions. The DB Entity shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

4.03 *Reference Points*

DB Entity shall be responsible for laying out the Phase 1 – Scope of Work and shall protect and preserve the reference points and property monuments established by Owner pursuant to Paragraph 8.01.A.6.e, and shall make no changes or relocations without the prior written approval of Owner. DB Entity shall report to Owner whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.04 *Hazardous Environmental Conditions at Site*

- A. Owner represents to the best of its knowledge that a Hazardous Environmental Condition does not exist and it has disclosed to DB Entity the existence of all known Hazardous Materials located at the Site, including type, quantity, and location.
- B. If DB Entity encounters any unknown Hazardous Environmental Conditions at the Site, it shall stop Work immediately in the affected part of the Phase 1 – Scope of Work to the extent required to avoid any such safety or health hazard until it has taken such action as is necessary, in accordance with applicable Laws and Regulations, to protect the interests of any affected party. DB Entity shall, immediately upon encountering any Hazardous Environmental Conditions at the Site, notify Owner and, if required by Laws and Regulations, assist Owner in providing notifications to all governmental authorities having jurisdiction over the Overall Project or Site.
- C. DB Entity, working with Owner, shall take all necessary measures required to ensure that Hazardous Environmental Conditions are remediated or rendered harmless in accordance with applicable Laws and Regulations. DB Entity shall, as may be directed by Owner and prior to proceeding with any such work: (a) obtain all environmental site assessments of the affected property and submit copies of such assessments to Owner for its approval; (b) develop remediation plans for the Hazardous Environmental Conditions, subject to Owner's approval; and (c) obtain on Owner's behalf all applicable approvals of governmental authorities having jurisdiction over the Project or Site to implement such plans. During the period of any investigation and remediation efforts, DB Entity shall take all necessary measures to isolate

and contain such Hazardous Environmental Conditions from the unaffected parts of the Phase 1 – Scope of Work, and shall continue the Phase 1 – Scope of Work to the maximum extent possible on unaffected parts of the Phase 1 – Scope of Work.

- D. Except for those Hazardous Environmental Conditions and Hazardous Materials set forth in Paragraph 4.04.E below, DB Entity will be entitled to submit a request for an adjustment to the Phase 2 Contract Price and/or Contract Time, in accordance with the requirements of these General Conditions, to the extent DB Entity's cost and/or time of performance have been adversely impacted by the presence, removal or remediation of unknown Hazardous Environmental Conditions.
- E. Notwithstanding anything to the contrary in this Paragraph 4.04, DB Entity shall bear full responsibility for the handling, treatment, storage, removal, remediation, avoidance, or other appropriate action (if any), with respect to: (a) any Hazardous Materials present at, on, in or under, or migrating and/or emanating to or from the Site, that were brought or caused to be brought on the Site by any act or omission of any DB-Related Entity; and (b) the creation or exacerbation of any Hazardous Environmental Condition due to the negligence, recklessness or willful misconduct of any DB-Related Entity. To the fullest extent permitted by Laws and Regulations, DB Entity shall indemnify, defend and hold harmless the Indemnified Parties from and against all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from Items (a) and/or (b) above.
- F. Nothing contained in this Paragraph 4.04 is intended to identify DB Entity as the generator of any pre-existing Hazardous Materials, except as set forth in applicable Legal Requirements.

ARTICLE 5 - BONDS AND INSURANCE

5.01 Performance, Payment and Other Bonds

- A. On or before the Effective Date of the Contract Price Proposal, DB Entity shall furnish performance and payment Bonds, each in an amount at least equal to the Phase 1 Contract Price, as security for the faithful performance and payment of all DB Entity's obligations to furnish, provide and pay for the Phase 1 – Scope of Work, including but not limited to all Design Professional Services. The Performance Bond shall remain in effect at least until one (1) year after Final Acceptance, except as provided otherwise by Laws or Regulations. DB Entity shall also furnish such other Bonds as are required by the Contract Documents. The applicable section of California Civil Code Section 9550 et seq. shall apply.
- B. All Bonds shall be executed by such sureties as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. Additionally, the surety shall:
 - 1. hold a certificate of authority authorizing it to write surety bonds in California;
 - 2. have twice the minimum surplus and capital required by the California insurance code at the time of the Effective Date of the Contract Price Proposal;

3. be in compliance with the provisions of the California insurance code;
 4. hold a currently valid certificate of authority issued by the United States Department of the Treasury under 31 U.S.C. Sections 9304 to 9308; and
 5. provide an affidavit executed by an officer of the surety bond insurer as evidence that the surety company is in compliance with the foregoing requirements.
- C. All Bonds signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed each bond.
- D. If the surety on any Bond furnished by DB Entity is declared a bankrupt or becomes insolvent or its right to do business is terminated in California or it ceases to meet the requirements of Paragraphs 5.01.B and 5.02, DB Entity shall within twenty (20) days thereafter substitute another Bond and surety, both of which shall comply with the requirements of Paragraphs 5.01.B and 5.02.

5.02 *Licensed Sureties and Insurers*

All Bonds and insurance required by the Contract Documents to be purchased and maintained by DB Entity shall be obtained from surety or insurance companies that are duly licensed or authorized to conduct business in the state of California. In addition, such sureties and insurance companies shall have an A.M. Best company rating of no less than A-:VII.

5.03 *Certificates of Insurance*

- A. DB Entity shall deliver to Owner, with copies to each additional insured and loss payee identified in the Contract Documents, certificates of insurance (and other evidence of insurance requested by Owner or any other additional insured or loss payee) which DB Entity is required to purchase and maintain. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by Owner before Phase 1 – Scope of Work commences.
- B. Failure of Owner to demand such certificates or other evidence of DB Entity's full compliance with these insurance requirements or failure of Owner to identify a deficiency in compliance from the evidence provided shall not be construed as a waiver of DB Entity's obligation to maintain such insurance.
- C. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect DB Entity.
- D. The insurance and insurance limits required herein shall not be deemed as a limitation on DB Entity's liability under the indemnities granted to Owner and others in the Contract Documents.

5.04 *DB Entity's Insurance*

See Insurance Requirements in Exhibit 9.

5.05 *Owner is Self-Insured*

In addition to the insurance required to be provided by DB Entity under Paragraph 5.04, Owner is insured to protect itself against claims which may arise from operations under the Contract Documents through the California Sanitations Agencies Risk Management Authority.

5.06 *Property Insurance*

- A. DB Entity will purchase and maintain property insurance upon Construction at the Site. Such insurance is in the amount of the full replacement cost. Such insurance shall:
1. include the interests of Owner, DB Entity, and any other persons or entities identified as a loss payee in the Contract Documents, each of whom is deemed to have an insurable interest to the extent of their actual loss.
 2. be written on a Builder's Risk "all risk" policy that shall at least include insurance for physical loss or damage to the Phase 1 – Scope of Work, including any real or personal property delivered to the site and shall insure against at least the perils of fire, lightning, extended coverage, theft, vandalism and malicious mischief, flood, earthquake, collapse, debris removal, demolition occasioned by enforcement of Laws or Regulations, water damage and such other perils or causes of loss as may be specifically required by the Contract Documents;
 3. include expenses incurred in the repair or replacement of any Owner's property (including but not limited to fees and charges of Owner's Advisor);
 4. cover materials and equipment stored at the Site or at another location that was agreed to in writing by Owner prior to being incorporated in the Phase 1 – Scope of Work, provided that such materials and equipment have been included in an Application for Payment recommended by Owner;
 5. includes the hazards usually contained in a boiler and machinery policy, and any additional property insurance as may be required by the Contract Documents or Laws or Regulations;
 6. remain in effect and not be excluded by a "force majeure clause," whether in these General Conditions or otherwise; and
 7. be maintained in effect until Final Acceptance unless otherwise agreed to in writing by Owner and DB Entity with thirty days written notice to each other person or entity that is identified as a loss payee in the Contract Documents.
- B. All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained by DB Entity in accordance with this Paragraph 5.06 will contain a provision or endorsement that the coverage afforded will not be canceled, renewal refused, or reduced in coverage or limits, until at least 30 days' prior written notice has been given to Owner and to each other loss payee identified in the Contract Documents, and will contain waiver provisions in accordance with Paragraph 5.07.

- C. Owner shall not be responsible for purchasing and maintaining any property insurance to protect the interests of any DB-Related Entity to the extent of any deductible amounts that are identified in the Contract Documents. The risk of loss within such identified deductible amount will be borne by DB Entity or the DB-Related Entity suffering any such loss and if any of them wishes property insurance coverage within the limits of such amounts, each may purchase and maintain it at the purchaser's own expense.
- D. If DB Entity requests in writing that other special insurance be included in the property insurance policies provided under Paragraph 5.06, Owner shall, if possible, include such insurance, and the cost thereof will be charged to DB Entity by appropriate Change Order. Prior to commencement of the Phase 1 – Scope of Work at the Site, Owner shall in writing advise DB Entity whether or not such other insurance has been procured by Owner.

5.07 *Waiver of Rights*

Owner and DB Entity intend that all policies purchased in accordance with Paragraph 5.06 will protect Owner, Owner's Advisor, DB Entity, and all DB-Related Entities, and will provide primary coverage for all losses and damages caused by the perils or causes of loss covered thereby. All such policies shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any of the insureds or loss payees thereunder. Owner and DB Entity waive all rights against each other and their respective officers, directors, members, partners, employees, agents, and other consultants and subcontractors of each and any of them for all losses and damages caused by, arising out of or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Phase 1 – Scope of Work; and, in addition, waive all such rights against Owner's Advisor, and DB-Related Entities. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner as trustee or otherwise payable under any policy so issued.

5.08 *Receipt and Application of Insurance Proceeds*

- A. Any insured loss under the policies of insurance required by Paragraph 5.06 will be adjusted with DB Entity and made payable to DB Entity and Owner as joint loss payees and fiduciaries for the insureds, as their interests may appear, subject to the requirements of any applicable mortgage clause and of Paragraph 5.08.B. DB Entity shall deposit in a separate account any money so received, and shall distribute it in accordance with such agreement as the parties in interest may reach. If no other special agreement is reached the damaged Construction shall be repaired or replaced, the moneys so received applied on account thereof and the Phase 1 – Scope of Work and the cost thereof covered by an appropriate Change Order.
- B. DB Entity as fiduciary shall have power to adjust and settle any loss with the insurers unless one of the parties in interest shall object in writing within 15 days after the occurrence of loss to DB Entity's exercise of this power. If such objection be made, DB Entity as fiduciary shall make settlement with the insurers in accordance with such agreement as the parties in interest may reach. If no such agreement among the parties in interest is reached, DB Entity as fiduciary shall adjust and settle the loss with the insurers and, if required in writing by any party in interest, DB Entity as fiduciary shall give bond for the proper performance of such duties.

5.09 *Acceptance of Bonds and Insurance; Option to Replace*

If Owner has any objection to the coverage afforded by or other provisions of the Bonds or insurance required to be purchased and maintained by DB Entity in accordance with Article 5 on the basis of their not complying with the Contract Documents, Owner shall notify DB Entity in writing within ten days after receipt of the certificates and insurance declaration page(s) required by Paragraph 2.01. DB Entity shall provide to Owner such additional information in respect of insurance provided as Owner may reasonably request. If DB Entity does not maintain all of the Bonds and insurance required by the Contract Documents, and without prejudice to any other right or remedy, Owner shall have the right to terminate DB Entity for cause under Paragraph 14.02.

5.10 *Partial Utilization, Acknowledgment of Property Insurance*

If Owner finds it necessary to occupy or use a portion or portions of the Phase 1 – Scope of Work prior to Substantial Completion of all the Work as provided in Paragraph 13.06, no such use or occupancy shall commence before the insurers providing the property insurance pursuant to Paragraph 5.06 have acknowledged notice thereof and in writing effected any changes in coverage necessitated thereby. The insurers providing the property insurance shall consent by endorsement on the policy or policies, but the property insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy.

ARTICLE 6 - DB ENTITY'S RESPONSIBILITIES

6.01 *Design Professional Services*

A. General:

1. The standard of care for all Design Professional Services performed or furnished by DB Entity under this Agreement – Phase 1 will be the care and skill ordinarily used by members of the subject profession practicing under similar conditions at the same time and in the same locality. Notwithstanding the preceding sentence, if the Contract Documents contain specific performance standards, the services shall be performed to achieve such standards.
2. DB Entity shall comply with all California laws with respect to the practice of land surveying and professional engineering.
3. DB Entity assumes full responsibility for any portion or element of the Contract Documents that is incorporated into the Drawings and Specifications. For the avoidance of doubt, DB Entity shall be responsible hereunder for any errors in the Work Product developed through Design-Build Agreement.
4. Owner shall have the right to review and comment upon all DB Entity design documents, whether in draft or final form, including all field-directed amendments to the design, in order to confirm the compliance and consistency of the design documents with the Contract Documents. DB Entity shall give due consideration and provide written responses to any comments delivered by Owner as to DB Entity's design Submittals. Neither compliance by DB Entity with the Contract Documents, nor review of and comment by Owner on DB Entity's design documents, nor any failure or delay by Owner in commenting on any design Submittals,

shall in any way relieve DB Entity of full responsibility for the design, construction, and performance of the Overall Project in accordance with the Contract Documents.

5. Owner has made no representation or warranty to DB Entity that the information provided to DB Entity in the Contract Documents is correct, sufficient, complete or accurate. DB Entity shall, as part of the Design Professional Services, evaluate and validate any design criteria, requirements or other data and information provided in the Contract Documents, and, if it believes that there are errors, omissions, contradictions or any other problems in the Contract Documents, it shall notify Owner accordingly. DB Entity assumes responsibility for the sufficiency, completeness, and accuracy of all Contract Documents, notwithstanding the fact that Owner provided such information. DB Entity shall have no right to claim or seek an adjustment to the Contract Price or Contract Time as the result of: (i) any incomplete, inaccurate, ambiguous, or inadequate information or requirements contained in or among any of the Contract Documents; or (ii) Owner's review or approval of any Contract Documents.

B. Design-Build Services: DB Entity shall:

1. On the basis of the Contract Price Proposal Documents, prepare Final Drawings showing the scope, extent, and character of the Construction to be performed and furnished by DB Entity and Final Specifications (which will be prepared, where appropriate, in general conformance with the format recommended by the Construction Specifications Institute);
2. Provide technical criteria, written descriptions, and design data required for obtaining approvals of such governmental authorities as have jurisdiction to review or approve the final design of the Overall Project, and assist Owner in consultations with appropriate authorities;
3. Furnish the above documents, Drawings, and Specifications to and review them with Owner within the times indicated in the schedules described in Paragraph 2.04; and
4. Identify any deviations from other Contract Documents.

6.02 *Supervision and Superintendence of Construction*

- A. DB Entity shall supervise, inspect, and direct the Construction competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to provide the Construction in accordance with the Contract Documents. DB Entity shall be solely responsible for the means, methods, techniques, sequences, and procedures of the Phase 1 – Scope of Work. DB Entity shall be responsible to see that the completed Construction complies fully with the Contract Documents and shall keep Owner advised as to the quality and progress of the Construction.
- B. At all times during the progress of Construction, DB Entity shall assign a competent resident superintendent who shall not be replaced without written notice to Owner except under extraordinary circumstances. The superintendent will be DB Entity's representative at the Site and shall have authority to act on behalf of DB Entity. All communications given to or received from the superintendent shall be binding on DB Entity. The superintendent shall be able to read, write, speak, and understand the English language.

6.03 *Labor, Working Hours*

- A. DB Entity shall provide competent, suitably qualified personnel to perform the Phase 1 – Scope of Work as required by the Contract Documents. DB Entity shall at all times maintain good discipline and order at the Site.
1. DB Entity shall remove from the Site any person in the employ of DB Entity or any Subcontractor or Consultant whom Owner may deem incompetent or unfit and such worker shall not again participate in the work and shall not again be employed on it except with written consent of Owner.
 2. DB Entity shall take all reasonable steps necessary to ensure that any employees of DB Entity or any of its Subcontractors or Consultants report for work in a manner fit to do their job. Such employees: (i) shall not utilize tobacco on the Site, and (ii) shall not be under the influence of or in possession of any alcoholic beverage or any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety at the Site is not affected thereby). DB Entity shall advise its employees, Subcontractors, suppliers, and invitees of these requirements before they enter on the Site and shall immediately remove from the Site any person in violation of these requirements as determined by DB Entity or by Owner. DB Entity shall impose these requirements on its Subcontractors, suppliers, and other invitees. DB Entity shall execute, under penalty of perjury, the certification of a drug-free workplace and certification of a tobacco-free workplace on the forms provided herewith provided herewith.
 3. DB Entity shall comply with all provisions of Technical Requirements relating to funding.
- B. Working Hours: As provided in Article 3 (commencing at Section 1810), Chapter 1, Part 7, Division 2 of the Labor Code, DB Entity stipulates that eight (8) hours of labor shall constitute a legal day's work. The time of service of any worker employed at any time by DB Entity or by the work or upon any part of the work contemplated by this contract is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as hereinafter provided. Notwithstanding the provisions hereinabove set forth, work performed by employees of DB Entity in excess of eight (8) hours per day and forty (40) hours during any one week upon this public work shall be permitted compensation of all hours worked in excess of eight (8) hours per day at not less than one and one-half times the basic rate of pay, unless otherwise permitted under the terms of a collective bargaining agreement.
- C. DB Entity shall pay to Owner a penalty of TWENTY-FIVE DOLLARS (\$25.00) for each worker employed in the execution of these Contract Documents by DB Entity or by any Subcontractor for each calendar day during which such workman is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week in violation of the provisions of Article 3 (commencing at Section 1810), Chapter 1, Part 7, Division 2 of the Labor Code, unless compensation to the worker so employed by DB Entity is not less than one and one-half (1-1/2) times the basic rate of pay for all hours worked in excess of eight (8) hours per day unless otherwise permitted by a collective bargaining agreement.

- D. Any work necessary to be performed after regular working hours, or on Sundays or other holidays shall be performed without additional expense to Owner, unless otherwise agreed to by the parties.
- E. Construction work under the Construction Provisions shall be accomplished on a schedule consistent with the normal and reasonable practices of Design-Builder and in compliance with applicable ordinances.
- F. Prevailing Wage: This Overall Project is subject to the California Prevailing Wage Law. For convenience and for the purposes of reference, several provisions of the California Prevailing Wage Laws are set forth in this section. DB Entity shall be responsible for complying with the California Prevailing Wage Laws in their entirety, even if applicable provisions of the laws are not specifically listed in this Agreement.
1. Pursuant to Section 1770, et seq., of the Labor Code of the State of California, the DB Entity shall pay its employees the general prevailing rate of wages as determined by the Director of the Department of Industrial Relations. In addition, the Respondent shall be responsible for compliance with the requirements of Section 1777.5 of the California Labor Code relating to apprentice public works contracts. In accordance with Section 1771.1 of the California Labor Code, a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to California Labor Code section 1725.5. In accordance with Section 1771.4 of the California Labor Code, this Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
 2. Per Diem wages shall be deemed to include employer payments for health and welfare, pension, vacation, travel time and subsistence pay as provided in Labor Code § 1773.1 apprenticeship or other training programs authorized by Labor Code § 3093, and similar purposes when the term “per diem wages” is used herein. Each worker needed to execute the Work must be paid travel and subsistence payments as defined in the applicable collective bargaining agreements in accordance with Labor Code § 1773.1.
 3. Holiday and overtime work when permitted by law shall be paid for at a rate of at least one and one-half times the above specified rate of per diem wages, unless otherwise specified.
 4. Each worker of DB Entity and any of its subcontractors engaged in work on the System shall be paid not less than the prevailing wage rate, regardless of any contractual relationship which may be alleged to exist between DB Entity or any subcontractors and such workers.

5. DB Entity shall, as a penalty to Owner, forfeit an amount as determined by the Labor Commissioner pursuant to Labor Code § 1775 for each calendar day, or portion thereof, for each worker paid less than the prevailing rate as determined by the director for such work or craft in which such worker is employed for any public work done under the contract by him or by any subcontractor under him. The difference between such prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof, for which each worker was paid less than the prevailing wage rate, shall be paid to each worker by DB Entity.
6. Copies of the determined prevailing wage rates are on file and available upon request at Owner's office, or online at the California Department of Industrial Relations website, which may be located at www.dir.ca.gov. Owner shall provide DB Entity with current prevailing wage rates, in writing, upon request. DB Entity shall post, at an appropriate conspicuous point on the Site, a schedule showing all determined general prevailing wage rates. Alternatively, DB Entity may obtain copies of the current prevailing wage rates from the Department of Industrial Relations.
7. Any worker employed to perform work on the Overall Project which is not covered by any classification available in Owner's office, shall be paid not less than the minimum rate of wages specified for the classification which most nearly corresponds with work to be performed by him, and that minimum wage rate shall be retroactive to the time of initial employment of the person in the classification.

G. Apprentices.

1. DB Entity and its subcontractors at every tier shall use a skilled and trained workforce to perform all work on the Overall Project that falls within an apprenticeable occupation in the building and construction trades, in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of the California Public Contract Code. All apprentices employed by DB Entity to perform services under these Contract Documents shall be paid the standard wage paid to apprentices under the regulation of the craft or trade at which that apprentice is employed, and shall be employed only at the work of the craft or trade in which that apprentice is registered. Only apprentices, as defined in Labor Code § 3077, who are in training under apprenticeship standards and written apprenticeship agreements under Chapter 4 (commencing at Section 3070), Division 3 of the Labor Code, are eligible to be employed under these Construction Provisions. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprenticeship agreements under which that apprentice is training.
2. When DB Entity to whom the work under these Construction Provisions is awarded by Owner or any Subcontractor under DB Entity, in performing any of the work under the Contract Documents, employs workers in any apprenticeable craft or trade, DB Entity and Subcontractor shall apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade in the area of the Site of the public work, for a certificate approving DB Entity or Subcontractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, approval as established by the joint apprenticeship committee or committees shall be

subject to the approval of the Administrator of Apprenticeship. DB Entity or Subcontractors shall not be required to submit individual applications for approval to local joint apprenticeship committees provided they are already covered by the local apprenticeship standards. The ratio of work performed by apprentices to journeymen, who shall be employed in the craft or trade on the public work, may be the ratio stipulated in the apprenticeship standards under which the joint apprenticeship committee operates, but in no case shall the ratio be less than one hour of apprentice work for each five (5) hours of labor performed by a journeyman, except as otherwise provided in Section 1777.5 of the Labor Code. However, the minimum ratio for the land surveyor classification shall not be less than one apprentice for each five journeymen.

3. "Apprenticeable craft or trade" as used in Labor Code § 1777.5 and this Article, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the Apprenticeship Council.
4. DB Entity, or any Subcontractor which, in performing any of the work under this contract, employs journeymen or apprentices in any apprenticeable craft or trade and which is not contributing to a fund or funds to administer and conduct the apprenticeship programming of any craft or trade in the area of the Site of the public work, to which fund or funds other DB Entities in the area of the Site of the public work are contributing, shall contribute to the fund or funds in each craft or trade in which that DB Entity employs journeymen or apprentices on the public work in the same amount or upon the same basis and in the same manner as other DB Entities do, but where the trust fund administrators are unable to accept the funds, DB Entity not signatory to the trust agreement shall pay like amount to the California Apprenticeship Council. DB Entity or Subcontractor may add the amount of such contributions in computing their bid for the contract. The Division of Labor Standards Enforcement is authorized to enforce the payment of the contributions to the fund or funds as set forth in Labor Code § 227.
5. The responsibility of compliance with Labor Code § 1777.5 and this Article for all apprenticeable occupations is with DB Entity.
6. The interpretation and enforcement of Sections 1777.5 and 1777.7 of the Labor Code shall be in accordance with the rules and procedures of the California Apprenticeship Council.

H. Compliance: Failure to fully comply with Paragraphs A, B, C, D, E, F and G above shall be a material breach of the Contract and cause for termination of the Contract for cause.

6.04 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, DB Entity shall furnish or cause to be furnished and assume full responsibility for the Phase 1 – Scope of Work, including but not limited to all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start-up, and completion of the Phase 1 – Scope of Work.

- B. All materials and equipment incorporated into the Phase 1 – Scope of Work shall be as specified by Owner, or in the Drawings or Specifications, or if not specified shall be of good quality and new, except as otherwise provided in the Contract Documents. All warranties and guarantees specifically called for by the Contract Documents shall expressly run to the benefit of Owner. If required by Owner, DB Entity shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise provided in the Contract Documents.

6.05 *Progress Schedule*

- A. DB Entity shall adhere to the progress schedule established in accordance with Paragraph 2.04.A as it may be adjusted from time to time as provided below:
 - 1. DB Entity shall submit to Owner for acceptance proposed adjustments in the progress schedule that will not change the Contract Time(s) (or Milestones). Such adjustments will conform generally to the progress schedule then in effect.
 - 2. Proposed adjustments in the progress schedule that will change the Contract Time(s) (or Milestones) shall be submitted in accordance with the requirements of Paragraph 11.02. Such adjustments may only be made by a Change Order.
 - 3. If, in the opinion of Owner, DB Entity falls behind the progress schedule due to an event that does not enable DB Entity to extend the Contract Time(s), including but not limited to actions or neglect of any DB-Related Entity's failure to perform part or all of the Work or to supply any equipment or materials, Owner may direct DB Entity, at DB Entity's sole cost and expense, to take remedial steps, including, but not limited to, increasing the number of personnel, shifts, and/or overtime operations, days of Phase 1 – Scope of Work, and/or amount of construction equipment until such time as the Phase 1 – Scope of Work is back on schedule. In such event, DB Entity shall also submit for review not later than the time of submittal of the next request for partial payment, a supplementary schedule demonstrating the manner in which the acceptable rate and achievement of progress will be regained, all without additional cost to Owner.

6.06 *Concerning DB-Related Entities*

- A. DB Entity shall not employ any DB-Related Entity or any individual against whom Owner may have reasonable objection. DB Entity shall not be required to employ any Design Sub-consultant or Subcontractor against whom DB Entity has reasonable objection.
- B. DB Entity shall be fully responsible to Owner for all acts and omissions of the DB-Related Entities just as DB Entity is responsible for DB Entity's own acts and omissions. Nothing in the Contract Documents:
 - 1. shall create for the benefit of any such DB-Related Entity any contractual relationship between Owner and any such DB-Related Entity;

2. shall create any obligation on the part of Owner to pay or to see to the payment of any moneys due any DB-Related Entity except as may otherwise be required by Laws or Regulations.
- C. DB Entity shall be solely responsible for scheduling and coordinating all DB-Related Entities.
 - D. DB Entity shall require all DB-Related Entities to communicate with Owner through DB Entity.
 - E. All Work performed for DB Entity by a DB-Related Entity will be pursuant to an appropriate Design Sub-agreement or Construction Sub-agreement between DB Entity and the DB-Related Entities which specifically binds the DB-Related Entities to the applicable terms and conditions of the Contract Documents for the benefit of Owner. Whenever any such agreement is with a DB-Related Entity who is listed as a loss payee on the property insurance provided in Paragraph 5.06, the agreement between DB Entity and such DB-Related Entity will contain provisions whereby the DB-Related Entity waives all rights against Owner, Owner's Advisor, DB Entity, and all other loss payees (and their officers, directors, members, partners, employees, agents, and other consultants and subcontractors of each and any of them) for all losses and damages caused by any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Phase 1 – Scope of Work. If the insurers on any such policies require separate waiver forms to be signed by any DB-Related Entity, DB Entity will obtain the same.

6.07 *Patent Fees and Royalties*

- A. DB Entity shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Phase 1 – Scope of Work or the incorporation in the Phase 1 – Scope of Work of any invention, design, process, product or device which is the subject of patent rights or copyrights held by others.
- B. To the fullest extent permitted by Laws or Regulations, DB Entity shall indemnify and hold harmless the Indemnified Parties from and against all claims, costs, losses and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or resulting from any infringement of patent rights or copyrights incident to the use in the performance of the Phase 1 – Scope of Work or resulting from the specification or incorporation in the Phase 1 – Scope of Work of any invention, design, process, product or device. Notwithstanding the foregoing, DB Entity shall not be liable to Owner for infringement claims: (i) relating solely to a particular process or product of a particular manufacturer specified by Owner and not objected to in writing by DB Entity to Owner; (ii) arising from modifications to the Phase 1 – Scope of Work by Owner after acceptance of the Phase 1 – Scope of Work; or (iii) Owner's use or operation of the Phase 1 – Scope of Work for purposes other than intended.

6.08 *Permits*

- A. Unless otherwise provided in the Contract Documents, DB Entity shall obtain and pay for all necessary permits, licenses, and approvals of governmental authorities having jurisdiction over

the Phase 1 – Scope of Work. If any such permit, license or approval of governmental authorities is required to be formally issued in the name of Owner, DB Entity shall undertake all efforts to obtain such permit, license or approval subject to Owner's reasonable cooperation with DB Entity, including execution and delivery of appropriate applications and other documentation in forms approved by Owner.

- B. DB Entity shall pay all governmental charges and inspection fees necessary for the performance of the Phase 1 – Scope of Work. Owner shall pay charges of utility owners for connections to the Phase 1 – Scope of Work and for capital costs related thereto.
- C. A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

6.09 *Laws or Regulations*

- A. DB Entity shall give all notices required by and comply with all Laws or Regulations applicable to the performance of the Phase 1 – Scope of Work. Except where otherwise expressly required by applicable Laws and Regulations, Owner shall not be responsible for monitoring DB Entity's compliance with any Laws or Regulations.
- B. If DB Entity performs any Phase 1 – Scope of Work knowing or having reason to know that it is contrary to Laws or Regulations, DB Entity shall bear all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Phase 1 – Scope of Work.
- C. Changes in Laws or Regulations not known on the Effective Date of the Phase 1 Contract Price Proposal having an effect on the cost or time of performance may be the subject of a change in Phase 1 Contract Price or Contract Time(s). Notwithstanding the above, DB Entity shall not be entitled to an adjustment in the Phase 1 Contract Price or Contract Time for, and assumes the risk of, any changes in Laws or Regulations related to DB Entity's corporate existence or the maintenance of its business, including, but not limited to, gross receipt taxes, social security, Medicare, and other payroll-related taxes.
- D. The DB Entity acknowledges to and for the benefit of the Owner and the State of California that it understands the goods and services under this Agreement – Phase 1 are being funded with monies made available by the Clean Water State Revolving Fund and/or Drinking Water State Revolving Fund that have statutory requirements commonly known as “American Iron and Steel;” that requires all of the iron and steel products used in the project to be produced in the United States (“American Iron and Steel Requirement”) including iron and steel products provided by the Contactor pursuant to this Agreement. The DB Entity hereby represents and

warrants to and for the benefit of the Owner and the State that (a) the DB Entity has reviewed and understands the American Iron and Steel Requirement, (b) all of the iron and steel products used in the project will be and/or have been produced in the United States in a manner that complies with the American Iron and Steel Requirement, unless a waiver of the requirement is approved, and (c) the DB Entity will provide any further verified information, certification or assurance of compliance with this paragraph, or information necessary to support a waiver of the American Iron and Steel Requirement, as may be requested by the Owner or the State. Notwithstanding any other provision of this Agreement, any failure to comply with this paragraph by the DB Entity shall permit the Owner or State to recover as damages against the DB Entity any loss, expense, or cost (including without limitation attorney's fees) incurred by the Owner or State resulting from any such failure (including without limitation any impairment or loss of funding, whether in whole or in part, from the State or any damages owed to the State by the Owner). While the DB Entity has no direct contractual privity with the State, as a lender to the Owner for the funding of its project, the Owner and the DB Entity agree that the State is a third-party beneficiary and neither this paragraph (nor any other provision of this Agreement necessary to give this paragraph force or effect) shall be amended or waived without the prior written consent of the State.

6.10 *Taxes*

DB Entity shall pay all sales, consumer, use, employment-related and other taxes required to be paid by DB Entity in accordance with the Laws or Regulations of the place of the Project which are applicable during the performance of the Phase 1 – Scope of Work.

6.11 *Use of Site and Other Areas*

A. Limitation on Use of Site and Other Areas:

1. DB Entity shall confine construction equipment, the storage of materials and equipment, and the operations of construction workers to the Site and other areas permitted by Laws or Regulations, and shall not unreasonably encumber the Site and other areas with construction equipment or other materials or equipment. DB Entity shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof or of any adjacent land or areas, resulting from the performance of the Phase 1 – Scope of Work.
2. Should any claim be made by any such owner or occupant because of the performance of Phase 1 – Scope of Work, DB Entity shall promptly settle with such other party by negotiation or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.
3. To the fullest extent permitted by Laws or Regulations, DB Entity shall indemnify and hold harmless the Indemnified Parties from and against all claims, costs, losses and damages (including, but not limited to, fees of engineers, architects, attorneys and other professionals and court and arbitration or other dispute resolution costs) arising out of or resulting from any claim brought by any such owner or occupant against Owner, or any other party indemnified hereunder to the extent caused by or based upon the failure of any

DB-Related Entity to perform the Construction in accordance with the Contract Documents.

4. DB Entity shall ensure that all employees performing or furnishing any of the Phase 1 – Scope of Work will be prohibited from using firearms, engaging in hunting, fishing, trapping, using illegal drugs or using alcohol either on the work site, on Owner’s property, or on any land adjoining the work site.
- B. Removal of Debris: During the performance of the Construction, DB Entity shall keep the premises free from accumulations of waste materials, rubbish, and other debris resulting from the Construction. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws or Regulations.
- C. Cleaning: Prior to Substantial Completion, DB Entity shall clean the Site and make it ready for utilization by Owner. At completion of Construction, DB Entity shall remove all tools, appliances, construction equipment, temporary construction and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. Loading Structures: DB Entity shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall DB Entity subject any part of the Construction or adjacent property to stresses or pressures that will endanger it.

6.12 *Record Documents*

- A. DB Entity shall maintain in a safe place at the Site one record copy of all Drawings, Specifications, Addenda, Change Orders, Field Orders, Work Change Directives, approved Submittals, QA/QC records, and all other written interpretations and clarifications in good order and annotated to show all changes made during performance of the Phase 1 – Scope of Work. Such copies shall constitute the “Record Documents” and will be available to Owner for reference.
- B. The Record Documents shall, as appropriate, be marked-up as the Phase 1 – Scope of Work progresses to reflect current conditions and shall become the “as-built” plans. The revisions are to be indicated in a neat, well-organized manner and are to include the elevation and plan location of any utilities, structures, etc., encountered or installed. A “record” survey book will be kept and shall include the following items:
 1. The location and elevation of all existing utilities, structures, etc. encountered.
 2. The finished product location and elevation of all utilities and structures installed, including, but not limited to, fire hydrants, catch basin and manhole lids, inverts, pipes, and any and all underground structures.
- C. The Record Documents shall comply with Paragraph 16.11 (“Records”).
- D. All record notes shall be kept in book(s) designated “record” and no other survey notes will be kept in such books. DB Entity will be required to review with Owner the status of the “as-

built” plans and the “record” survey notes in connection with Owner’s evaluation of an application for payment. Failure to maintain record documents current shall be just cause for Owner to withhold payments for Phase 1 – Scope of Work performed.

- E. Upon Substantial Completion of the Phase 1 – Scope of Work, the Record Documents will be delivered to Owner. DB Entity shall deliver to Owner a reproducible set of updated contract plans. DB Entity will transfer all its “as-built” information to these reproducibles and deliver the resultant “as-built” set of plans, together with the record survey book to Owner. Each completed set of “as-built” drawings must include on its face, a certified statement by DB Entity that the set of “as-built” drawings accurately depicts the actual Phase 1 – Scope of Work as constructed.

6.13 *Safety and Protection*

- A. DB Entity shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Phase 1 – Scope of Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. DB Entity shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
 - 1. All persons on the Site or who may be affected by the Phase 1 – Scope of Work;
 - 2. All the Phase 1 – Scope of Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 - 3. Other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, utilities and underground facilities not designated for removal, relocation, or replacement in the course of construction.
- B. DB Entity shall comply with applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. DB Entity shall notify owners of adjacent property and of underground facilities and utility owners when prosecution of the Phase 1 – Scope of Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property.
- C. DB Entity shall comply with the applicable requirements of Owner’s safety programs, if any. The Contract Documents identify any Owner’s safety programs that are applicable to the Work.
- D. DB Entity shall inform Owner of the specific requirements of DB Entity’s safety program with which Owner and its employees and representatives must comply while at the Site.
- E. All damage, injury, or loss to any property referred to in Paragraph 6.13.A.2 or 6.13.A.3 caused, directly or indirectly, in whole or in part, by any DB-Related Entity shall be remedied by DB Entity.

- F. DB Entity's duties and responsibilities for safety and for protection of the construction shall continue until such time as all the Phase 1 – Scope of Work is completed and Owner has issued a notice to DB Entity in accordance with Paragraph 13.08 that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).

6.14 *Safety Representative*

DB Entity shall designate a competent safety representative at the Site who has the experience, duty and responsibility to take prompt actions to eliminate hazards, correct unsafe conditions, and enforce the implementation of DB Entity's safety requirements.

6.15 *Hazard Communication Programs*

DB Entity shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

6.16 *Emergencies*

- A. In emergencies affecting the safety or protection of persons or the Phase 1 – Scope of Work or property at the Site or adjacent thereto, DB Entity is obligated to act to prevent threatened damage, injury, or loss. DB Entity shall give Owner prompt written notice if DB Entity believes that any significant changes in the Phase 1 – Scope of Work or variations from the Contract Documents have been caused thereby or are required as a result thereof. DB Entity shall be responsible for providing first aid and medical care in accordance with applicable laws and regulations.
- B. DB Entity shall be required to secure or remove from the site, prior to a storm event, any materials or equipment which could cause bodily injury, damage to the Phase 1 – Scope of Work, Owner's installations and/or public or private property. Site excavations shall be required to be secured and/or backfilled. No DB Entity equipment may be parked within 100 feet of any Owner facilities. In the event of the issuance of a storm warning, Owner will attempt to notify DB Entity, however, DB Entity is responsible for preparing for a storm event. DB Entity shall take the necessary precautions to protect the walking and motoring public from harm due to construction activity.
- C. Owner may, but is not required to, order the work be stopped if a condition of imminent danger exists. Nothing shall be construed to shift responsibility or risk of loss for injuries and /or damages, cost of stoppage or delay of work, from DB Entity to Owner. DB Entity shall remain solely and exclusively responsible for compliance with all safety requirements and the safety of all persons and property at the Site.

6.17 *Continuing the Work*

DB Entity shall continue the Phase 1 – Scope of Work and adhere to the progress schedule during all disputes or disagreements with Owner. No Phase 1 – Scope of Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as set forth in Paragraph 14.04 or as DB Entity and Owner may otherwise agree in writing.

6.18 *DB Entity's General Warranty and Guarantee*

- A. DB Entity warrants and guarantees to Owner that all Construction will be in accordance with the Contract Documents and will not be defective.
- B. DB Entity's warranty and guarantee hereunder excludes defects or damage caused by:
 - 1. abuse, modification or improper maintenance or operation by persons other than a DB-Related Entity; or
 - 2. normal wear and tear under normal usage.
- C. DB Entity's obligation to perform and complete the Phase 1 – Scope of Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of DB Entity's obligation to perform the Work in accordance with the Contract Documents:
 - 1. Observations by Owner;
 - 2. The making of any progress or final payment;
 - 3. The issuance of a certificate of Substantial Completion;
 - 4. Use or occupancy of the Phase 1 – Scope of Work or any part thereof by Owner;
 - 5. Any review and approval of a Submittal;
 - 6. Any inspection, test, or approval by others; or
 - 7. Any correction of defective Phase 1 – Scope of Work by Owner.

6.19 *Indemnification*

- A. DB Entity agrees to and does hereby defend, indemnify and hold harmless Owner and its respective its representatives, appointed and elected officials, officers, employees, authorized agents, consultants (including Owner's Advisor), and other duly authorized representatives (the "Indemnified Parties") from every claim or demand made, and every liability, loss, damage, expense or attorney's fees of any nature whatsoever, which may be incurred by reason of:
 - 1. Liability for: (1) death or bodily injury to persons; (2) damage or injury to, loss (including theft), or loss of use of, any property; (3) any failure or alleged failure to comply with any provision of law or the Contract Documents; or (4) any other loss, damage or expense, sustained by any person, firm or corporation arising from any act, omission or breach of DB Entity or any person, firm or corporation employed by, under contract with, or acting on behalf of Design-Builder, arising out of or in any way connected with the Phase 1 – Scope of Work performed by DB Entity, its employees, contractors and/or agents pursuant to this Agreement or the Contract Documents, whether said injury or damage occurs either

on or off Owner Property, except for liability resulting from the negligence or the willful misconduct of any of the Indemnified Parties; and

2. Any dispute between DB Entity and DB Entity's subcontractors, suppliers and/or sureties, including, but not limited to, any failure or alleged failure of the DB Entity (or any person hired or employed directly or indirectly by the DB Entity) to pay any subcontractor or materialman of any tier or any other person employed in connection with the Phase 1 – Scope of Work and/or filing of any stop notice or mechanic's lien claims.
- B. DB Entity, at its own expense, cost, and risk, shall defend any and all third party claims, actions, suits, or other proceedings, including any and all appeals thereof, that may be brought or instituted against the Indemnified Parties, and their respective officers, agents or employees, on account of or founded upon any cause, damage, or injury identified in this Section except for liability resulting from the sole or active negligence or the willful misconduct of any of the Indemnified Parties and shall pay or satisfy any final and non-appealable judgment that may be rendered against Indemnified Parties, and their respective officers, agents or employees in any action, suit or other proceedings as a result thereof, except for liability resulting from the sole or active negligence or the willful misconduct of any of the Indemnified Parties. DB Entity may select counsel to provide such defense, subject to acceptance by Owner, which acceptance shall not unreasonably be withheld. In any event, Owner shall control any defense provided by such counsel to Owner, and counsel defending Owner shall have a duty of loyalty and zealous advocacy to Owner.
- C. In any and all claims against an Owner Indemnitee by any employee (or the survivor or personal representative of such employee) of a DB-Related Entity, the indemnification obligations under Paragraphs 6.19.A and 6.19.B shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for a DB-Related Entity under workers' compensation acts, disability benefit acts or other employee benefit acts.

ARTICLE 7 – OTHER CONSTRUCTION

7.01 Related Work at Site

- A. Owner may perform work, or cause other work to be performed, related to the Project at the Site with Owner's employees, or through other direct contracts therefor, or through other utility owners. If such other work is not noted in the Contract Documents, then:
1. Written notice thereof will be given to DB Entity prior to starting any such other work; and
 2. If Owner and DB Entity are unable to agree on entitlement to or on the extent, if any, of any adjustment in the Contract Price or Contract Time(s) that should be allowed as a result of such other work, DB Entity may make a claim therefor as provided in Article 9 if DB Entity believes that such performance will involve additional expense to DB Entity or requires additional time.
- B. DB Entity shall afford each other contractor who is a party to such a direct contract and each utility owner (and Owner, if Owner is performing the additional work with Owner's

employees) proper and safe access to the Site and a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work and shall properly connect and coordinate the Phase 1 – Scope of Work with theirs. Unless otherwise provided in the Contract Documents, DB Entity shall do all cutting, fitting, and patching of the Phase 1 – Scope of Work that may be required to make its several parts come together properly and integrate with such other work. DB Entity shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that DB Entity may cut or alter others’ work with the written consent of Owner and the others whose work will be affected. The duties and responsibilities of DB Entity under this paragraph are for the benefit of such utility owners and other contractors to the extent that there are comparable provisions for the benefit of DB Entity in said direct contracts between Owner and such utility owners and other contractors.

- C. If the proper execution or results of any part of DB Entity’s Phase 1 – Scope of Work depends upon work performed or services provided by others under this Article 7, DB Entity shall inspect such other work and appropriate instruments of service and promptly report to Owner in writing any delays, defects or deficiencies in such other work or services that render it unavailable or unsuitable for the proper execution and results of DB Entity’s Phase 1 – Scope of Work. DB Entity’s failure so to report will constitute an acceptance of such other work as fit and proper for integration with DB Entity’s Phase 1 – Scope of Work except for latent or nonapparent defects and deficiencies in such other work.

7.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work on the Phase 1 – Scope of Work at the Site, the following will be set forth in Contract Documents:
 - 1. The individual or entity that will have authority and responsibility for coordination of the activities among the various prime contractors will be identified;
 - 2. The specific matters to be covered by such authority and responsibility will be itemized; and
 - 3. The extent of such authority and responsibilities will be provided.
- B. Unless otherwise provided in the Contract Documents, Owner shall have sole authority and responsibility in respect of such coordination.

7.03 *Legal Relationships*

- A. Paragraphs 7.01.A and 7.02 are not applicable for utilities not under the control of Owner.
- B. Each other direct contract of Owner under Paragraph 7.01.A shall provide that the other contractor is liable to Owner for the reasonable direct delay and disruption costs incurred by DB Entity as a result of the other contractor’s wrongful actions or inactions.
- C. DB Entity shall be liable to Owner for the reasonable direct delay and disruption costs incurred by such other contractor as a result of DB Entity’s wrongful action or inactions.

ARTICLE 8 – OWNER’S RESPONSIBILITIES

8.01 *General*

Owner shall do the following in a timely manner so as not to delay the services of DB Entity:

- A. Designate in writing a person to act as Owner’s Representative with respect to the services to be rendered under this Agreement – Phase 1. Such person shall have complete authority to transmit instructions, receive information, interpret and define Owner’s policies, make decisions with respect to performance of the Phase 1 – Scope of Work, and shall provide such other services as may be agreed upon;
- B. Make payments to DB Entity promptly when they are due as provided in Paragraphs 13.03 and 13.09;
- C. Furnish the Site as set forth in Paragraph 4.01.A;
- D. Furnish to DB Entity, as required for performance of DB Entity’s Services, the following:
 - 1. Environmental assessment and impact statements;
 - 2. Preliminary property, boundary, easement, right-of-way, topographic surveys as provided in the RFP only (no further survey data will be provided by the Owner; supplemental survey required for design and construction is the responsibility of the DB Entity per the Contract Documents);
 - 3. Property descriptions as provided in the RFP only;
 - 4. Zoning, deed, and other land use restrictions as provided in the RFP only;
 - 5. Records of Engineering surveys described in the RFP to establish reference points for design and construction which in Owner’s judgment are necessary to enable DB Entity to proceed with the Work;
 - 6. Assistance to DB Entity in filing documents required to obtain necessary permits, licenses, and approvals of governmental authorities having jurisdiction over the Project to extent required by the Contract Documents;
 - 7. Permits, licenses, and approvals of government authorities Owner is specifically required to obtain by the Contract Documents; and
 - 8. Identify reports known to Owner of explorations and tests of subsurface conditions at or contiguous to the Site, drawings known to owner of physical conditions relating to existing surface or subsurface structures at the Site, and information or data known to Owner concerning underground facilities at the Site.
- E. Review Submittals subject to Owner review pursuant to the Contract Documents; and

- F. Provide information known to Owner relating to the presence of materials and substances at the Site which could create a Hazardous Environmental Condition.

8.02 *Insurance*

Owner's responsibilities in respect of purchasing and maintaining liability and property insurance are set forth in Article 5.

8.03 *Limitations on Owner's Responsibilities*

Owner shall not supervise, direct, or have control or authority over, nor be responsible for, DB Entity's means, methods, techniques, sequences, or procedures of construction or the safety precautions and programs incident thereto, or for any failure of DB Entity to comply with Laws or Regulations applicable to the furnishing or performance of the Phase 1 – Scope of Work. Owner will not be responsible for DB Entity's failure to perform the Phase 1 – Scope of Work in accordance with the Contract Documents.

8.04 *Undisclosed Hazardous Materials and Hazardous Environmental Conditions*

Owner's responsibility in respect of undisclosed Hazardous Materials and Hazardous Environmental Conditions uncovered or revealed at the Site is set forth in Paragraph 4.04.

8.05 *Owner's Advisor*

Owner's Advisor, if any, has no duties, responsibilities, or authorities with respect to DB Entity, unless so provided in the Contract Documents.

8.06 *Compliance with Safety Program*

While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of DB Entity's safety programs of which Owner has been informed pursuant to Paragraph 6.13.D.

ARTICLE 9 – CHANGES IN THE WORK; CLAIMS

9.01 *Authorized Changes in the Work*

- A. Any change in the scope of the Phase 1 – Scope of Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Phase 1 – Scope of Work shall not be paid for or accepted unless such change, addition, or deletion is approved in advance and in writing by a valid change order executed by Owner and approved by the Owner in accordance with this Agreement – Phase 1 and the Contract Documents. The foregoing notwithstanding, the DB Entity shall continue to perform its Work under the Agreement – Phase 1 with respect to all undisputed portions of the Phase 1 – Scope of Work and shall not cause a delay of the Work by virtue of the inability of Owner and DB Entity to agree upon the extent of any adjustment to the Contract Time and/or the Phase 1 Project Price on account of such change. DB Entity specifically understands, acknowledges, and agrees that Owner shall have the right to request any alterations, deviations, reductions, or

additions to the Project or Phase 1 – Scope of Work, and the cost thereof shall be added to or deducted from the amount of the Project pursuant to the Change Order process in Contract Documents.

- B. Required Documentation. DB Entity agrees to provide Owner with all information requested to substantiate the cost of the change order and to inform Owner whether the Phase 1 – Scope of Work will be done by the DB Entity or a subcontractor. DB Entity shall maintain detailed records on a daily basis. Such records shall include without limitation hourly records for labor and Construction Equipment and itemized records of materials and equipment used that day in connection with the performance of any Change to the Work. In the event that more than one Change to the Work is performed by the DB Entity in a calendar day, DB Entity shall maintain separate records of labor, Construction Equipment, materials and equipment for each such Change. In the event that any Subcontractor, of any tier, shall provide or perform any portion of any Change to the Work, DB Entity shall require that each such Subcontractor maintain records in accordance with this provision. Each daily record maintained hereunder shall be signed by DB Entity's Superintendent or DB Entity's authorized representative; such signature shall be deemed DB Entity's representation and warranty that all information contained therein is true, accurate, complete, and relate only to the Change referenced therein. All records maintained by a subcontractor, of any tier, relating to the costs of a Change to the Work shall be signed by such subcontractor's authorized representative or superintendent. All records maintained hereunder shall be subject to inspection, review and/or reproduction by Owner upon request. In the event that DB Entity shall fail or refuse, for any reason, to maintain or make available for inspection, review and/or reproduction such records and the adjustment to the Phase 1 Project Price on account of any Change to the Work is determined pursuant to this section, Owner's reasonable good faith determination of the extent of adjustment to the Phase 1 Project Price on account of such Change shall be final, conclusive, dispositive and binding upon DB Entity.
- C. Adjustment to Contract Time. Except as otherwise stated this Agreement – Phase 1, including the General Conditions and the Contract Documents, the Contract Time may be extended or reduced by change order if the performance of such Change necessitates such extension or reduction. DB Entity shall submit, prior to approval of the change order, its request for a time extension (if any), as well as all information necessary to substantiate its belief that such change will delay the completion of the Phase 1 – Scope of Work. If DB Entity fails to submit its request for a time extension or the necessary supporting information, it shall be deemed to have waived its right to request such extension.

9.02 *Unauthorized Changes in the Work*

DB Entity shall not be entitled to an increase in the Phase 1 Contract Price or an extension of the Contract Time(s) with respect to any Phase 1 – Scope of Work performed that is not required by the Contract Documents as amended, modified and supplemented as provided in Paragraph 3.04, except in the case of an emergency as provided in Paragraph 6.16 or in the case of uncovering Construction as provided in Paragraph 12.04.

9.03 *Claims*

If DB Entity shall claim compensation for any reason, including, without limitation, changes to the in the Phase 1 – Scope of Work or Services, extensions of time, and/or damages sustained by DB Entity for which it may seek recovery from Owner (“Claim”), DB Entity shall, within ten (10) business days after the first occurrence giving rise to the Claim, make and deliver to Owner a written statement of the amount of the Claim, the first occurrence giving rise to the Claim, and a description of the occurrences, events and bases for the Claim (“Notice of Claim”). DB Entity shall file with Owner an itemized statement of all details and the amount of the Claim within fifteen (15) business days of delivery to Owner of the Notice of Claim. Thereafter all claims shall be handled in accordance with Article 15 below.

9.04 *Execution of Change Orders*

- A. Owner and DB Entity shall execute appropriate change orders (or written amendments) covering:
1. Changes in the Work which are:
 - a. ordered by Owner pursuant to Paragraph 9.01;
 - b. Required because of acceptance of defective work under Article 13 or Owner’s correction of defective work under Article 12; or
 - c. Base claims agreed to by the parties.
 2. Changes in the Phase 1 Contract Price or Contract Time(s) which are agreed to by the parties, including any undisputed sum or amount of time for Phase 1 – Scope of Work actually performed in accordance with a change order or amendment; and
 3. Unilateral changes in the Phase 1 Contract Price or Contract Time(s) which are issued by Owner, including any undisputed and/or disputed sum or amount of time for Phase 1 – Scope of Work actually performed in accordance with a change order or amendment; and
 4. Changes in the Phase 1 Contract Price or Contract Time(s) which embody the substance of any written decision rendered by Owner pursuant to Paragraph 15.02; provided that, in lieu of executing any such change order, an appeal may be taken from any such decision in accordance with the provisions of the Contract Documents and applicable Laws and Regulations, but during any such appeal, DB Entity shall carry on the work and adhere to the progress schedule pursuant to, among other provisions of the Contract Documents, Paragraph 6.18.
 5. DB Entity acknowledges that agreement on any change order shall constitute a final settlement and full accord and satisfaction of all matters relating to the change directly or indirectly changed or unchanged in the Phase 1 – Scope of Work which is the subject of the change order, including, but not limited to, all direct, indirect costs, and impact costs associated with such change, including inefficiencies or acceleration based claims, and any and all adjustments to the Phase 1 Contract Price and Contract Time(s), and schedule.

9.05 *Notice to Sureties*

If notice of any change affecting the general scope of the Phase 1 – Scope of Work or the provisions of the Contract Documents (including, but not limited to, Phase 1 Contract Price or Contract Time(s)) is required by the provisions of any Bond to be given to a surety, the giving of any such notice will be DB Entity’s responsibility. The amount of each applicable Bond will be adjusted to reflect the effect of any such change.

ARTICLE 10 – COST OF THE WORK; CASH ALLOWANCES; UNIT PRICE WORK

10.01 *Cost of the Work*

A. **Costs Included:** The term “Cost of the Work” means the sum of all costs necessarily incurred and paid by DB Entity in the proper performance of the Phase 1 – Scope of Work. When the value of Phase 1 – Scope of Work covered by a Change Order or when a claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, the costs to be reimbursed to DB Entity will be only those additional or incremental costs required because of the change of the Work or because of the event giving rise to the claim. Except as otherwise may be agreed to in writing by Owner, such costs shall be in amounts no higher than those prevailing in the locality of the Project, and shall not include any of the costs itemized in Paragraph 10.01.B, and shall include only the following items:

1. Payroll costs for employees in the direct employ of DB Entity in the performance of the Phase 1 – Scope of Work under schedules of job classifications agreed upon by Owner and DB Entity.
 - a. Such employees shall include without limitation superintendents, foremen, and other personnel employed full-time at the Site. Payroll costs for employees not employed full time on the Phase 1 – Scope of Work shall be apportioned on the basis of their time spent on the Phase 1 – Scope of Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits which shall include social security contributions, unemployment, excise and payroll taxes, workers’ compensation, health and retirement benefits, bonuses, sick leave, vacation and holiday pay applicable thereto. The expenses of performing Phase 1 – Scope of Work after regular working hours, on Saturday, Sunday or legal holidays, shall be included in the above to the extent authorized by Owner.
 - b. Such employees shall also include engineers, engineering technicians, architects, and others providing Design Professional Services. For purposes of this Paragraph 10.01.A.1, DB Entity shall be entitled to payment for such employees an amount equal to salary costs times a factor, both as designated in the Agreement, for all services performed or furnished by such employees engaged on the Project.
2. Cost of all materials and equipment furnished and incorporated in the Phase 1 – Scope of Work, including costs of transportation and storage thereof, and Suppliers’ field services required in connection therewith. All cash discounts shall accrue to DB Entity unless Owner deposits funds with DB Entity with which to make payments, in which case the cash discounts shall accrue to Owner. All trade discounts, rebates and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and DB Entity shall make provisions so that they may be obtained.

3. Payments made by DB Entity to Subcontractors (excluding payments for Design Professional Services pursuant to Paragraph 10.01.A.4) for Work performed or furnished by Subcontractors. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as DB Entity's Cost of the Work and fee.
4. Payments made by DB Entity for Design Professional Services provided or furnished under a Design Sub-agreement.
5. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Phase 1 – Scope of Work.
6. Supplemental costs including the following items:
 - a. The proportion of necessary transportation, travel and subsistence expenses of DB Entity's employees incurred in discharge of duties connected with the Phase 1 – Scope of Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office and temporary facilities at the Site and hand tools not owned by the workers, which are consumed in the performance of the Phase 1 – Scope of Work, and cost, less market value, of such items used but not consumed which remain the property of DB Entity.
 - c. Rentals of all construction or engineering equipment and machinery and the parts thereof whether rented from DB Entity or others in accordance with rental agreements approved by Owner, and the costs of transportation, loading, unloading, installation, dismantling and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery or parts shall cease when the use thereof is no longer necessary for the Phase 1 – Scope of Work.
 - d. Sales, consumer, use, and other similar taxes related to the Phase 1 – Scope of Work, and for which DB Entity is liable, imposed by Laws or Regulations.
 - e. Deposits lost for causes other than negligence of a DB-Related Entity, and royalty payments and fees for permits and licenses.
 - f. Losses, damages, and related expenses caused by damage to the Phase 1 – Scope of Work not compensated by insurance or otherwise, sustained by DB Entity in connection with the furnishing and performance of the Phase 1 – Scope of Work provided they have resulted from causes other than the negligence of a DB-Related Entity. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining DB Entity's fee.
 - g. The cost of utilities, fuel, and sanitary facilities at the Site.
 - h. Minor expenses such as telegrams, long distance telephone calls, telephone service at the Site, express and courier services, and similar petty cash items in connection with the Work.

- i. Cost of premiums for all Bonds and insurance DB Entity is required by the Contract Documents to purchase and maintain.

B. Costs Excluded: The term Cost of the Work shall not include any of the following items:

1. Payroll costs and other compensation of DB Entity's officers, executives, principals (of partnerships and sole proprietorships), general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks and other personnel employed by DB Entity whether at the Site or in DB Entity's principal or a branch office for general administration of the Phase 1 – Scope of Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 10.01.A.1, all of which are to be considered administrative costs covered by DB Entity's fee.
2. Expenses of DB Entity's principal and branch offices other than DB Entity's office at the Site.
3. Any part of DB Entity's capital expenses, including interest on DB Entity's capital employed for the Phase 1 – Scope of Work and charges against DB Entity for delinquent payments.
4. Costs due to the negligence of a DB-Related Entity, including but not limited to the correction of defective Phase 1 – Scope of Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 10.01.A.

C. DB Entity's Fee: When the value of the Phase 1 – Scope of Work covered by a Change Order is determined on the basis of Cost of the Work, DB Entity's fee shall be determined as set forth in Paragraph 11.01.C.

D. Documentation: Whenever the cost of any Phase 1 – Scope of Work is to be determined pursuant to Paragraph 10.01.A and 10.01.B, DB Entity will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Owner an itemized cost breakdown together with supporting data.

10.02 *Unit Prices*

A. If applicable, where a Phase 1 Contract Price Proposal provides that all or part of the Phase 1 – Scope of Work is to be Unit Price Work, initially the Phase 1 Contract Price will be deemed to include for all of Unit Price Work an amount equal to the sum of the established unit prices for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement – Phase 1. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of determining an initial Phase 1 Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by DB Entity will be made by Owner.

B. No unit price will have any DB Entity's overhead or fee in such item.

C. If the actual quantity of any item of Unit Price Work varies more than twenty-five percent (25%) above or below the estimated quantity, either party may request an adjustment in the Phase 1 Contract Price. Any such adjustment shall be based upon any increase or decrease in costs due solely to the variation above one hundred twenty-five percent (125%) or below seventy-five percent (75%) of the estimated quantity.

ARTICLE 11 – CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIME(S)

11.01 Change of Phase 1 Contract Price

A. The Phase 1 Contract Price may only be changed by a Change Order. Any claim for an adjustment in the Phase 1 Contract Price shall be based on written notice delivered by DB Entity to Owner promptly in accordance with Paragraph 15.02.

B. The value of any Phase 1 – Scope of Work covered by a Change Order or of any claim for an adjustment in the Phase 1 Contract Price will be determined as follows:

1. Where the Phase 1 – Scope of Work involved is covered by unit prices contained in the Contract Documents, by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 10.03); or
2. Where the Phase 1 – Scope of Work involved is not covered by unit prices contained in the Contract Documents, by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.01.C); or
3. Where the Phase 1 – Scope of Work involved is not covered by unit prices contained in the Contract Documents and agreement to a lump sum is not reached under Paragraph 11.01.B.2, on the basis of the Cost of the Work (determined as provided in Paragraph 10.01) plus a DB Entity's Fee for overhead and profit (determined as provided in Paragraph 11.01.C).

C. DB Entity's Fee on any Phase 1 – Scope of Work covered by a Change Order or of any claim for an adjustment in the Phase 1 Contract Price shall be ten percent (10%) of the amount set forth in Paragraph 11.01.B above.

D. Phase 1 – Scope of Work covered by a Change Order or of any claim for an adjustment in the Phase 1 Contract Price that is being performed by Design Sub-consultants, Subcontractors or Suppliers of any tier shall be limited to the following markups, which markup shall compensate Design Sub-consultant, Subcontractor, Supplier for all indirect costs, field and home office overhead, and profit:

1. A total markup of ten percent (10%) of the costs incurred by such Design Sub-consultant, Subcontractor or Supplier under Paragraphs 10.01.A.1 and 10.01.A.2.
2. Any higher tier Design Sub-consultant, Subcontractor or Supplier will be paid a total markup of ten percent (10%) of the amount paid to the next lower tier Design Sub-consultant, Subcontractor or Supplier.

E. The amount of credit to be allowed by DB Entity to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost, plus a deduction in DB Entity's fee by an amount of ten percent (10%) of such net decrease; and

F. When both additions and credits are involved in any one change, DB Entity's fee shall be computed on the basis of amount of the net increase or decrease in cost. If there is a net increase in cost, then the fee shall be as set forth in Paragraph 11.01.C, and if there is a net decrease, the fee deduction shall be as set forth in Paragraph 11.01.E.

11.02 *Change of Contract Time(s)*

A. The Contract Time(s) (or Milestones) may only be changed by a Change Order. Any claim for an adjustment of the Contract Time(s) (or Milestones) shall be based on written notice pursuant to Paragraph 15.02. All adjustments for additional time must include a detailed critical path analysis of the Contract schedule.

B. Any adjustment of the Contract Time(s) (or Milestones) covered by a change order or of any claim for an adjustment in the Contract Time(s) (or Milestones) will be determined in accordance with the provisions of this Paragraph 11.02.

C. DB Entity expressly agrees that in undertaking to complete the work within the time specified, it has made allowances for certain foreseeable hindrances and delays ordinarily encountered on projects of this type. The parties specifically anticipate and contemplate such hindrances and delays, including but not limited to, labor disputes; those reasonable delays caused by or arising from minor design conflicts and issues; schedule adjustments; the actions of DB-Related Entities; late or out-of-sequence Owner-furnished equipment, materials and facilities not affecting the critical path; reasonable turnaround or approval of DB Entity's Submittals; normal unfavorable weather, wet grounds, or other similar unsuitable construction conditions likely to occur in the West Bay Sanitary District; reasonable turnaround to DB Entity's requests for information or direction; change order processing; and access and coordination by Owner that does not create any new critical paths in the schedule. DB Entity agrees that such delays are included in the Phase 1 Contract Price and Contract Time(s) and that they shall not constitute the basis for a time extension or a claim for additional compensation of any type.

D. Delays Beyond DB Entity's Control: Where DB Entity is prevented from completing any part of the Work within the Contract Time(s) (or Milestones) due to delay beyond the control of DB Entity, the Contract Time(s) (or Milestones) will be extended in an amount equal to the time lost due to such delay if a claim is made therefor as provided in Paragraph 11.02.A. Delays beyond the control of DB Entity shall include, but not be limited to, acts or neglect by Owner, governmental agencies, changes of law pursuant to Paragraph 6.09.C, acts or neglect of utility owners or other contractors performing other construction work as contemplated by Article 7, fires, floods, epidemics, abnormal weather conditions, or other acts of God.

E. If DB Entity intends to seek an adjustment in the Contract Time for abnormal weather conditions, it shall, in addition to fulfilling all other requirements for a time extension, demonstrate that the actual weather encountered was unusually severe and abnormal compared with the five-year average weather statistics compiled by the United States National Oceanic and Atmospheric Administration ("NOAA") for the time of year and locality of the Site.

F. If Owner or other contractor or utility owners performing other work for Owner as contemplated by Article 7, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Phase 1 – Scope of Work, then DB Entity shall be entitled to an equitable adjustment in the Phase 1 Contract Price or the Contract Time(s), or both. DB Entity's entitlement to an adjustment of the Contract Time(s) is conditioned on such adjustment being essential to DB Entity's ability to complete the Phase 1 – Scope of Work within the Contract Time(s).

G. If DB Entity is delayed in the performance or progress of the Work by fire, flood, epidemic, abnormal weather conditions, acts of God, acts or failures to act of utility owners not under the control of Owner, or other causes not the fault of and beyond control of Owner and DB Entity, then DB Entity shall be entitled to an equitable adjustment in Contract Time(s), if such adjustment is essential to DB Entity's ability to complete the Phase 1 – Scope of Work within the Contract Time(s). Such an adjustment shall be DB Entity's sole and exclusive remedy for the delays described in this Paragraph 11.02.G. Notwithstanding the preceding sentence:

1. If such delays result in Owner suspending the Phase 1 – Scope of Work in accordance with Paragraph 14.01, DB Entity's remedy shall be as specified in that provision.
2. If the total aggregate of such delays exceeds thirty (30) days, commencing on the Notice to Proceed, then DB Entity shall be entitled to treat the days of delay that exceed such 30-day period in the same manner as set forth in Paragraph 11.02.F above.

H. Owner and Owner's Advisor shall not be liable to DB Entity for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by DB Entity on or in connection with any other project or anticipated project.

I. DB Entity shall not be entitled to an adjustment in Phase 1 Contract Price or Contract Time(s) for delays within the control of DB Entity. Delays attributable to and within the control of a DB-Related Entity shall be deemed to be delays within the control of DB Entity.

J. Notwithstanding anything to the contrary in this Article 11 or in any other Contract Document, Owner shall not be liable, and DB Entity shall not be entitled to recover, for any time-related or delay damages for: (1) loss of anticipated profit; (2) home office overhead; (3) consequential damages (including but not limited to loss of bonding capacity, loss of bidding opportunities, and insolvency); and (4) legal fees, claims preparation expenses, or the cost of dispute resolution.

ARTICLE 12 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

12.01 Notice of Defects

Owner shall give DB Entity prompt written notice of all defective Construction of which Owner has actual knowledge. All defective Construction may be rejected, corrected or accepted as provided in this Article 12.

12.02 *Access to Construction*

Owner, Owner's Advisor, other representatives and personnel of Owner, independent testing laboratories and governmental agencies with jurisdictional interests will have access to the Site and the Construction at reasonable times for their observation, inspecting, and testing. DB Entity shall provide them proper and safe conditions for such access and advise them of DB Entity's Site safety procedures and programs so that they may comply therewith as applicable.

12.03 *Tests and Inspections*

- A. If the Contract Documents or Laws or Regulations of any public body having jurisdiction require any part of the Construction specifically to be inspected, tested or approved, DB Entity shall assume full responsibility for arranging and obtaining such inspections, tests or approvals, pay all costs in connection therewith, and furnish Owner the required certificates of inspection or approval. DB Entity shall also be responsible for arranging and obtaining and shall pay all costs in connection with any inspections, tests, or approvals required for Owner's acceptance of materials or equipment to be incorporated in the Phase 1 – Scope of Work or of materials, mix designs, or equipment submitted for approval prior to DB Entity's purchase thereof for incorporation in the Work.
- B. DB Entity shall give Owner reasonable notice of the planned schedule for all required inspections, tests, or approvals.
- C. If any Construction (or the construction work of others) that is required to be inspected, tested, or approved is covered by DB Entity without written concurrence of Owner, then DB Entity shall, if requested by Owner, uncover such Construction for observation.
- D. Uncovering Construction as provided in Paragraph 12.04 shall be at DB Entity's expense unless DB Entity has given Owner timely notice of DB Entity's intention to cover the same and Owner has not acted with reasonable promptness in response to such notice.

12.04 *Uncovering Construction*

- A. If any Construction is covered contrary to the written request of Owner, it must, if requested by Owner, be uncovered for Owner's observation and recovered at DB Entity's expense.
- B. If Owner considers it necessary or advisable that covered Construction be observed by Owner or inspected or tested by others, DB Entity, at Owner's request, shall uncover, expose or otherwise make available for observation, inspection or testing as Owner may require, that portion of the Construction in question, furnishing all necessary labor, material and equipment. If it is found that such Construction is defective, DB Entity shall pay all costs and damages caused by or resulting from such uncovering, exposure, observation, inspection and testing and of satisfactory replacement or reconstruction, (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals, all court or arbitration or other dispute resolution costs, and all costs of repair or replacement of work of others); and Owner shall be entitled to an appropriate decrease in the Phase 1 Contract Price. If, however, such Construction is not found to be defective, DB Entity shall be allowed an increase in the Phase 1 Contract Price or an extension of the Contract Time(s) (or Milestones), or both, directly

attributable to such uncovering, exposure, observation, inspection, testing, replacement and reconstruction. If the parties are unable to agree as to the amount or extent thereof, DB Entity may make a claim therefor as provided in Article 9.

12.05 *Owner May Stop Construction*

If Construction is defective, or DB Entity fails to supply sufficient skilled workers or suitable materials or equipment, or fails to furnish or perform Construction in such a way that the completed Construction will conform to the Contract Documents, Owner may order DB Entity to stop Construction or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop Construction will not give rise to any duty on the part of Owner to exercise this right for the benefit of DB Entity or any other party.

12.06 *Correction or Removal of Defective Work*

Owner will have authority to disapprove or reject defective Phase 1 – Scope of Work and will have authority to require special inspection or testing of the Phase 1 – Scope of Work whether or not the Phase 1 – Scope of Work is fabricated, installed or completed. If required by Owner, DB Entity shall promptly, as directed, either correct all defective Phase 1 – Scope of Work, whether or not fabricated, installed or completed, or, if the Phase 1 – Scope of Work has been rejected by Owner, remove it from the Site and replace it with non- Phase 1 – Scope of Work Work. DB Entity shall bear all direct, indirect, and consequential costs of such correction or removal (including but not limited to fees and charges of engineers, architects, attorneys and other professionals and all court, arbitration, or other dispute resolution costs) arising out of or relating to such correction or removal.

12.07 *Correction Period*

- A. If within one year after the date of Final Acceptance or such longer period of time as may be prescribed by Laws or Regulations or by the terms of any applicable special guarantee required by the Contract Documents or by any specific provision of the Contract Documents, any Phase 1 – Scope of Work is found to be defective, DB Entity shall promptly, without cost to Owner and in accordance with Owner's written instructions, (i) correct such defective Phase 1 – Scope of Work, or, if it has been rejected by Owner, remove it from the Site and replace it with Phase 1 – Scope of Work that is not defective, and (ii) satisfactorily correct or remove and replace any damage to other Work or the work of others resulting therefrom. If DB Entity does not promptly comply with the terms of such instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or the rejected Phase 1 – Scope of Work removed and replaced, and all costs, losses, and damages caused by or resulting from such removal and replacement (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals, all court or arbitration or other dispute resolution costs, and all costs of repair or replacement of work of others) will be paid by DB Entity.
- B. In special circumstances where a particular item of equipment is placed in continuous service before Final Acceptance, the correction period for that item may start to run from an earlier date if so specifically provided in the Contract Documents.

- C. Where defective Phase 1 – Scope of Work (and damage to other Phase 1 – Scope of Work resulting therefrom) has been corrected, removed or replaced under this Paragraph 12.07, the correction period hereunder with respect to such Phase 1 – Scope of Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

12.08 *Acceptance of Defective Work*

If, instead of requiring correction or removal and replacement of defective Phase 1 – Scope of Work, Owner prefers to accept it, Owner may do so. DB Entity shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) attributable to Owner's evaluation of and determination to accept such defective Phase 1 – Scope of Work. If any such acceptance occurs prior to Final Acceptance, a Change Order will be issued incorporating the necessary revisions in the Contract Documents, and Owner shall be entitled to an appropriate decrease in the Phase 1 Contract Price reflecting the diminished value of the Phase 1 – Scope of Work so accepted. If the acceptance occurs after Final Acceptance, an appropriate amount will be paid by DB Entity to Owner.

12.09 *Owner May Correct Defective Work*

- A. If DB Entity fails within a reasonable time after written notice from Owner to correct defective Work or to remove and replace rejected Phase 1 – Scope of Work as required by Owner in accordance with Paragraphs 12.06.A or 12.07.A, or if DB Entity fails to perform the Phase 1 – Scope of Work in accordance with the Contract Documents, or if DB Entity fails to comply with any other provision of the Contract Documents, Owner may, after seven days' written notice to DB Entity, correct and remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 12.09 Owner shall proceed expeditiously. In connection with such corrective and remedial action, Owner may exclude DB Entity from all or part of the Site, take possession of all or part of the Phase 1 – Scope of Work, and suspend DB Entity's services related thereto, take possession of DB Entity's tools, appliances, construction equipment and machinery at the Site, and incorporate in the Phase 1 – Scope of Work all materials and equipment stored at the Site or for which Owner has paid DB Entity but which are stored elsewhere. DB Entity shall allow Owner, Owner's Advisor, Owner's representatives, agents, employees, and other contractors access to the Site to enable Owner to exercise the rights and remedies under this paragraph.
- C. All costs, losses, and damages (included but not limited to fees and charges of engineers, architects, attorneys and other professionals, all court or arbitration or other dispute resolution costs and all costs of repair or replacement of work of others) incurred or sustained by Owner in exercising such rights and remedies under this Paragraph 12.09 will be charged against DB Entity and a Change Order will be issued incorporating the necessary revisions in the Contract Documents, and Owner shall be entitled to an appropriate decrease in the Phase 1 Contract Price.

- D. DB Entity shall not be allowed an extension of the Contract Time(s) (or Milestones) because of any delay in the performance of the Phase 1 – Scope of Work attributable to the exercise by Owner of Owner’s rights and remedies under this Paragraph 12.09.

ARTICLE 13 – PAYMENTS TO DB ENTITY AND COMPLETION

13.01 Progress Payment Schedule

A schedule prepared by DB Entity and acceptable to Owner indicating that portion of the Phase 1 Contract Price to be paid for each major component of the Phase 1 – Scope of Work.

13.02 Application for Progress Payment

- A. DB Entity shall submit to Owner, on or about the last day of each month, an Application for Payment filled out and signed by DB Entity covering the Phase 1 – Scope of Work completed as of the date indicated on the Application and accompanied by supporting documentation as required by the Contract Documents.
- B. If payment is requested on the basis of materials and equipment not incorporated in the Phase 1 – Scope of Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens and evidence that the materials and equipment are covered by appropriate property insurance and other arrangements to protect Owner’s interest therein, all of which will be satisfactory to Owner.
- C. Beginning with the second Application for Payment, each Application shall include an affidavit of DB Entity stating that all previous progress payments received on account of the Phase 1 – Scope of Work have been applied on account to discharge DB Entity’s legitimate obligations associated with prior Applications for Payment.
- D. The amount of retention with respect to progress payments will be as stipulated in the Agreement – Phase 1.

13.03 Progress Payments

- A. Owner will, after receipt of each application for payment, either make payment or return the application to DB Entity, indicating in writing Owner’s reasons for refusing to make payment. In the latter case, DB Entity may make the necessary corrections and resubmit the application.
- B. Owner may refuse to make the whole or any part of any payment if, in Owner’s opinion, it would be incorrect to make such payment because of subsequently discovered evidence or the results of subsequent inspections or tests, revise or revoke any such payment previously made, to such extent as may be necessary in Owner’s opinion to protect Owner from loss because:
 - 1. The Phase 1 – Scope of Work is defective, or completed Phase 1 – Scope of Work has been damaged, requiring correction or replacement;

2. The Phase 1 Contract Price has been reduced by written amendment or change orders;
 3. Owner has been required to correct defective Phase 1 – Scope of Work or complete Phase 1 – Scope of Work in accordance with Article 12; or
 4. Owner has actual knowledge of any of the events enumerated in Article 15.
 5. DB Entity fails to comply with the SBE requirements as stated in the Contract;
 6. DB Entity fails to submit the required insurance policy declaration page as stated in the Contract;
 7. DB Entity fails to comply with progress schedule updates in keeping with general requirements.
- C. Reduction in Payment: Owner may refuse to make the whole or any part of any such payment, or because of subsequently discovered evidence or the results of subsequent inspections or tests, nullify any previous payment, to the extent that is reasonably necessary to protect Owner from loss because:
1. Claims have been made against Owner on account of DB Entity’s performance or furnishing of the Phase 1 – Scope of Work; or
 2. Liens have been filed in connection with the Phase 1 – Scope of Work, except where DB Entity has delivered a specific Bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
 3. There are other items entitling Owner to a set off against the amount for which application is made; or
 4. Owner has actual knowledge of the occurrence of any of the events enumerated in Paragraph 14.02.A or if DB Entity is otherwise in breach.
- D. If Owner refuses to make payment of the full amount requested by DB Entity, Owner must give DB Entity immediate written notice stating the reasons for such action and promptly pay DB Entity any amount remaining after deduction of the amount withheld. Owner shall promptly pay DB Entity the amount withheld or any adjustment thereto agreed to when DB Entity remedies the reason for such action.

13.04 *DB Entity’s Warranty of Title*

DB Entity warrants and guarantees that title to all Construction, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to Owner no later than the time of payment free and clear of all Liens.

13.05 *Substantial Completion*

- A. When DB Entity considers the Phase 1 – Scope of Work ready for its intended use DB Entity shall notify Owner in writing that the Phase 1 – Scope of Work is substantially complete (except for items specifically listed by DB Entity as incomplete) and request that Owner issue a certificate of Substantial Completion. Promptly thereafter, Owner and DB Entity shall make an inspection of the Phase 1 – Scope of Work to determine the status of completion. If Owner does not consider the Phase 1 – Scope of Work substantially complete, Owner will notify DB Entity in writing giving the reasons therefor. If Owner considers the Phase 1 – Scope of Work substantially complete, Owner will prepare and deliver to DB Entity a certificate of Substantial Completion which shall fix the date of Substantial Completion. There shall be attached to the certificate a list of items to be completed or corrected before Final Acceptance (“Punch List”). Within five (5) working days after receipt of a proposed Punch List, Owner shall either (a) approve the Punch List or (b) request that certain amendments or modifications be made to the Punch List. The Parties shall meet and negotiate in good faith and shall promptly agree on and execute an amended Punch List to be completed by the DB Entity before Final Completion is achieved. At the time of delivery of the certificate of Substantial Completion Owner will deliver to DB Entity a written determination as to division of responsibilities pending Final Acceptance between Owner and DB Entity with respect to security, operation, safety, protection of Construction, maintenance, heat, utilities, insurance and warranties and guarantees.
- B. Owner will have the right to exclude DB Entity from the Site after the date of Substantial Completion, but Owner will allow DB Entity reasonable access to complete or correct items on the list of items to be completed, subject, however, to DB Entity’s access to the Site during the 12-month operating services period.

13.06 *Partial Utilization*

Prior to Substantial Completion of all the Phase 1 – Scope of Work, Owner may use or occupy any substantially completed part of the Construction which (i) has specifically been identified in the Contract Documents, or (ii) Owner and DB Entity agree constitute a separately functioning and usable part of the Construction that can be used by Owner for its intended purpose without significant interference with DB Entity’s performance of the remainder of the Construction, subject to the following:

1. Owner at any time may request DB Entity in writing to permit Owner to use or occupy any such part of the Construction which Owner believes to be ready for its intended use and substantially complete. If DB Entity agrees that such part of the Work is substantially complete, DB Entity and Owner will follow the procedures of Paragraph 13.05 for that part of the Construction.
2. DB Entity at any time may notify Owner in writing that DB Entity considers any such part of the Phase 1 – Scope of Work ready for its intended use and substantially complete and request Owner to issue a certificate of Substantial Completion for that part of the Phase 1 – Scope of Work.

3. Within a reasonable time after either such request, Owner and DB Entity shall make an inspection of that part of the Phase 1 – Scope of Work to determine its status of completion. If Owner does not consider that part of the Phase 1 – Scope of Work to be substantially complete, Owner will notify DB Entity in writing giving the reasons therefor. If Owner considers that part of the Phase 1 – Scope of Work to be substantially complete, the provisions of Paragraph 13.05 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
4. No use or occupancy of part of the Construction will be accomplished prior to compliance with the requirements of Paragraph 5.10 regarding property insurance.

13.07 *Final Inspection*

Upon written notice from DB Entity that the entire Phase 1 – Scope of Work is complete, Owner will make a final inspection with DB Entity and will notify DB Entity in writing of all particulars in which this inspection reveals that the Phase 1 – Scope of Work is incomplete or defective. DB Entity shall immediately take such measures as are necessary to complete such Phase 1 – Scope of Work or remedy such deficiencies.

13.08 *Final Acceptance*

- A. The following shall constitute the conditions for Final Acceptance:
 1. All permits required under applicable Laws and/or Regulations and the Contract Documents to be obtained by DB Entity which are necessary for the continued routine operation of the Project shall be in full force and effect and certified copies of all such permits shall have been delivered to Owner.
- B. When DB Entity determines that it has met the conditions for Final Acceptance, it shall furnish Owner with a certified statement (in a form acceptable to Owner) evidencing that Final Acceptance has been met. If Owner is satisfied that the conditions for Final Acceptance set forth in Paragraph 13.08.A above have been achieved, it will, within twenty-one (21) days after receipt of DB Entity's certification, give written notice to DB Entity that it agrees that Final Acceptance has been achieved. Otherwise, Owner will indicate to DB Entity in writing the reasons that it disagrees that Final Acceptance has been achieved, in which case DB Entity shall make the necessary corrections and resubmit the certification.

13.09 *Final Payment*

- A. Application for Payment.
 1. After DB Entity has achieved Final Acceptance to the satisfaction of Owner and delivered in accordance with the Contract Documents all maintenance and operating instructions, schedules, guarantees, Bonds, certificates or other evidence of insurance, certificates of inspection, record documents (as provided in Paragraph 6.12) and other documents, DB Entity may make application for final payment following the procedure for progress payments.

2. The final Application for Payment shall be accompanied (unless previously delivered) by: (i) all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by Paragraph 5.04.B.7; (ii) consent of the surety, if any, to final payment; and (iii) complete and legally effective releases or waivers (satisfactory to Owner) of all Liens arising out of or filed in connection with the Work.
 3. In lieu of such releases or waivers of Liens specified in Paragraph 13.09.A.2 and as approved by Owner, DB Entity may furnish receipts or releases in full and an affidavit of DB Entity that: (i) the releases and receipts include all labor, services, material and equipment for which a Lien could be filed, and (ii) all payrolls, material and equipment bills and other indebtedness connected with the Phase 1 – Scope of Work for which Owner might in any way be responsible, or which in any way might result in liens or other burdens on Owner’s property, have been paid, or otherwise satisfied. If any Design Subconsultant, Subcontractor or Supplier fails to furnish such a release or receipt in full, DB Entity may furnish a Bond or other collateral satisfactory to Owner to indemnify Owner against any Lien.
- B. Final Payment: If Owner is satisfied that the Phase 1 – Scope of Work has been completed and DB Entity’s other obligations under the Contract Documents have been fulfilled, Owner will, within ten days after receipt of the final Application for Payment, give written notice to DB Entity that it is ready to process final payment. Otherwise, Owner will return the Application to DB Entity, indicating in writing the reasons for refusing to process final payment, in which case DB Entity shall make the necessary corrections and resubmit the Application.
- C. Payment Becomes Due: Thirty days after the presentation to Owner of the acceptable Application for Payment and accompanying documentation, in appropriate form and substance and with Owner’s notice of acceptability, the amount will become due and will be paid by Owner to DB Entity in compliance with the statutory requirements set forth in California Public Contract Code section 7107, and pursuant to Article 5 of the Agreement.

13.10 *Waiver of Claims*

The making and acceptance of final payment will constitute:

1. A waiver of all claims by Owner against DB Entity, except claims arising from unsettled Liens, from defective Work discovered after final inspection pursuant to Paragraph 13.07, from failure to comply with the Contract Documents or the terms of any special guarantees specified therein, or from DB Entity’s continuing obligations under the Contract Documents; and
2. A waiver of all claims by DB Entity against Owner other than those previously made in writing and still unsettled.

ARTICLE 14 – SUSPENSION OF WORK AND TERMINATION

14.01 *Owner May Suspend Work*

At any time and without cause, Owner may suspend the Phase 1 – Scope of Work or any portion thereof for a period of not more than 90 consecutive days by notice in writing to DB Entity which will fix the date on which Phase 1 – Scope of Work will be resumed. DB Entity shall resume the Phase 1 – Scope of Work on the date so fixed. DB Entity shall be allowed an adjustment in the Phase 1 Contract Price or an extension of the Contract Time(s), or both, directly attributable to any such suspension if DB Entity makes a Claim therefor as provided in Article 9.

14.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events justifies termination for cause:
1. DB Entity's persistent failure to perform the Phase 1 – Scope of Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the progress schedule established under Paragraph 2.04.A as adjusted from time to time pursuant to Paragraph 6.05).
 2. DB Entity's disregard of Laws or Regulations of any public body having jurisdiction.
 3. DB Entity's violation in any substantial way of provisions of the Contract Documents.
 4. Any act by DB Entity exposing Owner to liability to others for personal injury or property damage; or
 5. DB Entity becomes insolvent; files for federal bankruptcy protection; is adjudged a bankrupt; makes a general assignment for the benefit of creditors; or a receiver is appointed on account of DB Entity's insolvency.
- B. If one or more of the events identified in Paragraph 14.02.A occur, Owner may, after giving DB Entity (and the surety, if any) seven (7) days' written notice, terminate the services of DB Entity, take possession of any completed Drawings and Specifications prepared by or for DB Entity (subject to the indemnification provisions of Paragraph 3.05.A), exclude DB Entity from the Site, and take possession of the Phase 1 – Scope of Work and of all DB Entity's tools, appliances, construction equipment and machinery at the Site and use the same to the full extent they could be used by DB Entity (without liability to DB Entity for trespass or conversion), incorporate in the Phase 1 – Scope of Work all materials and equipment stored at the Site or for which Owner has paid DB Entity but which are stored elsewhere, and finish the Phase 1 – Scope of Work as Owner may deem expedient. In such case DB Entity shall not be entitled to receive any further payment until the Phase 1 – Scope of Work is finished. If the unpaid balance of the Contract Price exceeds all costs, losses and damages sustained by Owner arising out of or resulting from completing the Work (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) such excess will be paid to DB Entity. If such costs, losses and damages exceed such unpaid balance, DB Entity shall pay the difference to Owner. Such

costs, losses and damages incurred by Owner will be incorporated in a Change Order. When exercising any rights or remedies under this paragraph Owner shall not be required to obtain the lowest price for the Phase 1 – Scope of Work performed.

- C. Notwithstanding Paragraph 14.02.B, DB Entity's services will not be terminated if DB Entity begins, within seven days of receipt of notice of intent to terminate, to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of said notice.
- D. Where DB Entity's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against DB Entity then existing or which may thereafter accrue. Any retention or payment of moneys due DB Entity by Owner will not release DB Entity from liability.
- E. Notwithstanding the notice periods provided in this Paragraph 14.02, in the event of an emergency, Owner shall have the right to immediately, and without notice to DB Entity, take over and protect the Site by whatever means it deems appropriate. Owner will endeavor to provide DB Entity notice of such action within 24 hours after its occurrence.
- F. In no event shall any delay in Completion arising prior to issuance of a notice of termination for cause through the time such condition or violation shall have ceased or been cured be excused, nor shall DB Entity be relieved of liability for Liquidated Damages relating thereto.
- G. Upon termination, DB Entity shall provide Owner with all Work Product, whether or not such documents are final or draft documents.

14.03 *Owner May Terminate for Convenience*

- A. Owner may, at any time, with or without reason, terminate this Agreement and compensate DB Entity only for the Phase 1 – Scope of Work and Services rendered to the date of termination and all reasonable costs incurred by DB Entity as a result of such termination (including in the termination of subcontracts, vendor agreements and in demobilization), which cannot be mitigated or eliminated through commercially reasonable efforts by DB Entity. Written notice by Owner shall be sufficient to stop further performance of services by DB Entity. Notice shall be deemed given when received by the DB Entity or no later than three (3) Business Days after the day of mailing, whichever is sooner. In the event that Owner terminates this Agreement – Phase 1 pursuant to this section, Owner shall compensate DB Entity for work completed to date.
- B. In any such termination for the convenience of Owner, DB Entity shall be paid for work actually completed in accordance with the Contract Documents prior to receipt of the notice of termination, and for termination settlement costs that Owner determines, in its reasonable discretion, relate to commitments which had become firm prior to the termination. DB Entity shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination, including but not limited to loss of anticipated profits or revenue or other economic loss relating to the Overall project. DB Entity shall justify its claims as requested by Owner with thorough, accurate records and data.

14.04 *DB Entity May Suspend or Terminate for Cause*

- A. If Owner fails to pay undisputed amounts owed to DB Entity within forty-five (45) days of the date such payment is due under the Agreement – Phase 1, DB Entity’s remedies shall be as follows:
1. DB Entity is entitled to suspend the Phase 1 – Scope of Work within five (5) days of delivering a written notice to Owner that DB Entity will suspend the Phase 1 – Scope of Work as a result of Owner’s failure to pay undisputed amounts due. If DB Entity does suspend the Work and claims that the suspension has affected the cost or time of performance, it shall be entitled to proceed in accordance with the remedies set forth in Article 15.
 2. DB Entity is entitled to terminate this Agreement if a suspension for Owner’s nonpayment continues for more than one hundred eighty (180) consecutive days. The termination shall become effective if, after such 180-day period, Owner fails to cure the nonpayment within twenty (20) days of its receipt of a notice from DB Entity that it intends to terminate the Agreement – Phase 1 as a result of Owner’s failure to pay undisputed amounts due. If DB Entity does terminate the Agreement – Phase 1, such termination shall be treated as if Owner had terminated the whole of the Phase 1 – Scope of Work in accordance with Paragraph 14.03.A above.
- B. If DB Entity elects to suspend the Phase 1 – Scope of Work as a result of Owner’s failure to timely perform Owner’s responsibilities as specified in Section 8.1 of the Agreement, DB Entity shall provide Owner with ten (10) days advance written notice of its intent to suspend the Phase 1 – Scope of Work. If Owner has not taken action under Section 8.1 of the Agreement within such 10-day period, and DB Entity does suspend the Phase 1 – Scope of Work and claims that the suspension has affected the cost or time of performance, it shall be entitled to proceed in accordance with the remedies set forth in Article 15.
- C. Other than as specifically set forth in Paragraphs 14.04.A and 14.04.B above, DB Entity shall have no rights to suspend or terminate this Agreement – Phase 1 for any reason, and shall be obligated to continue performing in a diligent manner and without delay.

ARTICLE 15 – CLAIMS AND DISPUTE RESOLUTION

15.01 *General*

- A. Claims and disputes under the Contract include disagreements, claims, counterclaims, matters in question, and differences of opinion between Owner and DB Entity, regarding the Phase 1 – Scope of Work and modifications or changes to the Phase 1 – Scope of Work. Disputes may involve interpretation of Contract Documents, acceptability of the Phase 1 – Scope of Work, costs and/or time for performance.
- B. The procedures specified herein shall be the sole and exclusive procedures for the resolution of disputes between Owner and DB Entity arising out of or relating to this Contract. The Parties will participate in good faith in the procedures specified in this Article 15.

- C. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in this Article 15 are pending. The Parties will take such action, if any, required to effectuate such tolling.
- D. In the event any dispute occurs under this Contract which cannot be readily resolved, it shall be referred to the appropriate executives of Owner and DB Entity for negotiation and resolution as described below.
- E. In the event of a dispute between the parties described in this Article, pending resolution of the dispute(s), DB Entity agrees to and shall continue the Phase 1 – Scope of Work diligently to completion conditioned only on Owner’s payment of undisputed amounts. If the dispute is not resolved, DB Entity agrees it will not stop, delay, or hinder progress of the Work, but shall continue the Phase 1 – Scope of Work diligently to completion conditioned only on Owner’s payment of undisputed amounts.
- F. This Article 15 is intended to fulfill the dispute resolution requirements of, and shall be interpreted in accordance with, the claims resolution process established by Section 9204 or Chapter 9, Part 1, Division 2 of the California Public Contract Code.

15.02 *Notice*

- A. **Initial Claim:** Written notice stating the general nature of each claim, dispute, or other matter shall be delivered by DB Entity to Owner immediately, but in no event later than ten (10) days after the start of the event giving rise thereto. Notice of the amount or extent of the claim, dispute, or other matter with supporting documentation shall be delivered to Owner within thirty (30) days after the start of such event (unless Owner allows additional time for DB Entity to submit additional or more accurate data in support of such claim, dispute, or other matter.) A claim for an adjustment in Contract Price shall be prepared in accordance with the provisions of Paragraph 11.01. A claim for an adjustment in Contract Time(s) shall be prepared in accordance with the provisions of Paragraph 11.02. Each claim shall be accompanied by DB Entity’s written statement that the adjustment claimed is the entire adjustment to which DB Entity believes it is entitled as a result of said event. In its claim DB Entity must provide justification for each line item of DB Entity’s claim including but not limited to specifying the section of the terms and conditions which provides an entitlement to the claim, and provide adequate documentation to support each such line item.
- B. **Owner’s initial determination:** Upon receipt of a claim pursuant to this section, Owner shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the DB Entity a written statement identifying what portion of the claim is disputed and what portion is undisputed. Owner and DB Entity may, by mutual agreement, extend the time period provided in this subparagraph.

15.03 *Meet and Confer*

- A. If the claimant disputes the Owner’s written response, or the Owner fails to respond within the time prescribed, the claimant may so notify the Owner, in writing, either within 15 days of receipt of the Owner’s response or within 15 days of the Owner’s failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for

settlement of the issues in dispute. Upon a demand, the Owner shall schedule a meet and confer conference within 30 days for settlement of the dispute.

- B. 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, Owner shall provide DB Entity 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 Owner issues its written statement. Any disputed portion of the claim, as identified by DB Entity in writing, shall be submitted to nonbinding mediation, with Owner and DB Entity sharing the associated costs equally. Owner and DB Entity 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.
- C. 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.
- D. Failure by Owner to respond to a claim from DB Entity within the time periods described in this Article 15 or to otherwise meet the time requirements hereof shall result in the claim being deemed rejected in its entirety. A claim that is denied by reason of Owner'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 DB Entity.
- E. Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.
- F. Compliance with the claims and dispute resolution procedures set forth in this Paragraph 15.02 and 15.03 shall be a prerequisite to initiation of litigation pursuant to Paragraph 15.04, below.

15.04 *Litigation*

The parties hereto agree that all actions or proceedings arising in connection with this agreement shall be tried and litigated exclusively in the state and federal courts of competent jurisdiction located in the County of San Mateo, State of California or in the Federal District Court in the Northern District of California. The aforementioned choice of venue is intended by the parties to be mandatory and not permissive in nature, thereby precluding the possibility of litigation between the parties with respect to or arising out of this agreement in any jurisdiction other than that specified in this paragraph. DB Entity agrees to waive any objections to venue or jurisdiction in the County of San Mateo, State of California or in the Federal District Court in the Northern District of California, for the purpose of litigating any dispute, controversy, or proceeding arising out of or related to this agreement.

15.05 *Auditing of Claims*

All claims filed by DB Entity shall be subject to audit at any time following the filing of the claim whether or not such claim is the subject of litigation. The audit and review of records may be performed by Owner or its consultants. Such right of audit shall include the records of DB Entity and its Design Sub-consultants, Subcontractors and Suppliers. The audit may begin on 10 days' notice to DB Entity, Design Sub-consultants, Subcontractors, or Suppliers. DB Entity, Design Sub-consultants, Subcontractors and Suppliers shall be required to cooperate with the auditors and provide such information and records as are necessary for analysis of the claim.

15.06 *Costs for Dispute Resolution*

Each party will bear its own costs, including but not limited to attorney's fees, incurred as a result of any claim process and dispute resolution process contained in this Article 15. Notwithstanding the above, Owner shall have the right to recover its costs, including attorney's fees, to the extent that these General Conditions provides Owner with such right.

ARTICLE 16 – MISCELLANEOUS

16.01 *Giving Notice*

- A. All notices, demands, or other communications to DB Entity under this Contract shall be in writing and shall be deemed received if sent by certified mail, return receipt requested.
- B. All notices to Owner under this Contract shall be in writing. Any notice required or permitted to be given under this Agreement shall be deemed to have been given, served, and received if (i) given in writing and either personally delivered or deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required,; (ii) sent by overnight delivery service, or facsimile transmission; or (iii) sent via email return receipt required, addressed as follows:

District

West Bay Sanitary District
500 Laurel Street
Menlo Park, CA 94025
ATTN: District Manager

DB Entity

Anderson Pacific Engineering Construction, Inc.
1370 Norman Avenue
Santa Clara, CA 95054
ATTN: Peter Anderson

Any notice personally given or sent by facsimile or email transmission shall be effective upon receipt. Any notice sent by overnight delivery service shall be effective when received. Any notice given by certified mail shall be deemed effective three (3) days after deposit in the United States mail.

C. All correspondence to Owner under this Contract shall reference Owner's Contract Number.

16.02 *Computation of Times*

When any period of time is referred to in the Contract Documents by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

16.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by:
1. Laws or Regulations; or
 2. any special warranty or guarantee; or
 3. other provisions of the Contract Documents.
- B. The provisions of Paragraph 16.03.A will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right and remedy to which they apply.

16.04 *Survival of Obligations*

All representations, indemnifications, warranties and guarantees made in, required by or given in accordance with the Contract Documents, as well as all continuing obligations indicated in the Contract Documents, will survive Final Acceptance, final payment, and termination or completion of the Contract.

16.05 *Controlling Law*

The laws of the state of California shall govern all aspects of this Contract.

16.06 *Truth-In-Negotiation*

- A. DB Entity warrants that all bid line items are true, complete and accurate and include all costs, overhead, profit and all other amounts associated with such items and may be relied upon by Owner when making additions or deductions to the Contract Price. DB Entity further warrants that all cost and pricing data provided to Owner during the term of the contract shall be complete, accurate and current when provided. Should there be any changes in the cost and pricing data previously submitted, DB Entity shall notify and provide the new information to Owner immediately. Owner shall be entitled to issue an appropriate change order to adjust the

Contract Price and Contract Time(s) based on correcting inaccurate or incomplete information provided by DB Entity.

- B. Despite any provisions in the Contract Documents to the contrary, any amounts paid by Owner to DB Entity in excess of that to which it is entitled under the Contract Documents shall be reimbursed by DB Entity to Owner. The making of final payment to DB Entity shall not be a waiver of Owner's right to reimbursement from DB Entity nor shall it discharge DB Entity's obligation to refund the overpayment. The terms of this Paragraph B shall survive Owner's making final payment.
- C. DB Entity shall insert a provision containing all the requirements of this Paragraph 16.06 in all contracts between DB Entity and all DB-Related Entities, altering the section only as necessary to identify properly the contracting parties.

16.07 Notice to Other Agencies

DB Entity shall notify all public and private entities or agencies in accordance with any and all ordinances, laws, agreements, licenses, and any other directions of construction activity, disruption of access or services. Owner shall not be responsible for any such notification.

16.08 No Conflict with Laws Or Regulations

The duties, obligations, criteria or procedure imposed by these General Conditions and the rights and remedies made available are in addition to, and are not to be construed in any way as a limitation of any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, except that in the event that a specific part or detailed requirement of a provision, criterion or procedure in these General Conditions and a specific part or detailed requirement of a provision, criterion or procedure imposed or available by Laws or Regulations are in conflict the specific part or detailed requirement of Laws and Regulations shall govern. All other specific parts or detailed requirements in the provisions, criteria or procedures of the applicable Laws or Regulations and these General Conditions not in conflict shall remain in full force and effect and be read with the controlling specific part or detailed requirement.

16.09 Advertising

No advertising shall be permitted upon any part of the Site or structures located on the Site. News or press releases pertaining to the services, work product(s), or performance of DB Entity under this Contract or the Project to which it relates shall be at the sole discretion of Owner.

16.10 Non-Solicitation

DB Entity shall not directly or indirectly, or through any other person, agency, company or organization solicit employees of Owner to undertake employment with it, its parent company, or any subsidiary company or any affiliated company during the performance of this Contract and for a period of one (1) year thereafter (the "non-solicitation period"). DB Entity acknowledges that actual or threatened violations of this Paragraph may give rise to irreparable injury to Owner, inadequately compensable in damages and, therefore, Owner may seek and obtain injunctive relief against the breach or threatened breach of DB Entity's obligations and undertakings thereunder, in addition to any

other legal remedies which may be available. This Paragraph 16.10 will survive the termination of this Agreement. Violation of this Paragraph 16.10 during the non-solicitation period will be deemed a material breach of contract.

16.11 *Records*

DB Entity shall maintain records and Owner shall have inspection and audit rights as follows:

- A. Maintenance of Records: DB Entity shall maintain all financial and non-financial records and reports directly or indirectly related to the negotiation or performance of this Contract including supporting documentation for any service rates, expenses, research or reports. Such records shall be maintained and made available for inspection for a period of five years from completing performance and receiving final payment under this Contract.
- B. Examination of Records: Owner or its designated agent shall have the right to examine in accordance with generally accepted governmental auditing standards all records directly or indirectly related to this Contract. Such examination may be made only within five (5) years from the date of final payment under this Contract and upon reasonable notice, time and place. Records which relate to any litigation, appeals or settlements of claims arising from performance under this Contract shall be made available until a final disposition has been made of such litigation, appeals or claims.
- C. Cost and Pricing Data: DB Entity, by executing this Contract, certifies to truth in negotiation, specifically, that wage rates and other factual unit costs supporting the consideration are accurate, complete, and current at the time of contracting. DB Entity agrees that Owner may adjust the consideration for this Contract to exclude any significant sums by which the consideration was increased due to inaccurate, incomplete, or non-current wage rates and other actual unit costs. Owner shall make any such adjustment within one (1) year following the termination of this Contract.
- D. Applicability to Authorized Agents: In the event that any of the Work is delegated by DB Entity, DB Entity hereby agrees to include in any such Contract a provision requiring such counterparty to agree to the same requirement for records retention, inspection and audit rights as set forth in this Paragraph 16.11.
- E. Pursuant to California Statutes any part of the Work which include building plans, blueprints, schematic drawings, and diagrams, including draft, preliminary, and final formats, which depict the internal layout and structural elements of a building, water treatment facility, or other structure, must be maintained in a confidential manner and secured by DB Entity and parties associated with projects assigned under the Contract. Review by any unauthorized provider or outside/third party not performing work necessary for the assigned work order is prohibited. This Paragraph shall survive the expiration or termination of this Contract.
- F. DB Entity and parties associated with projects assigned under the Contract shall complete, comply with and furnish to Owner a signed copy of a plan and specification request form, prior to obtaining such documents for bidding purposes.

16.12 *Public Access*

DB Entity shall allow public access to all Project documents and materials in accordance with the provisions of California Government Code Section 7920.000 et seq. Should DB Entity assert any exemptions to the requirements of California Government Code Section 7920.000 et seq. and related statutes, the burden of establishing such exemption, by way of injunctive or other relief as provided by law, shall be upon DB Entity.

16.13 *Standards of Compliance*

- A. DB Entity hereby assures that no person shall be excluded on the grounds of race, color, creed, national origin, handicap, age, or sex, from participation in, denied the benefits of, or be otherwise subjected to discrimination in any activity under this Contract. DB Entity shall take all measures necessary to effectuate these assurances.
- B. DB Entity warrants that it has not employed or retained any person, other than a bona fide employee working solely for DB Entity, to solicit or secure this Contract. Further, DB Entity warrants that it has not paid or agreed to pay any person, other than a bona fide employee working solely for DB Entity, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the awarding or making of this Contract. For breach of this provision, Owner may terminate this Contract without liability and, at its discretion, deduct or otherwise recover the full amount of such fee, commission, percentage, gift, or other consideration.

16.14 *DB Entity is an Independent Contractor*

DB Entity shall be considered an independent contractor and neither party shall be considered an employee or agent of the other party. Nothing in this Contract shall be interpreted to establish any relationship other than that of independent contractor between the parties and their respective employees, agents, subcontractors, or assigns during or after the performance on this Contract. Both parties are free to enter into contracts with other parties for similar services. Owner shall not pay DB Entity staff any direct remuneration, expense reimbursement or compensation of any kind and DB Entity's staff shall not be eligible for any benefit programs Owner offers to its employees. All benefits available to DB Entity's staff shall be exclusively provided by DB Entity. DB Entity shall provide all billing, collection, payroll services and tax withholding, among other things, for all DB Entity staff performing services under this Contract.

16.15 *No Right to Assign*

DB Entity shall not assign, delegate, or otherwise transfer its rights and obligations as set forth in this Contract without the prior written consent of Owner. Any attempted assignment in violation of this Paragraph shall be null and void.

16.16 *No Right to Pledge*

DB Entity shall not pledge Owner's credit or make Owner a guarantor of payment or surety for any contract, debt, obligation, judgment, lien, or any form of indebtedness.

16.17 *No Right to Employment Benefits*

DB Entity expressly understands and agrees that DB Entity, its officers, agents, and employees, are not entitled to any employment benefits from Owner. DB Entity expressly and voluntarily waives and agrees not to make any claim to participate in any of Owner's employee benefits or benefit plans should DB Entity or any of its officers, agents, or employees be adjudicated for any reason to be an employee of Owner.

16.18 *Void or Unenforceable Provisions Entire Agreement*

Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and DB Entity, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

16.19 *Counterparts*

This Agreement and all amendments to it may be executed in counterparts, each of which shall be deemed an original. A facsimile or electronic signature shall be deemed to be the equivalent of the actual original signature. All counterparts so executed shall constitute one document binding all the Parties hereto.

16.20 *Nondiscrimination*

DB Entity and its contractors and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employee because of gender, sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability, mental disability, medical condition, age, marital status, and denial of medical and family care leave or pregnancy disability leave. DB Entity and its contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act and associated regulations.

16.21 *Entire Agreement*

The Contract Documents states the entire understanding between the parties and supersedes any written or oral representations, statements, negotiations, or agreements to the contrary. DB Entity recognizes that any representations, statements or negotiations made by Owner staff or Owner consultants do not suffice to legally bind Owner in a contractual relationship unless they have been reduced to writing, approved, and signed by an authorized Owner representative. This Contract shall, as of the Effective Date of the Agreement, bind the parties, their assigns, and successors in interest.

END OF DOCUMENT

EXHIBIT 4

PREVAILING WAGE CERTIFICATION

I hereby certify that I will conform to the State of California Public Works Contract requirements regarding prevailing wages, benefits, on-site audits with 48-hours' notice, payroll records, and apprentice and trainee employment requirements, for all Work on the above Project.

Date: _____

Name of DB Entity: _____

Signature: _____

Print Name: _____

Title: _____

EXHIBIT 5

WORKERS' COMPENSATION CERTIFICATION

Labor Code section 3700 in relevant part provides:

Every employer except the State shall secure the payment of compensation in one or more of the following ways:

- a. By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this state.
- b. By securing from the Director of Industrial Relations a certificate of consent to self-insure, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his employees.

I am aware of the provisions of section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work of this Agreement.

Date: _____

Name of DB Entity: _____

Signature: _____

Print Name: _____

Title: _____

(In accordance with Article 5 – commencing at section 1860, chapter 1, part 7, division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any Work under this Agreement.)

EXHIBIT 6

ASBESTOS & OTHER HAZARDOUS MATERIALS CERTIFICATION

DB Entity hereby certifies that no Asbestos, or Asbestos-Containing Materials, polychlorinated biphenyl (PCB), or any material listed by the federal or state Environmental Protection Agency or federal or state health agencies as a hazardous material, or any other material defined as being hazardous under federal or state laws, rules, or regulations "New Material Hazardous", shall be furnished, installed, or incorporated in any way into the Project or in any tools, devices, clothing, or equipment used to affect any portion of DB Entity's work on the Project for Owner.

DB Entity further certifies that it has instructed its employees with respect to the above-mentioned standards, hazards, risks, and liabilities.

Asbestos and/or asbestos-containing material shall be defined as all items containing but not limited to chrysotile, crocidolite, amosite, anthophyllite, tremolite, and actinolite. Any or all material containing greater than one-tenth of one percent (.1%) asbestos shall be defined as asbestos-containing material.

Any disputes involving the question of whether or not material is New Hazardous Material shall be settled by electron microscopy or other appropriate and recognized testing procedure, at Owner's determination. The costs of any such tests shall be paid by DB Entity if the material is found to be New Hazardous Material.

All Work or materials found to be New Hazardous Material or Work or material installed with "New Hazardous Material" containing equipment will be immediately rejected and this Work will be removed at DB Entity's expense at no additional cost to Owner.

Design-Builder has read and understood the document Hazardous Materials Procedures & Requirements, and shall comply with all the provisions outlined therein.

Date: _____

Name of DB Entity: _____

Signature: _____

Print Name: _____

Title: _____

EXHIBIT 7

PERFORMANCE BOND **WEST BAY SANITARY DISTRICT**

KNOW ALL PERSONS BY THESE PRESENTS:

That _____, as Principal, hereinafter called Contractor, and _____, as Surety of Sureties, hereinafter called "Surety," are held firmly bound unto the West Bay Sanitary District, as Obligee, hereinafter called "District," in the sum of _____ (\$_____), for which payment Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, a certain written Agreement, dated _____, 2018, was made and executed by and between the District, as Owner, and the Contractor, which agreement is hereinafter called the Contract and is by reference made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the Contractor shall well and faithfully keep and perform *all* the covenants and agreements of Contract, and all alterations, modifications and extensions thereof, by the Contractor to be kept and performed, and shall fully complete all of the work described in the Contract, and all alterations, modifications and extensions thereof, and shall save and hold harmless the District from any and all loss of damage arising out of the failure of the Contractor and/or any and all subcontractors, to fulfill the Contract, and all alterations, modifications and extensions thereof, and shall fully reimburse and pay to the District all outlay and costs which the District may incur in making good any default of the Contractor and/or subcontractors, and in replacing and/or making good any defective material or faulty material or workmanship in the work of the Contractor and/or any and all subcontractors, which may be discovered within one (1) year subsequent to the completion and acceptance of the work provided for in the Contract, then the above obligation shall be void; otherwise, it shall be and remain in full force and effect.

It is expressly covenanted and agreed by and between the Contractor and the Surety that the liability of the Contractor and the Surety shall at all times, and under all circumstances, be co- extensive, and that the Surety shall not be discharged, released or exonerated from liability under this bond, in whole or in part, by an alteration and/or modification of the Contract, whether notice thereof is given the Surety or not, and that the Surety shall be bound thereby, and also bound by any departure or deviation on the part of the District from the terms of the Contract.

It is further expressly covenanted and agreed that in the event that more than one Surety is obligated hereunder, then, in that event, the co-Sureties, bind themselves in the above stated sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of them, and for all other purposes each Surety binds itself, jointly and severally with the Contractors for the payment of such above stated sum only to the extent of the amount set forth opposite the Surety's name

in Appendix A to this bond, which Appendix A is attached hereto and by this reference made a part hereof.

No change or alteration or modification of the Contract or of the work required thereunder shall release or exonerate any Surety or Sureties on the bond.

This bond shall remain in full force and effect notwithstanding that the Contract or any applicable law or statute of the State of California shall be held to be invalid.

IN WITNESS WHEREOF, the Contractor and the Surety or Sureties have hereunto signed their names this _____ day of _____, 2018.

Contractor

Signature

Surety

Attorney-in-Fact

EXHIBIT 8

LABOR AND MATERIALS PAYMENT BOND WEST BAY SANITARY DISTRICT

KNOW ALL PERSONS BY THESE PRESENTS:

That _____, as Principal, hereinafter called "Contractor," and _____, as Surety, hereinafter called "Surety," are held and firmly bound unto the West Bay Sanitary District as Obligee, hereinafter called District, for the use and benefit of all persons and laborers of every class performing any work or labor upon or bestowing skill or other necessary services or furnishing materials, provisions, provender or other supplies to be used or consumed in, or furnishing equipment or power contributing to the work described in the agreement hereinafter mentioned, or in any alteration, modification or extension thereof, which persons and laborers are hereinafter called Claimants, in the amount of _____ (\$ _____), for which payment, well and truly to be made, Contractor and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, a certain written agreement hereinafter called the "Contract," dated _____, 2018, was made and executed by and between the District, as Owner, and the Contractor, which agreement is hereinafter called the Contract and is by reference made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the Contractor shall promptly make payment to all Claimants for all labor and material used or reasonably required for use in the performance of the Contract, or any alteration, modification or extension thereof, whether the Contract, or any alteration, modification or extension thereof, is determined to be void, voidable or otherwise, or for any amount due under the Unemployment Insurance Act of the State of California with respect to such work or labor, or for any amounts required to be deducted, withheld, and paid over to the California Franchise Tax Board from the wages of employees of the Contractor and/or any and all subcontractors pursuant to California Revenue and Taxation Code Section 18806 with respect to such work or labor, then this obligation shall be void; otherwise, it shall be and remain in full force and effect.

The Contractor and Surety hereby jointly and severally agree with the District that every Claimant who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last said Claimant's work or labor was done or performed or materials were furnished by such Claimant, may sue on this bond for the use of such Claimant, prosecute the suit to final judgment for such sum or sums as may be justly due Claimant, and have execution thereon. The District shall not be liable for payment of any costs or expenses of any such suit. No suit or action shall be commenced hereunder by any Claimant:

Unless Claimant, other than a Claimant having a direct contract with the Contractor, shall have given written notice to any two of the following: The Contractor, the District or the Surety, within ninety (90) days after such Claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered or certified mail, postage prepaid in an envelope addressed to the Contractor, District, or Surety, at any place where its office is regularly maintained for the transaction of business, or by personal service.

(b) After the expiration of seven months from the date of recordation of a Notice of Completion or Notice of Cessation if such notice is recorded pursuant to Civil Code Sections 3092 or 3093; or, if no such Notice of Completion or Notice of Cessation is recorded, after nine months from the date of completion or cessation of the work.

The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith herewith, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement, whether or not claims for the amount of such lien be presented under and against this bond.

It is further expressly covenanted and agreed that in the event that more than one Surety is obligated hereunder, then, in that event, the co-Sureties bind themselves in the above stated sum only to the extent of the amount set forth opposite each Surety's name in Appendix A to this bond, which Appendix A is attached hereto and by this reference made a part hereof.

IN WITNESS WHEREOF, the Contractor and the Surety and/or Sureties have hereunto signed their names this _____ day of _____, 2018.

Contractor

Signature

Surety

Attorney-in-Fact

EXHIBIT 9

INSURANCE REQUIREMENTS

As part of the consideration of this Agreement, Contractor agrees to purchase and maintain at its sole cost and expense during the life of the construction of the Project, and for five (5) years thereafter, insurance coverage against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- A. **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations with limits of no less than Five Million Dollars (\$5,000,000) per occurrence for bodily injury, personal injury and property damage. If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.
- B. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits of no less than Five Million Dollars (\$5,000,000) per accident for bodily injury and property damage.
- C. **Workers’ Compensation**: In accordance with the provisions of the California Labor Code, Contractor is required to be insured against liability for Workers’ Compensation or to undertake self-insurance. Statutory Workers’ Compensation and Employers’ Liability of at least \$1,000,000 shall cover all Contractor’s staff while performing any work incidental to the performance of this agreement.

Contractor is required to be insured for coverage for benefits under the United States Longshoremen’s and Harbor Workers’ Compensation Act, and/or the Jones Act, for any work on, over, or near any navigable waters.
- D. **Contractor’s Pollution Legal Liability**: Contractor’s Pollution Legal Liability with limits no less than One Million Dollars (\$1,000,000) per occurrence or claim, and Two Million Dollars (\$2,000,000) policy aggregate.
- E. **Builder’s Risk** (Course of Construction) insurance utilizing an “All Risk” (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.
- F. **Professional Liability**: Professional Liability (Errors and Omission) Insurance appropriate to the Consultant’s profession, with limit no less than One Million Dollars (\$1,000,000) per occurrence or claim and Two Million Dollars (\$2,000,000) aggregate to cover all services rendered by the Consultant pursuant to this Agreement.

If the Contractor maintains higher coverage limits than the amounts shown above, then the District requires and shall be entitled to coverage for the higher coverage limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

OTHER INSURANCE PROVISIONS

Each insurance policy shall contain, or be endorsed to contain, the following five (5) provisions:

1) *Additional Insured Status*

The West Bay Sanitary District and its officers, employees, and agents (collectively the “Additional Insured”) , shall be covered as additional insureds on the Commercial General Liability and the Automobile Liability policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. Additional Insured coverage shall be provided in the form of an endorsement to the Contractor’s insurance (at least as broad as Insurance Services Office Form CG 20 10 11 85). A copy of the endorsement evidencing that the Additional Insured have been added as an additional insured on the policy, must be attached to the certificate of insurance.

2) *Subcontractors*

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that the District is an additional insured on insurance required from subcontractors. For Commercial General Liability coverage subcontractors shall provide coverage with a format at least as broad as Insurance Services Office form CG 20 38 04 13.

3) *Notice of Cancellation*

A provision that coverage will not be cancelled or subject to reduction without written notice given to the West Bay Sanitary District, 500 Laurel Street, Menlo Park, CA 94025, Attn. District Manager.

4) *Primary Coverage*

For any claims related to this contract, the Contractor’s insurance coverage shall be primary insurance as respects the Additional Insured. Any insurance or self-insurance maintained by the Additional Insured shall be excess of the Contractor’s insurance and shall not contribute with it.

5) *Waiver of Subrogation*

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

The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of the District for all work performed by the Contractor, its employees, agents and subcontractors.

ACCEPTABILITY OF INSURERS

All insurance coverage shall be placed with insurers that have a current rating from AM Best of no less than A: VII; and are admitted insurance companies in the State of California. All other insurers require prior approval of the District.

COVERAGE LIMITS SPECIFICATIONS

Approval of the insurance by District or acceptance of the certificate of insurance by District shall not relieve or decrease the extent to which the Contractor may be held responsible for payment of damages resulting from Contractor's services or operation pursuant to this Agreement, nor shall it be deemed a waiver of District's rights to insurance coverage hereunder.

If, for any reason, Contractor fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. District, at its sole option, may terminate this Agreement and obtain damages from the Contractor resulting from said breach. Alternately, District may purchase such required insurance coverage, and without further notice to Contractor, District may deduct from sums due to Contractor any premium costs advanced by District for such insurance.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either: the Contractor shall cause the insurer to reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

EVIDENCE OF COVERAGE

Contractor must provide evidence that it has secured the required insurance coverage before execution of this agreement. A Certificate of Insurance supplied by the District or the appropriate ACORD and Insurance Services Office forms evidencing the above shall be completed by Contractor's insurer or its agent and submitted to the District prior to execution of this Agreement by the District.

Contractor shall furnish the District with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the District before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

EXHIBIT 10

PROJECT - PHASE 1 SCOPE OF WORK

[See Attached Form]

Bayfront Recycled Water Project - Anderson Pacific Eng. Const.

Phase 1 Scope (Not to exceed \$7,100,000)

- 1 Anderson Pacific mobilization
 - Provide overhead and equipment to manage and perform work
 - De-energize power feed under MBR structure and establish temporary power.
- 2 Hazardous Material abatement of existing structures
- 3 Demolition of existing structures to 5' below grade. Crush all concrete and fill existing basins with crushed concrete
- 4 Raise grade at pier locations
- 5 Install approximately 350 piers
- 6 Install piping and duct banks under the MBR structure
- 7 Construct concrete MBR Feed pump station
- 8 Construct concrete Plant Drain pump station
- 9 Issue subcontracts to lock in pricing and offer 10% for approved submittals
 - Rebar subcontractor
 - Steel tank subcontractor
 - Metal building subcontractor
- 10 Issue Purchase Orders to lock in pricing and offer 10% for approved submittals
 - Nanofiltration supplier
 - MBR Equipment supplier
 - UV Equipment supplier
 - Grit Equipment supplier
 - Odor Control equipment supplier
 - Generator supplier
 - Electrical equipment supplier
- 11 Water Works Engineering will:
 - Complete 100%
 - Treatment plant site geotech (not pump station or pipeline geotech)
 - Site Demolition
 - Grading and Paving
 - Yard Piping
 - Structural foundations
 - MBR Walls and Top Slabs
 - Electrical single line diagrams
 - Electrical site plan for plant

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 15**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Report, Discussion, and Direction on South Bayside Waste Management Authority (SBWMA) including the Solid Waste Franchise Re-Assignment

The District's representative to South Bayside Waste Management Authority (SBWMA), President Fran Dehn, will report on any pertinent items regarding SBWMA business. General Manager Ramirez will report and seek direction on the solid waste franchise re-assignment.

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 16**

To: Board of Directors

From: Sergio Ramirez, General Manager

**Subject: Report and Discussion on Silicon Valley Clean Water (SVCW)
Plant**

The District's representative to Silicon Valley Clean Water (SVCW), Commissioner George Otte, will report on pertinent items regarding SVCW Operations, CIP and Finance.

Report to the District Board for the Regular Meeting of July 24, 2024

THIS PAGE LEFT INTENTIONALLY BLANK