



REGULAR BOARD MEETING AGENDA
BOARD OF DIRECTORS MEETING
MALAGA COUNTY WATER DISTRICT
3580 SOUTH FRANK AVENUE
FRESNO, CALIFORNIA 93725
Tuesday, August 25, 2026 at 6:00PM

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a District Board Meeting, please contact the District Office at 559-485-7353 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Please submit all written correspondence for the Board of Directors by 12:00 pm the Friday prior to the meeting. Please deliver or mail to the District Clerk.

Join Zoom Meeting:

<https://us06web.zoom.us/j/88407794126?pwd=EZ0SkifMPRq7BsDhe2fQ4CLryGLNt4.1>

Meeting chat link: <https://us06web.zoom.us/jc/88407794126>

One tap mobile: +16699006833 US (San Jose) or +16694449171 US

Meeting ID: 884 0779 4126 **Passcode:** 08252026

1. Call to Order:

2. Roll Call: President Charles Garabedian, Jr.; Vice President Salvador Cerrillo; Director Irma Castaneda; Director Frank Cerrillo, Jr.; Director Carlos Tovar, Jr.

3. Certification: Certification was made that the Board Meeting Agenda was posted 72 hours in advance of the meeting.

4. Consent Agenda. The items listed below in the Consent Agenda are routine in nature and are usually approved by a single vote. Prior to any action by the Board of Directors, any Board member may remove an item from the consent agenda for further discussion. Items removed from the Consent Agenda may be heard immediately following approval of the Consent Agenda or set aside for discussion and action after Regular Business.

a. Minutes of the Regular Board Meeting of August 11, 2026.

Recommended action: To approve the Consent Agenda as presented or amended.

Motion by: _____; **Second by:** _____

5. Old Business: None for this meeting.

6. New Business:

a. **Link 99 Development Inquiry.** Yengoyan Development Inc. (YDI) has inquired about water and sewer service availability for Link 99, a 250-acre industrial development located in Fresno County along the Highway 99 corridor, generally bounded by S. Golden State Blvd, S. Peach Ave, S. Minnewawa Ave, and E. American Ave. The project is anticipated to support approximately 4 - 5 million square feet of industrial development, subject to final land planning, tenant mix, and entitlement approvals.

A review/response memorandum is provided for the Board's consideration. The response discusses additional water and wastewater infrastructure that would be needed to support this development. If acceptable, it is suggested that this memorandum is forwarded to the developer, along with the District's existing boundary map, water system map, sewer system map, current Fee Schedule, Pretreatment Ordinance, and portions of the adopted Master Plan.

Recommended Action: Provide suggested edits to memorandum and authorize staff to send it to the developer.

- b. **Resolution 08-25-2026. San Joaquin Valley Air Pollution Control District Public Benefit Grants Program - New Alternative Fuel Vehicle Purchase.** The San Joaquin Valley Air Pollution Control District's Public Benefit Grants Program provides funding to eligible public agencies, including water districts, for the purchase of new electric, plug-in hybrid, or other eligible alternative-fuel vehicles. The Program may award up to \$20,000 per vehicle, with a maximum award of \$100,000 per applicant per calendar year.

Recommended action: Adopt Resolution No. 08-25-2026 authorizing the District to submit the grant application; designating the General Manager to implement and administer the project; authorizing execution of the grant agreement and related documents following review by District Counsel; and committing the District to comply with applicable Program requirements.

Motion by: _____, **Second by:** _____

- c. **Resolution 08-25-2026A—Policy No. 3040.** A resolution adopting the purchasing and expense authorization policy and the electronic timekeeping and payroll time reporting policy. This policy establishes ADP as the District's official system of record for employee work time, leave, and payroll-related time reporting. The policy is intended to strengthen payroll accuracy, ensure reliable approval records, eliminate duplicative paper processing, and support compliance with applicable wage-and-hour requirements, labor agreements, and District procedures. Policy No. 3040 replaces prior Policies 3040, 3042, and 3080 and any inconsistent purchasing or expense-authorization practice.

Recommended action: To approve Resolution No. 08-25-2026A as presented or amended.

Motion by: _____, **Second by:** _____

- d. **Second Amendment, ARPA-SLFRF Agreement No. 22-172.** The District was granted an expenditure deadline extension from June 30, 2026 to September 30, 2026. This extension will allow the District to submit additional reimbursement requests to the County of Fresno for the Well 5A project. A Second Amendment was provided to accept the conditions of the extension.

Recommended action: To approve Second Amendment to the ARPA-SLFRF Agreement.

Motion by: _____, **Second by:** _____

- e. **Payoff of RCAC Loan No. 1083-MWD-03 – Malaga CWD Solar Project.** As of July 15, 2026, RCAC reported a principal balance of \$722,617.75 and accrued interest of \$4,968.00, for a preliminary total of \$727,585.75. RCAC's notice states that this amount is not a final payoff demand. Staff has requested a formal Payoff Demand Letter identifying the amount required to satisfy the loan in full.

Recommended action: Authorize payment of RCAC Loan No. 1083-MWD-03 in the amount stated in the final RCAC Payoff Demand Letter, not to exceed \$735,000, from the appropriate District fund; and authorize the General Manager to execute and submit all documents necessary to complete and document the loan payoff.

Motion by: _____, **Second by:** _____

7. Recreation Reports:

8. Engineer Reports:

- a. District Engineer Report.
- b. CDBG Engineer Report:

9. General Manager's Report:

10. President's Report:

11. Vice President's Report:

12. Director's Reports:

13. Legal Counsel Report:

14. Communications:

- a. Written Communications:
- b. Public Comment: *The Public may address the Malaga County Water District Board on item(s) of interest within the jurisdiction of the Board, not appearing on the agenda. The Board will listen to comments presented; however, in compliance with the Brown Act, the Board cannot take action on items that are not on the agenda. The public should address the Board on agenda items at the time they are addressed by the Board. All speakers are requested to wait until recognized by the Board President. All Comments will be limited to three (3) minutes or less per individual/group per item per meeting, with a fifteen (15) minutes maximum.*

15. Closed Session:

- a. Potential Litigation: One Case (Government Code 54956.9(d)(2).).

16. Adjournment:

Motion by: _____, **Second by:** _____

Certification of Posting

I, Norma Melendez, District Clerk of the Malaga County Water District, do hereby certify that the foregoing agenda for the Regular Meeting of the Board of Directors of August 25, 2026 was posted for public view on the front window of the MCWD office at 3580 S. Frank Street, Fresno Ca 93725, at 5:00P.M. On 08/21/2026.

Norma Melendez, District Clerk



item 4.a.

REGULAR BOARD MEETING MINUTES

BOARD OF DIRECTORS MEETING

MALAGA COUNTY WATER DISTRICT

3580 SOUTH FRANK AVENUE FRESNO, CALIFORNIA 93725

Tuesday, August 11, 2026 at 6:00PM

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a District Board Meeting, please contact the District Office at 559-485-7353 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Please submit all written correspondence for the Board of Directors by 12:00 pm the Friday prior to the meeting. Please deliver or mail to the District Clerk.

Join Zoom Meeting

<https://us06web.zoom.us/j/88662572517?pwd=dZtrBl6Y8P3xqdp96GlgaubHS6eN69.1>

Meeting chat link: <https://us06web.zoom.us/jc/88662572517>

One tap mobile: +16699006833 US (San Jose) or +16694449171 US

Meeting ID: 886 6257 2517 Passcode: 08112026

1. Call to Order: 6:03pm

- 2. Roll Call:** President Charles Garabedian, Jr.; Vice President Salvador Cerrillo; Director Irma Castaneda; Director Frank Cerrillo, Jr.; Director Carlos Tovar, Jr.

All present.

Also Present: Sonia Hall, Neal Costanzo and Norma Melendez

- 3. Certification:** Certification was made that the Board Meeting Agenda was posted 72 hours in advance of the meeting.

4. Old Business:

- a. **On-going Consultant Service Agreement.** Provost & Pritchard presently provides a variety of consulting services to the District, including engineering, administration, construction review, and consultation. The Consultant Service Agreement (CSA) for On-going Engineering Services between Malaga County Water District and Provost & Pritchard was last renewed in 2016. Provost & Pritchard wishes to continue On-going Engineering Services for the District. A proposal and CSA to continue on-going engineering services, is attached, including the price list request at the previous board meeting.

Recommended Action: Review and approve CSA for On-going Engineering Services.

Motion by Vice President Cerrillo; Second by Director Tovar, Jr. and by a 5-0 vote to approve the CSA for on-going engineering services with Provost and Pritchard.

5. New Business:

- a. **Resolution 08-11-2026.** A Resolution approving a General Manager employment agreement.

Recommended action: to approve Resolution 08-11-2026 as presented or amended.

Motion by Vice President Cerrillo; Second by Director Tovar, Jr. and by an unanimous vote to approve Resolution 08-11-2026, approving the employment agreement with Sonia Hall.

- b. **Resolution 08-11-2026A.** A resolution approving an out-of-service area agreement for the Comunidad Nuevo Lago Mobile Home Park project.

Recommended Action: to approve Resolution 08-11-2026A as presented or amended.

Motion by Vice President Cerrillo; Second by Director Cerrillo, Jr. and by a unanimous vote to approve Resolution 08-11-2026A to approve out-of-service area agreement with CNLMHP.

- c. **Resolution No. 08-11-2026B. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MALAGA COUNTY WATER DISTRICT APPROVING AN UPDATED MASTER FEE SCHEDULE EFFECTIVE AUGUST 1, 2026.** The District's solid waste provider has submitted formal notification of a 3.6% CPI price increase. In accordance with the service agreement, solid waste rates for District customers will adjust upwards by 3.6%, effective August 1, 2026.

Recommended Action. Approve Resolution No. 08-11-2026B.

Motion by Vice President Cerrillo; Second by Director Castaneda and by a 5-0 vote approve Resolution No. 08-11-2026B as presented.

- d. **Resolution No. 08-11-2026C.** A resolution authorizing investment of monies in the Local Agency Investment Fund (LAIF).

Recommended Action: To approve Resolution No. 08-11-2026C as presented or amended.

Legal Counsel Costazo commented investing the monies in LAIF will generate interest earnings, thereby growing capital reserves to establish and maintain a dedicated emergency reserve fund.

Motion by Vice President Cerrillo; Second by Director Castaneda, and by a 5-0 vote to approve Resolution No. 08-11-2026C as presented. This resolution includes

- e. **Resolution No. 08-11-2026D.** Approving authorized signors for the County of Fresno Auditor-Controller/ Treasurer- Tax Collector.

Recommended action: To approve Resolution No. 08-11-2026D.

Motion by Vice President Cerrillo; Second by Director Irma Castaneda and by a unanimous vote to approve Resolution No. 08-11-2026D.

- f. **Resolution No. 08-11-2026E.** A resolution designating trustees and administrator for the District's Money Purchase Pension Plan and 457(b) Plan.

Recommended action: to approve Resolution No. 08-11-2026E as presented or amended.

Motion by Vice President Cerrillo; Second by Director Tovar, Jr. and by a 5-0 vote to approve Resolution 08-11-2026E.

- g. **Resolution No. 8-11-2026F.** A resolution designating authorized representatives and ratifying prior administrative actions for the Well 5A Project.

Recommended action: to approve Resolution No. 8-11-2026F as presented or amended.

Motion by Vice President Cerrillo; Second by Director Castaneda, and by a 5-0 vote to approve Resolution No. 8-11-2026F.

6. Recreation Reports:

Director Castaneda reported that the recreation committee meeting that was originally scheduled for August 12 has been postponed to August 19. In this meeting they will be discussing the Fiesta Day Program.

Vice President Cerrillo reported that the District received two donations of \$500 for the Back to School Event. He thanked Caglia Environmental and Francisco de los Santos for their generous gift. Other reports include the conclusion of the Youth Alley Clean Up and the Sheriff Activity League.

President Garabedian, Jr. asked the board if they would consider having the recreation facility as a cooling/warming center. General Manager, Sonia Hall, informed the board that the District needs to register the center with the County of Fresno in order to be added to the cooling/warming center list they distribute throughout the county.

7. Engineer Reports:

a. District Engineer Report.

- i. **Well 7 TCP Results.** Well 7 has been tested for 1,2,3-trichloropropane (TCP) three times over the past three years. All three samples had detections of TCP over the maximum contaminant level (MCL) of 0.005 µg/L. Results were as follows:

- Oct 2022: 0.0061 µg/L
- Oct 2025: 0.0052 µg/L
- June 2026: 0.0087 µg/L

Well 7 should be sampled for TCP on a quarterly basis due to the detections. Compliance is based on a 4-quarter running average. If TCP detections continue to be found above the MCL, a compliance order is anticipated.

In California, many cities and water districts have sued major chemical companies like Shell and Dow to recover heavy costs for treating groundwater contaminated with TCP. Robins Borghei LLP has successfully represented public water suppliers affected by TCP, throughout California and the Central Valley. It is recommended that P&P initiate discussions with the District and Robins Borghei regarding potential litigation.

Recommended Action: Board's Pleasure.

During the discussion on water sampling procedures, Director Tovar, Jr. suggested that the Water Operator consider implementing a second set of eyes during sample collection to help prevent potential sample contamination.

- ii. **Environmental Compliance Inspection Support.** P&P has reviewed current pretreatment program documents and files from the District and started scanning information into the file. We have set up a database of information with direct inputs into the permit document and conditions. The District has agreed to review and update some of the information in the database to ensure that it is current. We have conducted facility inspections with 10 of the significant dischargers. We have been working to update forms and permit documentation.

The first batch of 103 permits are prepared for the District's review and approval. There are unresolved questions on the remaining permits that we will work with the District to help answer.

Until the District hires an ECI, P&P proposes to continue to update the database and make determinations related to the remaining permits, conduct inspections for the new permit applicants, and prepare the remaining permits so they can be provided to the District for review and approval. We propose to continue this effort on a time and materials basis.

Recommended Action: For information.

Discussion was held. Nothing to report.

- b. CDBG Engineer Report: **None for this meeting.**

8. General Manager's Report:

General Manager, Sonia Hall, presented an operational report to the Board, outlining the following key updates:

- **Short and Long-Term Goals:** Provided an overview of immediate priorities and strategic long-term objectives for the District.
- **District Policies:** Reported on current administrative policies being drafted for future Board consideration and potential implementation.
- **Financial Reporting:** Stated she is collaborating with the external accounting firm to establish reporting procedures for presenting Year-to-Date (YTD) financial statements.
- **Grant Funding:** Informed the Board that she is actively working on a Community Resilience Grant application aimed at funding upgrades for the park's recreation center.

9. President's Report:

President Garabedian, Jr. announced that the County of Fresno provided the district with a waiver, exempting the district from local monitoring and enforcement responsibilities regarding organic waste and food waste disposal regulations.

10. Vice President's Report:

Vice President Cerrillo reported that he met with Erica Lopez to explore bringing Zumba classes to the recreation center. The initial meeting included discussion regarding scheduling, availability and hourly facility/instructor rates. At the conclusion of their

meeting, for a limited time, the initial classes will be offered to the community free of charge. Once the instructor sees potential, a more formal agreement will be drafted.

11. Director's Reports:

None for this meeting.

12. Legal Counsel Report:

None for this meeting.

13. Communications:

a. Written Communications: None for this meeting.

b. Public Comment: *The Public may address the Malaga County Water District Board on item(s) of interest within the jurisdiction of the Board, not appearing on the agenda. The Board will listen to comments presented; however, in compliance with the Brown Act, the Board cannot take action on items that are not on the agenda. The public should address the Board on agenda items at the time they are addressed by the Board. All speakers are requested to wait until recognized by the Board President. All Comments will be limited to three (3) minutes or less per individual/group per item per meeting, with a fifteen (15) minutes maximum.*

Chairs are empty.

14. Consent Agenda. The items listed below in the Consent Agenda are routine in nature and are usually approved by a single vote. Prior to any action by the Board of Directors, any Board member may remove an item from the consent agenda for further discussion. Items removed from the Consent Agenda may be heard immediately following approval of the Consent Agenda or set aside for discussion and action after Regular Business.

- a. Minutes of the Regular Board Meeting of July 28, 2026.
- b. Center Rental of August 9, 2026 deposit waiver.
- c. Accounts Payable Report.

Recommended action: To approve the Consent Agenda as presented or amended.

Motion by Vice President Cerrillo; Second by Director Tovar, and by a unanimous vote to approve the consent agenda as presented.

15. Closed Session: 7:10pm

- a. Ortiz v. Malaga County Water District, et. al. 1 :25-CV-01803-JTL-BAM;

Board came out of closed session at the time of 7:44pm with no reportable action.

16. Adjournment:

Motion by Vice President Cerrillo, Second by Director Cerrillo, Jr. and by a 5-0 vote to adjourn the meeting at 7:45pm.

Certification of Posting

I, Norma Melendez, District Clerk of the Malaga County Water District, do hereby certify that the foregoing minutes for the Regular Meeting of the Board of Directors of August 11, 2026 was posted for public view on the front window of the MCWD office at 3580 S. Frank Street, Fresno Ca 93725, on 08/26/2026.

Norma Melendez, District Clerk

MEMORANDUM

To: Board of Directors
Malaga County Water District

From: Maija Madec, PE

Subject: Feasibility Review: Yengoyan Development Inc. – Link 99 Development

Date: August 5, 2026

COMMENTS:

Yengoyan Development Inc. (YDI) has inquired about water and sewer service availability for Link 99, a ±250-acre industrial development located in Fresno County along the Highway 99 corridor, generally bounded by S. Golden State Blvd, S. Peach Ave, S. Minnewawa Ave, and E. American Ave. The project is anticipated to support approximately 4- 5 million square feet of industrial development, subject to final land planning, tenant mix, and entitlement approvals.

The area is generally outside of, but adjacent to the current Malaga County Water District (MCWD) Service Area. It is within the MCWD Sphere of Influence (SOI)

This memorandum is prepared for the Board's consideration. If acceptable, it is suggested that this memorandum is forwarded to the developer, along with the District's existing boundary map, water system map, sewer system map, current Fee Schedule, Pretreatment Ordinance, and portions of the adopted Master Plan.

Water and Sewer Service

YDI provided preliminary demand scenarios, with planning-level demand ranges by potential use category. Potable demands could range from 25,000-50,000 gpd for standard logistics or dry warehousing, up to as much as 150,000-350,000 (or more) gpd for advanced manufacturing /light industrial uses.

Fresno County LAFCo

To provide water and sewer service to this area, Fresno County LAFCo would be involved related to the annexation of properties within this development that are not currently within the MCWD Service Area. The potential annexation of property may result in requirements imposed by LAFCo, which might impact nearby properties. Typically, all costs associated with applications to Fresno County LAFCo are the responsibility of the developer.

Existing Proposed Developments

It is noted that MCWD has received notifications and/or requests for multiple proposed developments within its Sphere of Influence. A summary exhibit of the potential developments is attached. It is noted that a few of said proposed developments are located within the boundary of the YDI proposed development.

It is also noted that the County of Fresno identified a Fresno County Business and Industrial Campus, which overlaps the boundaries of the YDI proposed development.

YDI Request

YDI is seeking high-level input on which of the potential use scenarios may be serviceable with existing facilities, which may require infrastructure improvements, and what type improvements may be required.

YDI provided the following initial questions. Suggested responses are provided for each.

1. Which demand scenarios appear potentially serviceable with existing potable water and wastewater facilities?

Current water supply capacity: Water supply capacity is limited. In addition to potable demands, large warehouses and industrial sites have significant fire flow demands that will need to be considered. It is anticipated that an additional supply well(s) and/or water storage tank(s) may be required to serve this area.

Current water distribution capacity: The area is beyond the current MCWD service area, and additional water distribution mains would be required to serve this area.

It is noted that impacts to the Sustainable Groundwater Management Act (SGMA) requirements for MCWD would need to be evaluated.

Current sewer collection capacity: The area is beyond the current MCWD service area, and the sewer collection system would need to be extended to serve this area. In addition, there is only one industrial sewer line crossing of State Route 99 and only one industrial sewer line crossing of the railroad.

The MCWD Infrastructure Master Plan recommends construction of a wastewater treatment and disposal facility east of State Route 99, to serve development on the east side of the MCWD, easing the burden on the existing sewer collection system and to accommodate the treatment and disposal capacity needed.

2. If one or more demand scenarios cannot be served today, what general infrastructure categories would likely be needed, such as water main extensions, pressure/storage improvements, sewer extensions, lift station upgrades, treatment capacity, or pretreatment?

The area is beyond the MCWD service area, and the existing water distribution system, water supply wells, and water storage facilities would require augmentation to accommodate the potential demands. This would require at least one new water supply well. It is anticipated that a water storage tank would be required to satisfy fire flow and peak flow demands of the development.

The MCWD has a Pretreatment Ordinance that would impose requirements to any commercial/industrial development. The area is beyond the existing service area. The MCWD

Infrastructure Master Plan identifies recommended wastewater treatment and disposal facilities in a portion of the area identified by YDI for potential development.

3. [What information does MCWD need at this preliminary stage to provide non-binding guidance before detailed entitlement-level utility studies are prepared?](#)

Please see responses above.

YDI has requested a call or meeting to confirm the review process, discuss current service constraints, and identify the information MCWD will need as the project advances through entitlements. It is recommended that an initial meeting is conducted after YDI has had a chance to review this memorandum and the attachments. It is noted that there may be several topics that require updating prior to initiating studies and entitlements.

Attachments

- A. Yengoyan Development Inc letter dated July 30, 2026
- B. MCWD Boundary
- C. MCWD Water System Map
- D. MCWD Sewer System Map
- E. MCWD Fee Schedule
- F. MCWD Pretreatment Ordinance
- G. Portions of the MCWD Infrastructure Master Plan
- H. Proposed Developments within MCWD Sphere of Influence
- I. Fresno County Business and Industrial Campus Boundary



item 6.b.

MALAGA COUNTY WATER DISTRICT

STAFF REPORT

Meeting Date: August 25, 2026

Agenda Item: 6.b.

Subject: San Joaquin Valley Air Pollution Control District Public Benefit Grants Program - New Alternative Fuel Vehicle Purchase

Prepared By: Sonia Hall, General Manager

Attachments: Proposed Policy with Monthly Director Compensation Claim; Board Member Request for Reimbursement; Compensation Rate Resolution/Ordinance

BACKGROUND

The San Joaquin Valley Air Pollution Control District's Public Benefit Grants Program provides funding to eligible public agencies, including water districts, for the purchase of new electric, plug-in hybrid, or other eligible alternative-fuel vehicles. The Program may award up to \$20,000 per vehicle, with a maximum award of \$100,000 per applicant per calendar year.

Staff proposes applying for up to five vehicles to support District operations. Final vehicle types and quantities will be based on operational need, Air District eligibility, available funding, charging or fueling requirements, and the District's purchasing process.

PROGRAM REQUIREMENTS

The District must enter into a three-year contract; own and operate each funded vehicle throughout that term; maintain replacement-value insurance; maintain records; submit annual reports; and allow Air District inspections. Vehicles must have a gross vehicle weight rating of 14,000 pounds or less, be used primarily within the Air District, and have access to required charging or fueling infrastructure.

The District may not order, purchase, or accept delivery before the grant agreement is fully executed. Because funding is reimbursement-based, the District must initially pay eligible costs and submit payment documentation to the Air District.

FISCAL IMPACT

The maximum request is \$100,000, with up to \$20,000 per vehicle. The District is responsible for costs exceeding the award and must have sufficient cash to pay costs before reimbursement. The grant may not cover the full purchase price, taxes, registration, equipment, infrastructure, or other acquisition costs.

This action does not authorize a vehicle purchase. Purchases may occur only after execution of the grant contract, confirmation of available District funds, and compliance with the adopted budget and purchasing requirements. Staff will identify the funding source and complete project costs before any commitment is made.

RECOMMENDED ACTION

Adopt Resolution No. 08-25-2026 authorizing the District to submit the grant application; designating the General Manager to implement and administer the project; authorizing execution of the grant agreement and related documents following review by District Counsel; and committing the District to comply with applicable Program requirements.

RESOLUTION NO. 08-25-2026

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MALAGA COUNTY WATER DISTRICT AUTHORIZING AN APPLICATION
TO THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT
FOR THE PURCHASE OF NEW ALTERNATIVE-FUEL VEHICLES**

WHEREAS, the San Joaquin Valley Air Pollution Control District ("Air District") administers the Public Benefit Grants Program, New Alternative Fuel Vehicle Purchase Component, to assist public agencies with the purchase of eligible new electric, plug-in hybrid, or alternative-fuel vehicles; and

WHEREAS, the Program may provide up to Twenty Thousand Dollars (\$20,000) per eligible vehicle, with maximum funding of One Hundred Thousand Dollars (\$100,000) per applicant per calendar year; and

WHEREAS, the Malaga County Water District ("District") desires to apply for grant funding to purchase up to five (5) eligible vehicles for District operations, subject to Air District approval, available funding, District procurement requirements, and the availability of sufficient District funds for costs not covered by the grant; and

WHEREAS, the Board finds that replacing or expanding the District fleet with eligible low- or zero-emission vehicles will support essential District services while reducing vehicle emissions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Malaga County Water District as follows:

1. The Board authorizes the District to submit one or more applications to the Air District for the purchase of up to five (5) eligible new alternative-fuel vehicles, requesting up to \$20,000 per vehicle and not more than \$100,000 in total grant funding during the applicable calendar year.
2. The General Manager is designated as the District official authorized to prepare, submit, and administer the application and project; provide required assurances and supporting documentation; accept a grant award; and execute the grant agreement and related documents, subject to review and approval as to form by District Counsel.
3. The District commits to comply with applicable Program requirements, including the three-year contract term; District ownership and operation of the vehicles for the full contract term; replacement-value insurance; required maintenance, recordkeeping, annual reporting, and inspections; and the requirement that at least seventy-five percent (75%) of vehicle use occur within the Air District's geographic area.
4. No vehicle funded under the Program shall be ordered, purchased, or delivered before the grant agreement has been fully executed by all parties. Each proposed vehicle must be eligible under the Program, have a gross vehicle weight rating of 14,000 pounds or less, and have access to required charging or fueling infrastructure by the time of purchase.
5. The District will provide the lawful local funds necessary to pay project costs exceeding the grant award, including costs incurred before reimbursement, subject to the Board-approved budget and applicable purchasing requirements. Acceptance of any award shall not authorize expenditures beyond lawfully available and appropriated District funds.
6. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Malaga County Water District held on August 25, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Salvador Cerrillo, Vice President
Malaga County Water District

ATTEST:

Norma Melendez, Acting Secretary to the Board
of Directors of the Malaga County Water District



- On-road vehicles must be certified to SULEV emissions or better to be eligible.
- Motorized vehicles operated on public roads must be emissions-certified by the California Air Resources Board.
- Other electric vehicle types such as transport/utility carts, motorcycles, scooters, electric bicycles, etc. not listed on this document may be eligible for funding.
- Contact Public Benefit staff at (559) 230-5800 or grants@valleyair.org to inquire about specific vehicles not listed.

Battery Electric Vehicle			
Make	Model	Model Year	Vehicle Type
Acura	ZDX RWD	2024-2025	SUV
Acura	ZDX AWD ZDX AWD Type-S	2024	SUV
Audi	Q4 50 E-Tron Quattro Q8 E-Tron Quattro SQ8 E-Tron Q8 Sportback E-Tron Quattro Q4 Sportback 50 E-Tron Quattro Q8 Sportback E-Tron Ultra Quattro	2024	SUV
Audi	Q4 40 E-Tron	2024	Passenger Car
Audi	Q4 55 E-Tron Quattro E-Tron GT RS E-Tron GT	2024-2025	Passenger Car
Audi	A6 E-Tron A6 E-Tron Ultra A6 E-Tron Quattro A6 E-Tron Ultra Quattro S6 E-Tron Q4 45 E-Tron	2025	Passenger Car
Audi	Q4 Sportback 55 E-Tron Quattro (2024 too) Q6 E-Tron Quattro Q6 Sportback E-Tron Quattro SQ6 E-Tron SQ6 Sportback E-Tron	2025	SUV
BMW	I4 EDrive Gran Coupe	2024	Passenger Car
BMW	Countryman SE All4 I5 XDrive40 Sedan	2025	Passenger Car
BMW	I4 XDrive40 Gran Coupe I5 EDrive 40 Sedan I4 EDrive40 Gran Coupe I4 M50 Gran Coupe I5 M60 XDrive Sedan I7 EDrive50 Sedan I7 M70 XDrive Sedan I4 EDrive35 Gran Coupe I7 XDrive60 Sedan	2024-2025	Passenger Car
BMW	IX Drive40 IX M60 IX XDrive50 X5 XDrive50E (2025 only)	2024-2025	SUV
Brightdrop	ZEVO 400 AWD ZEVO 600	2024-2025	Medium-Duty
Bugatti Rimac	Nevera	2024	Passenger Car
Cadillac	Lyriq Optiq AWD Escalade IQ	2024-2025	SUV
Canoo	LDV 130 LDV 190	2024	Cargo Van
Cenntro	Logistar 300 Chassis Cab Logistar 300 Van	2024	Cargo Van
Chevrolet	Blazer EV Equinox EV	2024-2025	SUV
Chevrolet	Silverado EV	2024-2025	Truck
Dodge	Charger Daytona R/T AWD Charger Daytona Scat Pack	2024-2025	Passenger Car
Faraday & Future Inc	FF91	2024	SUV
Fiat	500E	2024-2025	Passenger Car
Fisker	Ocean	2024	Passenger Car



Battery Electric Vehicle (Continued)			
Make	Model	Model Year	Vehicle Type
Ford	Mustang Mach-E	2024-2025	Passenger Car
Ford	T350 Cutaway, Chassis Cab, and Cargo Van (E-Transit)	2024	Medium-duty
Ford	F150 Pickup Lightning	2024-2025	Truck
Genesis	GV 60	2024	Passenger Car
Genesis	Electrified GV70	2024-2025	Passenger Car
Genesis	Electrified G80	2025	Passenger Car
GMC	Hummer EV Sierra EV	2024-2025	Truck/SUV
Honda	Prologue	2024-2025	SUV
Hyundai	GV60 Standard/Advanced/Performance	2024-2025	Passenger Car
Hyundai	Electrified G80 Ioniq 5 Robo Taxi	2024	Passenger Car
Hyundai	Ioniq 5 Kona Electric Ioniq 6	2024-2025	Passenger Car
Hyundai	Nexo Nexo Blue	2024-2025	SUV
Jaguar	I-Pace EV400	2024	SUV
Jeep	Wagoneer S AWD (Falken and Pirelli Tire)	2024-2025	Passenger Car
Karsan Otomotiv	E-Jest	2024-2025	Mini-Bus
Kia	EV6 Niro Electric EV 9	2024-2025	Passenger Car
Lexus	RZ 450E AWD RZ 300E	2024-2025	Passenger Car
Lotus	Eletre R Long Range Eletre R Performance Eletre S Long Range Eletre S Performance	2025	Passenger Car
Lucid	Air Sapphire Air Pure Air Touring Air Grand Touring	2024-2025	Passenger Car
Lucid	Gravity GT	2025	Passenger Car
Maserati	Grancabrio Folgore	2024-2025	SUV
Maserati	Grecale Folgore Granturismo Folgore	2025	SUV
Mercedes-Benz	EQS 680 4Matic	2024-2025	SUV
Mercedes-Benz	AMG EQS 4Matic+ EQS 450+ AMG EQE 4Matic+ EQS 450 4Matic EQE 350+ EQE 500 4Matic EQE 350 4Matic EQS 580 4Matic	2024-2025	Passenger Car/SUV
Mercedes-Benz	EQB 250+ EQB 300 4Matic EQB 350 4Matic	2024-2025	Passenger Car
Mercedes-Benz	G 580	2025	SUV
Mercedes-Benz	ESprinter	2024-2025	Cargo Van
Mini	Cooper SE Hardtop 2 Door	2024	Passenger Car
Mullen	Three-Urban Utility One-Urban Delivery 1	2024	Medium-Duty
Nissan	Ariya Leaf	2024-2025	Passenger Car
Oshkosh	Postal Delivery	2025	Postal Vehicle
Pininfarina	Battista	2024	Passenger Car
Polestar	Polestar 2 Polestar 4 (2025 only)	2024-2025	Passenger Car
Polestar	Polestar 3 Long Range	2025	SUV
Porsche	Taycan	2024-2025	Passenger Car
Porsche	Macan 4 Electric Macan Electric Macan 4S Electric Macan Turbo Electric	2025	SUV
Ram	Promaster EV	2025	Cargo Van



Battery Electric Vehicle (Continued)			
Make	Model	Model Year	Vehicle Type
Rivian	EDV 500/700	2024	Medium-duty
Rivian	R1T R1S	2024-2025	Medium-duty
Rivian	RCV-Delivery 500/700	2024	Cargo Van
Rolls Royce	Black Badge Spectre Spectre	2024-2025	Passenger Car
Subaru	Solterra	2024-2025	SUV
Tazzari	Zeromax 45	2025	Passenger Car
Tesla	Cybertruck Cybertruck Beast	2024-2025	Truck
Tesla	Model 3 Model X Model S Model X Plaid Model S Plaid Model Y	2024-2025	Passenger Car
Toyota	Mirai Limited	2024	Passenger Car
Toyota	Mirai XLE	2024-2025	Passenger Car
Toyota	BZ4X	2024-2025	SUV
Vicinity Motor Corporation	VMC 1200 (Complete/Incomplete)	2024	Medium-Duty
Vinfast	VF7 Plus (2025 only) VF8 VF9	2024-2025	SUV
Volkswagen	ID.4 ID.4 Pro ID.4 S ID.4 Pro S	2024-2025	Passenger Car
Volkswagen	ID. 7 Pro ID. 7 Pro 4Motion ID. 7 Pro S Plus 4Motion ID. 7 Pro S Plus 4Motion	2025	SUV
Volvo	XC40 C40	2024	Passenger Car
Volvo	EC40 EX30 Twin Performance EC40 Twin EX40 EX30 Single Motor EX40 Twin	2025	Passenger Car
Volvo	EX90 Twin Motor EX90 Twin Motor Performance	2025	SUV

Plug-in Hybrid Electric Vehicles			
Make	Model	Model Year	Vehicle Type
Alfa Romeo	Tonale EAWD	2025	Passenger Car
Audi	Q5 Plug-In Hybrid Quattro	2024-2025	SUV
Bentley	Continental GT Continental GT Speed Continental GTC Continental GTC Speed Flying Spur Speed	2025	Passenger Car
Bentley	Bentayga Hybrid	2024-2025	SUV
Bentley	Flying Spur	2024-2025	Passenger Car
BMW	M5 Sedan M5 Touring 550E XDrive Sedan	2025	Passenger Car
BMW	X3 XDrive30E 330E Sedan 330E XDrive Sedan	2024	SUV
BMW	X5 XDrive50E 750E XDrive Sedan XM XM Label	2024-2025	SUV
Chrysler	Pacifica Hybrid	2024-2025	Passenger Car



Plug-in Hybrid Electric Vehicles (Continued)				
Make	Model	Model Year	Vehicle Type	
Dodge	Hornet PHEV AWD	2025	Passenger Car	
Ferrari	F173 HFC/HGC	2024	Passenger Car	
Ferrari	SF 90 Spider SF90 XX Spider (2025 only)	SF90 XX Stradale 296 GTB/GTS 2024-2025	Passenger Car	
Ford	Escape PHEV	Lincoln Corsair AWD PHEV	2024-2025	SUV
Hyundai	Tucson Plug-In		2024-2025	SUV
Jeep	Grand Cherokee 4XE	Wrangler 4XE	2024-2025	SUV
Karma	Revero		2025	Passenger Car
Kia	Niro Plug-In	Sorento Plug-In	2024-2025	Passenger Car
Kia	Sportage Plug-In Hybrid		2024-2025	SUV
Lamborghini	Revuelto		2024-2025	SUV
Lamborghini	Urus SE		2025	SUV
Land Rover	Range Rover P460 PHEV Range Rover P460 Sport PHEV	Range Rover P550 PHEV Range Rover P550 Sport PHEV	2024-2025	SUV
Lexus	TX 550H+		2024	SUV
Lexus	NX 450H+	RX 450H+	2024-2025	SUV
Lincoln	Corsair AWD PHEV		2024	SUV
Mazda	CX-70	CX-90	2024-2025	SUV
McLaren	Artura		2024	Passenger Car
Mercedes-Benz	GLE 450 E	GLC 350 E (2025 only)	2024-2025	SUV
Mercedes Benz	S 580 E 4Matic AMG C 63 S E	AMG GT 63 S E AMG SL 63 S E	2024-2025	Passenger Car
Mercedes Benz	AMG E 53 Hybrid 4Matic+ AMG GLC 63 S E	AMG GT 63 S E (Coupe) AMG S 63 E	2025	Passenger Car
Mitsubishi	Outlander PHEV		2024-2025	SUV
Porsche	Panamera 4 E-Hybrid	Panamera 4S E-Hybrid	2025	Passenger Car
Porsche	Cayenne E-Hybrid Cayenne S E-Hybrid Cayenne S E-Hybrid Coupe	Cayenne Turbo E-Hybrid Coupe	2025	SUV
Porsche	Cayenne E-Hybrid Coupe	Cayenne Turbo E-Hybrid	2024-2025	SUV
Toyota	Prius PHEV	Prius PHEV SE	2024-2025	Passenger Car
Toyota	RAV4 PHEV		2024-2025	SUV
Volvo	S60 T8 S90 T8	V60 T8	2024-2025	Passenger Car
Volvo	XC60 T8	XC90 T8	2024-2025	SUV

Neighborhood Electric Vehicles				
Make	Model		Model Year	Vehicle Type
ADVM	Patriot 4P Patriot 4PF Patriot 4PL	Patriot 6P Patriot 6PL	2025	NEV
Ayro	Vanish		2024	NEV
Bintelli	A Beacon	Beyond Nexus	2024	NEV



Neighborhood Electric Vehicles (Continued)						
Make	Model			Model Year	Vehicle Type	
Breezy EV	Breeze 4 Breeze 4L Esteem 4 Terrian 4 Terrian 4 Plus	Breeze 4W Eclipse 4 Siera 4 Sierra 4 Plus	2025	NEV		
Cenntro	Metro			2024	NEV	
Club Car	Carryall 510 LSV Carryall 710 LSV	Cru Lounge Urban LSV	2024-2025	NEV		
Columbia/Tomberlin	E-Merge E2-LE E-Merge E2-SE E-Merge E2-SS E-Merge E4-LE	E-Merge E4-SS Journeyman Eagle P5-CC Eagle P5-MS Engage	2024-2025	NEV		
Columbia	Custom Platform (Long and Short)	Utilitruck (Long and Short)	2024-2025	NEV		
Cruise Car	Emoke			2024	NEV	
Epic	E20 E40 E40FL E40FX (2025 only)	E40L E60 E60L	2024-2025	NEV		
Garia	VIA 2 LSV VIA 2+2 LSV	VIA 4 LSV VIA 4+2 LSV	2024-2025	NEV		
GEM WAEV	e2 e4	e6 eL-XD	2024-2025	NEV		
HDK Plastic Factory	Carrier 6 Carrier 8 Classic 2 Classic 4 D3 D5 Forester 4 Forester 6	Tara 2 Tara 2+2 Tara 2+2 Lifted Tara Fleet Turfman 200 Turfman 800 Turfman 1000	2024	NEV		
Hisun	HS5DUTV RK Performance E1	Sector E1 Vector E1	2024-2025	NEV		
Icon	C20S C20U C20UL C20V C30-AMB C30L-AMB C40 C40FS C40FSL	C40L C20LS P40 P60L C60 C60FS C60L C70W C80	I20/I20L I20S-HD I20U-HD I20UL-HD P20 P40L I20UV-HD I20UVL-HD I40	I40F I40FL I40FS-HD I40L I60 I60-HD I60FS-HD I60L P60	2024-2025	NEV
Kandi	Kandi Kruiser		Cowboy E10K	2024-2025	NEV	
Kandi	Innovator E10K		Smile 2P	2025	NEV	
Moke Assembly, LLC	Emoke			2025	NEV	



Neighborhood Electric Vehicles (Continued)					
Make	Model			Model Year	Vehicle Type
Star EV	Capella-2+2	Capella-Lifted-2+2	Sirius-4+2	2024-2025	NEV
	Capella-2	Capella-Lifted-4+2	Sirius-4		
	Capella-2H	Capella-WM	Sirius-Lifted-2+2		
	Capella-2HCX	48-2H	Sirius Lifted-4+2		
	Capella-4+2	48-2-HCX	Classic-48-2+2		
	Capella-4	48-4H	Classic-48-2		
	Capella-4H	Sport-2+2	Classic-48-4+2		
	Capella-4HCX	Sport-4+2	Classic-48-4		
	Capella-48-4+2	Sirius-2+2	Classic-48-6+2		
	Capella-6+2	Sirius-2	Classic-48-6		
	Capella-6				
Textron Specialized Vehicles	Cushman Tour Hauler LSV	Liberty LSV	E-Z-Go Liberty LSV (2025 only)	2024-2025	NEV
Tropos Motors	Able NXT1			2024	NEV
Westward Industries	MAX-6	MAX-15		2024	NEV
	MAX-8	MAX-20			
Vantage	LI4XC	LI2XC	LIV9DC	2024	NEV
	LI4XP	LI2XP	LIV9DP		
	LI4XS	LI2XS	LIV9DR		
			LIV9DX		
Vivid	Anthem 2P	Peak 6	V4	2024	NEV
	Anthem 4P	Peak 6L	V4L		
	Peak 4F	Peak G	V6		
	Peak 4L	V2	V6L		

Hybrid Electric Vehicles - Law Enforcement Only			
Make	Model	Model Year	Vehicle Type
Ford	Interceptor Utility HEV	2024	SUV

Hydrogen Fuel Cell – Hydrogen fueling infrastructure may not be available in certain areas			
Make	Model	Model Year	Vehicle Type
Honda	CR-V E: FCEV	2025	Passenger Car
Hyundai	Nexo	Nexo Blue	2024
			Passenger Car

Certified Clean Compressed Natural Gas* (CNG) Vehicles and Fuel Conversions			
Make	Model	Model Year	Vehicle Type
	None at this time		

RESOLUTION NO. 08-25-2026A

A RESOLUTION ADOPTING THE PURCHASING AND EXPENSE AUTHORIZATION
POLICY AND THE ELECTRONIC TIMEKEEPING AND PAYROLL TIME REPORTING
POLICY

WHEREAS, the Board has reviewed updated policies governing purchasing, expense authorization, and electronic timekeeping; and

WHEREAS, the Board finds that the policies will improve accountability, payroll accuracy, and protection of District resources.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Malaga County Water District as follows:

Section 1. Policies Adopted. The Board adopts the Purchasing and Expense Authorization Policy, Policy No. 3040, as Exhibit A, and the Electronic Timekeeping and Payroll Time Reporting Policy, as Exhibit B.

Section 2. Prior Policies. Policy No. 3040 replaces prior Policies 3040, 3042, and 3080 and any inconsistent purchasing or expense-authorization practice.

Section 3. General Manager Authority. The General Manager may implement both policies and approve purchases and sign contracts only within the limits and requirements of Policy No. 3040. Contracts with an initial or potential term longer than 12 months require prior Board approval.

Section 4. Timekeeping. ADP is designated as the District's official timekeeping system. The General Manager shall establish the implementation date after reasonable notice and training.

Section 5. Effective Date. This Resolution and Policy No. 3040 are effective upon adoption. The timekeeping policy becomes operational on the implementation date established by the General Manager.

* * * * *

PASSED AND ADOPTED at a duly noticed meeting of the Board of Directors on August 25, 2026, by the following vote:

//

//

//

//

//

AYES:

NOES:

ABSENT:

ABSTAIN:

Salvador Cerrillo, Vice President
Malaga County Water District

ATTEST:

Norma Melendez, Acting Secretary to the Board
of Directors of the Malaga County Water District

Exhibit A: Purchasing and Expense Authorization Policy, Policy No. 3040
Exhibit B: Electronic Timekeeping and Payroll Time Reporting Policy

MALAGA COUNTY WATER DISTRICT
PURCHASING AND EXPENSE AUTHORIZATION POLICY

Financial Management and Internal Control Manual

Policy No.	3040	Adopted	_____
Effective Date	_____	Resolution No.	08-25-2026A
Responsible Official	General Manager	Review Cycle	At least every three years
Supersedes	Policies 3040, 3042, and 3080	Applies To	All District purchasing and expenses

1. Purpose

This policy establishes a transparent, competitive, efficient, and auditable system for purchasing goods, public works, professional and general services, and other items using District funds. It defines authorization limits, documentation standards, competitive methods, contract controls, reimbursement requirements, and segregation of duties necessary to safeguard public resources.

Control principle: No purchase is authorized solely because funds are available. Every expenditure must serve a documented District purpose, be within lawful authority, comply with the adopted budget and applicable funding conditions, and receive approval before the District becomes obligated.

2. Scope

This policy applies to all District officers, employees, departments, programs, enterprise activities, recreation activities, grants, capital projects, and funding sources. It applies to purchases made by purchase order, contract, check, electronic payment, petty cash, reimbursement, or any other method. Board-member compensation and travel reimbursement are governed by the separate Board policy.

3. Governing Requirements

Purchases shall comply with all applicable federal and California laws, funding agreements, District ordinances and resolutions, and this policy. When requirements conflict, the District shall apply the most restrictive applicable requirement unless counsel or the awarding agency provides a documented contrary determination.

- California laws governing county water districts, public contracting, public works, prevailing wages, conflicts of interest, and the expenditure of public funds.

- Government Code sections 1090 et seq. and 87100 et seq. concerning contractual and financial conflicts of interest.
- Government Code sections 4525-4529.5 for qualification-based selection of architectural, landscape architectural, engineering, environmental, land-surveying, and construction-project-management firms.
- The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200 when federal funds are involved.
- Any stricter terms imposed by a grantor, lender, pass-through entity, bond covenant, insurance carrier, or other funding source.

4. Definitions

Aggregate amount: The total reasonably anticipated cost of a procurement, including options, renewals, freight, installation, taxes, change orders, and related phases. A purchase may not be divided to avoid a threshold.

Budgeted purchase: A purchase within an adopted appropriation and consistent with the purpose, account, fund, project, and amount approved by the Board.

Contract: Any agreement that commits District funds or resources, regardless of title, including purchase orders, subscriptions, leases, memoranda of understanding, and amendments.

Emergency: A sudden, unexpected occurrence posing an immediate threat to life, health, property, essential water or wastewater service, public safety, or the environment, for which competitive delay would be impracticable or contrary to the public interest.

Public works: Construction, alteration, demolition, installation, repair, or maintenance work treated as public works under applicable law.

Responsible vendor: A vendor with the integrity, capacity, licensing, insurance, experience, resources, and legal eligibility to perform the work.

Responsive offer: A bid, quote, or proposal that materially conforms to the solicitation.

Sole source: A procurement for which only one source is reasonably available because of unique capability, compatibility, legal rights, continuity, emergency conditions, or another documented basis; preference or convenience alone is insufficient.

5. Core Standards

- Public purpose and necessity. The requesting department shall document what is being purchased, why it is necessary, and how it supports District operations or an authorized program.
- Advance authorization. No officer or employee may place an order, direct a vendor to begin work, sign a proposal, accept online terms, or otherwise commit the District without delegated authority and required approvals.
- Full and open competition. Specifications shall not unduly restrict competition or favor a vendor without documented justification.

- Best value. Award shall consider price and, when appropriate, qualifications, life-cycle cost, quality, delivery, warranty, reliability, service, risk, and the District's operational needs.
- No purchase splitting. Related needs shall be aggregated across departments and the fiscal year when they are reasonably foreseeable.
- No self-approval. No person may approve the person's own purchase, reimbursement, time, receiving record, or payment.
- Conflict disclosure. Anyone involved in a procurement shall disclose an actual or potential financial, familial, organizational, or personal conflict and withdraw when required.
- Audit trail. Each transaction shall have sufficient records to show the need, method, competition, selection, authorization, receipt, invoice review, and payment.

6. Purchasing Authority and Proposed Thresholds

The following internal thresholds are proposed for a small public agency and may be revised by Board resolution. Statutory public-works thresholds and funding-source requirements control whenever they are more restrictive.

Aggregate amount	Minimum competition	Approval	Written instrument	Board action
\$0-\$1,000	Price reasonableness documented; quotation not normally required	GM or written designee	Receipt, invoice, or PO as directed	No, if budgeted
\$1,000.01-\$5,000	At least 2 documented quotes when practicable	General Manager	Purchase order or written authorization	No, if budgeted
\$5,000.01-\$10,000	At least 3 written quotes	General Manager	Purchase order or contract	No, if budgeted
Over \$10,000	Formal or documented competitive process appropriate to the purchase	Board of Directors	Board-approved contract or purchase order	Yes

The General Manager may assign lower internal limits to department heads or employees in writing. Delegated authority may be revoked at any time. A vendor's quote, invoice, or proposal is not evidence of District approval.

Contract duration. Regardless of dollar amount or budget status, the Board must approve before execution any contract with an initial term longer than 12 months. Board approval is also required when a contract may remain in effect longer than 12 months through an automatic renewal,

extension, option, or similar provision that can occur without further Board action. A contract may not be divided into consecutive shorter terms or renewed to avoid this requirement. A Board-approved agreement may include specifically identified renewal options when the Board action states the maximum potential term and aggregate amount.

Contract execution authority. The General Manager may sign a contract on behalf of the District only when the Board has adopted a resolution expressly delegating that authority and the contract is within the resolution, this policy, the adopted budget, and all applicable legal and funding requirements. Unless the Board action or delegation provides otherwise, a contract within the General Manager's purchasing limit must have a term of 12 months or less. A Board-approved contract shall be signed by the officer identified in the Board action or delegation. Purchasing authority, possession of a District payment method, or availability of budgeted funds does not independently confer contract-signature authority.

7. Budgetary Authorization

- Every purchase must be charged to the correct fund, department, program, project, grant, and account.
- The General Manager may approve budgeted purchases within delegated limits and may approve administrative transfers only to the extent authorized by the adopted budget or a separate budget policy.
- An unbudgeted expenditure exceeding \$2,500, a new program or position, a transfer between legally restricted funds, or a material change in an approved project requires Board approval and any necessary budget amendment before commitment.
- An expenditure is not considered budgeted merely because an account has an available balance when the purchase is outside the account's approved purpose.

8. Requisition, Purchase Order, and Contract Workflow

1. Request. The department submits a requisition describing the need, specifications, estimated aggregate cost, budget account, funding source, requested delivery, and recommended procurement method.
2. Budget verification. The General Manager or her or his designee confirms appropriation, cash availability, account coding, grant restrictions, and whether Board approval is required.
3. Competition and selection. The responsible staff member obtains and retains the required quotes, bids, proposals, or justification for an exception.
4. Authorization. The designated authority approves the procurement before an order is placed or work begins.
5. Purchase order or contract. A written instrument states scope, price, term, deliverables, insurance, compliance requirements, and payment terms as appropriate.
6. Receipt. A person with knowledge of performance confirms goods were received or services were satisfactorily performed.

7. Invoice review. Finance matches the invoice to the authorization and receiving documentation, verifies calculations and coding, and investigates discrepancies.
8. Payment approval. Payment is included in the District's warrant or payment process with sufficient public reporting and independent approval.

9. Competitive Methods

9.1 Informal quotations

Quotations may be obtained by written email, vendor website, catalog, telephone documentation, or another reliable method, except that procurements over \$5,000 require written quotations. Quotes shall address substantially the same scope and be retained with the purchase record. If the minimum number cannot reasonably be obtained, staff shall document the vendors contacted and why competition was inadequate.

9.2 Formal solicitation

Formal procurement may use an invitation for bids, request for proposals, request for qualifications, or another method authorized by law. The solicitation shall identify the scope, schedule, minimum qualifications, evaluation criteria, insurance and bonding, required certifications, submission instructions, protest procedure, and District reservation of rights. Evaluation shall follow the published criteria, and the award recommendation shall be documented.

9.3 Cooperative and governmental purchasing

The District may use a competitively awarded cooperative, state, federal, or other public-agency contract when legally authorized and when staff documents that the originating process was competitive, the contract permits cooperative use, the vendor accepts the terms, and pricing is reasonable.

10. Public Works

Public works shall comply with all applicable contracting, bidding, licensing, bonding, prevailing-wage, registration, notice, reporting, retention, and labor-compliance requirements. Before solicitation, staff shall determine the legally authorized procurement method and threshold with District counsel or the District engineer when appropriate. The internal thresholds in this policy do not authorize a method prohibited by state law.

- Complete plans, specifications, cost estimate, schedule, funding, and environmental clearance appropriate to the work.
- Verification of contractor license, Department of Industrial Relations registration when required, insurance, bonds, and exclusions.
- Written authority for notices to proceed, substitutions, progress payments, change orders, acceptance, warranty, and closeout.
- No direction for extra work without written authorization, except immediate emergency direction necessary to protect life, property, essential service, or the work itself.

11. Professional and General Services

11.1 Architectural and engineering-related services

Architectural, landscape architectural, engineering, environmental, land-surveying, and construction-project-management services shall be selected based on demonstrated competence and professional qualifications, followed by negotiation of fair and reasonable compensation, in accordance with applicable law. Price shall not be used to circumvent a required qualification-based selection process.

11.2 Other professional and general services

Legal, auditing, financial, information-technology, grant, planning, operational, maintenance, and other services shall be procured through a competitive process appropriate to the risk, value, duration, and market unless a documented exception applies. Evaluation may include qualifications, approach, availability, independence, past performance, price, and total value.

No consultant may exceed the contract's amount, term, or scope without an authorized written amendment. A consultant's request, email, invoice, or performance of additional work does not amend the contract.

12. Federal Award Procurement

Federal funds: For any purchase charged in whole or in part to a federal award, staff must complete the federal procurement checklist before solicitation and again before award. The District's local approval threshold never displaces a stricter federal or pass-through requirement.

Federal procurements shall comply with the then-current version of 2 CFR Part 200, including sections 200.317 through 200.327, the award terms, and the requirements of the federal awarding or pass-through agency. At a minimum, the procurement file shall address:

- A written procurement method determination based on the aggregate transaction amount and the District's documented federal thresholds.
- Full and open competition; avoidance of unreasonable geographic preferences, unnecessary experience requirements, brand-name-only specifications, and other restrictive practices unless legally justified.
- Price reasonableness for micro-purchases and quotations from an adequate number of qualified sources for simplified acquisitions.
- Public notice and formal sealed bids or competitive proposals when required.
- Independent cost or price analysis when required, including before receiving bids or proposals and before negotiating applicable contract modifications.
- Written noncompetitive-procurement justification limited to circumstances allowed by 2 CFR 200.320 and any required awarding-agency or pass-through approval.

- Contractor responsibility, licensing, capacity, integrity, past performance, and verification that the contractor is not suspended, debarred, or otherwise excluded from federal awards.
- Required contract provisions under 2 CFR 200.327 and Appendix II to Part 200, together with award-specific clauses.
- Applicable requirements concerning small and minority businesses, women's business enterprises, labor-surplus-area firms, domestic preferences, recovered materials, bonding, prevailing wages, and environmental requirements.
- A procurement history documenting rationale for the method, contractor selection or rejection, basis for price, and all approvals.
- Record retention for the period required by 2 CFR 200.334, the award, the pass-through entity, audit requirements, and the District's retention schedule, using the longest applicable period.

The General Manager shall designate a federal procurement reviewer. No federally funded contract may be awarded until that reviewer documents compliance or District counsel or the awarding agency approves a different course in writing.

13. Noncompetitive and Sole-Source Procurement

Noncompetitive procurement is an exception and must not be used because competition is inconvenient, a vendor is familiar, time was poorly managed, or a preferred vendor has already begun work. A written justification shall identify the need, legal basis, market research, alternatives considered, price reasonableness, funding restrictions, conflicts review, and approving authority.

The General Manager may approve a documented sole-source purchase up to \$10,000 when budgeted and lawful. Sole-source purchases over \$10,000 require Board approval. Federally funded noncompetitive procurements require the additional findings and approvals imposed by 2 CFR Part 200 and the award.

14. Emergency Procurement

The General Manager may authorize an emergency procurement when immediate action is necessary to protect life, health, property, essential water or wastewater service, public safety, or the environment and delay for ordinary competition would be impracticable. Competition shall be obtained to the extent feasible under the circumstances.

- Document the emergency facts, work required, vendors contacted, selection basis, estimated cost, funding source, and statutory authority.
- Notify the Board President as soon as practicable when the amount exceeds the General Manager's ordinary authority.
- Present the procurement to the Board for ratification or continuation at the next legally available meeting when Board action is required.
- Limit the work to stabilization and necessary response unless the Board authorizes additional scope.
- Comply with any special emergency-bidding, public-works, grant, or federal requirements.

15. Contract Amendments and Change Orders

All amendments and change orders must be written, supported, within available funding, and approved before the additional work is performed, except for documented emergency direction. The General Manager may approve cumulative changes within the lesser of \$10,000 or ten percent of the original Board-approved contract amount when the change is within the project's approved purpose and contingency, does not materially alter the scope, and is reported to the Board at its next regular meeting. Any greater change requires prior Board approval.

Contracts may not be renewed, extended, or increased to avoid competition or Board approval. Staff shall consider cumulative amendments over the life of the contract.

16. Employee Expense Reimbursement

Employees should use District purchasing methods rather than personal funds. Reimbursement is permitted only for actual, necessary, reasonable, and authorized District expenses when ordinary purchasing was impracticable or advance approval was given.

- The claimant must submit the District reimbursement form within 30 calendar days and attach an itemized receipt and proof of payment.
- Mileage is reimbursed at the then-current IRS business mileage rate, supported by date, origin, destination, business purpose, and miles. Ordinary commuting is not reimbursable.
- Reimbursement is prohibited for alcohol, entertainment, traffic or parking violations, personal items, upgrades, spouse or guest costs, political expenses, commuting, and undocumented or duplicate costs.
- A missing-receipt declaration may be accepted only in rare circumstances, must explain attempts to obtain a duplicate, and requires General Manager approval. Repeated missing receipts may be denied and may result in corrective action.
- The General Manager's reimbursement shall receive independent review and shall not be self-approved.

17. Petty Cash and Payment Instruments

If maintained, petty cash shall have a Board-authorized imprest balance not exceeding \$250 and a transaction limit of \$50. It may be used only for infrequent minor expenses when another payment method is impracticable. Every disbursement requires a dated voucher, itemized receipt, business purpose, account code, claimant signature, and custodian approval. Petty cash shall not be used for payroll, loans, advances, check cashing, Board-member payments, split purchases, or recurring expenses.

District credit cards, procurement cards, electronic payment platforms, and vendor accounts may be used only under a separate Board-approved control policy. Access to a payment method does not constitute purchasing authority.

18. Vendor and Contract Controls

- Obtain required tax documentation, legal name, address, and independent verification of changes to vendor banking information.
- Verify licenses, insurance, bonds, and required registrations before work begins and monitor expiration during the contract.
- Screen for conflicts of interest and, when federal funds are involved, suspension, debarment, and exclusions.
- Require written scope, compensation, term, deliverables, invoice detail, records access, indemnification, insurance, termination, and compliance clauses appropriate to the risk.
- Do not pay deposits, retainers, advance payments, or prepayments unless authorized by contract, supported by a documented business need, and approved at the level applicable to the full procurement.

19. Segregation of Duties and Payment Review

To the extent practicable, different individuals shall request the purchase, approve it, receive the goods or confirm services, process the invoice, and authorize payment. When staffing prevents full separation, the General Manager shall establish a documented compensating review by a person independent of the transaction.

Accounts payable shall verify authorization, mathematical accuracy, vendor identity, invoice uniqueness, receipt or performance, account coding, contract balance, retention, applicable tax reporting, and required supporting records. Questioned invoices shall be held for resolution; payment deadlines do not justify bypassing review.

20. Prohibited Practices

- Committing District funds without authority or requesting after-the-fact approval, except for a documented emergency.
- Dividing purchases, contracts, phases, or invoices to avoid competition or approval thresholds.
- Accepting gifts, rebates, kickbacks, favors, or personal benefits from current or prospective vendors.
- Drafting specifications or evaluation criteria to improperly favor or exclude a vendor.
- Sharing confidential bids, proposals, estimates, or evaluation information outside the authorized process.
- Approving one's own purchase, reimbursement, receiving record, invoice, or payment.
- Paying for goods not received, services not performed, unsupported costs, duplicate invoices, or work outside an authorized scope.
- Using District accounts, discounts, tax status, vendors, personnel, or equipment for personal purchases.

21. Exceptions, Violations, and Recovery

No employee or officer may waive this policy. Any exception must be supported by law, documented in writing, and approved by the authority otherwise required for the purchase. Board ratification does not automatically cure an unauthorized commitment or excuse a policy violation.

The District may reject an unauthorized purchase, recover unsupported or improper payments, revoke delegated authority, require training, and impose corrective or disciplinary action consistent with applicable law and District personnel rules. Suspected fraud, conflict, or material misuse of public funds shall be referred to the General Manager, District counsel, auditor, insurer, or law enforcement as appropriate.

22. Records, Reporting, and Review

The procurement file is a District record and shall be retained according to applicable law, grant requirements, audit requirements, legal holds, and the District records-retention schedule. The file shall include the requisition, budget verification, competition, evaluation, conflict disclosures, authorization, contract, amendments, receiving evidence, invoices, payment record, and closeout documentation.

Centralized filing with the Board Clerk/District Secretary. The employee responsible for a procurement or contract shall transmit a complete copy of the procurement documentation to the Board Clerk/District Secretary within five business days after execution, approval, receipt, or creation of the document, as applicable. This requirement includes solicitations, quotes and bids, evaluations, approvals, executed contracts, purchase orders, amendments, renewals, change orders, insurance and bonding records, notices to proceed, invoices, receiving records, payment support, and closeout documents. The Board Clerk/District Secretary shall maintain or coordinate the District's official centralized procurement and contract file. Departmental working copies do not replace the official file.

The General Manager shall provide the Board with regular warrant or payment registers and reports of emergency procurements, delegated change orders, sole-source purchases, and policy exceptions. This policy and its thresholds shall be reviewed at least every three years and sooner when law, funding conditions, organizational risk, or District operations materially change.

Appendix A - Approval and Documentation Matrix

Transaction	Required approval	Minimum support	Additional control
Budgeted purchase up to \$1,000	GM or written designee	Business purpose, price reasonableness, account, receipt/invoice	No self-approval

Transaction	Required approval	Minimum support	Additional control
\$1,000.01-\$5,000	General Manager	Two quotes when practicable, requisition, PO	Document unavailable competition
\$5,000.01-\$10,000	General Manager	Three written quotes, evaluation, PO/contract	Finance budget review
Over \$10,000	Board of Directors	Formal competition or approved exception; staff report; contract	Public Board action
Unbudgeted over \$2,500	Board of Directors	Budget amendment and funding source	Before commitment
Sole source up to \$10,000	General Manager	Written sole-source and price justification	Federal rules may require more
Sole source over \$10,000	Board of Directors	Staff report, findings, price justification	Public Board action
Emergency beyond GM authority	GM initially; Board as legally required	Emergency facts, vendor basis, cost, funding	Notify President; prompt Board review
Change order within lesser of \$10,000 or 10%	General Manager	Need, price, budget, contract authority	Report at next regular meeting
Employee reimbursement	Supervisor and Finance; GM as required	Signed form, itemized receipt, proof of payment	Independent review
General Manager reimbursement	Independent reviewer designated by Board procedure	Signed form, itemized receipt, proof of payment	No self-approval
Any contract with a term longer than 12 months	Board of Directors	Staff report; scope; maximum term; aggregate amount; funding; renewal and termination provisions	Public Board action before execution

Appendix B - Procurement File Checklist

☐ Documented need and public purpose
☐ Aggregate cost estimate and procurement-method determination
☐ Budget, fund, project, grant, and account verification
☐ Required quotes, bids, proposals, or exception justification
☐ Solicitation, questions, addenda, and vendor communications
☐ Evaluation, responsibility review, conflicts, and award recommendation
☐ Board action or delegated approval
☐ Executed purchase order, contract, and required clauses
☐ Licensing, insurance, bonding, registration, and debarment verification
☐ Receiving or performance confirmation
☐ Invoices, change orders, payment approvals, and warrant record
☐ Federal procurement checklist and cost/price analysis, when applicable
☐ Closeout, acceptance, warranty, asset record, and retention classification ☐ Complete procurement and contract documentation transmitted to Board Clerk/District Secretary within five business days

Board Adoption

This policy is adopted by the Board of Directors of the Malaga County Water District by Resolution No. _____ on _____. It supersedes prior Policies 3040, 3042, and 3080 and any inconsistent purchasing or expense-authorization practice. Existing contracts remain governed by their terms, but amendments, renewals, and new commitments occurring after the effective date are subject to this policy.

Contract-signature authority delegated to the General Manager shall be established by a separate Board resolution or an express provision of the adopting resolution. Nothing in this policy alone authorizes the General Manager to execute a contract on behalf of the District.

Board President	Date
Board Secretary	Date

General Manager	Date
------------------------	-------------

Electronic Timekeeping and Payroll Time Reporting Policy

ADP implementation and elimination of routine paper timesheets

Policy No.	To be assigned
Adoption Date	To be completed by Board
Effective Date	To be completed by Board
Responsible Office	General Manager / Payroll Administrator

1. Purpose

This policy establishes ADP as the District's official system of record for employee work time, leave, and payroll-related time reporting. The policy is intended to strengthen payroll accuracy, ensure reliable approval records, eliminate duplicative paper processing, and support compliance with applicable wage-and-hour requirements, labor agreements, and District procedures.

2. Scope and Effective Requirement

This policy applies to all District employees, including full-time, part-time, seasonal, temporary, pool, recreation, event, and administrative staff, as well as to every supervisor responsible for reviewing employee time. Effective on the date of hire, employees must record and submit their time through ADP. Paper timesheets will no longer be accepted as a routine payroll document.

3. Policy Statement

ADP is the exclusive official source for payroll time records. Employees must accurately record all time worked and applicable leave in ADP by the established payroll deadline. Supervisors must review and approve time in ADP before payroll processing. No employee may work off the clock, alter another person's time record, or direct another employee to misstate time.

4. Employee Responsibilities

- Use the District-assigned ADP access method to record each workday's start and end time, meal-period information when required, and all applicable paid or unpaid leave.
- Record all hours actually worked, including work performed before or after a scheduled shift, during events, at off-site locations, or while responding to District business communications.
- Review the ADP timecard each pay period for completeness and accuracy, submit it by the communicated deadline, and promptly report any error or missed entry.
- Use ADP's correction or edit-request process for changes. Employees must not make unapproved changes after supervisory approval or payroll close.
- Keep ADP credentials confidential. Clocking in or out for another employee, sharing credentials, or otherwise falsifying a time record is prohibited and may result in disciplinary action.

- Immediately notify the supervisor and Payroll Administrator if an employee cannot access ADP, misses a punch, or believes a time record is inaccurate.

5. Supervisor Responsibilities

- Communicate work schedules, ADP deadlines, and approved overtime procedures to assigned employees.
- Review submitted timecards for accuracy, completeness, meal-period entries when applicable, leave coding, overtime, and unusual exceptions before approval.
- Approve or return timecards for correction in ADP by the payroll deadline. Approval confirms the supervisor's good-faith review; it does not relieve the employee of responsibility for accurate reporting.
- Address missed punches and corrections promptly through ADP and retain any required supporting documentation within the system or designated payroll records.
- Do not instruct or allow employees to perform uncompensated work. If work was performed, ensure it is recorded and paid, then address any scheduling or authorization issue separately.
- Escalate repeated late submissions, suspected falsification, or material discrepancies to the General Manager and Payroll Administrator.

6. Overtime, Schedule Changes, and Leave

Employees must obtain advance supervisory authorization for overtime, schedule changes, and leave whenever practicable. However, all time actually worked must be recorded and will be paid in accordance with applicable law and District policy, whether or not it was authorized in advance. Failure to obtain approval may be addressed through performance management, but it does not justify withholding pay.

7. Payroll Cutoff and Late Timecards

The Payroll Administrator will publish the ADP submission and supervisory approval deadlines for each pay period. Employees and supervisors must meet those deadlines. When a correction is identified after payroll close, the District will process it as promptly as practicable through the next regular payroll or, when required by law or as determined appropriate by the Payroll Administrator and General Manager, as an off-cycle adjustment.

8. Limited System-Outage or Emergency Procedure

A paper record may be used only when ADP is unavailable because of a documented system outage, an approved emergency, or a lack of temporary access authorized by a supervisor. This is an exception procedure, not an alternative timekeeping method.

1. The employee must record the date, actual start and end times, meal-period information when applicable, and the reason ADP was unavailable on the District's approved temporary time record.
2. The employee must give the temporary record to the supervisor no later than the next working day, unless the General Manager authorizes another timeline.
3. The supervisor must verify the entries and ensure they are entered into ADP as soon as access is restored.
4. The Payroll Administrator will retain the temporary record with payroll support documentation in accordance with the District's records-retention requirements.

9. Paper Timesheets and Legacy Forms

Effective on the policy date, paper timesheets, handwritten daily logs, and informal sign-in sheets will not be used to submit routine payroll time. Departmental schedules, event staffing rosters, and attendance sheets may be retained for operational purposes, but they do not replace ADP and may not be used as the primary payroll record. The General Manager may issue standardized temporary records solely for the exception process in Section 8.

10. Records, Access, and Audit

The District will maintain ADP timekeeping records and related correction documentation in accordance with applicable records-retention requirements. Access will be limited to employees, supervisors, payroll staff, and authorized management personnel with a legitimate business need. The Payroll Administrator may conduct periodic audits of missed punches, late approvals, edits, overtime, and exception records and report material concerns to the General Manager.

11. Training and Implementation

Before the effective date, the District will provide ADP onboarding and written instructions to employees and supervisors. Managers will confirm that each employee has access, understands the time-entry process, and knows how to report any access or correction issues. The General Manager may issue administrative procedures consistent with this policy to address department-specific scheduling or operational needs.

12. Compliance and Enforcement

Employees and supervisors are expected to comply with this policy. Repeated failure to submit or approve time in a timely manner, unauthorized alteration of records, credential sharing, or intentional falsification may result in corrective action, up to and including discipline, consistent with District policy, applicable law, and any governing labor agreement. Nothing in this policy limits an employee's right to report payroll or wage-and-hour concerns without retaliation.

Board Adoption

Adopted by the Board of Directors of the Malaga County Water District on _____, 20____.

Board President

Secretary / Clerk of the Board

CORONAVIRUS STATE LOCAL FISCAL RECOVERY FUNDS

AMENDMENT NO. 2 TO SUBRECIPIENT AGREEMENT

This Amendment No. 2 to Subrecipient Agreement ("Amendment No. 2") is dated _____ and is between Malaga County Water District, a special district in the County of Fresno formed under Part 2 of Division 12 of the California Water Code, with a district office located at 3580 South Frank Street, Fresno CA 93725 ("Subrecipient"), and the County of Fresno ("County"), a political subdivision of the State of California.

Recitals

A. On March 11, 2021, the President signed into law the American Rescue Plan Act of 2021 ("ARPA") which established the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") Program.

B. The Final Rule for ARPA authorizes the County to expend SLFRF for certain eligible purposes, including responding to the public health emergency or its negative economic impacts from the COVID-19 pandemic, including necessary investment in water infrastructure that support impacted communities and improves the community's resiliency to the effects of drought.

C. On May 3, 2022, the County and Subrecipient entered into County Agreement No. 22-172, to assist the Subrecipient with funding the final engineering design, environmental review, Department of Drinking Water permitting, construction and administration, construction review, operation and maintenance manual, and project management for the construction of the new Well 5A, which is necessary to maintain adequate and stable service levels, improve drinking water capacity, and provide an alternative supply in case of emergency or drought in the Community of Malaga.

D. Subsequent to the approval of Agreement No. 22-172, the Subrecipient was awarded a separate award under Agreement No. 22-339 for \$2,567,225, to assist the Subrecipient fund the final engineering design, environmental review, Department of Drinking Water permitting, construction and administration, construction review, operation and maintenance manual, and project management for the construction of a new water storage tank at Well 5A, which was necessary to comply with storage requirements as prescribed in California Waterworks Standards section 64554.

1 E. On April 23, 2024, the County and the Subrecipient entered into the First Amendment to
2 Agreement No. 22-172 ("Amendment No. 1"), which among several actions, reduced the scope of work
3 in Agreement No. 22-339 (Water storage tank at Well 5A) from planning, design, engineering, and
4 construction of a water storage tank at Well 5A to instead complete the engineering and design of the
5 storage tank for Well No. 5A, and reassigned \$2,479,561.33 in funding availability to help the
6 Subrecipient fund the construction of the underground water well at Well 5A awarded under Agreement
7 No. 22-172. Funding reallocated from Agreement 22-339 into Agreement 22-172 increased the
8 maximum compensation for the construction of the new Well 5A by \$2,479,561.33, to total
9 \$4,329,561.33.

10 F. To ensure the Subrecipient can expend all its allocated SLFRF in time for the County to process
11 invoices and issue reimbursement before the Treasury's deadline of December 31, 2026, and in
12 consideration for the County extending its June 30, 2026, invoicing deadline to September 30, 2026, the
13 parties enter into this Amendment No. 2.

14 The parties, therefore, agree as follows:

15 1. This Amendment No. 2 shall be retroactive to the Effective Date of the Agreement, May 3, 2022.

16 2. Section 1, subsection H, of the Agreement is deleted in its entirety and amended to read as
17 follows:

18 "Timeline. SUBRECIPIENT shall ensure that all work under the Program is completed and finally
19 accepted, and SUBRECIPIENT shall submit all final requests for reimbursement, including all complete
20 required supporting documentation, invoices, and receipts, to the County no later than 5 p.m. on
21 September 30, 2026, (Final Submission Deadline), so that SLFRF granted under this Agreement is fully
22 expended (liquidated by the County), no later than December 31, 2026."

23 3. Section 13 of the Agreement, GRANT FUNDING/COMPENSATION, is amended to add
24 subsection D, as follows:

25 "Final Submission Deadline. Subrecipient shall submit all final requests for reimbursement,
26 including all required supporting documentation, invoices, and receipts, to the County no later
27 than the Final Submission Deadline (September 30, 2026). If Subrecipient fails to do so, the
28 Agreement shall be terminated without further obligation of the County, and any request for

1 reimbursement shall be deemed abandoned by Subrecipient and shall not be eligible for
2 reimbursement under this Agreement. The County shall have no obligation to review, process, or
3 pay any reimbursement requests received after the Final Submission Deadline.

4 Subrecipient explicitly acknowledges and agrees that completion of any remaining project work,
5 and the payment of outstanding costs for any vendor, contractor, materials, or operational costs
6 associated with such work after the Final Submission Deadline shall be the sole financial
7 responsibility and legal liability of Subrecipient. Subrecipient agrees to defend, indemnify, and
8 hold the County harmless from liability for any such costs.”

9 4. When both parties have signed this Amendment No. 2, then the Agreement, Amendment No. 1,
10 and this Amendment No. 2 together constitute the Agreement.

11 5. The Subrecipient represents and warrants to the County that:

12 a. The Subrecipient is duly authorized and empowered to sign and perform its obligations under
13 this Amendment No. 2.

14 b. The individual signing this Amendment No. 2 on behalf of the Subrecipient is duly authorized
15 to do so and his or her signature on this Amendment No. 2 legally binds the Subrecipient to
16 the terms of this Amendment No. 2.

17 c. As of signing this Amendment No. 2, neither Subrecipient, nor any of its contractors,
18 employees, or suppliers, has or may assert any claim against the County for unpaid work,
19 materials, or claims due to delay in performance of the Agreement, and Subrecipient
20 expressly waives any such claim and agrees to defend and indemnify the County for any
21 such claim.

22 6. The parties agree that this Amendment No. 2 may be executed by electronic signature as
23 provided in this section.

24 a. An “electronic signature” means any symbol or process intended by an individual signing this
25 Amendment No. 2 to represent their signature, including but not limited to (1) a digital
26 signature; (2) a faxed version of an original handwritten signature; or (3) an electronically
27 scanned and transmitted (for example by PDF document) version of an original handwritten
28 signature.

- 1 b. Each electronic signature affixed or attached to this Amendment No. 2 is deemed equivalent
2 to a valid original handwritten signature of the person signing this Amendment No. 2 for all
3 purposes, including but not limited to evidentiary proof in any administrative or judicial
4 proceeding, and (2) has the same force and effect as the valid original handwritten signature
5 of that person.
- 6 c. The provisions of this section satisfy the requirements of Civil Code section 1633.5,
7 subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3, Part 2, Title
8 2.5, beginning with section 1633.1).
- 9 d. Each party using a digital signature represents that it has undertaken and satisfied the
10 requirements of Government Code section 16.5, subdivision (a), paragraphs (1) through (5),
11 and agrees that each other party may rely upon that representation.
- 12 e. This Amendment No. 2 is not conditioned upon the parties conducting the transactions under
13 it by electronic means and either party may sign this Amendment No. 2 with an original
14 handwritten signature.

15 7. This Amendment No. 2 may be signed in counterparts, each of which is an original, and all of
16 which together constitute this Amendment No. 2.

17 8. The Agreement as amended by Amendment No. 2 is ratified and continued. All provisions of the
18 Agreement not amended by this Amendment No. 2 remain in full force and effect. When both parties
19 have signed this Amendment No. 2, the Agreement, Amendment No. 1, and this Amendment No. 2
20 together constitute the Agreement.

21 [SIGNATURE PAGE FOLLOWS]

22 //

23 //

24 //

25 //

26 //

27 //

28 //

1 The parties are signing this Amendment No. 2 on the date stated in the introductory clause.

2
3 Subrecipient

County of Fresno

4
5 _____
Sonia Hall, General Manager
Malaga County Water District

Garry Bredefeld, Chairman of the Board of
Supervisors of the County of Fresno

6
7 Mailing Address:
8 Malaga County Water District
3580 South Frank Street
9 Fresno, Ca 93725

Attest:
Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

10 By:

11 _____
Deputy

12 For accounting use only:
13 Org: 1033
Fund: 0026
14 Subclass: 91021
Account: 7845



County of Fresno

COUNTY ADMINISTRATIVE OFFICE

PAUL NERLAND

COUNTY ADMINISTRATIVE OFFICER

July 9, 2026

Attention: Charles E. Garabedian Jr., President
Malaga County Water District
3580 South Frank Street
Fresno, CA 93725

Subject: Expenditure Deadline, Unclaimed Obligations

Dear Charles E. Garabedian Jr.,

This is your formal notice that, based on the County Administrative Office's review of reimbursement activity to date, your organization has not submitted sufficient claims to fully expend the grant funds allocated to your organization by the County of Fresno (County) under the American Rescue Plan Act (ARPA), State Local Fiscal Recovery Fund (SLFRF) program.

To ensure timely closeout of all awarded ARPA-SLFRF programs and compliance with Treasury's expenditure deadline, the County requires an amendment to your existing subrecipient agreement with the County. This amendment will memorialize **June 30, 2026**, as the final deadline for submitting all reimbursement requests for eligible expenditures, will revise the agreement's expenditure plan found on Table 1 of Exhibit B, and will stipulate that any allocated funds not claimed by the June 30, 2026, expenditure deadline will be returned to the County's ARPA-SLFRF program to address critical funding needs in other ARPA-SLFRF programs. The County will send you that amendment by Monday, August 10, 2026. Your assistance on this matter will help the County fully utilize all ARPA-SLFRF funds in accordance with federal requirements.

If you have questions or require technical assistance, do not hesitate to email the County at:
ARPA@fresnocountyca.gov.

Thank you for your attention to this matter and for your continued partnership.

Sincerely,

Paul Nerland
County Administrative Officer



item 6.e.

MALAGA COUNTY WATER DISTRICT

STAFF REPORT

Meeting Date: August 25, 2026

Agenda Item: 6.e.

Subject: Payoff of RCAC Loan No. 1083-MWD-03 – Malaga CWD Solar Project

Prepared By: Sonia Hall, General Manager

Attachments: RCAC Notification of Loan Maturity dated July 15, 2026

RECOMMENDED ACTION

Authorize payment of RCAC Loan No. 1083-MWD-03 in the amount stated in the final RCAC Payoff Demand Letter, not to exceed \$735,000, from the appropriate District fund; and authorize the General Manager to execute and submit all documents necessary to complete and document the loan payoff.

BACKGROUND

The Rural Community Assistance Corporation (RCAC) notified the District that Loan No. 1083-MWD-03, issued for the Malaga CWD Solar Project, will mature on September 1, 2026.

As of July 15, 2026, RCAC reported a principal balance of \$722,617.75 and accrued interest of \$4,968.00, for a preliminary total of \$727,585.75. RCAC's notice states that this amount is not a final payoff demand. Staff has requested a formal Payoff Demand Letter identifying the amount required to satisfy the loan in full.

DISCUSSION

Paying the loan at maturity will eliminate the District's remaining obligation associated with the RCAC solar-project financing. Board authorization is requested to allow staff to issue payment promptly upon receipt and verification of the final payoff demand.

The General Manager and District accountant will verify the final payoff amount, available cash, and appropriate funding account before payment is released. Following payment, staff will obtain written confirmation from RCAC that the loan has been satisfied and that any related lien or security interest has been released.

FISCAL IMPACT

Payment of the final RCAC payoff amount, not to exceed \$735,000, from the appropriate District fund. The final amount and funding account will be confirmed before payment.

July 15, 2026

NOTIFICATION OF LOAN MATURITY

Malaga County Water District
3580 South Frank Street
Malaga, CA 93725

Phone: (559) 513-5509
Fax: (559) 485-7319

RE: Project: Malaga CWD Solar Project
Loan No.: 1083-MWD-03

Dear Malaga County Water District:

This letter is to inform you that the above loan is scheduled to mature on September 01, 2026. Please indicate below whether your organization intends to pay the loan in full by the maturity date or if you wish to request a formal loan extension.

Please note: This is not a Payoff Demand Letter, if you would like to pay off this loan sooner, please contact us as soon as possible.

As of July 15, 2026, your loan balance is as follows:

Principal due	Interest reserve balance	Interest due	Total due
\$722,617.75	\$0.00	\$4,968.00	\$727,585.75

We would appreciate your response by **July 29, 2026**. Please select from the following:

☐ This loan will be paid in full on September 01, 2026. *Please request your Payoff Demand two weeks in advance.

☐ We would like to request a formal loan extension and hereby attach a letter detailing our request.

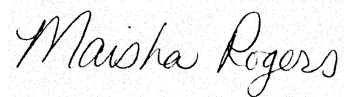
NOTE: If the authorized signer(s) as shown below has changed, please submit a revised Corporate Resolution to Borrow to RCAC along with this letter.

Name	Title	Name	Title
Charles Garabedian, Jr.	President	Salvador Cerrillo	Vice-President

Agreed by: _____
Name Title Date

Please sign and date this confirmation, and email to loan.servicing.team@rcac.org. Should you have any questions, please contact me at (530) 760-3601. Thank you.

Sincerely,



Maisha Rogers
Loan Servicing Specialist