



AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
District Board Room, 2890 Mosquito Road, Placerville, California
March 14, 2022 — 9:00 A.M.

Board of Directors

Lori Anzini—Division 4
President

Brian K. Veerkamp—Division 3
Vice President

George Osborne—Division 1
Director

Pat Dwyer—Division 2
Director

Alan Day—Division 5
Director

Executive Staff

Jim Abercrombie
General Manager

Brian D. Poulsen, Jr.
General Counsel

Jennifer Sullivan
Clerk to the Board

Jesse Saich
Communications

Brian Mueller
Engineering

Mark Price
Finance

Jose Perez
Human Resources

Tim Ranstrom
Information Technology

Dan Corcoran
Operations

PUBLIC COMMENT: Anyone wishing to comment about items not on the Agenda may do so during the public comment period. Those wishing to comment about items on the Agenda may do so when that item is heard and when the Board calls for public comment. Public comments are limited to five minutes per person.

PUBLIC RECORDS DISTRIBUTED LESS THAN 72 HOURS BEFORE A MEETING: Any writing that is a public record and is distributed to all or a majority of the Board of Directors less than 72 hours before a meeting shall be available for immediate public inspection in the office of the Clerk to the Board at the address shown above. Public records distributed during the meeting shall be made available at the meeting.

AMERICANS WITH DISABILITIES ACT: In accordance with the Americans with Disabilities Act (ADA) and California law, it is the policy of El Dorado Irrigation District to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation for this meeting, please contact the EID ADA coordinator at 530-642-4045 or email at adacoordinator@eid.org at least 72 hours prior to the meeting. Advance notification within this guideline will enable the District to make reasonable accommodations to ensure accessibility.

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PUBLIC PARTICIPATION INSTRUCTIONS

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Dial **1.669.900.6833** and enter Meeting ID **945 6360 8941** when prompted.

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Pursuant to Government Code section 54953, subdivision (b), Director Day will participate via teleconference from 801 Palm Ave., #104, Imperial Beach, CA 91932. Members of the public wishing to address the Board of Directors directly pursuant to Government Code section 54954.3 may also do so at the teleconference location.

CALL TO ORDER

Roll Call
Pledge of Allegiance
Moment of Silence

ADOPT AGENDA

COMMUNICATIONS

General Manager's Employee Recognition

PUBLIC COMMENT

COMMUNICATIONS

General Manager

Brief reports on District activities or items of interest to the public, including activities or developments that occur after the agenda is posted.

Clerk to the Board

Board of Directors

Brief reports on community activities, meetings, conferences and seminars attended by the Directors of interest to the District and the public.

APPROVE CONSENT CALENDAR

Action on items pulled from the Consent Calendar

CONSENT CALENDAR

1. Clerk to the Board (Sullivan)

Consider approving the minutes of the February 28, 2022 regular meeting of the Board of Directors.

Option 1: Approve as submitted.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

2. Office of the General Manager (Abercrombie)

Consider ratifying Resolution No. 2021-009 to maintain a drought emergency.

Option 1: Ratify Resolution No. 2021-009 to maintain a drought emergency.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1 (*four-fifths vote required*).

3. Office of the General Manager (Abercrombie)

Consider ratifying Resolution No. 2022-001 to maintain an ongoing emergency declaration related to the Caldor Fire.

Option 1: Ratify Resolution No. 2022-001 to maintain an ongoing emergency declaration related to the Caldor Fire.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1 (*four-fifths vote required*).

4. Information Technology (Ranstrom)

Consider awarding a contract to CDW-G in the not-to-exceed amount of \$109,271 for the purchase of Cisco equipment support and software maintenance for a one-year term.

Option 1: Award a contract to CDW-G in the not-to-exceed amount of \$109,271 for the purchase of Cisco equipment support and software maintenance for a one-year term.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

END OF CONSENT CALENDAR

ACTION ITEMS

5. Finance (Pasquarello)

Consider ratifying EID General Warrant Registers for the periods ending February 22 and March 1, 2022, and Employee Expense Reimbursements for these periods.

Option 1: Ratify the EID General Warrant Registers and Employee Expense Reimbursements as submitted.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

6. Finance (Price)

Consider adopting a resolution authorizing the issuance of not to exceed \$80 million aggregate principal amount of refunding revenue bonds in one or more series and approving the execution and delivery of certain documents in connection therewith and certain other matters.

Option 1: Adopt a resolution authorizing the issuance of not to exceed \$80,000,000 aggregate principal amount of refunding revenue bonds in one or more series and approving the execution and delivery of certain documents in connection therewith and certain other matters.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

7. Engineering (DeLongchamp)

Consider approving a contract change order to Domenichelli and Associates, Inc. in the not-to-exceed amount of \$30,240 for additional inspection services and authorize additional funding of \$44,760 for capitalized labor for a total funding request of \$75,000 associated with the Camino Safety Project, Project No. 19008.01.

Option 1: Approve a contract change order to Domenichelli and Associates, Inc. in the not-to-exceed amount of \$30,240 for additional inspection services and authorize additional funding of \$44,760 for capitalized labor for a total funding request of \$75,000 associated with the Camino Safety Project, Project No. 19008.01.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

REVIEW OF ASSIGNMENTS

ADJOURNMENT

TENTATIVELY SCHEDULED ITEMS FOR FUTURE MEETINGS

Engineering

- Alternative Energy Update and Capital Improvement Plan funding request, Action, March 28 (Dawson/Money)
- Resolution supporting the submission of flume replacement grant applications to the California Governor's Office of Emergency Services under the Hazard Mitigation Grant Program, Consent, March 28 (Deason)
- Dolomite Reservoir Pump Station generator purchase, Consent, March 28 (Carrington)
- Folsom Lake Intake – status update and construction management/inspection change order, Action, March 28 (Money)
- El Dorado Hills Water Treatment Plant Flow Meter Upgrade and Camp 5 Lumber Storage Improvements Projects Capital Improvement Plan funding request, Consent, March 28 (Wilson/Carrington)
- Flume 30 Replacement construction change orders, Action, March 28 (Mutschler)

Finance

- Board Resolution to authorize Refunding Revenue Bonds Preliminary Official Statement, Action, March 28 (Price)

Human Resources

- Revised pay schedules for EID Employee Association, Managers and Supervisors Association and Contract and Non-Represented Employees, Consent, March 28 (Perez/Calvert)

Information Technology

- Supervisory Control and Data Acquisition network segmentation contract and Capital Improvement Plan funding request, Project No. 19028, Consent, March 28 (Ranstrom)
- Copier equipment replacement, Consent, March 28 (Ranstrom)

Office of the General Counsel

- Recommended District positions on proposed state legislation, Action, March 28 (Leeper)
- Resolution adopting new District division boundaries, Public Hearing, March 28 (Poulsen)

Operations

- Water Supply Update, Information, March 28 (Corcoran)
- Vegetation Management Program overview, Information, March 28 (Corcoran)

EL DORADO IRRIGATION DISTRICT
March 14, 2022

General Manager Communications

Awards and Recognitions

- a) The District received an email from Peter Rippert in appreciation of Kimberly Holland. Mr. Rippert stated, "I rarely if ever write reviews, this is an exception. Kim is what an employee should be. She is polite and clear with the information. She takes the time (and patience) to look up answers that she may not have readily at hand. She does what she says she will do and in a timely manner. I just wanted to take a few moments of your time to express to you that as far as employees go...Kim is a gem!" This is a great example of Kim's commitment to the District guiding principle *Excellent Customer Service*.

Staff Reports and Updates

None



MINUTES
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CALL TO ORDER

President Anzini called the meeting to order at 9:00 A.M.

Roll Call Board

Present: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

Staff

Present: Acting General Manager Corcoran, General Counsel Poulsen and Board Clerk Sullivan

Absent: General Manager Abercrombie

Pledge of Allegiance and Moment of Silence

President Anzini led the Pledge of Allegiance and Moment of Silence dedicated to the people of Ukraine.

ADOPT AGENDA

ACTION: Information Item No. 12 listed on this agenda was removed at the request of staff.
Agenda was adopted as amended.

MOTION PASSED

Ayes: Directors Dwyer, Veerkamp, Osborne and Anzini

Absent: Director Day

COMMUNICATIONS

Awards and Recognitions

None

PUBLIC COMMENT

None

COMMUNICATIONS

General Manager

None

Clerk to the Board

None

Board of Directors

Director Anzini reported on a recent tour of District flumes and infrastructure damaged by the Caldor Fire.

APPROVE CONSENT CALENDAR

ACTION: Consent Calendar was approved.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

CONSENT CALENDAR

1. Clerk to the Board (Sullivan)

Consider approving the minutes of the February 14, 2022 regular meeting of the Board of Directors.

ACTION: Option 1: Approved as submitted.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

2. Office of the General Manager (Abercrombie)

Consider ratifying Resolution No. 2021-009 to maintain a drought emergency.

ACTION: Option 1: Ratified Resolution No. 2021-009 to maintain a drought emergency.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

3. Office of the General Manager (Abercrombie)

Consider ratifying Resolution No. 2022-001 to maintain an ongoing emergency declaration related to the Caldor Fire.

ACTION: Option 1: Ratified Resolution No. 2022-001 to maintain an ongoing emergency declaration related to the Caldor Fire.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

4. Operations (Hawkins)

Consider authorizing funding for the Federal Energy Regulatory Commission (FERC) C51.5 and C51.7 U.S. Forest Service (USFS) Payments Project in the not-to-exceed amount of \$43,591 for payments to the USFS as required by recreation conditions of the FERC Project 184 License, FERC: C51.5 and C51.7 RM USFS Payments, Project No. 07006H.

ACTION: Option 1: Authorized funding for the Federal Energy Regulatory Commission (FERC) C51.5 and C51.7 U.S. Forest Service (USFS) Payments Project in the not-to-exceed amount of \$43,591 for payments to the USFS as required by recreation conditions of the FERC Project 184 License, FERC: C51.5 and C51.7 RM USFS Payments, Project No. 07006H.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

5. Engineering (Kessler)

Consider authorizing funding for the Silver Lake Dam Replacement Project in the amounts of \$50,000 for on-call hydrologic modeling services, \$240,000 for engineering services, \$40,000 for capitalized labor, and \$20,000 in contingency for a total funding request of \$350,000 for the Silver Lake Dam Replacement, Project No. 19031.

ACTION: Option 1: Authorized funding for the Silver Lake Dam Replacement Project in the amounts of \$50,000 for on-call hydrologic modeling services, \$240,000 for engineering services, \$40,000 for capitalized labor, and \$20,000 in contingency for a total funding request of \$350,000 for the Silver Lake Dam Replacement, Project No. 19031.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

6. Finance (Royal)

Consider awarding a contract to Sierra Nevada Tire & Wheel in the not-to-exceed amount of \$110,000 for fleet tires, recaps and tire services for a one-year period and authorize the General Manager to extend the contract for two additional single-year periods if in the District's best interests.

ACTION: Option 1: Awarded a contract to Sierra Nevada Tire & Wheel in the not-to-exceed amount of \$110,000 for fleet tires, recaps and tire services for a one-year period and authorized the General Manager to extend the contract for two additional single-year periods if in the District's best interests.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

7. Engineering (Kessler)

Consider approving a contract amendment to GEI Consultants, Inc. in the not-to-exceed amount of \$39,720 for design and construction support of the El Dorado Canal Fire Burned Slope Stabilization Project, Project No. Study20.

ACTION: Option 1: Approved a contract amendment to GEI Consultants, Inc. in the not-to-exceed amount of \$39,720 for design and construction support of the El Dorado Canal Fire Burned Slope Stabilization, Project No. Study20.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

8. Engineering (DeLongchamp)

Consider approving a contract amendment to Peterson Brustad Inc. in the not-to-exceed amount of \$18,755 for additional work associated with design of the Silver Lake Well Project, Project No. 06082H.02.

ACTION: Option 1: Approved a contract amendment to Peterson Brustad Inc. in the not-to-exceed amount of \$18,755 for additional work associated with design of the Silver Lake Well Project, Project No. 06082H.02.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

9. Finance (Pasquarello)

Consider receiving and filing the District’s Investment Report for the quarter ending December 31, 2021.

ACTION: Option 1: Received and filed the District’s Investment Report for the quarter ending December 31, 2021.

MOTION PASSED

Ayes: Directors Osborne, Dwyer, Veerkamp and Anzini

Absent: Director Day

END OF CONSENT CALENDAR

PUBLIC HEARING — 9:00 A.M.

10. Office of the General Counsel (Poulsen)

Update on reapportioning District divisions.

Public Hearing opened at 9:09 A.M.

Public Comment: Greg Prada, Former EID Director

ACTION: None – Information only.

INFORMATION ITEMS

11. Operations (Corcoran)

Status update on 2022 water supplies.

ACTION: None – Information only.

12. Finance (Downey)

Compare costs for monthly and bi-monthly billing.

No action taken. This item was removed from the agenda during its adoption.

13. Finance (Price)

Public Employees' Retirement System unfunded pension liability update.

ACTION: None – Information only.

ACTION ITEMS

14. Finance (Pasquarello)

Consider ratifying EID General Warrant Registers for the periods ending February 8 and February 15, 2022, and Employee Expense Reimbursements for these periods.

Director Veerkamp recused himself from the deliberations and vote on this Item.

ACTION: Option 1: Ratified the EID General Warrant Registers and Employee Expense Reimbursements as submitted.

MOTION PASSED

Ayes: Directors Osborne, Dwyer and Anzini

Absent: Director Day

15. Office of the General Counsel (Leeper)

Consider awarding a contract change order to Zanjero, Inc. in the not-to-exceed amount of \$124,840 for hydrologic modeling services and authorize additional funding of \$7,925 for on-call engineering services and \$20,000 for capitalized labor for a total funding request of \$152,765 for the Permit 21112 Change in Point of Diversion, Project No. 16003.

ACTION: Option 1: Awarded a contract change order to Zanjero, Inc. in the not-to-exceed amount of \$124,840 for hydrologic modeling services and authorized additional funding of \$7,925 for on-call engineering services and \$20,000 for capitalized labor for a total funding request of \$152,765 for the Permit 21112 Change in Point of Diversion, Project No. 16003.

MOTION PASSED

Ayes: Directors Dwyer, Osborne, Veerkamp and Anzini

Absent: Director Day

16. Engineering (Brink)

Consider awarding a contract to Carollo Engineers in the not-to-exceed amount of \$302,200 for the preparation of the Integrated Water Master Plan Update and authorize additional funding of \$60,000 for capitalized labor and \$36,000 in contingencies for a total funding request of \$398,200 for the Integrated Water Master Plan Update, Project No. Study10.

ACTION: Option 1: Awarded a contract to Carollo Engineers in the not-to-exceed amount of \$302,200 for preparation of the Integrated Water Master Plan Update, and authorized additional funding of \$60,000 for capitalized labor and \$36,000 in contingencies, for a total funding request of \$398,200 for the Integrated Water Master Plan Update, Project No. Study10.

MOTION PASSED

Ayes: Directors Veerkamp, Anzini, Osborne and Dwyer

Absent: Director Day

CLOSED SESSION

A. Conference with General Counsel - Anticipated Litigation (Poulsen)

Government Code Section 54956.9(d)(4) (one potential case)

ACTION: Board met and provided direction but took no reportable action.

B. Conference with Real Property Negotiators (Poulsen)

Government Code Section 54956.8

Property: District water rights (including pre-1914, licensed and permitted, and contract-based rights (Central Valley Project Water Service Contract No. 14-06-200-1357A-LTR1; Warren Act Contract No. 06-WC-20-3315))

District negotiators: General Manager, General Counsel, Director of Operations

Under negotiation: price and terms of payment for purchase

Negotiating parties: any interested party

ACTION: Board met and provided direction but took no reportable action.

REVIEW OF ASSIGNMENTS

Director Osborne requested an update on the Main Ditch Piping Project.

Director Dwyer requested an update on the Folsom Lake Intake Project.

ADJOURNMENT

President Anzini adjourned the meeting at 12:18 P.M. **in honor of the life of Carl Abercrombie.**

Lori Anzini
Board President
EL DORADO IRRIGATION DISTRICT

ATTEST

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

Approved: _____

EL DORADO IRRIGATION DISTRICT

SUBJECT: Consider ratifying Resolution No. 2021-009 to maintain a drought emergency.

PREVIOUS BOARD ACTION

June 14, 2021 – Board adopted the 2021 Drought Action Plan.

June 28, 2021 – Board adopted Resolution No. 2021-009 declaring a drought emergency and a Stage 1 Water Alert districtwide and authorized the General Manager, subject to subsequent Board ratification, to declare a Stage 4 Water Emergency for Outingdale customers when necessary.

July 26, 2021 – Board ratified Resolution No. 2021-009 to maintain the drought emergency and ratified the General Manager’s declaration of a Stage 4 Water Emergency for Outingdale customers.

October 25, 2021 – Board ratified Resolution No. 2021-009 to maintain a drought emergency and declared a return to a Stage 1 Water Alert for Outingdale customers.

At every regular Board meeting since the beginning of the drought, the Board has ratified Resolution No. 2021-009.

BOARD POLICIES (BP), ADMINISTRATIVE REGULATIONS (AR) AND BOARD AUTHORITY

BP 5010 Water Supply Management

BP 5030 Water Conservation

BP 5040 Drought Preparedness and Climate Variability

SUMMARY OF ISSUE

Despite the storms that occurred at the end of 2021, drought conditions in El Dorado County and throughout California persist into 2022. Although the District’s water supply portfolio for the contiguous water system remains adequate, the District must guard against worsening conditions and the possibility of another dry year. In addition, the District’s water conveyance system remains impacted by the Caldor Fire damages, thus restricting the District’s ability to move water throughout its service area.

BACKGROUND/DISCUSSION

Stage 1 Water Alert

In accordance with the 2021 Drought Action Plan, the objective of a Stage 1 Water Alert is to initiate public awareness of a possible water shortage in the near future, and to encourage water conservation. Stage 1 actions target up to a 15-percent demand reduction through the implementation of voluntary measures. Along with many staff actions centered around customer outreach, water waste prevention, monitoring of demands and District water supplies, the Drought Action Plan identifies the following voluntary measures focused on outdoor irrigation as a way to achieve water savings:

1. Apply irrigation water during evening and early morning hours only (7 pm to 10 am);
2. Inspect irrigation system for leaks and then repair or replace;
3. Adjust sprinkler run times to avoid runoff.

Customers may also achieve water savings by reducing the number of days of outside irrigation and/or reducing sprinkler run times. In general, customers are encouraged to review their individual water usage and look for ways to reduce their usage by up to 15 percent. The District does not mandate any conservation measures in a Stage 1 Water Alert.

In response to the District's declared Stage 1 Water Alert in June of 2021, District customers have demonstrated a commitment to voluntary conservation and have reduced water use relative to 2020. Continued conservation in 2022 is necessary, to preserve limited storage and guard against the potential for another dry year.

Caldor Fire Ongoing Impacts

In addition to drought conditions and low storage, the District's water supply portfolio is further impacted by physical constraints on water conveyance as a result of damage to the District's flume and canal system suffered during the Caldor Fire. Due to this fire damage, the District is unable to divert and convey water from Kyburz or to utilize Hazel Creek Tunnel to move water into Jenkinson Lake. The Caldor Fire recovery efforts are ongoing and until the El Dorado Canal can be restored, further pressure will be placed on Jenkinson Lake storage. Therefore, voluntary conservation by District customers remains an important mechanism for preserving District water supplies.

FUNDING

N/A

BOARD OPTIONS

Option 1: Ratify Resolution No. 2021-009 to maintain a drought emergency.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

RECOMMENDATION

Option 1

ATTACHMENTS

Attachment A: Resolution No. 2021-009

Attachment B: 2021 Drought Action Plan



Brian Poulsen
General Counsel

 for

Jim Abercrombie
General Manager

**RESOLUTION OF THE BOARD OF DIRECTORS OF
EL DORADO IRRIGATION DISTRICT
DECLARING A STATE OF EMERGENCY, STAGE 1 WATER ALERT DISTRICTWIDE
AND AUTHORIZING THE GENERAL MANAGER TO DECLARE A STAGE 4 WATER
EMERGENCY FOR OUTINGDALE**

WHEREAS, El Dorado Irrigation District (District) has experienced dry and critically dry conditions since 2020, with unimpaired flows through May 2021 for the Sacramento Valley (including American River) ranking 4th driest in the historical record. American River flows are 27 percent of average; and

WHEREAS, on May 10, 2021, Governor Gavin Newsom expanded his April 21 drought emergency proclamation to include El Dorado County; and

WHEREAS, on May 13, 2021, the Regional Water Authority approved a resolution calling on its member agencies to ask their customers to voluntarily conserve 10% of their water, or take other actions that will result in an equivalent amount of 10% in water conservation; and

WHEREAS, on June 15, 2021, the State Water Resources Control Board sent notices of water unavailability to post-1914 water right holders in the Delta watershed, including the District, urging them to stop diverting to preserve dwindling water supply for both this year and the next; and

WHEREAS, as of June 21, 2021, the United States Drought Monitor states that all of El Dorado County is in an Extreme Drought condition; and

WHEREAS, the lack of inflow has resulted in a worsening end-of-season projection for Folsom Lake storage, and levels may be lower than the drought conditions in 2014 and 2015, threatening the reliable delivery of water from the District’s intake pump station; and

WHEREAS, Jenkinson Lake, the District’s largest source of supply at 41,033 acre-feet capacity, did not fill in 2021 despite the importation of more than 8,100 acre-feet of water through the Hazel Creek tunnel over the past winter and spring; and

WHEREAS, Jenkinson Lake storage is declining and is projected to decrease to approximately 14,400-15,600 acre-feet by the end of the year if dry conditions continue this fall; and

WHEREAS, flows in the Middle Fork Cosumnes River are declining and are projected to continue to decrease to a quantity that is insufficient to serve customers in Outingdale; and

WHEREAS, without an adequate quantity of water in the Middle Fork Cosumnes River to serve customers in Outingdale, the District will be required to haul potable water to Outingdale from the main water system; and

1 WHEREAS, on June 14, 2021, the Board adopted the District’s 2021 Drought Action Plan; and

2 WHEREAS, the District's adopted 2021 Drought Action Plan provides for an incremental,
3 multi-stage drought response, summarized as follows:

- 4 • In a declared Stage 1 Water Supply Alert, customers are called on to voluntarily
reduce water usage by 15%;
- 5 • In a declared Stage 2 Water Supply Warning, a combination of voluntary and
6 mandatory actions are intended to reduce water usage by 30%;
- 7 • In a declared Stage 3 Water Supply Crisis, mandatory actions and/or water
rationing are intended to reduce water usage by 50%; and
- 8 • If water supplies are still insufficient, a Water Supply Emergency is declared
9 and mandatory rationing is imposed to reduce water usage by more than 50%; and

10 WHEREAS, Public Resources Code section 21080(b)(4) and CEQA Guidelines section
11 15269(c) exempt from CEQA any actions that are necessary to prevent or mitigate an emergency; and

12 WHEREAS, CEQA Guidelines section 15359 defines “emergency” as “a sudden, unexpected
13 occurrence, involving a clear and imminent danger, demanding immediate action to prevent or
mitigate loss of, or damage to life, health, property, or essential public services;” and

14 WHEREAS, Public Contract Code section 20567 authorizes irrigation districts to let contracts
15 without notice for bids in case of an emergency; and

16 WHEREAS, Public Contract Code section 22050(a)(2) requires that before action is taken to
17 procure equipment, services, and supplies without giving notice for bids, the governing body must
18 first make a finding, based on substantial evidence set forth in the minutes of its meeting, that the
19 emergency will not permit a delay resulting from a competitive solicitation for bids, and that the
action is necessary to respond to the emergency; and

20 WHEREAS, Public Contract Code section 11102 defines “emergency” as “a sudden,
21 unexpected occurrence that poses a clear and imminent danger, requiring immediate action to
22 prevent or mitigate the loss or impairment of life, health, property, or essential public services;” and

23 WHEREAS, District Board Policy 2050 authorizes the District’s General Manager to act “in
24 emergency situations where no Board Policies or Administrative Regulations exist;” and

25 WHEREAS, District Administrative Regulation 3061.1, subdivision g, authorizes emergency
26 procurements of supplies, equipment, services, or construction items when there exists a threat to
27 public health, welfare, or safety, and requires Board of Directors ratification of emergency
procurements exceeding \$100,000; and

1 WHEREAS, Water Code sections 350 et seq. authorize the Board of Directors to declare a
2 water supply emergency whenever it finds and determines, during a noticed public hearing, that
3 the ordinary demands and requirements of water consumers cannot be satisfied without depleting
4 the District's water supplies; and

5 WHEREAS, the District published notice of a public hearing to consider a water supply
6 emergency, pursuant to Water Code section 351 and Government Code section 6061, on June 21,
7 2021.

8 NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors
9 of the El Dorado Irrigation District as follows:

- 10 1. The Board finds and declares that the current drought conditions constitute an
11 emergency within the meaning of CEQA Guidelines section 15359, Public
12 Contracts Code section 11102, District Board Policy 2050, and District
13 Administrative Regulation 3061.1, subdivision g.
- 14 2. The Board finds and determines, pursuant to Water Code section 350, that a
15 water shortage emergency condition exists within all or part of the District's
16 service area and that the ordinary demands and requirements of District
17 customers cannot be satisfied without depleting District supplies.
- 18 3. The Board declares a Stage 1 Water Alert Districtwide, effective immediately.
- 19 4. The Board authorizes the General Manager, subject to subsequent Board
20 ratification, to declare a Stage 4 Water Emergency for Outingdale customers
21 when necessary.
- 22 5. The Board finds and declares that the adoption of this Resolution and all of
23 the delegations, authorizations, and directions to the General Manager and
24 District staff specified in paragraph 7, below, satisfy the requirements and
25 criteria of Public Resources Code section 21080(b)(4), CEQA Guidelines
26 section 15269(c), and Public Contract Code sections 22050(a)(2) and 20567.
- 27 6. The foregoing findings and declarations are based upon all written, oral, and
visual evidence, including both facts and professional opinions, presented to
the Board at the hearing of this Resolution.
7. The Board hereby delegates, authorizes, and directs the District General
Manager and his designees to take all actions reasonably deemed necessary to

1 respond to the emergency conditions declared herein, including but not
2 limited to the following specific actions:

- 3 a. Implement all voluntary Stage 1 drought actions, as detailed in the 2021
4 updated Drought Action Plan.
- 5 b. Enter into professional services and construction contracts as reasonably
6 deemed necessary to expedite the preservation and enhancement of water
7 supply availability for the District's customers.
- 8 c. Report to and seek ratification of the Board for any actions taken in excess of
9 normal authority or authority expressly granted by this Resolution, at the first
10 regular Board meeting held after each such action.
- 11 d. Report to the Board at least monthly, and more often if necessary, on the
12 current status of the drought conditions, responsive actions taken, weekly
13 water usage data, and the need, if any, for further Board actions.

14 8. This Resolution shall take effect immediately upon adoption. Subject to the ratification
15 required by Public Contract Code sections 22050(b)(3), (c)(1), and (c)(2), and by District
16 Administrative Regulation 3061.1, subdivision g, this Resolution shall remain in full
17 force and effect until rescinded by a subsequent Resolution of the Board of Directors.

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1 The foregoing Resolution was introduced at a regular meeting of the Board of Directors of the
2 EL DORADO IRRIGATION DISTRICT, held on the 28th day of June 2021, by Director Osborne
3 who moved its adoption. The motion was seconded by Director Veerkamp and a poll vote taken
4 which stood as follows:

5 AYES: Directors Osborne, Veerkamp, Dwyer, Anzini and Day

6 NOES:

7 ABSENT:

8 ABSTAIN:

9 The motion having a majority of votes "Aye", the resolution was declared to have been
10 adopted, and it was so ordered.



11 Roger "Pat" Dwyer, President
12 Board of Directors
13 EL DORADO IRRIGATION DISTRICT

14 ATTEST:



15 Jennifer Sullivan
16 Clerk to the Board
17 EL DORADO IRRIGATION DISTRICT

18 (SEAL)

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1 I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT
2 hereby certify that the foregoing resolution is a full, true and correct copy of a Resolution of the
3 Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a
4 regular meeting of the Board of Directors held on the 28th day of June 2021.



Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

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DROUGHT ACTION PLAN

2021 UPDATE

PURPOSE. This Drought Action Plan serves as a detailed work plan for El Dorado Irrigation District staff and our customers, not only during drought conditions, but before and after as well. It includes specific actions for management of the District’s water supply and demand, addresses the impacts associated with drought, and facilitates the timely implementation of effective drought responses.

CHANGES. The original foundation of this action plan is the District’s 2008 Drought Preparedness Plan. The drought action plan was created and underwent several changes in 2014 and 2015 to reflect the then-current conditions and to comply with State-mandated conservation levels and actions applicable at that time. Recent changes to the plan include removal of some of the specific conservation levels required by the state at the time and a return to the original drought stages and corresponding target conservation levels. The Plan has also been updated to comply with California Water Code (CWC) §10632, which lists new requirements for urban water suppliers regarding development of a Water Shortage Contingency Plan. Accordingly, this Drought Action Plan 2021 Update includes new sections and information specifically aimed at addressing the requirements. For purposes of compliance with CWC §10632, the terms Drought Action Plan (or Plan) and Water Shortage Contingency Plan are considered synonymous.

ADOPTION. The Drought Action Plan was first adopted by the Board on February 4, 2014. Subsequent revisions to the Plan were approved in 2014 and 2015 as the District navigated through that drought. The Board adopted the 2021 Drought Action Plan on June 14, 2021.

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1.0 Introduction

1.1 Purpose of this Plan

In 2007, the El Dorado Irrigation District (EID or District) and the El Dorado County Water Agency (EDCWA) completed comprehensive drought preparedness plans that provided indicators and modeling tools to determine when El Dorado County, and specifically each water purveyor, might enter into drought conditions. In January of 2008, the EID Board of Directors adopted the District's Drought Preparedness Plan. District staff then developed an internal action plan to address specific tasks and detailed actions, which was completed in March of 2009, and was based upon the drought metrics and customer responses provided in EID's Drought Preparedness Plan. The plan was then updated in 2014 and 2015.

This 2021 Drought Action Plan Update (Plan) continues to serve as a detailed work plan for District staff in order to prepare for and address supply shortages, including shortages from drought conditions and catastrophic interruption of supplies. It includes specific actions regarding the management of water supply and demand, addresses the impacts associated with supply shortage conditions, and facilitates a District-wide supply shortage response that is both timely and effective. This Plan is also listed in Part III of the District's Emergency Operations Plan.

The Plan complies with California Water Code (CWC) §10632, which lists requirements for urban water suppliers regarding development of a Water Shortage Contingency Plan. Accordingly, this 2021 Drought Action Plan Update includes new sections and information specifically aimed at addressing those requirements. For purposes of compliance with CWC §10632, the terms Drought Action Plan (or Plan) and Water Shortage Contingency Plan are synonymous.

1.2 Adoption, Submittal, and Availability

The Plan (including subsequent updates) shall be adopted in accordance with standard District procedures, including requirements for public participation, and adoption by the EID Board of Directors. Upon adoption, the Plan will be provided to the City of Placerville, El Dorado County, and submitted to DWR within 30 days. The adopted Plan will be available on the District's website.

1.3 Summary of Reliability Assessments

As part of EID's 2020 Urban Water Management Plan (UWMP), two separate assessments were conducted to evaluate both the near- and long-term reliability of the District's supplies. The District's Water Reliability Assessment was conducted for normal year, single-dry year, and a drought lasting five consecutive years, and is used to evaluate long-term supplies with demands over the next 25 years, in five year increments. The Drought Risk Assessment assumes the occurrence of a drought over the next five years, and aims to assess EID's near-term reliability.

Results from the Water Reliability Assessment indicate EID has ample supplies through 2045 to meet expected customer demands under the normal year, single-dry year, and five-year drought conditions. Similarly, the District's Drought Risk Assessment indicates sufficient supplies to meet expected demands during an assumed drought occurring in the next five consecutive years (2021-2025). For a more detailed description of the assessments, the reader is referred to the District's 2020 UWMP.

1.4 Summary of Drought Stages

All declarations of drought stages occur by action of the EID Board of Directors. As a policy, EID implements the same drought stage and employs the same response measures throughout its

geographical water supply regions whenever possible, making public outreach and implementation consistent and effective. However, different stages can and have been applied to the District's two satellite water systems compared to the main system to account for system-specific conditions. To see an example of a drought declaration, resolution, and staff report, refer to the February 4, 2014 Board packet and Public Hearing Item Number 1.

The drought stages defined by this Plan are consistent with the 2010 recommendations of a Regional Water Authority (RWA) work group, which consisted of ten member agencies in the Sacramento region. The group was tasked with developing a regional water shortage contingency plan that would provide consistent messaging for the region, and ranges from Stages 1 through 4 as the water shortage becomes progressively worse. When a drought stage is declared by the water purveyor's governing body, as deemed necessary, the individual purveyors would also determine the actual water demand reductions for each declared stage. If conditions warrant, the District will coordinate with the City of Placerville and El Dorado County for the possible proclamation of a local emergency, as defined in Section 8558 of the Government Code.

The four stages of the EID Drought Action Plan depend upon District water supply conditions, and the corresponding response requested of our customers. For normal water supply conditions, the District would continue to implement water efficiency measures and prohibit water waste, while raising public awareness regarding water efficiency practices. Prohibitions on water waste during all stages, including Normal Water Supply are outlined in Administrative Regulation (AR) 1041 (Water Waste Prohibition).

If water supplies become slightly restricted, the Plan calls for an introductory **Stage 1** drought response, during which customers are informed of possible shortages and asked to voluntarily conserve up to 15 percent. At **Stage 2** when water supplies become moderately restricted, both voluntary and mandatory measures are implemented to achieve a demand reduction goal of up to 30 percent. If water supplies subsequently become severely restricted, a **Stage 3** drought can be called with the enforcement of mandatory measures to achieve a demand reduction goal of up to 50 percent. Lastly, if drought conditions persist and the District experiences extremely restricted water supplies, then a **Stage 4** can be implemented that requires water rationing for health and safety purposes in order to achieve a greater than 50 percent reduction of demands.

Table 1 summarizes these water supply conditions and the corresponding drought stages, titles, and objectives; along with the expected response actions and demand reduction targets.

Table 1 - Drought Stages Summary

Water Supply Conditions	Drought Stage	Stage Title	Stage Objective	Response Actions
Normal Water Supply	None - Ongoing water conservation and enforcement of water waste prohibition.	Normal Conditions	Public awareness of water efficiency practices and prohibition of water waste.	Public outreach and education for ongoing water efficiency practices and the prohibition of water waste.
Slightly Restricted Water Supplies Up to 15% Supply Reduction	Stage 1 Introductory stage with voluntary reductions in use.	Water Alert	Initiate public awareness of predicted water shortage and encourage conservation.	Encourage voluntary conservation measures to achieve up to a 15% demand reduction.
Moderately Restricted Water Supplies Up to 30% Supply Reduction	Stage 2 Voluntary and mandatory reductions in water use.	Water Warning	Increase public awareness of worsening water shortage conditions. Enforce mandatory measures such as watering restrictions.	Voluntary conservation measures are continued, with the addition of some mandatory measures to achieve up to a 30% demand reduction.
Severely Restricted Water Supplies Up to 50% Supply Reduction	Stage 3 Mandatory reductions in water use.	Water Crisis	Enforce mandatory measures and/or implement water rationing to decrease demands.	Enforce mandatory measures to achieve up to a 50% demand reduction.
Extremely Restricted Water Supplies Greater than 50% Supply Reduction	Stage 4 Water rationing for health and safety purposes.	Water Emergency	Enforce extensive restrictions on water use and implement water rationing to decrease demands.	Enforce mandatory measures to achieve greater than 50% demand reduction.

Water Code Section 10632(a)(3) calls on suppliers to identify six standard water shortage levels from the normal reliability (10, 20, 30, 40, 50 and greater than 50 percent shortage) in their Water Shortage Contingency Plan. EID has instead chosen to use the existing four shortage levels identified in this Drought Action Plan for consistency with past droughts and ease of implementation. Pursuant to Water Code Section 10632(a)(3)(B), Table 2 cross-references this Plan’s shortage levels to the State identified levels.

Table 2		
State Mandated Shortage Levels	EID Drought Action Plan Levels	
Stage 1: 0 – 10%	Stage 1 – Water Alert	0 – 15%
Stage 2: 10 – 20%	Stage 1 – Water Alert	0 – 15%
	Stage 2 – Water Warning	15 – 30%
Stage 3: 20 – 30%	Stage 2 – Water Warning	15 – 30%
Stage 4: 30 – 40%	Stage 3 – Water Crisis	30 – 50%
Stage 5: 40 – 50%	Stage 3 – Water Crisis	30 – 50%
Stage 6: >50%	Stage 4 – Water Emergency	>50%

1.5 Action Plan Organization

This document will focus on those activities directly impacting the management of water supply and demand, along with the customer services that would be modified to address changing drought conditions. The tasks and duties in this Plan are organized by function rather than by department. There are a number of policies that are identified as drought conditions occur. Revisiting and updating drought policies during and after a drought are essential to continuing the benefit and effectiveness of this Plan.

1.6 Applicable Water Codes and Legal Authorities

During times of water shortage, there are actions the District may take that are not solely based upon internal policies and regulations. Several California Water Code Sections and California Codes of Regulation grant authority to or mandate that the water purveyor declare drought conditions and implement drought stages. Below are **summaries** of specific actions required during water shortage conditions; however, the official California Water Code or California Code of Regulations should be

referenced for the complete language of the section. Where not otherwise indicated, citations are to the California Water Code.

Title 23, California Code of Regulation, Section 864 – End-User Requirements in Promotion of Water Conservation – To prevent the waste and unreasonable use of water and to promote water conservation, various actions are prohibited, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency.

Title 23, California Code of Regulation, Section 865 – Mandatory Actions by Water Suppliers – To promote water conservation, each urban water supplier shall provide prompt notice of leaks within an end-user’s control, submit monthly monitoring reports to the state, and meet a state-prescribed water conservation mandate..

Section 350 – The governing body of the water purveyor may declare a water shortage emergency condition whenever it determines that ordinary demands cannot be satisfied without depleting supplies to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

Section 351 – The declaration shall be made only after a public hearing is held, at which consumers have an opportunity to protest and to present their respective needs to the governing body. There is an exception for a breakage or failure that causes an immediate emergency.

Section 352 – At least seven days prior to the date of the public hearing, a notice of the time and place of the hearing shall be published in a newspaper that is distributed within the water purveyor’s service area.

Section 353 – When the governing body has declared a water shortage emergency condition within its service area, it shall adopt regulations and restrictions on the delivery and consumption of water supplied for public use in order to conserve water supply for the greatest public benefit, with particular regard to domestic use, sanitation, and fire protection.

Section 354 – After allocating the amount of water, which in the opinion of the governing body will be necessary to supply domestic use, sanitation, and fire protection, the regulations may establish priorities in the use of water for other purposes – without discrimination between consumers using water for the same purpose.

Section 355 – These regulations and restrictions shall remain in effect during the water shortage emergency condition, and until the water supply has been replenished or augmented.

Section 356 – These regulations and restrictions may prohibit new or additional service connections, and authorize discontinuing service to consumers willfully in violation of a regulation or restriction.

Section 357 – These regulations and restrictions prevail over any conflicting laws governing water allocations while the water shortage emergency condition is in effect.

Section 22257 – An irrigation district may impose equitable rules and regulations, including controls on the distribution and use of water, as conditions of ongoing service to its customers.

1.7 Evaluation and Improvement Procedures

This Drought Action Plan is an adaptive plan that allows for active refinement in response to particular shortage conditions. The general procedures for refinement are presented below.

1. For each shortage response action, compare expected results with actual shortage response and identify any shortfall or over-achievement.
2. Revise expected reduction for a specific shortage response action based on updated information.
3. Assess the aggregate expected reductions (from revised shortage response actions) for each shortage stage.
4. Revise stage declaration or modify stage shortage response actions to better balance demands with supplies.

The procedures presented above aim to ensure an adaptive Drought Action Plan is maintained that can be relied upon under various and changing circumstances.

1.8 Drought and Water Management Tools

There are resources available to aid water purveyors and individuals before, during, and after a drought. Below is a brief description of a few of these tools.

- **California Urban Drought Guidebook** – a publication providing help to water managers facing water shortages by showing them how to use tried-and-true methods of the past, such as demand management, conservation analysis, and fiscal considerations; as well as new methods and technology such as ET controllers and cooling system efficiencies. Download the Urban Drought Guidebook, 2008 Updated Edition at: <https://cawaterlibrary.net/document/urban-drought-guidebook-2008-updated-edition/>
- **DWR Office of Water Use Efficiency** – makes available technical expertise, manages the CIMIS weather station network, carries out demonstration projects and data analysis to increase efficiency where possible, and provides loans and grants to achieve efficiency in water and energy. This information can be found at <https://water.ca.gov/Programs/Water-Use-And-Efficiency/Urban-Water-Use-Efficiency>
- **DWR Drought Conditions** – a webpage providing State and regional updates with regards to water conditions. More information can be found at <https://water.ca.gov/Current-Conditions>
- **U.S. Bureau of Reclamation Drought Response Program** – aids federal water contractors and other interested parties in a wider view of drought conditions, encompassing the western United States. Staff from this program will also provide technical assistance, grant and loan funding, and expertise in drought planning. Information on this Bureau program can be found at <https://www.usbr.gov/drought/>
- **SWRCB Drought Information and Updates** – provides the latest information and updates on drought conditions in California, actions by SWRCB, and resources for conservation strategies and funding opportunities. More information can be found at https://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/

2.0 Coordination and Guidelines

EID's drought response should be managed by participants in the District's Drought Response Team (DRT), which should include department heads and/or their appointed representative and the General Manager. The DRT may coordinate with other agencies in the county and region through other organized Drought Committees. Responding to a drought in El Dorado County should include a number of tactics and agencies, and a multi-level management team with function-specific responsibilities is an important planning device for collaborative and comprehensive drought event management.

2.1 Drought Response Team

The 2008 Drought Preparedness Plan emphasized the importance of a DRT for inter-department drought management. Initially, the DRT should be made up of staff representing the following functions.

- Engineering and Operations
- Finance and Customer Services
- OGM/Legal
- Public Outreach
- Recreation
- Water Efficiency

This list may be narrowed down due to staff availability and specific needs, as different functions may not be necessary in all situations nor at all times.

2.2 Role and Responsibilities

The DRT will be responsible for monitoring the activities of the District with regard to general drought management, including issues of timing, policy, public relations, financial solvency, customer education, facility operations, environmental considerations, and public health. The EID Board of Directors should be updated by the General Manager and/or staff at regular and special board meetings. During cases of extreme drought, updates may occur more often by e-mail or by phone, consistent with the requirements of the Ralph M. Brown Open Meetings Act.

The DRT should meet periodically during normal water supply conditions to discuss updates and other important ongoing considerations. The group would meet more often as drought events occur and worsen, perhaps once per week or even once per day in extreme cases. A DRT meeting may be requested by any member, but should be facilitated and convened jointly by the Customer Services and Water Operations Managers or as designated by the General Manager.

Another important component of the DRT function during the early stages of drought is to make preparations for subsequent stages, including an examination of staff levels, financial resources, water waste enforcement staff resources, and areas of collaboration among other agencies in the region. It is also important for the DRT to recognize that some of the activities recommended by this Plan may not be possible at current staffing levels and with current financial resources.

2.3 Drought Monitoring and Modeling

While County-wide strategies and mechanisms can be discussed in regional, multi-agency drought committees, monitoring of individual water supplies and drought conditions are the responsibility of each water purveyor. Within EID, drought monitoring will be the combined task of engineering and operations. It is important that staff use the sources of information and drought tools available to them to ensure adequate monitoring. Because drought is the leading hazard of economic loss in the United States each year, monitoring regional and long-term trends within the United States will enable EID to be better prepared for drought. Local drought conditions can change very quickly, but if staff frequently monitors the climatic conditions that cause hydrologic drought, EID will be better equipped to manage District-wide concerns.

2.4 Annual Water Supply and Demand Assessment Procedures

Beginning July 1, 2022, EID is required to prepare an annual water supply and demand assessment and submit an Annual Water Shortage Assessment Report to DWR. The Annual Water Shortage Assessment Report will be due by July 1 of every year, as required by Water Code Section 10632.1. Procedures for EID's annual Water Supply and Demand Assessment are presented below. This assessment is conducted annually to help inform water resources management decisions for the current year. The analysis incorporates numerous data sources used as evaluation criteria to forecast water reliability (water supply vs. demand) for the current year and one subsequent dry year. Data sources and operational factors to consider in preparing the assessment include:

- Projected weather conditions
 - Northern Sierra 8-Station Precipitation Index compared to historical
 - Snow Water Content data – Central Region compared to historical
 - Bulletin 120 Projections for Water Year Type
 - Snow surveys - Caples Lake, Silver Lake and Carson Pass, others
 - NOAA Precipitation Outlooks
 - Seasonal Drought Outlook (Drought Monitor)
- Projected Unconstrained Customer Demand
 - Historical Water Diversion Reports
 - Historical Water Consumption Reports
 - Urban Water Management Plan demand forecasts
 - New customer connections
 - Recycled Water Demand
- Projected Supply Availability
 - Project 184 Reservoir Storage (Aloha, Echo, Caples and Silver Lake Levels)
 - Project 184 pre-1914 water rights
 - Jenkinson Lake Storage
 - Folsom Lake Levels and USBR CVP allocations
 - Water Right Permit 21112
 - Ditch/Weber Reservoir water rights
 - Recycled Water production
- Regulatory Conditions
 - FERC license conditions for in-stream flows and target lake levels
 - Water right conditions for lake levels and minimum releases
 - State-mandated conservation or curtailment orders
- Infrastructure Constraints
 - El Dorado Canal planned maintenance schedule

- Planned or unplanned major water infrastructure upgrades and repairs that constrain normal capacity
- Others as identified

The general procedure for preparing the annual Water Supply and Demand Assessment is listed below. EID may modify this process based on available data, significant events, operational restrictions, or other external factors that may impact the assessment. The following procedures will be undertaken beginning each winter season and continue through late spring until the current year water supply conditions are known. The final product will result in a written water supply assessment per the requirements of Water Code Section 10632.1 to be submitted by July 1 of each year.

1. Compile existing weather data to characterize current year water supply conditions. District staff typically will provide regular Board informational updates on developing water supply conditions during the winter and spring months as needed, and discuss any potential water supply reliability concerns.
2. Estimate current year and subsequent dry year unconstrained demands based on representative customer use data. Sources to estimate demands primarily include annual water diversion and consumption reports. Dry year demand projections developed in the Urban Water Management Plan updates may also be used. Development of unconstrained demand should incorporate any additional demand considerations resulting from new customer connections or unique demand trends.
3. Determine current year available supply for each primary supply region (Jenkinson Lake, Project 184 - Forebay, and Folsom Lake). Estimate subsequent dry year water supply for each supply region. The UWMP data may be used to estimate the subsequent dry year water supply availability for each source.
4. Identify and incorporate any applicable constraints (infrastructure, regulatory, etc.) regarding accessibility of supply in the current year and subsequent year.
5. Compare water supply availability to demand for the current year and one subsequent dry year, which will summarize the results of the annual water supply assessment. Consider if any current year supply targets and operational modifications are appropriate to prepare for a subsequent dry year. For example, consideration may be given in the current year to maximize utilization of available Project 184 supplies to supplement and/or reduce the demand from Jenkinson Lake in order to preserve Jenkinson Lake storage in the event of a subsequent dry year. Identify any projected current year supply shortfall to meet the unconstrained demand, cross referencing the condition to one of the water shortage levels identified in this Plan. If current year supply will meet demand, but the projections for the subsequent dry year show a supply reliability concern, consider whether it is appropriate to take any operational actions, water resource management strategies, or demand management measures in the current year to prepare in the event of a subsequent dry year.
6. Prepare the annual Water Supply and Demand Assessment pursuant to subdivision (a) of Section 10632. Assessment will include information as applicable on any anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions, consistent with the Drought Action Plan (Water Shortage Contingency Plan).
7. Present the annual Water Supply and Demand Assessment to the Board of Directors for approval as necessary and appropriately trigger any recommendations for specific shortage response actions resulting from the assessment. Staff may modify/update the assessment per direction from the Board.

8. The general proposed annual timeline for the assessment is as follows:
- Monitor conditions and prepare assessment: January-May
 - Present assessment to Board: May/June
 - Submit annually to DWR per CWC Section 10632.1: July 1

2.5 Interagency Coordination

A County-wide Drought Coordination Committee (DCC) may be formed to include regional partners and water purveyors. The team would meet monthly during a drought to discuss the issues of water supply and demand, conjunctive use, and environmental needs. EID staff should attend these coordination meetings, as designated by the General Manager.

MONITORING – Communication among agencies of their drought indicator status would allow each agency to understand the current conditions of the other water purveyors.

PUBLIC OUTREACH – Development of drought education tools, plus collaboration on public education and outreach, provides efficiency and consistency within the region.

RESOURCE SHARING – Collaboration resources, including: staff, grant funding, monitoring tools, infrastructure, water, and educational outreach tools would allow agencies to support each other efforts in the community.

2.6 Drought Guidelines and Definitions

There are a number of circumstances during a drought in which the District would be required to make and implement decisions that are not solely based upon water supply availability, such as how long to stay in a drought stage, and how demand reductions should be quantified. The new annual assessment procedure will define the base unconstrained demand for which a proxy demand for each user category can be developed and compared against actual conservation performance.

Overall Guidelines

Below is a list of drought guidelines developed to assist staff in managing the drought event.

- 1) The District will strive to stay within each stage of drought for at least 2 months for consistency in messaging and effective public outreach.
- 2) Drought stage demand reductions will be quantified by output at the water treatment plants during all stages; however, in Stages 3 and 4 meter reads may also be necessary to determine compliance with individual allocations and reduction targets.
- 3) This Drought Action Plan should be reviewed and updated every 5 years (or as needed) due to changes in water supplies, operations, expected water demands or other relevant factors.

Early Actions

- 1.1.1 CROSS TRAINING – It is important that ongoing staff training be conducted before a drought occurs, as staffing may be necessary for the enforcement of water waste prohibition, enforcement of mandatory or prohibited conservation measures, and answering questions

related to recycled water use. Staff ordinarily responsible for other duties may be temporarily reassigned to implement these drought-response activities.

1.1.2 BOARD UPDATES – The Board should be kept apprised of all drought monitoring and predicted water shortages. It is the responsibility of the General Manager to decide the best method for these updates.

1.1.3 PUBLIC OUTREACH TO ID 97 OWNERS – Pursuant to paragraph 10 of the Interim Agreement to Amend the Terms and Conditions of El Dorado Irrigation District Improvement District No. 97, the District will reduce aesthetic flows in Clear Creek from Jenkinson Lake during declared water shortages. The district will provide 30 days written notice to all ID 97 property owners.

- Background. The *4-Stage Water Supply Matrix and Water Shortage Response Measures* – a copy of which can be found in Appendix D of the 2008 Drought Preparedness Plan – was in effect when the ID 97 Interim Agreement was adopted by the Board of Directors in 2005. Pursuant to this agreement, the flow rate in Clear Creek is reduced as the drought stages progress, from a maximum of 3 cubic-feet per second (cfs) down to a minimum of 1 cfs. When drought is imminent, notifications are to be sent to the ID 97 property owners that Clear Creek flows may be reduced with the drought stages.

2.7 Enforcement and Appeals

Water conservation enforcement measures for all stages, including Normal Water Supply, are outlined in AR 1041.5 (Penalties for Violation of the District’s Water Waste Regulation) and AR 5011. AR 5011.1 states, “a prohibition of water waste will be in effect during both normal and restricted water supply conditions.” The sequence of notification, discontinuance of service, and progressive reconnect fees are outlined in AR 1041.5.

3.0 Ongoing Activities

This Drought Action Plan addresses water management and customer service activities that would be modified during drought conditions. In this section, *Ongoing Actions* are defined as activities that are performed on a regular basis, even in non-drought conditions, that might change in the face of a drought being declared. Throughout the District, there are a number of ongoing activities related to drought management. It will be the responsibility of the DRT members to ensure that these activities continue to occur in their respective areas during non-drought conditions, in order to be ready for a declaration of drought. The following sub-sections refer to staff functions rather than departments, and include a brief description of these functions and their ongoing actions as they pertain to a drought.

3.1 Engineering and Operations

The primary responsibility of engineering and operations staff is to ensure the continued integrity of infrastructure throughout the District's service area, in addition to actively monitoring and modeling potential drought conditions. Operations staff must also stay abreast of changes during drought conditions, such as lower pressures, increased sewer pipeline blockages, lower reservoir levels, changes in demand patterns, and other potential impacts. The environmental staff contributions to the District's drought preparedness occur mostly prior to a drought event while conducting environmental reviews and permit preparation for proposed projects, but may also include outreach to recycled water customers during the course of their work relating to recycled water compliance.

Ongoing Actions

- 1) Manage water supplies and conservation levels to achieve approximately 25,000 acre-feet of carry-over storage in Jenkinson Lake to guard against multiple year drought conditions including importing Project 184 supplies through the Hazel Creek tunnel.
- 2) Track regional weather predictions and monitor reservoir levels in conjunction with the dashboard drought risk assessment.
- 3) Gather information on drought management from other agencies.
- 4) Incorporate the results of various drought supply analyses and modeling when analyzing the environmental effects of proposed projects.
- 5) Enforce the water waste prohibition regulation – *with legal, water efficiency, and customer services.*
- 6) Examine the District's infrastructure for leakage, and reduce losses where cost-effective.
- 7) Assist community members whose wells have gone dry due to drought conditions, to access drinking water through bulk water stations and key cards – *with public outreach.*
- 8) Investigate all dry-year water supply options such as water transfers, conjunctive use, and groundwater banking – *with legal.*
- 9) Develop drought impact avoidance projects, if needed.
- 10) Investigate potential reservoir re-operation, and consider long-term adjustments to reservoir release rules.
- 11) Consider the environmental effects of long-term draw-down of reservoirs, such as air quality, soil/sedimentation, water quality, temperature, and other conditions that may affect the District's ability to provide treated water.
- 12) Work with the El Dorado Water Agency to facilitate additional water supply projects, if needed.

- 13) Collaborate with regional water management groups, including but not limited to the Regional Water Authority (RWA), Mountain Counties Water Resources Association (MCWRA), and the Cosumnes, American, Bear, and Yuba Rivers group (CABY).
- 14) Maintain interagency coordination, primarily through a DCC, but also through participation in federal, state, and/or regional drought task forces.

3.2 Finance and Customer Services

The primary responsibility of finance staff is to keep the District solvent when faced with the increased costs and potential for reduced revenues associated with a drought condition in the watershed and enforcement of excessive residential water use as described in the District's Water Waste Prohibition. Along with other District employees, staff must be able to look into the future to assess possible staffing needs and potential sources of cost to the District. On the other side, finance staff must also be able to identify possible sources of income, or at the very least, a method of financing the additional efforts associated with managing drought.

Ongoing Actions

- 1) Enforce the water waste prohibition regulation – *with legal, operations, and water efficiency.*
- 2) Educate customers on how to read their water meters in order to determine their own monthly usage during times of demand restrictions – *with public outreach.*
- 3) Provide prompt notice to a customer whenever the District obtains information that indicates that a leak may exist within the end-user's exclusive control.

3.3 Legal

The primary responsibility of administration and legal staff is to ensure that EID's actions are legal and defensible. It is important that the administration and legal staff be apprised of policy and planning activities with regard to water supply, regional activities, and inter-agency planning.

Ongoing Actions

- 1) Ensure the District follows applicable state law when declaring drought conditions, and include citations to pertinent legal authority in drought-related Board actions.
- 2) Continue to enforce the water waste prohibition regulation – *with water efficiency, operations, and customer services.*
- 3) Examine possible legal implications of dry reservoirs and canals during drought conditions, and associated liability at recreational lakes – *with recreation and property.*
- 4) Examine the District's Board Policies and Administrative Regulations for potential changes and/or additions for better drought management.
- 5) Track legislation and regulation relating to drought, especially as they pertain to curtailing water rights, prescribing or prohibiting actions by water suppliers, financing drought management, water transfers, and ground-water banking.
- 6) Urge county and city planners to consider the drought stages when implementing development and future planning scenarios.
- 7) Collaborate with regional water management groups, such as RWA, MCWRA, and CABY - *with engineering and operations.*

3.4 Public Outreach

The efforts of public outreach staff are integral to the implementation a successful Plan and management of a drought event. Public education is the most important activity when a drought occurs, because demand management will not be successful if customers are not adequately informed regarding the water situation and the requirements of the purveyor. The most important time for public outreach and education is at the beginning of Stage 1.

Ongoing Actions

- 1) Educate customers regarding water saving devices and practices – *with water efficiency.*
- 2) Educate customers regarding the overall challenges of providing a reliable water supply in a semi-arid climate.
- 3) Educate customers regarding drought stages through bill inserts or a printed message on the bill, an article in the bi-monthly newsletter, e-mail messages, social media, drought website, automated telephone messages, direct mail post cards, government and community organization meetings, newspaper advertisements, and other means – *with water efficiency.*
- 4) Develop a webpage for “Drought Stage” information, including an easy-to-understand explanation of when a drought is called and when a drought has ended – *with water efficiency.*
- 5) Educate customers on how to read their water meters in order to determine their own monthly usage during times of demand restrictions – *with finance and customer services.*
- 6) Work with the DCC to educate community members, whose wells have gone dry due to drought conditions, about the availability of drinking water through bulk water stations with key card access – *with customer services.*
- 7) Collaborate with the Regional Water Authority, ACWA, Mountain Counties and other regional groups to ensure consistent messaging.

3.5 Recreation

The challenges and responsibilities of recreation and property staff in the face of a drought are quite different from those of other EID functions. The primary concerns with recreation and property are the liabilities associated with water attractions in low water level conditions. These can vary from exposed rocks in reservoirs to increased danger of fires resulting from recreational use in campgrounds and day use areas.

Ongoing Actions

- 1) Consider alternative recreational strategies/opportunities for dry years.
- 2) Identify sensitive areas and outline management plans for these areas in dry years.
- 3) Examine possible legal implications of dry reservoirs and canals during drought conditions, and associated liability at recreational lakes – *with legal.*
- 4) Ensure adequate protection against catastrophic fires through vegetation management and homeowner education (adjacent to District facilities).
- 5) Inform customers of the mooring facility policy during drought, and any curtailments of water supplies at recreational facilities.
- 6) Work with regional partners to identify areas of greatest fire risk.

3.6 Water Efficiency

Water efficiency staff should work closely with public outreach staff, as the activities required to meet water supply constraints are usually through the implementation of water efficiency practices or devices. Because there are ongoing mandated activities, a drought event will increase the number of tasks for which water efficiency staff are responsible. The Drought Preparedness Plan stipulated a number of water conservation actions, some of which are activities *required* of customers, such as not filling swimming pools; while some are simply *guidelines* for customers to help them save water.

Agricultural demands are an important consideration during drought events. The District's Irrigation Management Service (IMS) program is not required for agricultural customers, but staff should encourage participation in the IMS program prior to a drought, including the education of landowners with regard to individual drought planning. A total of 2,000 acre-feet of water is estimated to be saved each year by the IMS program, as verified by the State Water Resources Control Board in 1986.¹

Ongoing Actions

- 1) Identify and pursue drought assistance grants available for water efficiency programs.
- 2) Enforce the water waste prohibition regulation – *with legal, operations, and customer services.*
- 3) Offer water efficiency rebate programs and complimentary water surveys as staff, budget, and grant funding allows.
- 4) Continue to implement the California Urban Water Conservation Council's Best Management Practices, as applicable and as required by the U. S. Bureau of Reclamation.
- 5) Maintain the IMS program for commercial agriculture customers.
- 6) Educate customers regarding drought stages through bill inserts or a printed message on the bill, an article in the bi-monthly newsletter, e-mail messages, and newspaper advertisements – *with public outreach.*
- 7) Develop a webpage for "Drought Stage" information, including an easy-to-understand explanation of when a drought is called and when a drought has ended – *with public outreach.*

¹ Source: EID's Water Supply Master Plan, Administrative Draft, December 2001, Pages 3-36 and 3-38. As part of the South Fork American River (SOFAR) water rights permitting process, the 2,000 acre-feet of IMS program water savings was verified in 1986 by the SWRCB; and later acknowledged in an SWRCB letter dated January 1989.

4.0 Stage 1 – Water Alert

A drought Stage 1 is considered a water alert, where water supplies are only slightly restricted. The response actions are intended to initiate public awareness of a possible water shortage in the near future, and to encourage water efficiency practices. Stage 1 actions target up to a **15 percent demand reduction** through the implementation of voluntary measures. The following *New Actions* outlined in this section are activities that must be performed during this stage of a drought declaration.

At the beginning of a dry period there is no certainty as to whether the conditions will persist into a more significant drought. Accordingly, the initial phase of conservation is voluntary on the part of the customer, and the use of recycled water continues as normal. Staff should implement an outreach program to educate customers regarding the status of District water supplies, and the predicted water shortage; however, the education should be done without alarming customers as there is not yet a true emergency. This outreach can be complemented by the actions of the Department of Water Resources and RWA. To avoid confusion though, it is important to educate our customers that due to the District's multiple water sources and integrated infrastructure, the rest of the region and the state might be worse off than the District. Raising public awareness therefore represents one of the most important components of this Plan.

4.1 Engineering and Operations

New Actions

- 1) Monitor reservoir levels on a monthly basis.
- 2) Manage water supplies and conservation levels to achieve approximately 25,000 acre-feet of carry-over storage in Jenkinson Lake to guard against multiple year drought conditions including importing Project 184 supplies through the Hazel Creek tunnel.
- 3) Alert ditch customers of potential cutbacks, reminding them of Item No. A-8 of their ditch application for service, and reduce potable water releases from valve blow-offs, if possible – *with customer services*.
- 4) Alert the Improvement District No. 97 property owners listed on the current County assessment roll of the water alert declaration, reminding them of paragraph 10 of the 2005 Interim Agreement for ID 97 and possible accommodations to decrease the releases to Clear Creek should the drought conditions continue – *with legal*.
- 5) Monitor water demands weekly at the water treatment plants to assess the amount of water savings accomplished and forecast end-of-year carryover storage needs.
- 6) Identify areas of low pressure, both present and projected, and communicate this to local fire protection agencies.
- 7) Increase monitoring for water theft.
- 8) Refer to the draft ditch operations guidelines in Appendix E of the Drought Preparedness Plan for further information on ditch management during a drought.
- 9) Alert regulatory agencies to the possibility of decreased stream flow.
- 10) Examine Deer Creek discharge requirements; and assess the need to work with stakeholders and the State Water Resources Control Board to temporarily reduce flows to conserve potable water – *with legal*.

4.2 Finance and Customer Services

New Actions

- 1) Implement a project code or charge number for use by all employees to track time and expenses for all drought-related activities.
- 2) Alert ditch customers of potential cutbacks and remind them of Item No. A-8 of their ditch application for service – *with engineering and operations*.
- 3) Identify target levels of water usage per user class – *with water efficiency*.
- 4) Request assistance in programming and obtaining database information appropriate to the drought stage, customer requests, and cutback priorities.
- 5) Provide prompt notice to a customer whenever the District obtains information that indicates that a leak may exist within the end-user's exclusive control.

4.3 Legal

New Actions

- 1) When determined appropriate by the DRT, prepare materials for the declaration of a water alert for approval by the Board of Directors, consistent with applicable state law – *with engineering and operations*.
- 2) Alert the Improvement District No. 97 property owners listed on the current County assessment roll of the water alert declaration, reminding them of paragraph 10 of the 2005 Interim Agreement for ID 97 and possible accommodations to decrease the releases to Clear Creek should the drought conditions continue – *with engineering and operations*.
- 3) Track legislation and regulation relating to drought, especially as they pertain to curtailing water rights, prescribing or prohibiting actions by water suppliers, the management of water transfers/ground-water banking, and financing drought management.

4.4 Public Outreach

New Actions

- 1) Create educational information regarding the stage of drought, what is expected from customers, and the consequences if demand reduction goals are not met.
- 2) Ensure that customers are aware that drought conditions may worsen quickly, causing rapid progression through the drought stages.
- 3) Educate recycled water users and community leaders regarding the importance of conserving recycled water and the consequences of reducing or suspending potable water supplementation during a Stage 2 drought.
- 4) Ensure that the public is aware of the water waste regulation and all associated penalties – *with water efficiency*.
- 5) Work with local and regional newspapers to secure op-ed space as-needed for public information and water supply/drought education.
- 6) Maintain drought information on website, and update throughout the drought.
- 7) Strongly encourage local restaurants to post “serve if requested” messages via poster, table tent signage, in menus, or other means in their establishment – *with water efficiency*.

4.5 Recreation and Property

New Actions

- 1) Implement new mooring facility policy when warranted by low lake levels.

4.6 Water Efficiency

New Actions

- 1) Investigate water waste reports, and enforce Administrative Regulation (AR) 1041, Water Waste Prohibition, as currently amended and incorporated by reference.
- 2) Increase educational efforts regarding water efficiency practices – *with public outreach*.
- 3) Identify target levels of water usage per user class – *with customer services*.
- 4) Strongly encourage local restaurants to post “serve if requested” messages via poster, table tent signage, in menus, or other means in their establishment – *with public outreach*.
- 5) Voluntary: Request customer compliance with these water saving guidelines.
 - a) Apply irrigation water during evening and early morning hours only (7 PM to 10 AM);
 - b) Inspect irrigation system for leaks and then repair or replace;
 - c) Adjust sprinkler run times to avoid runoff; and
 - d) Avoid pursuing construction of new swimming pools or rehabilitation that would require filling with potable water.

5.0 Stage 2 – Water Warning

Drought Stage 2 action items are intended to increase public understanding of worsening water supply conditions, encourage community-oriented voluntary conservation measures, enforce some conservation measures and implement mandatory water use reduction measures to **decrease “normal” demand by up to 30 percent**. Stage 2 activities include a continuation of activities described under Stage 1 and new actions. The achievement of the water use reduction goal is measured by overall performance of the entire customer population, based on EID production meters at the three main potable water treatment plants. It is important to note that user category demand reduction goals are not by individual customer, but are the goal for the customer category.

At the point of calling a Stage 2 Drought, customers are asked to contribute to a system-wide demand reduction of up to 30 percent. The major emphasis by public outreach and customer service is to elevate customer awareness of the supply situation and encourage continued savings to achieve the 30 percent demand reduction goal.

5.1 Engineering and Operations

New Actions

- 1) Assess the need for a temporary change in the point of diversion for water taken from Folsom Reservoir to further upstream on the South Fork of the American River, possibly to supplement Sly Park’s Jenkinson Lake through the Hazel Creek Tunnel – *with legal*.
- 2) Examine the risk of solids loading, line blocks, water-quality exceedances, and other low-flow hazards, and then take appropriate action.
- 3) Provide 30-days written notice to all Improvement District No. 97 property owners listed on the current County assessment roll, notifying them of the water warning declaration and the planned decrease of releases into Clear Creek; and take to the Board for approval or ratification at the first available regular Board meeting – *with legal*.
 - a) After the 30-day notification period, decrease releases into Clear Creek to no more than 2.0 cfs.
- 4) Begin examination of source water quality for increasingly concentrated pollutants and higher temperatures.
- 5) Refrain from releasing water from valve blow-offs unless necessary to maintain compliance with water quality regulatory standards.
- 6) Review all regulatory requirements relating to water quality and stream flow; and investigate how the District might be affected by these regulations in case of extreme drought.
- 7) Monitor source and system water quality for increasingly concentrated pollutants and contaminants as a result of drought conditions. Take necessary operational actions to remain in compliance with the Safe Drinking Water Act.
- 8) Consider reducing or suspending potable supplementation to the recycled water system.

5.2 Finance and Customer Services

New Actions

- 1) Continue actions listed in Stage 1.

- 2) Assess the fiscal consequences and present need for a larger drought management staff, particularly of temporary workers.
- 3) Consider adding customer service representatives to help with answering phones, assisting in customer questions regarding drought restrictions, and possibly extending hours later into the evening.
- 4) Provide prompt notice to a customer whenever the District obtains information that indicates that a leak may exist within the end-user's exclusive control.

5.3 Legal

New Actions

- 1) When determined appropriate by the DRT, prepare materials for the declaration of a water warning for approval by the Board of Directors, consistent with applicable state law – *with engineering and operations*.
- 2) Assess the need for a temporary change in the point of diversion for water taken from Folsom Reservoir to further upstream on the South Fork of the American River, possibly to supplement Sly Park's Jenkinson Lake through the Hazel Creek Tunnel – *with engineering and operations*.
- 3) Provide 30 days written notice to all Improvement District No. 97 property owners listed on the current County assessment roll, notifying them of the water warning declaration and the planned decrease of releases into Clear Creek; and take to the Board for approval or ratification at the first available regular Board meeting – *with engineering and operations*.
- 4) Review options for Area-of-Origin water rights and exceptions to water-right curtailments.
- 5) Seek public health and safety adjustments to U. S. Bureau of Reclamation contract shortage criteria, if needed.

5.4 Public Outreach

New Actions

- 1) Send regular notification postcards to all customers, and email messages to those customers providing email addresses, informing them of mandatory watering restrictions and other conservation requirements in effect.
- 2) Launch a monthly automated telephone message informing customers of mandatory watering restrictions and other conservation requirements in effect.
- 3) Work with regional partners to spread the word about drought and fire danger.
- 4) Secure an op-ed space in local and regional newspapers for an essay on water supply and use restriction in El Dorado County.
- 5) Continue to update the Drought Stage website link, including weekly updates on community demand response.
- 6) Assist the City of Placerville with water use reduction targets – *with water efficiency*.

5.5 Recreation and Property

New Actions

- 1) Urge caution and educate visitors within the District’s recreational areas due to elevated fire danger.

5.6 Water Efficiency

New Actions

- 1) Coordinate with the Sacramento region through RWA membership, especially water purveyors with a common border, in order to coordinate educational efforts to better reach customers.
- 2) Identify the top 10 percent of residential and CII² users, and target these customers with water efficiency outreach – *with customer services*.
- 3) Voluntary: Ask customers to refrain from: - *with public outreach*.
 - a) Planting new or replacement turf.
 - b) Pursuing new agricultural plantings.
 - c) Pursuing construction of new swimming pools or rehabilitation that would require filling with potable water.
- 4) Offer assistance to the City of Placerville to help meet their water use reduction targets - *with engineering and operations*.
- 5) Mandatory: Watering restrictions are in place as shown below. All outside irrigation, potable and recycled—including garden, lawn, landscape, pasture, parks, golf courses, school grounds, and public grounds—shall ONLY occur according to the following schedule:
 - a) Outdoor irrigation is limited to the hours of 7:00 PM to 10:00 AM.
 - b) Watering days are based on street addresses.
 - c) Once-a-week watering is allowed from November 16 to April 15 on Sundays for customers with addresses ending in even numbers (0, 2, 4, 6, 8) and on Saturdays for customers with addresses ending in odd numbers (1, 3, 5, 7, 9).
 - d) Twice-a-week watering is allowed from April 16 to May 31 and October 1 to November 15 on Wednesdays and Sundays for customers with addresses ending in even numbers and Tuesdays and Saturdays for customers with addresses ending in odd numbers.
 - e) Three days per week watering is allowed from June 1 to September 30 on Wednesdays, Fridays and Sundays for customers with addresses ending in even numbers; and Tuesdays, Thursdays and Saturdays for customers with addresses ending in odd numbers.
 - f) Exemptions to watering restrictions are allowed for non-residential customers if a detailed conservation plan is submitted to the District that demonstrates a minimum 30 percent water savings over customer’s baseline usage.
- 6) Mandatory: Outside irrigation for newly constructed homes and buildings is prohibited unless watered using drip or microspray systems.

² CII is defined as all commercial, industrial, and institutional customers; which includes businesses, schools, community service districts, owner associations, churches, and public buildings and grounds.

- 7) Mandatory: Agricultural metered irrigation customers who do not participate in the Irrigation Management Services program must submit a detailed conservation plan to the District that demonstrates minimum 30% water savings over customer's baseline usage.
- 8) Mandatory: Do not serve drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased.
- 9) Mandatory: Operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each bathroom using clear and easily understood language.
- 10) Mandatory: Filling or re-filling ponds, lakes, and other non-irrigation water features with District-supplied potable water is prohibited.

6.0 Stage 3 – Water Crisis

The objective of Drought Stage 3 actions are to **reduce District-wide water demand by up to 50 percent** through effective and consistent public outreach, enforce extensive restrictions of water use, and implement water rationing. Protection of water supply for public health and safety purposes is the primary objective during Stage 3 drought conditions. This stage of drought will require much more staff time for policy enforcement with the public, and much greater inter-agency coordination. Because of the mandatory restrictions, emergency management agency notification is required, and public outreach and education will be key in achieving the water savings goal in Stage 3.

6.1 Engineering and Operations

New Actions

- 1) If needed, implement a temporary change in the point of diversion for water taken from Folsom Reservoir to further upstream on the South Fork of the American River, possibly to supplement Sly Park’s Jenkinson Lake through the Hazel Creek Tunnel – *with legal*.
- 2) As needed, implement and monitor emergency water distribution.
- 3) EID’s General Manager is responsible for notifying the El Dorado County Emergency Management Agency (EMA) of any mandatory requirements for water use reduction.
 - a) Staff should consider the escalation of emergency management at the beginning of this stage.
- 4) Contact the County’s EMA regarding fire protection directives that are being implemented within the county.
- 5) Provide 30-days written notice to all Improvement District No. 97 property owners listed on the current County assessment roll, notifying them of the water crisis declaration, and of the planned decrease of releases into Clear Creek; and take to the Board for approval or ratification at the first available regular Board meeting – *with legal*.
 - a) After the 30-day notification period, decrease releases into Clear Creek to no more than 1.5 cfs.
- 6) Prohibited: Use of EID potable water for construction use.

6.2 Finance and Customer Services

New Actions

- 1) Continue actions listed in Stage 2.

6.3 Legal

New Actions

- 1) When determined appropriate by the DRT, prepare materials for the declaration of a water crisis for approval by the Board of Directors, consistent with applicable state law – *with engineering and operations*.
- 2) If needed, implement a temporary change in the point of diversion for water taken from Folsom Reservoir to further upstream on the South Fork of the American River, possibly to

supplement Sly Park's Jenkinson Lake through the Hazel Creek Tunnel – *with engineering and operations.*

- 3) Provide 30-days written notice to all Improvement District No. 97 property owners listed on the current County assessment roll, notifying them of the water crisis declaration, and of the planned decrease of releases into Clear Creek; and take to the Board for approval or ratification at the first available regular Board meeting – *with engineering and operations.*

6.4 Public Outreach

New Actions

- 1) Secure an op-ed and/or advertising space in local and regional newspapers to publicize mandatory water restrictions within the service area of the District.

6.5 Recreation and Property

New Actions

- 1) Remain alert to fire danger and water pressure considerations at outlying facilities; coordinate with other agencies to ensure a consistent public message.
- 2) Protect identified sensitive areas from overuse in extreme dry periods.
- 3) Limit or restrict filming within the District's recreational areas due to severe fire danger.

6.6 Water Efficiency

New Actions

In addition to Stage 2 actions, inform customers of these **mandatory** conservation measures in Stage 3 – *with public outreach.*

- 1) Prohibited: Filling empty and/or new swimming pools with District-supplied potable water.
- 2) Prohibited: Washing of vehicles (automobiles, recreational vehicles, trailers, etc.) and boats with District-supplied potable water.
- 3) Mandatory: Watering restrictions are in place as shown below, however additional restrictions should be evaluated to achieve a higher level of conservation required in Stage 3. All outside irrigation, potable and recycled—including garden, lawn, landscape, pasture, parks, golf courses, school grounds, and public grounds—shall ONLY occur according to the following schedule:
 - a. Outdoor irrigation is limited to the hours of 7:00 PM to 10:00 AM.
 - b. Watering days are based on street addresses.
 - c. Once-a-week watering is allowed from November 16 to April 15 on Sundays for customers with addresses ending in even numbers (0, 2, 4, 6, 8) and on Saturdays for customers with addresses ending in odd numbers (1, 3, 5, 7, 9).
 - d. Twice-a-week watering is allowed from April 16 to November 15 on Wednesdays and Sundays for customers with addresses ending in even numbers and Tuesdays and Saturdays for customers with addresses ending in odd numbers.
 - e. Exemptions to watering restrictions are allowed for non-residential customers if a detailed conservation plan is submitted to the District that demonstrates a minimum 50% water savings over customer's baseline usage.

- 4) Prohibited: Use of EID potable water for construction use.
- 5) Prohibited: IMS customers are not to use more water than recommended by the IMS program schedule.
- 6) Mandatory: Agricultural metered irrigation customers who do not participate in the Irrigation Management Services program must submit a detailed conservation plan to the District that demonstrates minimum 50 percent water savings over customer's baseline usage.
- 7) Prohibited: Mist systems.
- 8) Enforce the water waste prohibition regulation with the help of City and County law enforcement, if needed; and coordinate operational safety with HR-Safety/Security staff.

7.0 Stage 4 – Water Emergency

The objective of Drought Stage 4 actions are to **further reduce water demands in order to achieve a greater than 50 percent reduction**, which may be accomplished through effective and consistent public outreach, enforcement of extensive restrictions on water use, and the implementation of water rationing. Protection of the remaining water supply for public health and safety purposes is the District’s primary objective during Stage 4 drought conditions. This stage of drought will require considerable staff time for enforcement, and much greater inter-agency coordination. Because of the mandatory restrictions, public outreach and education are key to meeting the water savings goals.

7.1 Engineering and Operations

New Actions

- 1) Provide 30-days written notice to all Improvement District No. 97 property owners listed on the current County assessment roll, notifying them of the water emergency declaration, and of the planned decrease of releases into Clear Creek; and take to the Board for approval or ratification at the first available regular Board meeting – *with legal*.
 - a) Decrease releases into Clear Creek to no more than 1.0 cfs.

7.2 Finance and Customer Services

New Actions

- 1) Continue actions listed in Stage 2.

7.3 Legal

New Actions

- 1) Advise customer services staff on enforcement of AR 1041.5 to ensure compliance with mandatory conservation requirements.
 - a) Seek relief from SWRCB as necessary to ensure adequate supply.

7.4 Public Outreach

New Actions

- 1) Use authorized email addresses and an automated telephone message through the mass notification system as necessary to advise customers of water use restrictions or other drought alerts.

7.5 Recreation and Property

New Actions

- 1) Restrict filming within the District’s recreational areas due to extreme fire danger.

7.6 Water Efficiency

New Actions

- 1) Prohibited: Automatic sprinklers for the irrigation of existing turf, ornamental plants, garden or landscaped areas.
 - a) Watering may **ONLY** occur by hand-held hose with shut-off nozzle or by a drip irrigation system.
- 2) Mandatory: Single-family and multi-family residential meters are limited to 50 gallons per person per day **allotment** per bimonthly billing cycle for “health and safety” purposes
 - a) Allotments can be increased for special health-related issues.
- 3) Mandatory: Recreational Turf, non-IMS Ag, and Small Farm customers must **reduce their usage** by 65 percent, based upon their usage during the same billing cycle in the base period.
- 4) Mandatory: IMS agricultural customers must **reduce their usage** by 40 percent, based upon their usage during the same billing cycle in the base period. IMS customers have already restricted use through weekly soil moisture data sampling and comply with irrigation schedule.
- 5) Allowed: Vital healthcare and public safety uses are exempt.
- 6) Mandatory: Commercial, Industrial & Institutional (CII): Reduce by 65 percent.

8.0 Post-Drought Actions

8.1 The End of a Drought

Coming out of a drought can occur quickly or slowly, depending on the weather and the storage accumulated with any precipitation. It is very important to make clear to the public that one good storm will not reverse weeks or months of dry weather. The conditions that end a drought require the filling of reservoirs, which usually occurs over time. Precipitation that occurs during the deepest of droughts can potentially put the District in a less severe stage of drought. If this occurs, and the DRT determines the present situation and probable future indicate a lessening of the drought, staff may recommend reducing the drought stage to the previous stage.

In the event that the drought severity lessens, it must be made explicitly clear to the public which stage the District has moved to, why the change was made, and what the measurements are based upon. Effective public education will minimize conflicts with regard to fines for mandatory cutbacks, and for health and safety concerns. In addition, a lessening of drought severity must be communicated clearly to all staff, especially those with regular public interaction.

- There are several scenarios that would lead the District to either declare the end of a drought or announce a less severe drought stage, including but not limited to, the following three cases.
 - 1) **Significant rainfall and snowpack** – While it is highly unlikely for one storm to end drought conditions, it is possible that a series of storms over a several-week period could fill Jenkinson Lake and replenish snowpack that could fill the Project 184 reservoirs in the spring. This scenario would assure staff that the drought has ended, and that a return to “normal” conditions is a responsible decision.
 - 2) **Significant rainfall but no snow** – It is also possible that Jenkinson Lake could fill from a series of storms, but little snowpack accumulates due to warm temperatures. In this scenario, there would be little snowpack to keep Jenkinson Lake full into the summer, and the Project 184 reservoirs may not fill. In this case, the water supply is not secure for the next year, and staff may recommend a less severe drought stage rather than a return to “normal” conditions.
 - 3) **Average rainfall and snowpack** – Another scenario could be the occurrence of a “normal” water year, with average precipitation and snowpack, following weeks or months of drought. These conditions may not fill the reservoirs adequately to assure staff that ending a drought declaration is the appropriate action. In this case, the drought stage may be lessened or stay the same, as it is important to remember that a year of average precipitation may not immediately result in “normal” conditions.

In any case, declaring the end of a drought depends in large part upon the judgment of staff. While this Drought Action Plan serves as a blueprint for actions in each stage of drought, it is not a rigid prescription for when and how to call a drought, or what actions to take in response. Those decisions must be made by informed and experienced staff, based upon the situation at the time, and approved by the Board of Directors.

8.2 Lessons Learned

When a drought is completely over, and District operations are back to normal, it is important to review what worked, what did not work, and how the overall drought response can be improved. The first step must be an examination of the stages, objectives, and response actions. Did the ongoing and new actions in this Plan work? Was there public confusion? If so, why? Did the mandatory actions cause problems due to uncertainty in implementation or ambiguity in

description? A discussion among all DRT members and implementing staff is imperative to get a complete picture on these questions. Likewise, it may be important to repeat the same process with the County's Drought Coordination Committee, and to involve the Board and customers in the dialogue as well.

8.3 Financial Analysis

The District will analyze the financial considerations following a drought, which is an important way to gauge the success of drought management activities. A detailed financial assessment of the costs incurred during a drought are important.

- Below are two scenarios of drought finances, along with their impacts on the District.
 - 1) **Costs to the District** – When the drought Stage 1 was declared, a charge number should have been established for all new drought activities, including: permanent staff time, temporary worker time, special materials, and other costs associated with drought management. All costs associated with the drought must be charged to this number in order to completely account for the additional costs incurred during drought.
 - 2) **Revenues for the District** – Finance staff should analyze how the decreased revenue from the drought impacted District finances and reserve funds and make recommendations for financial stability in future droughts.

The District is aware of the expected decreased revenues and increased costs associated with supply shortage conditions. Approximately 50 percent of the District's revenues are derived from volumetric charges. Assuming a reduction in sales commensurate with the particular Plan stage declaration, a decrease in water rate revenues in the range of 5-15 percent (or higher) may be expected.

EID maintains financial reserves that can be utilized to buffer potential revenue impacts of reduced sales during a stage declaration, should it be prudent to do so. These reserves are a tool that can be used by the District to maintain financial stability during times of imbalanced revenues and expenses that may be caused by reduced volumetric sales during dry periods. In addition to utilizing financial reserves, the District may enact a range of financial management actions depending on the specific situation.

8.4 Report to the Board

The concluding task in any drought management effort is the final report to the Board, especially summarizing the costs and revenues described above. Because the Board reports directly to the customers served by the District, it is important for the Board members to be able to convey to their constituents the successes and lessons learned of the District's drought management efforts. This report may also be released to all District customers, as successful drought management is not possible without customer involvement, cooperation, and support.

EL DORADO IRRIGATION DISTRICT

SUBJECT: Consider ratifying Resolution No. 2022-001 to maintain an ongoing emergency declaration related to the Caldor Fire.

PREVIOUS BOARD ACTION

August 23, 2021 – Board adopted Resolution No. 2021-012 ratifying the General Manager’s declaration of an emergency for the Caldor Fire.

September 13, October 12, October 25, November 8, and December 13, 2021 – Board ratified Resolution No. 2021-012 to maintain an emergency declaration regarding the Caldor Fire.

January 10, 2022 – Board adopted Resolution No. 2022-001 declaring an ongoing emergency related to the Caldor Fire.

At every regular Board meeting since its adoption the Board has ratified Resolution No. 2022-001.

BOARD POLICIES (BP), ADMINISTRATIVE REGULATIONS (AR) AND BOARD AUTHORITY

BP 2050 Administrative Leeway in the Absence of Policy

BP 3060 Contracts and Procurement

Public Contract Code sections 1102, 20567 and 22050 et. seq.

Public Resources Code section 21080(b) and California Environmental Quality Act (“CEQA”) Guidelines section 15269

SUMMARY OF ISSUE

The Caldor Fire caused significant damage to District facilities and surrounding lands and has impacted the District’s ability to supply drinking water to its customers. Recovery efforts, including replacement of damaged flumes, are ongoing. The ongoing emergency related to the Caldor Fire reflects the continued emergency into 2022, and will facilitate emergency repairs to damaged facilities. The General Manager will provide periodic updates to the Board on the District’s response to the Caldor Fire damages.

BACKGROUND/DISCUSSION

The Caldor Fire erupted near the town of Grizzly Flats on August 14, 2021. Shortly thereafter, both the El Dorado County Board of Supervisors and Governor Gavin Newsom proclaimed a state of emergency for El Dorado County. On August 23, 2021, the District adopted Resolution No. 2021-012, ratifying the General Manager’s emergency declaration and directing the General Manager to take all necessary and appropriate actions in response. On September 1, 2021, President Biden declared a federal state of emergency as a result of the Caldor Fire and on September 12, upgraded that designation to a federal disaster status.

The Caldor Fire caused extensive damage to District facilities and surrounding lands, including damage to District flumes that convey drinking water supplies. In response, the District took immediate and ongoing actions to mitigate and address the damage to District facilities. Those emergency actions continue to be performed in 2022.

It is imperative that the District continue to provide critical functions, such as providing safe drinking water supplies, during this ongoing emergency. To ensure that the District is able to continue its emergency actions and recovery efforts, the General Manager must have maximum flexibility in his ability to respond. District BP 2050 authorizes the District's General Manager to act "in emergency situations where no Board Policies or Administrative Regulations exist."

Board Policy 3060, delegates to the General Manager authority to approve any and all contracts necessary to abate an emergency after first informing the President of the Board of Directors and scheduling an emergency meeting of the Board of Directors at the earliest possible opportunity.

Various provisions of law, including provisions in the Public Contracting Code, Public Resources Code, and Government Code govern aspects of the District's operations during declared emergencies. The District has entered into necessary and appropriate contracts to respond to the Caldor Fire emergency. In light of the continued emergency response and recovery efforts, ratification of Resolution No. 2022-001 to maintain the ongoing emergency related to the Caldor Fire is appropriate.

BOARD OPTIONS

Option 1: Ratify Resolution No. 2022-001 to maintain an ongoing emergency declaration related to the Caldor Fire.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

RECOMMENDATION

Option 1 *(four-fifths vote required)*.

ATTACHMENTS

Attachment A: Resolution No. 2022-001



Brian Poulsen
General Counsel

 for

Jim Abercrombie
General Manager

**RESOLUTION OF THE BOARD OF DIRECTORS OF
EL DORADO IRRIGATION DISTRICT
DECLARING AN ONGOING STATE OF EMERGENCY
AS A RESULT OF THE CALDOR FIRE**

1
2
3
4 WHEREAS, El Dorado Irrigation District (District) provides critical water services and
5 wastewater services to the residents of El Dorado County; and

6 WHEREAS, on August 14, 2021, the Caldor Fire started burning in the Middle Fork
7 Cosumnes River Canyon in El Dorado County; and

8 WHEREAS, on August 17, 2021, Governor Newsom proclaimed a state of emergency to
9 exist in El Dorado County due to the Caldor Fire; and

10 WHEREAS, on August 23, 2021, the District's Board of Directors adopted Resolution No.
11 2021-012 declaring a state of emergency due to the Caldor Fire and directed the District General
12 Manager to take all actions reasonable deemed necessary to respond to the emergency conditions;
and

13 WHEREAS, on September 1, 2021, President Biden declared a federal state of emergency
14 as a result of the Caldor Fire; and

15 WHEREAS, on September 12, 2021 President Biden declared the Caldor Fire to be a
16 federal disaster; and

17 WHEREAS, the District has taken, and continues to take, numerous actions in response to
18 the damage caused by the Caldor Fire, in an effort to ensure safe and continuous services to the
public; and

19 WHEREAS, the Caldor Fire caused extensive damage to the District's Project 184 system,
20 including the loss of wooden Flumes 4, 5, 6, and 30 along the El Dorado Canal, resulting in
21 ongoing efforts to rebuild and replace damaged flume sections and remove fire-damaged hazard
trees; and

22 WHEREAS, the damage caused by the Caldor Fire to District facilities and surrounding
23 lands requires ongoing and immediate action to prevent or mitigate loss of, or damage to life,
24 property, and the essential District public services; and

25 WHEREAS, Public Resources Code section 21080(b)(4) and CEQA Guidelines section
26 15269(c) exempt from CEQA any actions that are necessary to prevent or mitigate an
27 emergency; and

1 WHEREAS, CEQA Guidelines section 15359 defines “emergency” as “a sudden, unexpected
2 occurrence, involving a clear and imminent danger, demanding immediate action to prevent or
3 mitigate loss of, or damage to life, health, property, or essential public services;” and

4 WHEREAS, Public Contract Code section 20567 authorizes irrigation districts to let contracts
5 without notice for bids in case of an emergency; and

6 WHEREAS, Public Contract Code section 22050(a)(2) requires that before action is taken to
7 procure equipment, services, and supplies without giving notice for bids, the governing body must
8 first make a finding, based on substantial evidence set forth in the minutes of its meeting, that the
9 emergency will not permit a delay resulting from a competitive solicitation for bids, and that the
action is necessary to respond to the emergency; and

10 WHEREAS, Public Contract Code section 11102 defines “emergency” as “a sudden,
11 unexpected occurrence that poses a clear and imminent danger, requiring immediate action to
12 prevent or mitigate the loss or impairment of life, health, property, or essential public services;” and

13 WHEREAS, District Board Policy 2050 authorizes the District’s General Manager to act “in
14 emergency situations where no Board Policies or Administrative Regulations exist;” and

15 WHEREAS, District Board Policy 3060 authorizes the District’s General Manager to
16 approve all contracts or procurements or change orders with values of up to and including
\$100,000; and

17 WHEREAS, in the event of an emergency requiring immediate contract or procurement
18 action, District Board Policy 3060 authorizes the District’s General Manager to “approve any and
19 all contracts necessary to abate the emergency after first informing the President of the Board of
20 Directors and scheduling an emergency meeting of the Board of Directors at the earliest possible
opportunity;” and

21 WHEREAS, District Board Policy 3060 requires the District’s General Manager to bring
22 any and all contracts or procurements with values exceeding \$100,000, approved during an
23 emergency, to the Board of Directors for ratification at the first meeting of the Board immediately
24 following the emergency; and

25 WHEREAS, District Administrative Regulation 3061.05, subdivision E, provides for single
26 source procurement for good cause, which may include when “emergency or extraordinary
27 circumstances require immediate action that cannot be delayed for obtaining bids or proposals;”
and

1 NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors
2 of the El Dorado Irrigation District as follows:

- 3 1. The Board finds and declares that the Caldor Fire damage continues to constitute an
4 emergency within the meaning of Public Resources Code section 21080(b)(4), CEQA
5 Guidelines section 15359, Public Contracts Code section 11102, District Board Policy
6 2050 and 3060, and District Administrative Regulation 3061.05, subdivision E.
- 7 2. The Board finds and declares that the adoption of this Resolution and all of the
8 delegations, authorizations, and directions to the General Manager and District staff
9 specified in paragraph 4, below, satisfy the requirements and criteria of Public
10 Resources Code section 21080(b)(4), CEQA Guidelines section 15269(c), and Public
11 Contract Code sections 22050(a)(2) and 20567.
- 12 3. The foregoing findings and declarations are based upon all written, oral, and visual
13 evidence, including both facts and professional opinions, presented to the Board at the
14 adoption of this Resolution.
- 15 4. The Board hereby delegates, authorizes, and directs the District General Manager and his
16 designees to take all actions reasonably deemed necessary to respond to the emergency
17 conditions declared herein, including but not limited to the following specific actions:
 - 18 a. Enter into professional services and construction contracts as reasonably deemed
19 necessary to respond to the Caldor Fire damage.
 - 20 b. Report to and seek ratification of the Board for any actions taken in excess of normal
21 authority or authority expressly granted by this Resolution, at the first regular Board
22 meeting held after each such action.
- 23 5. This Resolution shall take effect immediately upon adoption. Subject to the ratification
24 required by Public Contract Code sections 22050(b)(3), (c)(1), and (c)(2), and by District
25 Board Policy 3060, this Resolution shall remain in full force and effect until rescinded by a
26 subsequent Resolution of the Board of Directors.
27

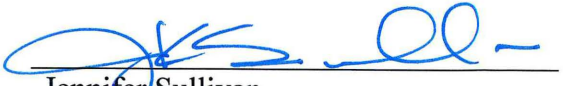
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1 I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT
2 hereby certify that the foregoing resolution is a full, true and correct copy of a Resolution of the
3 Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a
4 regular meeting of the Board of Directors held on the 10th day of January 2022.



Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

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The foregoing Resolution was introduced at a regular meeting of the Board of Directors of the EL DORADO IRRIGATION DISTRICT, held on the 10th day of January 2022, by Director Dwyer who moved its adoption. The motion was seconded by Director Veerkamp and a poll vote taken which stood as follows:


AYES: Directors Dwyer, Veerkamp, Anzini and Day

NOES:

ABSENT: Director Osborne

ABSTAIN:

The motion having a majority of votes "Aye", the resolution was declared to have been adopted, and it was so ordered.


Lori Anzini, President
Board of Directors
EL DORADO IRRIGATION DISTRICT

ATTEST:


Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

(SEAL)

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EL DORADO IRRIGATION DISTRICT

SUBJECT: Consider awarding a contract to CDW-G in the not-to-exceed amount of \$109,271 for the purchase of Cisco equipment support and software maintenance for a one-year term.

PREVIOUS BOARD ACTION

Since 2010, the Board has annually awarded contracts to purchase Cisco equipment support and software maintenance.

December 11, 2021 – Board adopted the 2021-2022 Mid-Cycle Operating Budget.

BOARD POLICIES (BP), ADMINISTRATIVE REGULATIONS (AR) AND BOARD AUTHORITY

BP 3060 Contracts and Procurement
AR 3061.07 Piggyback Procurements

SUMMARY OF ISSUE

The District has a one-year contract with Cisco for system support and maintenance. The term for the existing contract will expire on March 28, 2022. District staff is seeking to purchase another one-year term of support and maintenance with the existing service provider.

BACKGROUND/DISCUSSION

Cisco network equipment is critical to District operations and used continuously to provide networking, security, and other technology backbone services. Over many years, staff has deployed and integrated hundreds of Cisco devices across multiple product lines to meet District needs. Each device requires staff to develop and integrate complex software configurations that will provide effective and secure services across the District's expansive technology infrastructure. Staff routinely engage Cisco technical experts via the contract when planning required changes and certain maintenance activities. Staff also rely on the contract to guarantee timely equipment replacement when a covered device fails or malfunctions. The contracted support services under the proposed contract are essential to reliability and performance with relatively low maintenance costs.

Staff evaluates each piece of Cisco equipment and software the District owns to determine if it requires contracted support or not. Staff excludes many Cisco devices from the support contract because they do not serve a critical function or sufficient spare devices are on hand to address failures. Products determined by staff to require support services undergo further considerations, including resiliency, past performance, age, support cost, and more before staff select the optimal support option.

If the contract is not renewed, staff will lack timely access to technical support resources that help ensure the reliability, performance, and security of the equipment and software. The failure or misconfiguration of a critical piece of Cisco equipment can have immediate and profound effects on District operations, regulatory compliance, or worse. Forgoing maintenance also means Cisco software will not receive further enhancements and remains in its current status. Purchasing enhanced versions of the software generally costs more than continued maintenance, and may delay implementation of required or beneficial functionality. In time, these issues directly affect the reliability and quality of the District's services, and greatly increase the risk of service interruptions and resulting damages.

The proposed purchase piggybacks a competitively negotiated contract solicited and awarded by another public agency to ensure the lowest costs have been attained, while also reducing staff time and effort related to direct procurement. The proposed piggyback contract is from the Sourcewell agreement. Sourcewell is a national public service agency composed of over 50,000 government, education, and nonprofit organizations that awards hundreds of competitively solicited purchasing contracts with the specific purpose of reducing procurement costs by leveraging group volume.

FUNDING

Funding for the proposed contract is contained in the District’s approved operating budget and allocated to the purpose of maintenance.

BOARD OPTIONS

Option 1: Award a contract to CDW-G in the not-to-exceed amount of \$109,271 for the purchase of Cisco equipment support and software maintenance for a one-year term.

Option 2: Take other action as directed by the Board.

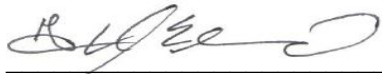
Option 3: Take no action.

RECOMMENDATION

Option 1

ATTACHMENTS

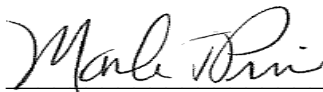
Attachment A: CDW-G quote



Glenn Eberhard
Senior Information Technology Analyst



Tim Ranstrom
Information Technology Director



Mark Price
Finance Director



Brian Poulsen
General Counsel



for
Jim Abercrombie
General Manager

QUOTE CONFIRMATION



DEAR GLENN EBERHARD,

Thank you for considering CDW•G LLC for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
MQMG975	2/28/2022	SMARTNET RENEWAL 1YR	8608998	\$109,270.11

IMPORTANT - PLEASE READ

Special Instructions: Cisco smartnet support renewal, APPLY coverage until 3/28/23
 TAX: MULTIPLE TAX JURISDICTIONS APPLY
 TAX: CONTACT CDW FOR TAX DETAILS

QUOTE DETAILS

ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
CISCO SMARTNET ESS SW SUPP UPGR Mfg. Part#: CON-ECMU-1-5K Electronic distribution - NO MEDIA TAX: PLACERVILLE, CA .0000% \$.00 Contract: Sourcewell 081419-CDW Tech Catalog - Software (081419-CDW)	1	2859225	\$1,060.00	\$1,060.00
CISCO SMARTNET ESS SW SUPP UPGR Mfg. Part#: CON-ECMU-1-1K Electronic distribution - NO MEDIA TAX: PLACERVILLE, CA .0000% \$.00 Contract: Sourcewell 081419-CDW Tech Catalog - Software (081419-CDW)	1	2445568	\$149.00	\$149.00
Cisco SMARTnet extended service agreement Mfg. Part#: CON-SNT-1-500K UNSPSC: 81111812 Electronic distribution - NO MEDIA TAX: PLACERVILLE, CA .0000% \$.00 Contract: Sourcewell 081419-CDW Tech Catalog (081419#CDW)	1	1526110	\$108,061.11	\$108,061.11

PURCHASER BILLING INFO	SUBTOTAL	\$109,270.11
Billing Address: EL DORADO IRRIGATION DISTRICT INFORMATION TECHNOLOG 2890 MOSQUITO RD BLDG P-6 PLACERVILLE, CA 95667-4761 Phone: (530) 642-4075 Payment Terms: Net 30 Days-Govt State/Local	SHIPPING	\$0.00
	SALES TAX	\$0.00
	GRAND TOTAL	\$109,270.11
	DELIVER TO Shipping Address: EL DORADO IRRIGATION DISTRICT INFORMATION TECHNOLOG 2890 MOSQUITO RD BLDG P-6 PLACERVILLE, CA 95667-4761 Phone: (530) 642-4075 Shipping Method: ELECTRONIC DISTRIBUTION	
Please remit payments to: CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515		



Jon Cacioppo

(877) 603-6330

joncac@cdwg.com

This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at <http://www.cdwg.com/content/terms-conditions/product-sales.aspx>
For more information, contact a CDW account manager

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EL DORADO IRRIGATION DISTRICT

SUBJECT: Consider ratifying EID General Warrant Registers for the periods ending February 22 and March 1, 2022, and Employee Expense Reimbursements for these periods.

PREVIOUS BOARD ACTION

The Board ratifies the District’s General Warrant Registers at each regular meeting of the Board.

BOARD POLICIES (BP), ADMINISTRATIVE REGULATIONS (AR) AND BOARD AUTHORITY

Section 24600 of the Water Code provides that no claim shall be paid unless allowed by the Board.

SUMMARY OF ISSUE

District staff notifies the Board of proposed payments via email and requests ratification of the warrant registers at the subsequent regular meeting of the Board. Copies of the Warrant Registers are sent to the Board on the Friday preceding the Warrant Register’s date. If no comment or request to withhold payment is received from any Director prior to the following Tuesday morning, the warrants are mailed out and formal ratification of said warrants is agendized on the next regular Board agenda.

BACKGROUND/DISCUSSION

Current Warrant Register Information

Warrants are prepared by Accounts Payable; reviewed and approved by the Finance Manager, the Director of Finance and the General Manager or their designee.

Register Date	Check Numbers	Amount
February 22, 2022	695699 – 695813	\$704,539.09
March 1, 2022	695814 – 695965	\$2,488,490.77

Current Employee Expense Reimbursements

Employee Expenses and Reimbursements have been reviewed and approved by the Finance Manager and General Manager prior to the warrants being released. These expenses and reimbursements are for activities performed in the interest of the District in accordance with Board Policy 12065 and Resolution No. 2007-059.

Additional information regarding Board and employee expense reimbursements is available for copying or public inspection at District headquarters in compliance with Government Code Section 53065.5.

BOARD OPTIONS

Option 1: Ratify the EID General Warrant Registers and Employee Expense Reimbursements as submitted.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

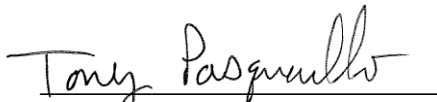
RECOMMENDATION

Option 1

ATTACHMENTS

Attachment A: Executive Summaries


Attachment B: Employee Expense Reimbursements totaling \$100 or more




Tony Pasquarello
Finance Manager



Mark Price
Finance Director



Jennifer Sullivan
Clerk to the Board

 for

Jim Abercrombie
General Manager

Executive Summary for February 22, 2022 -- \$704,539.09:

This summary highlights significant disbursements made by major business activity:

Development Services (Fund 105)

- \$5,240—Elliott Homes, Inc. for a refund on a deposit payment

General District Operations (Fund 110)

- \$21,620—Aqua Metric Sales Company for warehouse inventory
- \$13,659—Blue Ribbon Personnel Services for temporary labor
- \$10,644—Dataprose, LLC for January 2022 billing services
- \$8,256—Dell Marketing, LP for acrobat pro renewal
- \$5,122—Ferguson Enterprises, LLC for warehouse inventory
- \$22,136—Hunt & Sons, Inc. for card lock fuel and fuel deliveries at various locations
- \$18,198—Info-Tech Research Group, Inc. for membership renewal
- \$246,642—K.W. Emerson, Inc. for release of retention on Project 16022 Flume 38-40 Canal Conversion
- \$6,010—Life Insurance Company of North America for January 2022 life insurance premiums
- \$3,798—Pace Supply Corporation for warehouse inventory
- \$3,121—Sierra Nevada Tire and Wheel for tires, tire services and alignment

Engineering Operations (Fund 210)

- \$4,322—Blue Ribbon Personnel Services for temporary labor

Water Operations (Fund 310)

- \$16,828—All Electric Motors, Inc. for motor repairs
- \$16,734—Aqua Tech Company for Dolomite tank cover repairs
- \$4,672—Grainger for miscellaneous operating supplies
- \$7,294—Ryan Herco Products Corporation for miscellaneous operating supplies

Wastewater Operations (Fund 410)

- \$6,233—3T Equipment Co, Inc. for a spin doctor, probes and a chain cutter
- \$5,912—Badger Daylighting Corp. for hydrovac repairs
- \$10,480—Carsten Tree Service for hazardous tree removal
- \$4,424—Grainger for miscellaneous operating supplies
- \$3,753—Vega Americas, Inc. for repair and maintenance supplies

Recycled Water Operations (Fund 510) – none to report

Hydroelectric Operations (Fund 610)

- \$5,877—Grainger for miscellaneous operating supplies

Recreation Operations (Fund 710)

- \$6,995—Carsten Tree Service for tree removal

Capital Improvement Projects (Construction Funds 140, 340, 440, 540, 640 and 740)

- \$93,465—B&M Builders, Inc. for concrete service – Water Service Line Replacement (Project #21002.01)
- \$8,225—BT Consulting, Inc. for on-call services:
 - >Project #21047.01 – Flume 4 Replacement (\$990)
 - >Project #21048.01 – Flume 5 Replacement (\$450)
 - >Project #21049.01 – Flume 6 Replacement (\$360)
 - >Project #17041.01 – Flume 30 Rehabilitation Project (\$1,800)
 - >Project #16022.01 – Flume 38-40 Canal Conversion (\$1,700)
 - >Project #15024.01 – Folsom Lake Intake Improvement (\$1,700)
 - >Project #11032.01 – Main Ditch-Forebay to Reservoir 1 (\$1,225)
- \$3,644—EN2 Resources, Inc. for noxious weed monitoring – FERC C44 Noxious Weed Implementation (Project #08025H.01)
- \$7,381—GEI Consultants, Inc. for engineering services:
 - >Project #19031.01 – Silver Lake Dam Rehabilitation (\$1,943)
 - >Project #STUDY20.01 – Canal Fire Burned Assessment (\$5,438)
- \$5,866—Hastie’s Capitol Sand and Gravel Company for rock deliveries – Water Service Line Replacement (Project #22002.01)
- \$23,000—Raftelis for consulting services – Hansen 7 Software Replacement (Project #18055.01)
- \$23,787—Roseville Motorsports for two all-terrain vehicles – 2022 Vehicle Replacement Program (Project #22003.01)

Executive Summary for March 1, 2022 -- \$2,488,490.77:

This summary highlights significant disbursements made by major business activity:

Development Services (Fund 105) – none to report

General District Operations (Fund 110)

- \$3,313—AT&T for internet service
- \$42,137—Banner Bank for retention held for Steve P. Rados, Inc.
- \$3,831—Central Valley Engineering & Asphalt for credit balance refund on customer account
- \$5,533—Hunt & Sons, Inc. for fuel deliveries at various locations
- \$3,777—Imperial Printing for January/February waterfront and envelopes
- \$9,500—Reeb Government Relations, LLC for March 2022 retainer
- \$3,566—U.S. Bank for zoom services, freight services and miscellaneous supplies

Engineering Operations (Fund 210)

- \$8,083—Backflow Distributors, Inc. for miscellaneous operating supplies

Water Operations (Fund 310)

- \$4,100—Desert Diamond Industries, Inc. for twenty four blades (\$4,438). Accrued sales tax \$338.
- \$4,424—DXP Enterprises, Inc. for five seal assemblies
- \$3,102—Edges Electrical Group, LLC for miscellaneous electrical supplies
- \$4,149—Frank A Olsen Company for a cla-val metering package
- \$10,435—Landmark Environmental, Inc. for forester services
- \$4,344—McMaster-Carr Supply Company for miscellaneous operating supplies
- \$3,625—Olin Chlor Alkali Products for sodium hypochlorite at Reservoir A
- \$430,458—Owen Equipment Sales for a vactor truck
- \$3,577—Pace Supply Corp for miscellaneous operating supplies
- \$230,127—Pape Machinery, Inc. a 2021 John Deere excavator
- \$24,212—U.S. Bureau of Reclamation for Sly Park restoration fees
- \$5,454—Univar Solutions USA, Inc. for sodium hydroxide at Reservoir A
- \$3,425—USA Bluebook for miscellaneous operating supplies
- \$5,491—Watershed, LLC for safety supplies

Wastewater Operations (Fund 410)

- \$4,448—A Teichert & Sons, Inc. for class 2 backing material
- \$3,405—CA Water Environment Association for membership renewals
- \$7,420—California Overhead Door, Inc. for a 8x12 rolling door
- \$3,455—CLS Labs for lab analysis
- \$4,850—Doug Veerkamp General Engineering, Inc. for pothole repair work
- \$3,995—Ferguson Enterprises, LLC for eight pipe patch kits
- \$4,135—Flo-Line Technology, Inc. for a jacket, clamps, screws, rings and a cable plug kit
- \$10,985—Hastie's Capitol Sand and Gravel Company for rock deliveries
- \$11,396—Solenis, LLC for preastol at EDHWWTP

- \$48,750—Synagro West, LLC for sludge hauling and disposal at EDHWWTP and DCWWTP
- \$3,905—Univar Solutions USA, Inc. for sodium hydroxide at EDHWWTP
- \$3,807—Vega Americas, Inc. for repair and maintenance supplies

Recycled Water Operations (Fund 510) – none to report

Hydroelectric Operations (Fund 610)

- \$25,000—Julian Tree Care, Inc. for vegetation management services
- \$4,451—Wilbur-Ellis Company, LLC for miscellaneous operating supplies

Recreation Operations (Fund 710) – none to report

Capital Improvement Projects (Construction Funds 140, 340, 440, 540, 640 and 740)

- \$17,358—AECOM Technical Services, Inc. for environmental impact report – Permit 21112 Change in Point of Diversion (Project #16003.01)
- \$8,960—Cardno, Inc. for FERC monitoring – FERC C37.7 Geomorphology Evaluation (Project #06092H.01)
- \$79,489—Carollo Engineers, Inc. for on-call services:
 - >Project #STUDY03.01 – WTP Assessments – Reservoir 1 (\$22,606)
 - >Project #STUDY03.03 – WTP Assessments – EDHWWTP (\$23,916)
 - >Project #STUDY14.01 – Collections Radio Path Study (\$32,967)
- \$4,904—Domenichelli and Associates, Inc. for engineering design services – Main Ditch-Forebay to Reservoir 1 (Project #11032.01)
- \$12,801— Frank A Olsen Company for two pressure reducing valves – Forebay Road Waterline Replacement (Project #18040.01)
- \$18,665—MCS Inspection for tank coating inspections – Res 2 Roof and Rafter Replacement (Project #21051.01)
- \$21,602—Peterson Brustad, Inc. for well design – FERC C50.1 Silver Lake Well (Project #06082H.02)
- \$800,584—Steve P. Rados, Inc. for construction services (\$842,721) – Main Ditch-Forebay to Reservoir 1 (Project #11032.01). Retention held \$42,137.
- \$440,028—Syblon Reid for construction services (\$463,188):
 - >Project #21047.01 – Flume 4 Replacement (\$228,478). Retention held \$11,424.
 - >Project #21048.01 – Flume 5 Replacement (\$132,973). Retention held \$6,649.
 - >Project #21049.01 – Flume 6 Replacement (\$101,737). Retention held \$5,087.
- \$8,625—Teerraverde Energy, LLC for solar design services – Solar Assessment and Design (Project #16030.01)
- \$3,456—Youngdahl Consulting Group, Inc. for consulting services:
 - >Project #11032.01 – Main Ditch-Forebay to Reservoir 1 (\$214)
 - >Project #19008.01 – EDM 1 Relocation/Camino Safety Project (\$2,354)
- \$35,160—Zanjero for modeling permit – Permit 21112 Change in Point of Diversion (Project #16003.01)

EL DORADO IRRIGATION DISTRICT

SUBJECT: Consider adopting a resolution authorizing the issuance of not to exceed \$80 million aggregate principal amount of refunding revenue bonds in one or more series and approving the execution and delivery of certain documents in connection therewith and certain other matters.

PREVIOUS BOARD ACTION

February 28, 2022 – Board received a presentation related to the District’s Public Employees’ Retirement System unfunded pension liability.

BOARD POLICIES (BP), ADMINISTRATIVE REGULATIONS (AR), AND BOARD AUTHORITY

BP 3050 Financial Condition and Activities
AR 3051 Budget Principles

SUMMARY OF ISSUE

The District participates in California Public Employees’ Retirement System (“PERS”). The contract between PERS and the District obligates the District to (i) make contributions to PERS to fund pension benefits for certain District employees, (ii) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (iii) appropriate funds for the foregoing purposes.

The proposed resolution will allow the District to authorize the issuance of Refunding Revenue Bonds in a maximum principal amount not to exceed that required for the purpose of refunding all or a portion of the District’s current obligation to PERS for fiscal year 2021-22 or 2022-23, depending on when the Bonds are issued, to pay all or a portion of the unfunded accrued actuarial liability of the District with respect to pension benefits under the contract, to pay the costs of issuance of such Bonds, including the underwriter’s discount and any original issue discount.

Currently, the District is reducing its unfunded actuarial liability over a period of 22 years at a presumed interest rate of 7% as adopted by PERS. The estimated interest rates of the refunding revenue bonds will be approximately in the range of 3-4% thereby reducing the carrying rate of the unfunded actuarial liability by 3-4% on the approximate \$70 million of pension debt. As displayed in Exhibit D, the current good faith estimate indicates the bonds proceeds anticipated to be received, net applicable finance charges, capitalized interest, or reserves, will be approximately \$71.6 million. The not to exceed value of \$80 million is requested to allow for any changes in the pricing of the bonds leading up to the day of the sale, provided that such changes still represent a desirable net present value savings to the District. The refinancing will create a net present value savings to the District of about \$16.7 million to \$22.0 million and an annual cash flow savings of between \$500,000 and \$1.7 million depending upon that year’s maturing debt, based on market conditions as of February 16, 2022.

The proposed resolution will authorize the District to issue 2022A refunding revenue bonds to take advantage of favorable interest rates, authorize the execution and delivery of the transaction documents, allow final revisions to the draft transaction documents, appoint a trustee to receive and escrow the debt proceeds, and give the General Manager authority to take other actions necessary or desirable to consummate the debt issuance.

2022A Refunding Revenue Bonds

Staff proposes that the Board authorize the 2022A revenue refunding bonds in an aggregate principal amount not to exceed \$80 million (except such amount may be increased with the approval of an authorized officer to provide for original issue discount to the extent such original issue discount will result in a lower interest rate or yield to maturity with respect to the Bonds).

Refunding Revenue Bonds 2022A Documents

Proposed for the Board's consideration is a resolution that will: 1) authorize the debt issuance; 2) approve the forms of Indenture of Trust, Continuing Disclosure Certificate, and Purchase Contract attached to the Proposed Resolution; 3) approve the execution and delivery of specific transaction documents; 4) allow the attached drafts and other transaction documents to undergo final revisions before the transaction closes; 5) authorize the General Manager to take various actions; and 6) appoint U.S. Bank Trust Company, National Association the trustee under the Indenture of Trust with respect to the Bonds.

BOARD OPTIONS

Option 1: Adopt a resolution authorizing the issuance of not to exceed \$80,000,000 aggregate principal amount of refunding revenue bonds in one or more series and approving the execution and delivery of certain documents in connection therewith and certain other matters.

Option 2: Take other action as directed by the Board.

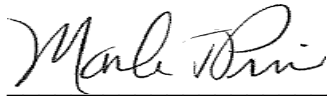
Option 3: Take no action.

RECOMMENDATION

Option 1

ATTACHMENTS

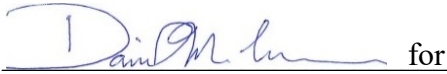
Attachment A: Refunding Bonds – Series 2022A
Proposed resolution with the following exhibits:
Exhibit A – Indenture of Trust
Exhibit B – Continuing Disclosure Certificate
Exhibit C – Purchase Contract
Exhibit D – Good Faith Estimates



Mark Price
Finance Director



Brian Poulsen
General Counsel

 for

Jim Abercrombie
General Manager

RESOLUTION NO. 2022-__**RESOLUTION OF THE EL DORADO IRRIGATION DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$80,000,000 AGGREGATE PRINCIPAL AMOUNT OF REFUNDING REVENUE BONDS IN ONE OR MORE SERIES AND APPROVING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH AND CERTAIN OTHER MATTERS**

WHEREAS, the El Dorado Irrigation District (the “District”), an irrigation district duly organized and existing under and pursuant to the Constitution and laws of the State of California (the “State”), has previously adopted a retirement plan pursuant to the Public Employees’ Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the “Retirement Law”) and elected to become a contracting member of the California Public Employees’ Retirement System (“PERS”);

WHEREAS, the Retirement Law and the contract (the “PERS Contract”) effective July 1, 1969, between the Board of Administration of PERS and the Board of Directors of the District (the “Board”) obligate the District to (i) make contributions to PERS to fund pension benefits for certain District employees, (ii) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (iii) appropriate funds for the foregoing purposes;

WHEREAS, the District desires to authorize the issuance of its El Dorado Irrigation District Refunding Revenue Bonds (the “Bonds”) pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code, in a maximum principal amount not to exceed that required for the purpose of refunding all or a portion of the District’s current obligation to PERS for fiscal year 2021-22 or 2022-23, depending on when the Bonds are issued, pursuant to the PERS Contract, to pay all or a portion of the unfunded accrued actuarial liability of the District (the “Unfunded Liability”) with respect to pension benefits under the Retirement Law and the PERS Contract, to pay the costs of issuance of such Bonds, including the underwriter’s discount and any original issue discount on such Bonds;

NOW, THEREFORE, the Board of Directors of the El Dorado Irrigation District does hereby resolve as follows:

1. The issuance, sale and delivery of the Bonds in one or more series, at one time, or from time to time, as determined by the Authorized Officers (as defined below), in an aggregate principal amount not to exceed \$80,000,000 (except such amount may be increased with the approval of an Authorized Officer to provide for original issue discount to the extent such original issue discount will result in a lower interest rate or yield to maturity with respect to the Bonds) in accordance with the terms and provisions of the Indenture of Trust referred to below is hereby approved.

2. A form of Indenture of Trust, in substantially the form attached hereto as Exhibit A is hereby approved. Each of the President or Vice President of the Board or the General Manager or the written designee of any of the foregoing (each an “Authorized Officer” and together the “Authorized Officers”) is hereby individually authorized and directed to execute and deliver an Indenture of Trust from time-to-time with respect to one or more series of Bonds with such changes, insertions and

omissions as may be recommended by General Counsel or by the District's bond counsel, Stradling Yocca Carlson & Rauth ("Bond Counsel"), and approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

3. A form of Continuing Disclosure Certificate relating to the Bonds, in substantially the form attached hereto as Exhibit B is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver one or more Continuing Disclosure Certificates from-time-to-time for the Bonds with such changes, insertions and omissions as may be recommended by General Counsel or Bond Counsel, and approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval.

4. A form of Purchase Contract relating to the Bonds with Citigroup Global Markets Inc. as underwriter, in substantially the form attached hereto as Exhibit C, is hereby approved. Each Authorized Officer is individually authorized and directed to execute and deliver one or more Purchase Contracts for the Bonds with such changes, insertions and omissions as may be recommended by General Counsel or Bond Counsel, and approved by such Authorized Officer executing the same, said execution being conclusive evidence of such approval; provided however, that the underwriting discount shall not exceed 0.45%.

5. U.S. Bank Trust Company, National Association is hereby appointed to act as trustee under the Indenture of Trust with respect to the Bonds.

6. The Authorized Officers, the Chief Financial Officer and Treasurer or the written designee of any of the foregoing and any other proper officer of the District, acting singly, is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Indenture of Trust, the Purchase Contract and the Continuing Disclosure Certificate,

7. The Board of Directors acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in Exhibit D attached to this Resolution and are available to the public at the meeting at which this Resolution is approved.

8. Each Authorized Officer is individually authorized and directed to take all actions necessary to comply with the District's Debt Management Policy. The issuance, sale and delivery of the Bonds is determined to be consistent with the District's Debt Management Policy and to the extent the issuance, sale and delivery of the Bonds is not in compliance with the District's Debt Management Policy, such noncompliance is waived in accordance with the terms of the District's Debt Management Policy.

9. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture of Trust unless the context otherwise clearly requires.

10. This resolution shall take effect immediately.

The foregoing Resolution was introduced at a special meeting of the Board of Directors of the EL DORADO IRRIGATION DISTRICT, held on the __th day of _____, 2022, by Director _____, who moved its adoption. The motion was seconded by Director _____, and a poll vote taken, which stood as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

The motion having a majority of votes “Aye,” the resolution was declared to have been adopted, and it was so ordered.

Lori Anzini
President, Board of Directors of
EL DORADO IRRIGATION DISTRICT

ATTEST:

Jennifer Sullivan
Clerk to the Board

(SEAL)

INDENTURE OF TRUST

Dated as of March 1, 2022

By and between

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

and the

EL DORADO IRRIGATION DISTRICT

Relating to

**EL DORADO IRRIGATION DISTRICT
REFUNDING REVENUE BONDS, TAXABLE SERIES 2022A**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, made and entered into and dated as of March 1, 2022 (the “Indenture”), by and between EL DORADO IRRIGATION DISTRICT, an irrigation district duly organized and existing under and by virtue of the laws of the State of California (the “District”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,, a national banking association duly organized and existing under the laws of the United States of America, as trustee hereunder (the “Trustee”);

WITNESSETH:

WHEREAS, the District is a member of the California Public Employees’ Retirement System (“PERS”) and, as such, is obligated by the Public Employees’ Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code (the “Retirement Law”), and the contract between the Board of Administration of PERS and the Board of Directors of the District, effective July 1, 1969 (as amended, the “PERS Contract”), to make contributions to PERS to (a) fund pension benefits for its employees who are members of PERS, (b) amortize the unfunded actuarial liability with respect to such pension benefits, and (c) appropriate funds for the purposes described in (a) and (b); and

WHEREAS, the District is authorized pursuant to Articles 10 and 11 (commencing with Section 53570) of Chapter 3 of Division 2 of Title 5 of the California Government Code (the “Refunding Law”) to issue bonds for the purpose of refunding certain obligations of the District, including the obligations set forth in the PERS Contract; and

WHEREAS, for the purpose of refunding the District’s unamortized, unfunded accrued actuarial liability with respect to pension benefits under the Retirement Law (the “Unfunded Liability”), and to pay the costs of issuance, including underwriter’s discount and any original issue discount, the District has determined to issue refunding revenue bonds all pursuant to and secured by this Indenture, all in the manner provided herein; and

WHEREAS, the District has determined that all acts and proceedings required by law necessary to make the 2022 Bonds (as defined herein), when executed by the District, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the District, and to constitute the Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of the Indenture have been in all respects duly authorized;

NOW, THEREFORE, THE INDENTURE WITNESSETH:

GRANTING CLAUSES

The District, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the mutual covenants herein contained and of the purchase and acceptance of the 2022 Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of and the interest and premium (if any) on all 2022 Bonds at any time issued and Outstanding under the Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, does hereby assign and pledge unto, and grant a security interest in, the following (the “Trust

Estate”) to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the District to the 2022 Bond Owners hereinafter set forth:

GRANTING CLAUSE FIRST

All right, title and interest of the District in and to the Revenues (as defined herein), including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any Revenues payable to or receivable by the District under the Constitution of the State, the Government Code of the State of California and the Indenture and any other applicable laws of the State or otherwise, to bring actions and proceedings thereunder for the enforcement thereof, and to do any and all things which the District is or may become entitled to do thereunder, subject to the terms hereof.

GRANTING CLAUSE SECOND

All moneys and securities held in funds and accounts of the Indenture and all other rights of every name and nature from time to time herein or hereafter by delivery or by writing of any kind pledged, assigned or transferred as and for additional security hereunder to the Trustee by the District or by anyone on its behalf, or with its written consent, and to hold and apply the same, subject to the terms hereof.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in trust and assigns forever for the benefit of the Owners and such pledge shall constitute a lien on and security interest in such Trust Estate;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the 2022 Bonds issued under and secured by the Indenture without privilege, priority or distinction as to the lien or otherwise of any of the 2022 Bonds over any of the other 2022 Bonds;

PROVIDED, HOWEVER, that if the District, its successors or assigns shall well and truly pay, or cause to be paid, the principal of and interest and any redemption premium on the 2022 Bonds due or to become due thereon, at the times and in the manner provided in the 2022 Bonds according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to Trustee all sums of money due or to become due in accordance with the terms and provisions hereof, then upon such final payments or deposits as herein provided, the Indenture and the rights hereby granted shall cease, terminate and be void; otherwise the Indenture shall remain in full force and effect.

THE INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all 2022 Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all sold property, rights and interests, including, without limitation, the Revenues, hereby assigned and pledged, are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, and the District has agreed and covenanted and does hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the 2022 Bonds, as follows:

ARTICLE I

DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of the Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

2022 Bonds. The term “2022 Bonds” means the El Dorado Irrigation District Refunding Revenue Bonds Taxable Series 2022A issued hereunder.

2020 Installment Purchase Agreement. The term “2020 Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of August 1, 2020, by and between the District and the Corporation, as originally executed and as it may from time to time be amended or supplemented in accordance therewith.

2014A Bonds. The term “2014A Bonds” means El Dorado Irrigation District Refunding Revenue Bonds, Series 2014A.

2016 Installment Purchase Agreement. The term “2016 Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of June 1, 2016, by and between the District and the Corporation, as originally executed and as it may from time-to-time be amended or supplemented in accordance therewith.

2016A Bonds. The term “2016A Bonds” means El Dorado Irrigation District Refunding Revenue Bonds, Series 2016A.

2016C Bonds. The term “2016C Bonds” means El Dorado Irrigation District Refunding Revenue Bonds, Series 2016C.

2020B Bonds. The term “2020B Bonds” means El Dorado Irrigation District Refunding Revenue Bonds, Series 2020B.

2020C Bonds. The term “2020C Bonds” means El Dorado Irrigation District Refunding Revenue Bonds, Taxable Series 2020C.

2020D Bonds. The term “2020D Bonds” means El Dorado Irrigation District Refunding Revenue Bonds, Taxable Series 2020D.

Accountant’s Report. The term “Accountant’s Report” means a report signed by an Independent Certified Public Accountant.

Authorized Representative. The term “Authorized Representative” means, with respect to the District, its President, Vice President, Secretary, General Manager, Finance Director or any other person designated as an Authorized Representative of the District by a Certificate of the District signed by its President, Vice President, Secretary, General Manager or Finance Director and filed with the Trustee.

Bond Counsel. The term “Bond Counsel” means Stradling Yocca Carlson & Rauth, a Professional Corporation, or another firm of nationally recognized attorneys experienced in the issuance of obligations the interest on which is excludable from gross income under Section 103 of the Code.

Bond Proceeds Fund. The term “Bond Proceeds Fund” means the fund by that name established pursuant to Section 3.02.

Bond Year. The term “Bond Year” will have the meaning set forth in the Tax Certificate.

Bonds. The term “Bonds” means all revenue bonds or notes of the District authorized, executed, issued and delivered by the District, the payments of which are payable from Net Revenues on a parity with the 2022 Bonds and which are secured by a pledge of and second lien on Revenues as described in Section 5.01.

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

“Calculation Agent” The term “Calculation Agent” means a commercial bank or an investment banking institution of national standing that is a primary dealer of United States government securities in the United States and designated by the District (which may be the institution that served as the underwriter for the 2022 Bonds).

Certificate; Direction; Request; Requisition. The terms “Certificate,” “Direction,” “Request,” and “Requisition” of the District mean a written certificate, direction, request or requisition signed in the name of the District by its Authorized Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.02, each such instrument shall include the statements provided for in Section 1.02.

Closing Date. The term “Closing Date” means the date on which the 2022 Bonds are delivered to the original purchaser thereof.

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

“Comparable Treasury Issue” The term “Comparable Treasury Issue” means the United States Treasury security selected by the Calculation Agent as having a maturity comparable to the remaining term to maturity of the 2022 Bonds being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to maturity of the 2022 Bonds being redeemed.

“Comparable Treasury Price” The term “Comparable Treasury Price” means, with respect to any date on which a 2022 Bond or portion thereof is being redeemed, either: (a) the average of five Reference Treasury Dealer quotations for the date fixed for redemption, after excluding the highest and lowest such quotations or (b) if the Calculation Agent is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Calculation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each

case as a percentage of principal amount) quoted in writing to the Calculation Agent, at 5:00 p.m. New York City time at least three Business Days but no more than 20 Business Days preceding the date fixed for redemption, as selected by the District.

“Comparable Treasury Yield” The term “Comparable Treasury Yield” means the yield that represents the weekly average yield to maturity for the preceding week appearing in the most recently published statistical release designated “H.15(519) Selected Interest Rates” under the heading “Treasury Constant Maturities,” or any successor publication selected by the Calculation Agent that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to maturity of the 2022 Bond being redeemed. The Comparable Treasury Yield will be determined at least three Business Days preceding the date fixed for redemption, as selected by the District. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to maturity of the 2022 Bonds being redeemed, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity: (i) closest to and greater than the remaining term to maturity of the 2022 Bonds being redeemed; and (ii) closest to and less than the remaining term to maturity of the 2022 Bonds being redeemed. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward. If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) assuming a price for the Comparable Treasury Issue equal to the Comparable Treasury Price as of the date fixed for redemption.

Continuing Disclosure Certificate. The term “Continuing Disclosure Certificate” means the Continuing Disclosure Certificate, dated the Closing Date of a series of 2022 Bonds, executed by the District, as originally executed and as it may be from time to time amended or supplemented in accordance with its terms.

Contracts. The term “Contracts” means all contracts of the District authorized, executed, and delivered by the District, the payments of which are payable from Net Revenues on a parity with the 2022 Bonds and which are secured by a pledge of and second lien on Revenues as described in Section 5.01.

Corporation. The term “Corporation” means the El Dorado Irrigation District Financing Corporation, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California.

Costs of Issuance. The term “Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the District and related to the authorization, issuance, sale and delivery of the 2022 Bonds and the refunding of the Unfunded Liability, including but not limited to costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Trustee and counsel to the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, Rating Agency fees, title insurance premiums, letter of credit fees and bond insurance premiums (if any), fees and charges for preparation, execution and

safekeeping of the 2022 Bonds and any other cost, charge or fee in connection with the original issuance of the 2022 Bonds.

Costs of Issuance Fund. The term “Costs of Issuance Fund” means the fund by that name established pursuant to Section 3.03.

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

Debt Service. The term “Debt Service” means, for any period of calculation, the sum of:

- (1) the interest accruing during such period on all outstanding Bonds, assuming that all outstanding serial Bonds are retired as scheduled and that all outstanding term Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized);
- (2) those portions of the principal amount of all outstanding serial Bonds maturing in such period, excluding Excluded Principal;
- (3) those portions of the principal amount of all outstanding term Bonds required to be prepaid or paid in such period, excluding Excluded Principal; and
- (4) those portions of the Contracts required to be made during such period, (except to the extent the interest evidenced and represented thereby is capitalized and excluding Excluded Principal);

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

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

- (i) the then current variable interest rate borne by such Bonds or Contracts plus 1%, and
- (ii) if such Bonds or Contracts have been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, or if such Bonds or Contracts have not been outstanding for the twelve prior months, the average rate borne by reference to an index comparable to that to be utilized in determining the interest rate for the Bonds to be issued or the Contracts to be executed;

provided further that if any series or issue of such Bonds or Contracts have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year (and such principal is not Excluded Principal), Debt Service shall be determined for the period of determination as if the principal of and interest on such series or issue of such Bonds or Contracts were being paid

from the date of incurrence thereof in substantially equal annual amounts over a period of twenty-five (25) years from the date of calculation; and

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

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

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

Defeasance Securities. The term “Defeasance Securities” means: (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated “AAA” or “Aaa” by S&P and Moody’s, respectively, and (5) securities eligible for “AAA” defeasance under then existing criteria of S&P.

Depository; DTC. The term “Depository” or “DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as Securities Depository for the 2022 Bonds.

Designated Corporate Trust Office of the Trustee. The term “Designated Corporate Trust Office of the Trustee” means the corporate trust office of the Trustee in San Francisco, California, provided that for purposes of payment, redemption, exchange, transfer, surrender and cancellation of 2022 Bonds, such term means the corporate trust office of the Trustee in Los Angeles, California, or such other office as the Trustee may from time to time designate in writing to the District and the Owners.

District. The term “District” means El Dorado Irrigation District, an irrigation district duly organized and existing under and by virtue of the laws of the State.

Event of Default. The term “Event of Default” means any of the events specified in Section 7.01.

Excluded Principal. The term “Excluded Principal” means each payment of principal of any Senior Bond, Senior Contract, Bond or Contract for which there is on file with the Trustee (i) a certificate of an Independent Municipal Advisor to the effect that such Senior Bond, Senior Contract, Bond or Contract is commercial paper or otherwise of a short term or revolving nature and has a

maturity of less than 42 months and (ii) a certificate of an Authorized Representative to the effect that the District intends to pay such principal from the proceeds of Senior Bonds, Senior Contracts, Bonds or Contracts or other bonds, notes or other obligations of the District. No such determination shall affect the security for such Senior Bonds, Senior Contracts, Bonds or Contracts or the obligation of the District to pay such Senior Bonds, Senior Contracts, Bonds or Contracts from Net Revenues.

Federal Securities. The term “Federal Securities” means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), or noncallable obligations the timely payment of principal of and interest on which are fully and unconditionally guaranteed by the United States of America.

Fiscal Year. The term “Fiscal Year” means the twelve month period beginning on January 1 of each year and ending on December 31 of the following year, both dates inclusive, or any other twelve month period hereafter selected and designated as the official fiscal year period of the District.

Indenture. The term “Indenture” means this Indenture of Trust, dated as of March 1, 2022, by and between the District and the Trustee, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

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

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

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

Interest Account. The term “Interest Account” means the account by that name in the Payment Fund established pursuant to Section 5.02.

Interest Payment Date. The term “Interest Payment Date” means each March 1 and September 1, commencing on the date set forth in Exhibit B with respect to the 2022 Bonds.

Investment Agreement. The term “Investment Agreement” means an investment agreement supported by appropriate opinions of counsel; provided the provider thereof or the guarantor thereof is rated, at the time of issuance, at least “AA” and “Aa” by S&P and Moody’s, respectively.

Letter of Representations. The term “Letter of Representations” means the letter of the District delivered to and accepted by the Depository on or prior to delivery of the 2022 Bonds as book entry bonds setting forth the basis on which the Depository serves as depository for such book entry bonds, as originally executed or as it may be supplemented or revised or replaced by a letter from the District delivered to and accepted by the Depository.

Moody’s. The term “Moody’s” means Moody’s Investors Service, Inc., or any successor thereto.

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

Net Revenues. The term “Net Revenues” means, for any Fiscal Year, the Revenues for such Fiscal Year less the Operation and Maintenance Costs and Senior Debt Service payable during such Fiscal Year.

Net Wastewater System Revenues. The term “Net Wastewater System Revenues” means for any Fiscal Year, the Wastewater System Revenues for such Fiscal Year less the Operation and Maintenance Costs allocable to the Wastewater System and Senior Debt Service allocable to the Wastewater System and payable during such Fiscal Year.

Net Water System Revenues. The term “Net Water System Revenues” means for any Fiscal Year, the Water System Revenues for such Fiscal Year less the Operation and Maintenance Costs allocable to the Water System and Senior Debt Service allocable to the Water System and payable during such Fiscal Year.

Nominee. The term “Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.08 hereof.

Operation and Maintenance Costs. The term “Operation and Maintenance Costs” means (i) costs spent or incurred for maintenance and operation of the Water System and Wastewater System calculated in accordance with generally accepted accounting principles, including (among other things) the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the Water System and Wastewater System in good repair and working order, and including administrative costs of the District that are charged directly or apportioned to the Water System and Wastewater System, including but not limited to salaries and wages of employees, payments to the Public Employees Retirement System, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys, consultants or engineers and insurance premiums, and including all other reasonable and necessary costs of the District or charges (other than Debt Service) required to be paid by it to comply with the terms of this Indenture or any other Senior Bond, Senior Contract, Bond or Contract or of any resolution or indenture authorizing the issuance of any Bonds or of such Bonds and (ii) all costs of water purchased or otherwise acquired for delivery by the Water System (including any interim or renewed arrangement therefor), but excluding in all cases depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles or other bookkeeping entries of a similar nature, including but not limited to prior period adjustments or restatements made in subsequent periods which would not have affected the District’s statements of revenues, expenses and changes in net position.

Opinion of Counsel. The term “Opinion of Counsel” means a written opinion of counsel (including but not limited to counsel to the District) selected by the District. If and to the extent required by the provisions of Section 1.02, each Opinion of Counsel shall include the statements provided for in Section 1.02.

Outstanding. The term “Outstanding,” when used as of any particular time with reference to 2022 Bonds, means (subject to the provisions of Section 11.09) all 2022 Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under the Indenture except: (i) 2022 Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (ii) 2022 Bonds with respect to which all liability of the District shall have been discharged in accordance with Section 10.02, including 2022 Bonds (or portions thereof) described in Section 11.09; (iii) 2022 Bonds for the transfer or exchange of or in lieu of or in substitution for which other 2022 Bonds shall have been authenticated and delivered by the Trustee pursuant to the Indenture; and (iv) Bonds paid pursuant to the last sentence of Section 2.07.

Owner; 2022 Bond Owner. The term “Owner” or “2022 Bond Owner,” whenever used herein with respect to a 2022 Bond, means the person in whose name the ownership of such 2022 Bond is registered on the Registration Books.

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

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

Payment Fund. The term “Payment Fund” means the fund by that name established pursuant to Section 5.02.

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

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

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

1. U.S. Export-Import Bank (“Eximbank”)
Direct obligations or fully guaranteed certificates of beneficial ownership
2. Farmers Home Administration (“FmHA”)
Certificates of beneficial ownership

3. Federal Financing Bank
4. Federal Housing Administration Debentures (“FHA”)
5. General Services Administration
Participation certificates
6. Government National Mortgage Association (“GNMA”)
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations (not acceptable for
certain cash-flow sensitive issues)
7. United States Maritime Administration
Guaranteed Title XI financing
8. United States Department of Housing and Urban Development
 (“HUD”)
Project Notes
Local Authority Bonds
New Communities Debentures
United States government guaranteed debentures
United States Public Housing Notes and Bonds
United States government guaranteed public housing notes and bonds

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

1. Federal Home Loan Bank System
Senior debt obligations
2. Federal Home Loan Mortgage Corporation (“FHLMC”)
Participation Certificates
Senior debt obligations
3. Federal National Mortgage Association (“FNMA”)
Mortgage-backed securities and senior debt obligations
4. Student Loan Marketing Association (“SLMA”)
Senior debt obligations
5. Resolution Funding Corporation obligations
6. Farm Credit System
Consolidated system-wide bonds and notes

(d) Money market mutual funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of “AAAm-G,” “AAA-m” or “AA-m” and if rated by Moody’s rated “Aaa,” “Aa1” or “Aa2,” including funds for which the Trustee or any of its affiliates (including any holding company,

subsidiaries, or other affiliates) provides investment advisory or other management services, provided such funds satisfy the criteria contained in this Indenture, but excluding any such funds which have a floating net asset value.

(e) Certificates of deposit secured at all times by collateral described in clauses (a) and/or (b) above. Such certificates must be issued by commercial banks (including affiliates of the Trustee), savings and loan associations or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral.

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

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

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

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

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

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

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

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

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

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

A. Securities which are acceptable for transfer are:

(l) Direct United States governments, or

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

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

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

D. Valuation of Collateral

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

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

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

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

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

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

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

PERS. The term “PERS” means the California Public Employees’ Retirement System.

PERS Contract. The term “PERS Contract” has the meaning ascribed thereto in the first WHEREAS clause above.

Principal Account. The term “Principal Account” means the account by that name in the Payment Fund established pursuant to Section 5.02.

Rating. The term “Rating” means any currently effective rating on the 2022 Bonds issued by a Rating Agency.

Rating Agencies. The term “Rating Agencies” means S&P and Moody’s.

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

Redemption Date. The term “Redemption Date” means the date fixed for redemption prior to maturity of the 2022 Bonds.

Redemption Fund. The term “Redemption Fund” means the fund by that name established pursuant to Section 5.05.

Redemption Price. The term “Redemption Price” means, with respect to any 2022 Bond (or portion thereof), the principal amount of such 2022 Bond (or portion) plus the interest accrued to the applicable Redemption Date and the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such 2022 Bond and the Indenture.

Registration Books. The term “Registration Books” means the records maintained by the Trustee for the registration of ownership and registration of transfer of the 2022 Bonds pursuant to Section 2.05.

Reference Treasury Dealer. The term “Reference Treasury Dealer” means a primary dealer of United States Government securities in the United States (which may be the institution that served as the underwriter for the 2022 Bonds) appointed by the District and reasonably acceptable to the Calculation Agent.

Responsible Officer of the Trustee. The term “Responsible Officer of the Trustee” means any officer within the corporate trust division (or any successor group or department of the Trustee) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, with responsibility for the administration of the Indenture.

Retirement Law. The term “Retirement Law” has the meaning ascribed thereto in the first WHEREAS clause above.

Revenue Fund. The term “Revenue Fund” means enterprise funds Water (310), Wastewater (410), Recycled Water (510), Hydroelectric (610), and Recreation (710), together with other accounts in existence which Revenues are deposited or created in the future by the Board of Directors into which Revenues will be deposited.

Revenues. The term “Revenues” means (i) Water System Revenues, (ii) Wastewater System Revenues, and (iii) other revenues received by the District, as determined in accordance with generally

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

but excluding in all cases customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District, and excluding any proceeds of taxes restricted by law to be used by the District to pay obligations of the District other than Senior Bonds, Senior Contracts, Bonds or Contracts.

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

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

Senior Bonds. The term “Senior Bonds” means all revenue bonds or notes of the District authorized, issued and delivered by the District, the payments of which are payable from Net Revenues prior to the 2022 Bonds in accordance with Section 5.01(b) and which are secured by a pledge of and first lien on Revenues, including the 2014A Bonds, 2016A Bonds, 2016C Bonds, 2020B Bonds, 2020C Bonds and 2020D Bonds.

Senior Contracts. The term “Senior Contracts” means all contracts of the District authorized, executed and delivered by the District the payments and which are payable from Net Revenues prior to the 2022 Bonds in accordance with Section 5.01(b) and which are secured by a pledge and first lien on the Revenues, including the 2016 Installment Purchase Agreement; the 2020 Installment Purchase Agreement; but excluding contracts entered into for operation and maintenance of the Water System or Wastewater System.

Senior Debt Service. The term “Senior Debt Service” means, for any period of calculation, the sum of:

- (1) the interest accruing during such period on all outstanding Senior Bonds, assuming that all outstanding serial Senior Bonds are retired as scheduled and that all outstanding term Senior Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized);
- (2) those portions of the principal amount of all outstanding serial Senior Bonds maturing in such period, excluding Excluded Principal;
- (3) those portions of the principal amount of all outstanding term Senior Bonds required to be prepaid or paid in such period, excluding Excluded Principal; and
- (4) those portions of the Senior Contracts required to be made during such period, (except to the extent the interest evidenced and represented thereby is capitalized and excluding Excluded Principal);

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

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

- (i) the then current variable interest rate borne by such Senior Bonds or Senior Contracts plus 1%, and
- (ii) if such Senior Bonds or Senior Contracts have been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, or if such Senior Bonds or Senior Contracts have not been outstanding for the twelve prior months, the average rate borne by reference to an index comparable to that to be utilized in determining the interest rate for the Senior Bonds to be issued or the Senior Contracts to be executed;

provided further that if any series or issue of such Senior Bonds or Senior Contracts have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year (and such principal is not Excluded Principal), Senior Debt Service shall be determined for the period of determination as if the principal of and interest on such series or issue of such Senior Bonds or Senior Contracts were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of twenty-five (25) years from the date of calculation; and

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

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

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

State. The term “State” means the State of California.

Supplemental Indenture. The term “Supplemental Indenture” means any indenture hereafter duly authorized and entered into between the District and the Trustee, supplementing, modifying or amending the Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

Trustee. The term “Trustee” means U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America, or its successor as Trustee hereunder as provided in Section 8.01.

Unfunded Liability. The term “Unfunded Liability” has the meaning ascribed thereto in the third WHEREAS clause above.

U.S. Bureau of Reclamation Contract. The term “U.S. Bureau of Reclamation Contract” means the Contract between the United States and the District providing for the construction of the Sly Park Unit of the Central Valley Project, and all amendments and supplements thereto and any conversion thereof to a repayment contract under section 9(d) of the Reclamation Act of 1939, as amended, providing for payment obligations of the District to the United States Bureau of Reclamation for certain debt of the United States Bureau of Reclamation approved by voters of the District in 1959, 1969, 1972 and 1975.

Value. The term “Value,” which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

(a) For the purpose of determining the amount of any fund, all Permitted Investments credited to such fund shall be valued at fair market value. Fair market value shall be determined based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include, but are not limited to, pricing services provided by Financial Times Interactive Data Corporation, Bank of America Merrill Lynch, and Morgan Stanley Smith Barney.

(b) As to certificates of deposit and bankers’ acceptances: the face amount thereof, plus accrued interest.

(c) As to any investment not specified above: market value, or, if the market value is not ascertainable by the District, at cost.

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

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

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

(1) all income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the District from the furnishing of wastewater treatment, provision of recycled water or other services, facilities, and commodities sold, furnished or supplied through the facilities of or in the conduct or operation of the business of the Wastewater System, plus

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

System, plus

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

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

but excluding in all cases customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District, and excluding any proceeds of taxes restricted by law to be used by the District to pay obligations of the District other than Senior Bonds, Senior Contracts, Bonds or Contracts.

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

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

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

(1) all income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the District from the sale, furnishing and supplying of water, hydroelectric power or other services, facilities, and commodities sold, furnished or supplied through the facilities of or in the conduct or operation of the business of the Water System, plus

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

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

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

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

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

but excluding in all cases customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District, and excluding any proceeds of taxes restricted by law to be used by the District to pay obligations of the District other than Senior Bonds, Senior Contracts, Bonds or Contracts.

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

Section 1.02 Content of Certificates and Opinions. Every certificate or opinion provided for in the Indenture except the certificate of destruction provided for in Section 11.05 hereof, with respect to compliance with any provision hereof shall include: (1) a statement that the person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (3) a statement that, in the opinion of such person he has made or caused to be made such examination or investigation as is necessary to enable him to express an informed opinion with respect to the subject matter referred to in the instrument to which his signature is affixed; (4) a statement of the assumptions upon which such certificate or opinion is based, and that such assumptions are reasonable; and (5) a statement as to whether, in the opinion of such person, such provision has been complied with.

Section 1.03 Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Indenture; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to the Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE 2022 BONDS

Section 2.01 Authorization of 2022 Bonds. The District hereby authorizes the issuance hereunder from time to time of the 2022 Bonds for the purpose of refunding the District’s Unfunded Liability under the PERS Contract and the Retirement Law and to pay the costs of issuance thereof. The 2022 Bonds shall constitute special obligations of the District. The 2022 Bonds are hereby designated the “El Dorado Irrigation District Refunding Revenue Bonds, Taxable Series 2022A” in the aggregate principal amount set forth in Exhibit B. The Indenture constitutes a continuing agreement with the Owners from time to time of the 2022 Bonds to secure the full payment of the principal of and interest and premium (if any) on all the 2022 Bonds, subject to the covenants, provisions and conditions herein contained.

Section 2.02 Terms of the 2022 Bonds. The 2022 Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The 2022 Bonds shall mature on March 1 of each of the years in the principal amounts and shall bear interest at the rates set forth in a certificate of the General Manager in the form attached hereto as Exhibit C to be delivered to the Trustee upon the initial issuance of the 2022 Bonds.

Interest on the 2022 Bonds shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee sent by first class mail on the applicable Interest Payment Date to the Owner at the address of such Owner as it appears on the Registration Books (except that in the case of an Owner of one million dollars (\$1,000,000) or more in principal amount, such payment may, at such Owner's option, be made by wire transfer of immediately available funds to an account in the United States in accordance with written instructions provided to the Trustee by such Owner prior to the Record Date). Principal of and premium (if any) on any 2022 Bond shall be paid by check of the Trustee upon presentation and surrender thereof at maturity or upon the prior redemption thereof, at the Designated Corporate Trust Office of the Trustee. Both the principal of and interest and premium (if any) on the 2022 Bonds shall be payable in lawful money of the United States of America.

Each 2022 Bond shall be dated the date of initial delivery, and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless: (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) unless it is authenticated on or before the first Record Date for such series of 2022 Bonds, in which event it shall bear interest from the date of initial delivery; provided, however, that if, as of the date of authentication of any 2022 Bond, interest thereon is in default, such 2022 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2022 Bonds shall be calculated on the basis of a 360 day year composed of twelve 30 day months.

Section 2.03 Transfer of 2022 Bonds. Any 2022 Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such 2022 Bond at the Designated Corporate Trust Office of the Trustee for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. The Trustee shall not be required to register the transfer of any 2022 Bond during the period in which the Trustee is selecting 2022 Bonds for redemption and any 2022 Bond that has been selected for redemption.

Whenever any 2022 Bond or 2022 Bonds shall be surrendered for transfer, the District shall execute and the Trustee shall authenticate and shall deliver a new 2022 Bond or 2022 Bonds of authorized denomination or denominations for a like series and aggregate principal amount of the same maturity. The Trustee shall require the 2022 Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. Following any transfer of 2022 Bonds, the Trustee will cancel and dispose of the 2022 Bonds it has received, in accordance with its then customary practices.

Section 2.04 Exchange of 2022 Bonds. 2022 Bonds may be exchanged at the Designated Corporate Trust Office of the Trustee for a like aggregate principal amount of other authorized

denominations of the same series and maturity. The Trustee shall not be required to exchange any 2022 Bond during the period in which the Trustee is selecting 2022 Bonds for redemption and any 2022 Bond that has been selected for redemption. The Trustee shall require the 2022 Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. Following any exchange of 2022 Bonds, the Trustee will cancel and dispose of the 2022 Bonds it has received, in accordance with its then customary practices.

Section 2.05 Registration Books. The Trustee will keep or cause to be kept, at the Designated Corporate Trust Office of the Trustee, sufficient records for the registration and transfer of ownership of the 2022 Bonds, which shall upon reasonable written notice and at reasonable times be open to inspection during regular business hours by the District and the Owners; and, upon presentation for such purpose, the Trustee shall, under then customary and standard regulations, register or transfer or cause to be registered or transferred, on such records, the ownership of the 2022 Bonds as hereinbefore provided.

The person in whose name any 2022 Bond shall be registered shall be deemed the Owner thereof for all purposes hereof, and payment of or on account of the interest on and principal and Redemption Price of by such 2022 Bonds shall be made only to or upon the order in writing of such registered Owner, which payments shall be valid and effectual to satisfy and discharge liability upon such 2022 Bond to the extent of the sum or sums so paid.

Section 2.06 Form and Execution of 2022 Bonds. The 2022 Bonds shall be in substantially the form set forth in Exhibit A hereto. The 2022 Bonds shall be executed in the name and on behalf of the District with the manual or facsimile signature of its President. The 2022 Bonds may carry a seal, and such seal may be in the form of a facsimile of the District's seal and may be reproduced, imprinted or impressed on the 2022 Bonds. The 2022 Bonds shall then be delivered to the Trustee for authentication by it. In case any of the officers who shall have signed or attested any of the 2022 Bonds shall cease to be such officer or officers of the District before the 2022 Bonds so signed or attested shall have been authenticated or delivered by the Trustee, or issued by the District, such 2022 Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the District as though those who signed and attested the same had continued to be such officers of the District, and also any 2022 Bonds may be signed and attested on behalf of the District by such persons as at the actual date of execution of such 2022 Bonds shall be the proper officers of the District although at the nominal date of such 2022 Bonds any such person shall not have been such officer of the District.

Only such of the 2022 Bonds as shall bear thereon a certificate of authentication substantially in the form set forth in Exhibit A hereto, manually executed by an authorized signatory of the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of the Indenture, and such certificate of or on behalf of the Trustee shall be conclusive evidence that the 2022 Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of the Indenture.

Section 2.07 2022 Bonds Mutilated, Lost, Destroyed or Stolen. If any 2022 Bond shall become mutilated, the District, at the expense of the Owner of said 2022 Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new 2022 Bond of like tenor, series and authorized denomination in exchange and substitution for the 2022 Bonds so mutilated, but only upon surrender to the Trustee at its Designated Corporate Trust Office of the 2022 Bond so mutilated. Every mutilated 2022 Bond so surrendered to the Trustee shall be canceled by it. If any 2022 Bond shall be lost,

destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the District, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new 2022 Bond of like tenor, series and authorized denomination in lieu of and in substitution for the 2022 Bond so lost, destroyed or stolen (or if any such 2022 Bond shall have matured or shall be about to mature, instead of issuing a substitute 2022 Bond, the Trustee may pay the same without surrender thereof). The District may require payment by the Owner of a sum not exceeding the actual cost of preparing each new 2022 Bond issued under this Section and of the expenses which may be incurred by the District and the Trustee in connection therewith. Any 2022 Bond issued under the provisions of this Section in lieu of any 2022 Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the 2022 Bond so alleged to be lost, destroyed, or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of the Indenture with all other 2022 Bonds secured by the Indenture. Notwithstanding any other provision of this Section, in lieu of delivering a new 2022 Bond for a 2022 Bond which has been mutilated, lost, destroyed or stolen and which has matured or has been selected for redemption, the Trustee may, at the District's written direction, make payment of such 2022 Bond upon receipt of indemnity satisfactory to the Trustee.

Section 2.08 Book Entry System.

(a) Election of Book Entry System. Prior to the issuance of the 2022 Bonds, the District may provide that such 2022 Bonds shall be initially issued as book entry 2022 Bonds. If the District shall elect to deliver any 2022 Bonds in book entry form, then the District shall cause the delivery of a separate single fully registered bond (which may be typewritten) for each maturity date of such 2022 Bonds in an authorized denomination corresponding to that total principal amount of the 2022 Bonds designated to mature on such date. Upon initial issuance, the ownership of each such 2022 Bond shall be registered in the 2022 Bond Registration Books in the name of the Nominee, as nominee of the Depository, and ownership of the 2022 Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 2.08(e).

With respect to book entry 2022 Bonds, the District and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book entry 2022 Bonds. Without limiting the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to: (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book entry 2022 Bonds; (ii) the delivery to any Participant or any other person, other than an Owner as shown in the 2022 Bond Registration Books, of any notice with respect to book entry 2022 Bonds, including any notice of redemption; (iii) the selection by the Depository and its Participants of the beneficial interests in book entry 2022 Bonds to be redeemed in the event the District redeems the 2022 Bonds in part; or (iv) the payment by the Depository or any Participant or any other person, of any amount of principal of, premium, if any, or interest on book entry 2022 Bonds. The District and the Trustee may treat and consider the person in whose name each book entry 2022 Bond is registered in the 2022 Bond Registration Books as the absolute Owner of such book entry 2022 Bond for the purpose of payment of principal of, premium and interest on such 2022 Bond, for the purpose of giving notices of redemption and other matters with respect to such 2022 Bond, for the purpose of registering transfers with respect to such 2022 Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium, if any, and interest on the 2022 Bonds only to or upon the order of the respective Owner, as shown in the 2022 Bond Registration Books, or his or her respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge

the District's obligations with respect to payment of principal of, premium, if any, and interest on the 2022 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the 2022 Bond Registration Books, shall receive a 2022 Bond evidencing the obligation to make payments of principal of, premium, if any, and interest on the 2022 Bonds. Upon delivery by the Depository to the District and the Trustee of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in the Indenture shall refer to such nominee of the Depository.

(b) Delivery of Letter of Representations. In order to qualify the book entry 2022 Bonds for the Depository's book entry system, if no Letter of Representations has been filed previously, the District shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District any obligation whatsoever with respect to persons having interests in such book entry 2022 Bonds other than the Owners, as shown on the 2022 Bond Registration Books. By executing a Letter of Representations, the District shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the Trustee in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District shall take such other actions, not inconsistent with the Indenture, as are reasonably necessary to qualify book entry 2022 Bonds for the Depository's book entry program.

(c) Selection of Depository. In the event that: (i) the Depository determines not to continue to act as Securities Depository for book entry 2022 Bonds; or (ii) the District determines that continuation of the book entry system is not in the best interest of the beneficial owners of the 2022 Bonds or the District, then the District will discontinue the book entry system with the Depository. If the District determines to replace the Depository with another qualified Securities Depository, the District shall prepare or direct the preparation of a new single, separate, fully registered 2022 Bond for each of the maturity dates of such book entry 2022 Bonds, registered in the name of such successor or substitute qualified Securities Depository or its Nominee as provided in subsection (e) hereof. If the District fails to identify another qualified Securities Depository to replace the Depository, then the 2022 Bonds shall no longer be restricted to being registered in such 2022 Bond Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such 2022 Bonds shall designate, in accordance with the provisions of Sections 2.03 and 2.04 hereof.

(d) Payments To Depository. Notwithstanding any other provision of the Indenture to the contrary, so long as all Outstanding 2022 Bonds are held in book entry form and registered in the name of the Nominee, all payments of principal of, redemption premium, if any, and interest on such 2022 Bond and all notices with respect to such 2022 Bond shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Trustee notwithstanding any inconsistent provisions herein.

(e) Transfer of 2022 Bonds to Substitute Depository.

(i) The 2022 Bonds shall be initially issued as provided in Section 2.01 hereof. Registered ownership of such 2022 Bonds, or any portions thereof, may not thereafter be transferred except:

(A) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to clause (B) of subsection (i) of this Section 2.08(e) ("Substitute

Depository”); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

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

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

(ii) In the case of any transfer pursuant to clause (A) or clause (B) of subsection (i) of this Section 2.08(e), upon receipt of all Outstanding 2022 Bonds by the Trustee, together with a Written Request of the District to the Trustee designating the Substitute Depository, a single new 2022 Bond, which the District shall prepare or cause to be prepared, shall be issued for each maturity of 2022 Bonds then Outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such Written Request of the District. In the case of any transfer pursuant to clause (C) of subsection (i) of this Section 2.08(e), upon receipt of all Outstanding 2022 Bonds by the Trustee, together with a Written Request of the District to the Trustee, new 2022 Bonds, which the District shall prepare or cause to be prepared, shall be issued in such denominations and registered in the names of such persons as are requested in such Written Request of the District, subject to the limitations of Section 2.01 hereof, provided that the Trustee shall not be required to deliver such new 2022 Bonds within a period of less than sixty (60) days from the date of receipt of such Written Request from the District.

(iii) In the case of a partial redemption or an advance refunding of any 2022 Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such 2022 Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Trustee, all in accordance with the Letter of Representations. The Trustee shall not be liable for such Depository's failure to make such notations or errors in making such notations and the records of the Trustee as to the Outstanding principal amount of such 2022 Bonds shall be controlling.

(iv) The District and the Trustee shall be entitled to treat the person in whose name any 2022 Bond is registered as the Owner thereof for all purposes of the Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the District; and the District and the Trustee shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the 2022 Bonds. Neither the District nor the Trustee shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any 2022 Bonds, and the Trustee may rely conclusively on its records as to the identity of the Owners of the 2022 Bonds.

ARTICLE III

ISSUANCE OF 2022 BONDS; APPLICATION OF PROCEEDS

Section 3.01 Issuance of the 2022 Bonds. At any time after the execution of the Indenture, the District may execute and the Trustee shall authenticate and, upon Written Request of the District, deliver the 2022 Bonds in the aggregate principal amounts set forth in Exhibit B.

Section 3.02 Application of Proceeds of the 2022 Bonds and Certain Other Moneys. The proceeds received by the Trustee from the sale of the 2022 Bonds shall be deposited with the Trustee in the Bond Proceeds Fund, which the Trustee shall establish, maintain and hold in trust as a separate fund. From the 2022 Bonds Account, the Trustee shall transfer the amounts set forth in Exhibit B hereto.

Following the foregoing transfer, the Trustee shall close the Bond Proceeds Fund. The Trustee may establish temporary funds or accounts, as needed, in its records to record and facilitate such deposits and transfer.

Section 3.03 Establishment and Application of Costs of Issuance Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance upon submission of Requisitions of the District, in the form attached hereto as Exhibit D, stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred, that such payment is a proper charge against said fund and that payment for such charge has not previously been made. On the six month anniversary of the issuance of the 2022 Bonds, or upon the earlier Written Request of the District, all amounts remaining in the Costs of Issuance Fund shall be transferred by the Trustee to the Interest Account and, upon a Written Request of the District, the Costs of Issuance Fund shall be closed. Investment earnings on amounts on deposit in the Costs of Issuance Fund shall be retained in the Cost of Issuance Fund.

Section 3.04 Validity of 2022 Bonds. The validity of the authorization and issuance of the 2022 Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the District or the Trustee with respect to any other agreement. The recital contained in the 2022 Bonds that the same are issued pursuant to the Constitution and laws of the State shall be conclusive evidence of the validity and of compliance with the provisions of law in their issuance.

ARTICLE IV

REDEMPTION OF 2022 BONDS

Section 4.01 Terms of Redemption.

(a) The 2022 Bonds shall be subject to extraordinary redemption prior to their respective stated maturities, as a whole or in part on any date in the order of maturity as directed by the District in a Written Request provided to the Trustee at least sixty (60) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date, in integral multiples of \$5,000 from Net Proceeds, upon the terms and conditions of, and as provided for

in, Sections 6.05 and 6.11, at a Redemption Price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

(b) The 2022 Bonds shall be subject to optional redemption as set forth in a certificate of the General Manager attached hereto as Exhibit B.

Section 4.02 Selection of 2022 Bonds for Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the 2022 Bonds, the Trustee shall select the 2022 Bonds for redemption as a whole or in part on any date as directed by the District, and if the 2022 Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the 2022 Bonds, if less than all of the 2022 Bonds of a maturity are called for prior optional redemption, the particular 2022 Bonds or portions thereof to be redeemed shall be selected on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided that, so long as the 2022 Bonds are held in book-entry form, the selection for redemption of such 2022 Bonds shall be made in accordance with the operational arrangements of DTC then in effect and if the DTC operational arrangements do not allow redemption on a *Pro Rata* Pass-Through Distribution of Principal basis, the 2022 Bonds will be selected for redemption in accordance with DTC procedures by lot and in integral multiples of \$5,000.

Notwithstanding the foregoing, if the 2022 Bonds are not then in book-entry form at the time of such redemption, on each redemption date, the Trustee shall select the 2022 Bonds for redemption as a whole or in part on any date as directed by the District in writing, and by lot within each maturity in integral multiples of \$5,000 in accordance with Section 4.01 hereof.

Section 4.03 Notice of Redemption. Notice of redemption shall be mailed by first class mail or other electronically secure means, to be selected by the District and communicated to the Trustee in writing, at least twenty (20) days but not more than sixty (60) days before any Redemption Date, to the respective Owners of any 2022 Bonds designated for redemption at their addresses appearing on the Registration Books, to the Securities Depositories and the Information Services. Each notice of redemption shall state the date of notice, the Redemption Date, the place or places of redemption, the Redemption Price, will designate the maturities, CUSIP numbers, if any, and, if less than all 2022 Bonds of any such maturity are to be redeemed, the serial numbers of the 2022 Bonds of such maturity to be redeemed by giving the individual number of each 2022 Bond or by stating that all 2022 Bonds between two stated numbers, both inclusive, have been called for redemption and, in the case of 2022 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the Redemption Date there will become due and payable on each of said 2022 Bonds or parts thereof designated for redemption the Redemption Price thereof or of said specified portion of the principal thereof in the case of a 2022 Bond to be redeemed in part only, together with interest accrued thereon to the Redemption Date, and that (provided that sufficient moneys for redemption have been deposited with the Trustee) from and after such Redemption Date interest thereon shall cease to accrue, and shall require that such 2022 Bonds be then surrendered to the Trustee at its Designated Corporate Trust Office. Neither the failure to receive such notice nor any defect in the notice or the mailing thereof will affect the validity of the redemption of any 2022 Bond. Notice of redemption of 2022 Bonds shall be delivered by the Trustee at the expense of the District.

With respect to any notice of optional redemption of 2022 Bonds, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, premium, if any, and interest on such

2022 Bonds to be redeemed and that, if such moneys shall not have been so received, said notice shall be of no force and effect and the Trustee shall not be required to redeem such 2022 Bonds. If funds are not available to consummate such optional redemption, and if the District has knowledge of such unavailability, the District shall notify the trustee in writing. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made, and the Trustee shall promptly after receipt of written instruction from the District, give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

Section 4.04 Partial Redemption of 2022 Bonds. Upon surrender of any 2022 Bond redeemed in part only, the District shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the District, a new 2022 Bond or 2022 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2022 Bonds surrendered and of the same series, interest rate and maturity.

Section 4.05 Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the date fixed for redemption on, the 2022 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the Redemption Date designated in such notice, the 2022 Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the 2022 Bonds so called for redemption shall cease to accrue, said 2022 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of said 2022 Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof. The Trustee shall, upon surrender for payment of any of the 2022 Bonds to be redeemed on their Redemption Dates, pay such 2022 Bonds at the Redemption Price.

All 2022 Bonds redeemed pursuant to the provisions of this Article shall be canceled upon surrender thereof.

ARTICLE V

REVENUES, FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST

Section 5.01 Pledge and Assignment; Revenue Fund.

(a) All of the Revenues, all amounts held in the Revenue Fund described in subsection (b) below and any other amounts (including proceeds of the sale of the 2022 Bonds) held in any fund or account established pursuant to the Indenture are hereby irrevocably pledged to secure the payment of the principal of and interest, and the premium, if any, on the 2022 Bonds in accordance with their terms and the provisions of the Indenture, subject however to the pledge thereon securing Senior Bonds and Senior Contract and, so long as any of the 2022 Bonds remain unpaid, the Revenues shall not be used for any other purpose; provided that out of the Revenues there may be apportioned such sums for such purposes as are expressly permitted herein. Said pledge, together with the pledge created for the benefit of other Bonds and Contracts, shall constitute a second lien on and security interest on Revenues and, subject to application of Revenues and all amounts on deposit therein as permitted herein, the Revenue Fund and other funds and accounts created hereunder for the payment of the principal of and interest, and the premium, if any, on the 2022 Bonds in accordance with the terms hereof, and shall attach, be perfected and be valid and binding from and after the Closing Date, without any physical delivery thereof or further act and shall be valid and binding against all parties

having claims of any kind in tort, contract or otherwise against the District, irrespective of whether such parties have notice hereof.

(b) In order to carry out and effectuate the pledge and lien contained herein, the District agrees and covenants to receive all Revenues in trust hereunder and such Revenues shall be deposited when and as received in a special fund designated as the "Revenue Fund," which fund is hereby continued and which fund the District agrees and covenants to maintain and to hold separate and apart from other funds so long as the 2022 Bonds remain unpaid. Moneys in the Revenue Fund shall be used and applied by the District as provided herein. All moneys in the Revenue Fund shall be held in trust and shall be applied, used and withdrawn for the purposes set forth in this Section.

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

(i) Senior Debt Service. Not later than six (6) Business Days prior to each Interest Payment Date, the District shall, from the moneys in the Revenue Fund, transfer to the applicable trustee for deposit in the respective payment fund, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, any other Senior Debt Service in accordance with the provisions of any Senior Bond or Senior Contract.

(ii) Senior Reserve Funds. Not later than five (5) Business Days prior to each Interest Payment Date, the District shall, from the remaining moneys in the Revenue Fund, thereafter, without preference or priority and in the event of any insufficiency of such moneys ratably without any discrimination or preference, transfer to the applicable trustee for such other reserve funds and/or accounts, if any, as may have been established in connection with Senior Bonds or Senior Contracts, that sum, if any, necessary to restore such funds or accounts to an amount equal to the reserve requirement with respect thereto.

(iii) Interest and Principal Payments. Not later than six (6) Business Days prior to each Interest Payment Date, the District shall, from the moneys in the Revenue Fund, transfer to the Trustee for deposit in the Payment Fund the amount, if any, necessary for the payments of interest and principal on the 2022 Bonds due and payable on such Interest Payment Date. The District shall also, from the moneys in the Revenue Fund, transfer to the applicable trustee for deposit in the respective payment fund, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, any other Debt Service in accordance with the provisions of any Bond or Contract.

(iv) Surplus. Moneys on deposit in the Revenue Fund on any date when the District reasonably expects such moneys will not be needed for the payment of Operation and Maintenance Costs or for any of the purposes described in clauses (b)(i), (b)(ii) or (b)(iii) may be expended by the District at any time for any purpose permitted by law.

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

Section 5.02 Application of Payment Fund. There is hereby established with the Trustee the Payment Fund, which the Trustee covenants to maintain and hold in trust separate and apart from other funds held by it so long as any principal of and interest on the 2022 Bonds remain unpaid. Except as directed herein, all payments of interest and principal on the 2022 Bonds transferred by the District from the Revenue Fund to the Payment Fund pursuant to Section 5.01(b) shall be promptly deposited by the Trustee upon receipt thereof into the Payment Fund; except that all moneys received by the Trustee and required hereunder to be deposited in the Redemption Fund shall be promptly deposited therein. All payments of interest and principal on the 2022 Bonds deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in the Indenture. The Trustee shall also establish and hold an Interest Account and a Principal Account within the Payment Fund.

The Trustee shall transfer from the Payment Fund and deposit into the following respective accounts the following amounts in the following order of priority and at the following times, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Not later than the Business Day preceding each Interest Payment Date, the Trustee shall deposit in the Interest Account that sum, if any, required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such Interest Payment Date on all 2022 Bonds then Outstanding. No deposit need be made into the Interest Account so long as there shall be in such fund moneys sufficient to pay the interest becoming due and payable on such Interest Payment Date on all 2022 Bonds then Outstanding.

(b) Not later than the Business Day preceding each date on which the principal of the 2022 Bonds shall become due and payable hereunder, the Trustee shall deposit in the Principal Account that sum, if any, required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the 2022 Bonds coming due and payable on such date. No deposit need be made into the Principal Account so long as there shall be in such fund moneys sufficient to pay the principal becoming due and payable on such date on all 2022 Bonds then Outstanding.

Section 5.03 Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the 2022 Bonds as it shall become due and payable (including accrued interest on any 2022 Bonds purchased or accelerated prior to maturity pursuant to the Indenture).

Section 5.04 Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal amount of the 2022 Bonds at maturity, purchase or acceleration; provided, however, that at any time prior to selection for redemption of any such 2022 Bonds, upon written direction of the District, the Trustee shall apply such amounts to the purchase of 2022 Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed pursuant to a Written Request of the District, except that the purchase price (exclusive of accrued interest) may not exceed the Redemption Price then applicable to the 2022 Bonds.

Section 5.05 Application of Redemption Fund. There is hereby established with the Trustee a special fund designated as the “Redemption Fund,” which shall be opened, as needed, upon receipt by the Trustee of written instruction from the District to so open. All amounts in the Redemption Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the Redemption Price of the 2022 Bonds to be redeemed on any Redemption Date pursuant to Section 4.01; provided, however, that at any time prior to selection for redemption of any such 2022 Bonds, upon written direction of the District, the Trustee shall apply such amounts to the purchase of 2022 Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed pursuant to a Written Request of the District, except that the purchase price (exclusive of accrued interest) may not exceed the Redemption Price then applicable to the 2022 Bonds.

Section 5.06 Investments. All moneys in any of the funds or accounts established with the District or the Trustee pursuant to the Indenture shall be invested by the District or the Trustee, as the case may be, solely in Permitted Investments, which will, as nearly as practicable, mature on or before the dates when such moneys are anticipated to be needed for disbursement. Any investments by the Trustee shall be directed by the District pursuant to a Written Request of the District filed with the Trustee at least two (2) Business Days in advance of the making of such investments (which directions shall be promptly confirmed to the Trustee in writing). In the absence of any such directions from the District, the Trustee shall invest any such moneys in Permitted Investments described in clause (d) of the definition thereof; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction from the District specifying a specific money market fund and, if no such written direction from the District is so received, the Trustee shall hold such moneys uninvested. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the Interest Account unless otherwise provided in the Indenture. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses, fees, taxes or other charges arising from any investments, reinvestments and liquidations of investments made pursuant to this Section 5.06.

The District acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee shall, upon receipt of a Written Request, furnish the District cash transaction statements which include detail for all investment transactions effected by the Trustee and brokers selected by the District. Upon the District’s election, such statements will be delivered via the Trustee’s Online Trust and Custody service and paper statements will be provided only upon request. The District waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The District further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

The Trustee may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or an affiliate. The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the

Trustee hereunder. The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee under the Indenture.

The District shall invest, or cause to be invested, all moneys in any fund or accounts established with the Trustee as provided in the Tax Certificate.

For investment purposes, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately. In making any valuations of investments hereunder, the Trustee may utilize and rely on computerized securities pricing services that may be available to the Trustee, including those available through the Trustee accounting system.

Section 5.07 Application of Funds and Accounts When No 2022 Bonds are Outstanding. On the date on which all 2022 Bonds shall be retired hereunder or provision made therefor pursuant to Article X and after payment of all amounts due the Trustee hereunder, all moneys then on deposit in any of the funds or accounts established with the Trustee pursuant to the Indenture shall be withdrawn by the Trustee and paid to the District for use by the District at any time for any purpose permitted by law.

Section 5.08 Additional Contracts and Bonds. The District may at any time execute any Contract or issue any Bonds, as the case may be, in accordance herewith; provided:

(a) The Net Revenues for the most recent audited Fiscal Year preceding the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds or the date of the execution of such Contract, as the case may be, or for any 12 consecutive calendar months during the 18 calendar month period preceding the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds or the date of the execution of such Contract, as the case may be, as evidenced by both a calculation prepared by the District and a special report prepared by an Independent Certified Public Accountant or an Independent Municipal Advisor on such calculation on file with the District, shall have produced a sum equal to at least one hundred percent (100%) of the Debt Service for such Fiscal Year or 12 month period; and

(b) The Net Revenues for the most recent audited Fiscal Year preceding the date of the execution of such Contract or the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds, as the case may be, or for any 12 consecutive calendar months during the 18 calendar month period preceding the date of adoption by the Board of Directors of the District of the resolution authorizing the issuance of such Bonds or the date of the execution of such Contract, as the case may be, including adjustments to give effect as of the first day of such Fiscal Year or 12 month period to increases or decreases in rates and charges for the Water Service and Wastewater Service approved and in effect as of the date of calculation, as evidenced by a calculation prepared by the District, shall have produced a sum equal to at least one hundred percent (100%) of the Debt Service for such Fiscal Year or 12 month period plus the Debt Service which would have accrued on any Contracts executed or Bonds issued since the end of such Fiscal Year or 12 month period assuming such Contracts had been executed or Bonds had been issued at the beginning of such Fiscal Year or 12 month period, plus the Debt Service which would have accrued had such Contract been executed or Bonds been issued at the beginning of such Fiscal Year or 12 month period; and

(c) The estimated Net Revenues for the then current Fiscal Year and for each Fiscal Year thereafter to and including the first complete Fiscal Year after the latest Date of Operation of any uncompleted Parity Project, as evidenced by a certificate of the General Manager of the District on file

with the District, including (after giving effect to the completion of all such uncompleted Parity Projects) an allowance for estimated Net Revenues for each of such Fiscal Years arising from any increase in the income, rents, fees, rates and charges estimated to be fixed, prescribed or received for the Water Service and Wastewater Service and which are economically feasible and reasonably considered necessary based on projected operations for such period, as evidenced by a certificate of the General Manager on file with the District, shall produce a sum equal to at least one hundred percent (100%) of the estimated Debt Service for each of such Fiscal Years, after giving effect to the execution of all Contracts and the issuance of all Bonds estimated to be required to be executed or issued to pay the costs of completing all uncompleted Parity Projects within such Fiscal Years, assuming that all such Contracts and Bonds have maturities, interest rates and proportionate principal repayment provisions similar to the Contract last executed or then being executed or the Bonds last issued or then being issued for the purpose of acquiring and constructing any of such uncompleted Parity Projects.

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

Notwithstanding satisfaction of the other conditions to the execution of any Contract or the issuance of Bonds set forth in this Section 5.08, no such execution or issuance may occur if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such Event of Default shall be cured upon such execution or issuance.

ARTICLE VI

PARTICULAR COVENANTS

Section 6.01 Compliance with Indenture. The Trustee will not authenticate or deliver any 2022 Bond in any manner other than in accordance with the provisions of this Indenture, and the District will not suffer or permit any default by it to occur under this Indenture, but will faithfully observe and perform all the covenants, conditions and requirements hereof.

Section 6.02 Budgets. On or prior to the fifteenth day of each Fiscal Year, the District shall certify to the Trustee that the amounts budgeted for payment of principal and interest on the 2022 Bonds are fully adequate for the payment of all principal and interest on the 2022 Bonds for such Fiscal Year. If the amounts so budgeted are not adequate for the payment of all principal and interest on the 2022 Bonds, the District will take such action as may be necessary to cause such annual budget to be amended, corrected or augmented so as to include therein the amounts required to be raised by the District in the then ensuing Fiscal Year for the payment of all principal and interest on the 2022 Bonds and will notify the Trustee in writing of the proceedings then taken or proposed to be taken by the District.

Section 6.03 Payment of Taxes and Compliance with Governmental Regulations. The District will pay and discharge all taxes, assessments and other governmental charges which may hereafter be lawfully imposed upon the Water System, Wastewater System, or any part thereof or upon the Revenues when the same shall become due. The District will duly observe and comply with all valid regulations and requirements of any governmental authority relative to the operation of the Water System, Wastewater System, or any part thereof, but the District shall not be required to comply with

any regulations or requirements so long as the validity or application thereof shall be contested in good faith.

Section 6.04 Observance of Laws and Regulations. To the extent necessary to assure its performance hereunder, the District will well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the District, including its right to exist and carry on its business, to the end that such contracts, rights and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 6.05 Eminent Domain Proceeds. If all or any part of the Water System or Wastewater System shall be taken by eminent domain proceedings, the Net Proceeds thereof shall be applied as follows:

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

(b) If the foregoing conditions are not met, then such Net Proceeds shall be applied by the District in part to the prepayment of Senior Bonds and Senior Contracts and thereafter the 2022 Bonds as provided in Article IV and in part to such other fund or account as may be appropriate and used for the retirement of Bonds and Contracts in the same proportion which the aggregate unpaid principal balance of principal and Interest due on the 2022 Bonds then bears to the aggregate unpaid principal amount of such Bonds and Contracts.

Section 6.06 Against Sale or Other Disposition of Property. The District will not enter into any agreement or lease which impairs the operation of the Water System or Wastewater System or any part thereof necessary to secure adequate Revenues for the payment of the principal and interest due on the 2022 Bonds, or which would otherwise impair the operation of the Water System or Wastewater System. Any real or personal property which has become nonoperative or which is not needed for the efficient and proper operation of the Water System or Wastewater System, or any material or equipment which has become worn out, may be sold if such sale will not impair the ability of the District to pay the principal and interest on the 2022 Bonds when due and if the proceeds of such sale are deposited in the Revenue Fund.

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

Section 6.07 Against Competitive Facilities. To the extent permitted by law, the District covenants that it will not acquire, construct, maintain or operate and will not, to the extent permitted by law and within the scope of its powers, permit any other public or private agency, corporation, district or political subdivision or any person whomsoever to acquire, construct, maintain or operate within the District any water or wastewater system competitive with the Water System or Wastewater System.

Section 6.08 Maintenance and Operation of the Water System and Wastewater System. The District will maintain and preserve the Water System and Wastewater System in good repair and working order at all times and will operate the Water System and Wastewater System in an efficient and economical manner and will pay all Operation and Maintenance Costs as they become due and payable.

Section 6.09 Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien on the Revenues or the funds or accounts created hereunder or on any funds in the hands of the District pledged to pay the principal and interest on the 2022 Bonds or to the Owners prior or superior to the lien of the 2022 Bonds or which might impair the security of the principal and interest due on the 2022 Bonds.

Section 6.10 Compliance with Contracts. The District will neither take nor omit to take any action under any contract if the effect of such act or failure to act would in any manner impair or adversely affect the ability of the District to pay the principal and interest on the 2022 Bonds when due; and the District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, express or implied, required to be performed by it contained in all other contracts affecting or involving the Water System or Wastewater System, to the extent that the District is a party thereto.

Section 6.11 Insurance.

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

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

If such Net Proceeds exceed the costs of such reconstruction, repair or replacement portion of the Water System or Wastewater System, respectively, and/or the cost of the construction of additions, betterments, extensions or improvements to the Water System or Wastewater System, respectively, then the excess Net Proceeds shall be applied first for the retirement of Senior Bonds and Senior Contracts and thereafter in part to the prepayment of principal and interest on the 2022 Bonds as provided in Article X and in part to such other fund or account as may be appropriate and used for the retirement of Bonds and Contracts in the same proportion which the aggregate unpaid principal balance of the 2022 Bonds then bears to the aggregate unpaid principal amount of such Bonds and Contracts. If such Net Proceeds are sufficient to enable the District to retire the entire obligation evidenced hereby prior to the final due date of the principal and interest on the 2022 Bonds as well as the entire obligations evidenced by Bonds and Contracts then remaining unpaid prior to their final respective due dates, the District may elect not to reconstruct, repair or replace the damaged or destroyed portion of the Water System or Wastewater System, and/or not to construct other additions, betterments, extensions or improvements to the Water System or Wastewater System; and thereupon such Net Proceeds shall be applied to the prepayment of principal and interest on the 2022 Bonds as provided in Article X and to the retirement of such Bonds and Contracts.

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

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

Section 6.12 Amount of Rates and Charges.

(a) To the fullest extent permitted by law, the District shall fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the Water System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Water System Revenues equal to one hundred percent (100%) of Debt Service for such Fiscal Year allocable to the Water System.

(b) To the fullest extent permitted by law, the District shall fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Wastewater Service provided by the Wastewater System which are reasonably expected to be at least sufficient to yield during each Fiscal Year Net Wastewater System Revenues equal to one hundred percent (100%) of Debt Service for such Fiscal Year allocable to the Wastewater System.

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

(d) For the avoidance of doubt, so long as the District has complied with its obligations set forth in subsections (a) and (b) above, the failure of Net Water System Revenues or Net Wastewater System Revenues to meet the thresholds set forth in Section 6.12(a) or (b) above at the end of a Fiscal Year shall not constitute a default or an Event of Default so long as the District has complied with Section 6.12(a) and (b) at the commencement of the succeeding Fiscal Year.

Section 6.13 Collection of Rates and Charges. The District will have in effect at all times by-laws, rules and regulations requiring each customer to pay the rates and charges applicable to the Water Service and Wastewater Service and providing for the billing thereof and for a due date and a delinquency date for each bill.

Section 6.14 Enforcement of Contracts. The District will not voluntarily consent to or permit any rescission of, nor will it consent to any amendment to or otherwise take any action under or in connection with any contracts previously or hereafter entered into if such rescission or amendment would in any manner impair or adversely affect the ability of the District to pay principal and interest on the 2022 Bonds.

Section 6.15 Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, any Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, “Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2022 Bond (including persons holding 2022 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any 2022 Bond for federal income tax purposes.

Section 6.16 Compliance with U.S. Bureau of Reclamation Contract. The District will comply with Article No. 12 of the U.S. Bureau of Reclamation Contract which requires the District to levy and collect all necessary taxes and assessments to make the payment thereunder.

Section 6.17 Punctual Payment. The District shall cause the Trustee to pay the principal and interest to become due in respect of all of the 2022 Bonds, in strict conformity with the terms of the 2022 Bonds and of the Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in the Indenture.

Section 6.18 Extension of Payment of 2022 Bonds. The District shall not directly or indirectly extend or assent to the extension of the maturity of any of the 2022 Bonds or the time of payment of any claims for interest by the purchase of such 2022 Bonds or by any other arrangement, and in case the maturity of any of the 2022 Bonds or the time of payment of any such claims for interest shall be extended, such 2022 Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of the Indenture, except subject to the prior payment in full of the principal of all of the 2022 Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended.

Section 6.19 Against Encumbrances. The District will not make any pledge of or place any lien on Revenues or the moneys in the Revenue Fund except with respect to Senior Bonds, Senior Contracts or as provided herein. The District may at any time, or from time to time, execute Contracts

or issue Bonds as permitted herein or incur evidences of indebtedness or incur other obligations for any lawful purpose which are payable from and secured by a pledge of lien on Revenues on any moneys in the Revenue Fund as may from time to time be deposited therein, provided that such pledge and lien shall be subordinate in all respects to the pledge of and lien thereon provided herein.

Section 6.20 Power to Issue 2022 Bonds and Make Pledge and Assignment. The District is duly authorized pursuant to law to issue the 2022 Bonds and to enter into the Indenture and to pledge and assign the Revenues and other assets purported to be pledged and assigned under the Indenture in the manner and to the extent provided in the Indenture. The 2022 Bonds and the provisions of the Indenture are and will be the legal, valid and binding special obligations of the District in accordance with their terms, and the District and the Trustee shall at all times, subject to the provisions of Article VIII and to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the 2022 Bond Owners under the Indenture against all claims and demands of all persons whomsoever.

Section 6.21 Accounting Records and Financial Statements.

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

(b) The District will prepare and file with the Trustee annually within two hundred seventy (270) days after the close of each Fiscal Year (commencing with the Fiscal Year ending December 31, 2021) financial statements of the District for the preceding Fiscal Year prepared in accordance with generally accepted accounting principles, together with an Accountant's Report thereon.

Section 6.22 Waiver of Laws. The District shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in the Indenture or in the 2022 Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the District to the extent permitted by law.

Section 6.23 Further Assurances. The District will make, execute and deliver any and all such further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture and for the better assuring and confirming unto the Owners of the 2022 Bonds of the rights and benefits provided in the Indenture.

Section 6.24 Prosecution and Defense of Suits. The District shall promptly, upon request of the Trustee or any 2022 Bond Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Revenues or any part thereof, whether now existing or hereafter developing, shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee (including all of its employees, officers and directors) and every 2022 Bond Owner harmless from all loss, cost, damage and expense, including attorneys' fees and expenses, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

The District shall defend against every suit, action or proceeding at any time brought against the Trustee (including all of its employees, officers and directors) or any 2022 Bond Owner upon any

claim by a 2022 Bond Owner or a third party arising out of the receipt, application or disbursement of any of the payments of principal of or interest on the 2022 Bonds or involving the rights of the Trustee or any 2022 Bond Owner under the Indenture; provided that the Trustee or any 2022 Bond Owner at such party's election may appear in and defend any such suit, action or proceeding. The District shall indemnify and hold harmless the Trustee and the 2022 Bond Owners against any and all liability claimed or asserted by any such person, arising out of such receipt, application or disbursement, and shall indemnify and hold harmless the 2022 Bond Owners against any attorneys' fees or other expenses which any of them may incur in connection with any litigation (including pre-litigation activities) to which any of them may become a party by reason of ownership of 2022 Bonds. The District shall promptly reimburse the Trustee and any 2022 Bond Owner in the full amount of any attorneys' fees or other expenses which the Trustee or such Owner may incur in litigation or otherwise in order to enforce such party's rights under the Indenture or the 2022 Bonds.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF 2022 BOND OWNERS

Section 7.01 Events of Default. The following events shall be Events of Default hereunder:

(a) Default by the District in the due and punctual payment of the principal of any 2022 Bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Default by the District in the due and punctual payment of the interest on any 2022 Bonds when and as the same shall become due and payable.

(c) Default by the District in the observance of any of the other covenants, agreements or conditions on its part in the Indenture or in the 2022 Bonds if such default shall have continued for a period of thirty (30) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the District by the Trustee or by the Owners of not less than a majority in aggregate principal amount of 2022 Bonds Outstanding; provided, however, that if in the reasonable opinion of the District the default stated in the notice can be corrected, but not within such thirty (30) day period and corrective action is instituted by the District within such thirty (30) day period and diligently pursued in good faith until the default is corrected such default shall not be an Event of Default hereunder.

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

(e) Payment of the principal of any Bond or with respect to any Contract is accelerated in accordance with its terms.

Section 7.02 Remedies Upon Event of Default. If any Event of Default specified in Section 7.01(d) or (e) shall occur and be continuing, the Trustee shall, and for any other Event of Default, the

Trustee may, in each case, upon notice in writing to the District, declare the principal of all of the 2022 Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the Indenture or in the 2022 Bonds contained to the contrary notwithstanding.

Nothing contained herein shall permit or require the Trustee to accelerate payments due under the Indenture if the District is not in default of its obligation hereunder.

Any such declaration is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the District shall deposit with the Trustee a sum sufficient to pay all the principal of and interest on the 2022 Bonds which is overdue, with interest on such overdue principal at the rate borne by the respective 2022 Bonds to the extent permitted by law, and all charges and expenses of the Trustee, and any and all other Events of Default actually known to a Responsible Officer of the Trustee, shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case the Trustee shall on behalf of the Owners of all of the 2022 Bonds, rescind and annul such declaration and its consequences and waive such Event of Default; but no such rescission and annulment shall extend to or shall affect any subsequent Event of Default, or shall impair or exhaust any right or power consequent thereon.

Section 7.03 Application of Revenues and Other Funds After Default. If an Event of Default shall occur and be continuing, all Revenues held or thereafter received by the Trustee and any other funds then held or thereafter received by the Trustee under any of the provisions of the Indenture shall be applied in the following order:

(i) To the payment of any expenses necessary to protect the interests of the Owners of the 2022 Bonds and payment of fees and expenses of the Trustee (including fees, expenses and disbursements of its accountants and counsel) incurred in and about the performance of its powers and duties under the Indenture;

(ii) To the payment of Operation and Maintenance Costs;

(iii) To the payment of the principal of and interest then due on all Senior Bonds and Senior Contracts;

(iv) To the payment of the principal of and interest then due on the 2022 Bonds (upon presentation of the 2022 Bonds to be paid, and stamping or otherwise noting thereon of the payment if only partially paid, or surrender thereof if fully paid), in accordance with the provisions of the Indenture, the payment of the principal and interest then due with respect to such Contract in accordance with the provisions thereof and the payment of the principal of and interest then due on such Bonds in accordance with the provisions thereof and of any indenture related thereto, in the following order of priority:

First: To the payment to the persons entitled thereto of all installments of interest then due on the 2022 Bonds, with respect to such Contract or on such Bonds, as applicable, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of all installments of unpaid principal of any 2022 Bond, with respect to such Contract or on such Bonds, as applicable, which shall have become due, whether at maturity or by acceleration or redemption, with interest on the overdue principal at the rate of eight percent (8%) per annum, and, if the amount available shall not be sufficient to pay in full all the 2022 Bonds together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

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

Section 7.04 Trustee to Represent 2022 Bond Owners. The Trustee is hereby irrevocably appointed (and the successive respective Owners of the 2022 Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney in fact of the Owners of the 2022 Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Owners under the provisions of the 2022 Bonds or the Indenture and applicable provisions of law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the 2022 Bond Owners, the Trustee in its reasonable judgment may, and upon the written request of the Owners of a majority in aggregate principal amount of the 2022 Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall proceed to protect or enforce its rights or the rights of such Owners by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Owners under the 2022 Bonds or the Indenture or any law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Revenues and other assets pledged under the Indenture, pending such proceedings. All rights of action under the Indenture or the 2022 Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the 2022 Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Owners of such 2022 Bonds, subject to the provisions of the Indenture.

Section 7.05 2022 Bond Owners' Direction of Proceedings. Anything in the Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the 2022 Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, and upon indemnification of the Trustee to its satisfaction, to direct the method of conduct in all remedial proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of the Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to 2022 Bond Owners not parties to such direction.

Section 7.06 Suit by Owners. No Owner of any 2022 Bonds shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under the Indenture with respect to such 2022 Bonds, unless: (a) such Owners shall have given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of not less than fifty percent (50%) in aggregate principal amount of the 2022 Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit,

action or proceeding in its own name; (c) such Owner or Owners shall have tendered to the Trustee indemnity against the costs, claims, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee shall have failed to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee; and (e) no direction inconsistent with such written request shall have been given to the Trustee during such sixty (60) day period by the Owners of a majority in aggregate principal amount of the 2022 Bonds then Outstanding.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of 2022 Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of 2022 Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Indenture or the rights of any other Owners of 2022 Bonds (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such Owners), or to enforce any right under the 2022 Bonds, the Indenture, or applicable law with respect to the 2022 Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding 2022 Bonds, subject to the provisions of the Indenture.

Section 7.07 Absolute Obligation of the District. Nothing in this Section 7.07 or in any other provision of the Indenture or in the 2022 Bonds shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the 2022 Bonds to the respective Owners of the 2022 Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, but only out of the Revenues and other assets herein pledged therefor, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the 2022 Bonds.

Section 7.08 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners of the 2022 Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 7.09 No Waiver of Default. No delay or omission of the Trustee or of any Owner of the 2022 Bonds to exercise any right or power arising upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein.

ARTICLE VIII

THE TRUSTEE

Section 8.01 Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, perform such duties and only such duties as are expressly and specifically set forth in the Indenture, and no implied covenants or duties shall be read into the Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default

(which has not been cured or waived), exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The District may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the 2022 Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee and thereupon the District shall promptly appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the District and by giving the 2022 Bond Owners notice of such resignation by mail at the addresses shown on the Registration Books. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any 2022 Bond Owner (on behalf of himself and all other 2022 Bond Owners) may, at the sole cost and expense of the District, petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under the Indenture shall signify its acceptance of such appointment by executing and delivering to the District and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the District or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under the Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the District shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the District shall mail or cause the successor trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each Rating Agency which is then rating the 2022 Bonds and to the 2022 Bond Owners at the addresses shown on the Registration Books. If the District fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the District.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a trust company, banking association or bank having the powers of a trust company, having a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000), and subject to supervision or examination for federal or state authority. If such bank, banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such trust company, banking association or bank shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign promptly in the manner and with the effect specified in this Section.

Section 8.02 Merger or Consolidation. Any trust company, banking association or bank into which the Trustee may be merged or converted or with which it may be consolidated or any trust company, banking association or bank resulting from any merger, conversion or consolidation to which it shall be a party or any trust company, banking association or bank to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such trust company, banking association or bank shall be eligible under subsection (e) of Section 8.01, shall be the successor to such Trustee, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 8.03 Liability of Trustee.

(a) The recitals of facts herein and in the 2022 Bonds shall be taken as statements of the District, and the Trustee shall not assume responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of the Indenture or the 2022 Bonds, nor shall the Trustee incur any responsibility in respect thereof, other than as expressly stated herein in connection with the respective duties or obligations herein or in the 2022 Bonds assigned to or imposed upon it. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the 2022 Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may become the Owner of 2022 Bonds with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of 2022 Bond Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the 2022 Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority (or such other percentage provided for herein) in aggregate principal amount of the 2022 Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under the Indenture.

(d) The Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the rights or powers conferred upon it by the Indenture.

(e) The Trustee shall not be deemed to have knowledge or notice (in each case, either actual or constructive) of any default or Event of Default hereunder or any other event which, with the passage of time, the giving of notice, or both, would constitute an Event of Default hereunder unless and until a Responsible Officer of the Trustee shall have actual knowledge of such event or a Responsible Officer of the Trustee shall have been notified in writing, in accordance with Section 11.07, of such event by the District or the Owners of not less than fifty percent (50%) of the 2022 Bonds then Outstanding. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by the District of any of the terms, conditions, covenants or agreements herein of any of the documents executed in connection with the 2022 Bonds, or as to the existence of an Event of Default thereunder or an event which would, with the giving of notice, the passage of time, or both, constitute an Event of Default thereunder. The Trustee shall not be responsible for the validity, effectiveness or priority of any collateral given to or held by it.

(f) No provision of the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, or in the exercise of any of its rights or powers.

(g) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request or direction of Owners pursuant to the Indenture, unless such Owners shall have offered to the Trustee indemnity satisfactory to it against the costs, claims, expenses and liabilities which might be incurred by it in compliance with such request or direction. No permissive power, right or remedy conferred upon the Trustee hereunder shall be construed to impose a duty to exercise such power, right or remedy and the Trustee shall not be answerable for other than its own negligence or willful misconduct.

(h) Whether or not herein expressly so provided, every provision of the Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article VIII.

(i) The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the 2022 Bonds.

(j) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(k) The Trustee may execute any of the trusts or powers of the Indenture and perform any of its duties through attorneys, agents and receivers and shall not be answerable for the conduct of the same if appointed by it with reasonable care.

(l) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, which affect the Trustee’s ability to perform its obligations hereunder, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other

party, fires, floods, epidemics, quarantine restrictions, recognized public emergencies, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Revenues, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(m) The Trustee agrees to accept and act upon instructions or directions pursuant to the Indenture sent by secured e-mail, facsimile transmission or other similar secured electronic methods, provided, however, that, for purposes of this Indenture, an e-mail does not constitute a notice, request, or other communication hereunder but rather, the portable document format or similar attachment attached to such e-mail shall constitute a notice, request, or other communication hereunder and provided further that the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs, claims or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding the fact that such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(n) The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

(o) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 8.04 Right to Rely on Documents. The Trustee shall be protected in acting upon any notice, resolution, requisition, request, consent, order, certificate, report, opinion, notes, direction, facsimile transmission, electronic mail or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel of its selection with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee may make such further inquiry or investigation into such facts or matters as it may see fit.

The Trustee may treat the Owners of the 2022 Bonds appearing in the Trustee's Registration Books as the absolute owners of the 2022 Bonds for all purposes and the Trustee shall not be affected by any notice to the contrary.

Whenever in the administration of the trusts imposed upon it by the Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate, Request or Requisition of the District and such Certificate, Request or Requisition shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of the Indenture in reliance upon such Certificate, Request or Requisition, but the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 8.05 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of the Indenture shall be retained in its respective possession and shall be subject at all reasonable times to the inspection of the District, and any 2022 Bond Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 8.06 Compensation and Indemnification. The District shall pay to the Trustee from time to time all compensation as previously agreed upon in writing for all services rendered under the Indenture, and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under the Indenture.

The District shall indemnify, defend and hold harmless the Trustee, its officers, employees, directors and agents from and against any loss, costs, claims, liability or expense (including fees and expenses of its attorneys and advisors) incurred to a 2022 Bond Owner or a third party without negligence on its part, arising out of or in connection with the execution of the Indenture, acceptance or administration of this trust, including costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers hereunder. The rights of the Trustee and the indemnification obligations of the District shall survive removal or resignation of the Trustee hereunder or the discharge of the 2022 Bonds and the Indenture.

ARTICLE IX

MODIFICATION OR AMENDMENT OF THE INDENTURE

Section 9.01 Amendments Permitted.

(a) The Indenture and the rights and obligations of the District, the Owners of the 2022 Bonds, and the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental thereto. No such modification or amendment shall extend the fixed maturity of any 2022 Bonds, or reduce the amount of principal thereof or premium (if any) thereon, or extend the time of payment, or change the rate of interest or the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Owner of each 2022 Bond so affected. Promptly after the execution by the District and the Trustee of any Supplemental Indenture pursuant to this subsection (a), the Trustee shall mail a notice, setting forth in general terms the substance of such Supplemental Indenture, to each Rating Agency and the Owners

of the 2022 Bonds at the respective addresses shown on the Registration Books. Notice of proposed execution shall be prepared by the District. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

(b) The Indenture and the rights and obligations of the District, the Trustee and the Owners of the 2022 Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the District and the Trustee may enter into without the consent of any 2022 Bond Owners, if the Trustee shall receive an opinion of Bond Counsel to the effect that the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Owners of the Outstanding 2022 Bonds, including, without limitation, for any one or more of the following purposes:

(1) to add to the covenants and agreements of the District contained in the Indenture other covenants and agreements thereafter to be observed, to pledge or assign additional security for the 2022 Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the District;

(2) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Indenture, or in regard to matters or questions arising under the Indenture, as the District may deem necessary or desirable; and

(3) to modify, amend or supplement the Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereunder in effect, and to add such other terms conditions and provisions as may be permitted by said act or similar federal statute.

(c) The Trustee may in its reasonable judgment, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (a) or (b) of this Section which materially adversely affects the Trustee's own rights, duties or immunities under the Indenture or otherwise.

(d) Prior to the Trustee entering into any Supplemental Indenture hereunder, there shall be delivered to the Trustee an opinion of Bond Counsel stating, in substance, that such Supplemental Indenture has been adopted in compliance with the requirements of the Indenture and that the adoption of such Supplemental Indenture will not, in and of itself, adversely affect the exclusion of interest on the 2022 Bonds from State income taxation.

Section 9.02 Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article, the Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of the District, the Trustee and all Owners of 2022 Bonds Outstanding shall thereafter be determined, exercised and enforced thereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

Section 9.03 Endorsement of 2022 Bonds; Preparation of New 2022 Bonds. 2022 Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the

District and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand on the Owner of any 2022 Bonds Outstanding at the time of such execution and presentation of his or her 2022 Bonds for such purpose at the Designated Corporate Trust Office of the Trustee or at such additional offices as the Trustee may select and designate for such purpose, a suitable notation shall be made on such 2022 Bonds. If the Supplemental Indenture shall so provide, new 2022 Bonds so modified as to conform, in the opinion of the District and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the District and authenticated by the Trustee, and upon demand on the Owners of any 2022 Bonds then Outstanding shall be exchanged at the Designated Corporate Trust Office of the Trustee, without cost to any 2022 Bond Owner, for 2022 Bonds then Outstanding, upon surrender for cancellation of such 2022 Bonds, in equal aggregate principal amount of the same maturity.

Section 9.04 Amendment of Particular 2022 Bonds. The provisions of this Article shall not prevent any 2022 Bond Owner from accepting any amendment as to the particular 2022 Bonds held by such 2022 Bond Owner.

ARTICLE X

DEFEASANCE

Section 10.01 Discharge of Indenture. The 2022 Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

- (a) by paying or causing to be paid the principal of and interest and redemption premiums (if any) on such 2022 Bonds, as and when the same become due and payable;
- (b) by the deposit with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem all 2022 Bonds then Outstanding; or
- (c) by delivering to the Trustee, for cancellation by it, all of the 2022 Bonds then Outstanding.

If the District shall also pay or cause to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (as evidenced by a Certificate of the District filed with the Trustee, signifying the intention of the District to discharge all such indebtedness and the Indenture), and notwithstanding that any such 2022 Bonds shall not have been surrendered for payment, the Indenture and the pledge of Revenues and other assets made under the Indenture, and all covenants, agreements and other obligations of the District under the Indenture shall cease, terminate, become void and be completely discharged and satisfied. In such event, upon the Written Request of the District, the Trustee shall execute and deliver to the District all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver all moneys or securities or other property held by it pursuant to the Indenture which are not required for the payment or redemption of such 2022 Bonds not theretofore surrendered for such payment or redemption to the District.

Section 10.02 Discharge of Liability on 2022 Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding 2022 Bonds (whether upon or prior to the maturity or the Redemption Date of such 2022 Bonds), provided that, if such Outstanding 2022 Bonds are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Article IV or provisions satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the District in respect of such 2022 Bonds shall cease, terminate and be completely discharged, and the Owners thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Trustee as aforesaid for their payment, subject however, to the provisions of Section 10.04.

The District may at any time surrender to the Trustee for cancellation by it any 2022 Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such 2022 Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 10.03 Deposit of Money or Securities with Trustee. Whenever in the Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any 2022 Bonds, the money or securities so to be deposited or held shall be invested in Defeasance Securities and shall be held by the Trustee in the funds and accounts established pursuant to the Indenture. Defeasance may be accomplished by depositing with the Trustee:

(a) lawful money of the United States of America in an amount equal to the principal amount of such 2022 Bonds and all unpaid interest thereon to maturity, except that, in the case of 2022 Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as provided in Article IV or provisions satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount of such 2022 Bonds and all unpaid interest and premium, if any, thereon to the Redemption Date; or

(b) Defeasance Securities the principal of and interest on which when due will, in the written opinion of an Independent Certified Public Accountant or Independent Municipal Advisor filed with the District and the Trustee, provide money sufficient to pay the principal of and all unpaid interest to maturity, or to the Redemption Date (with premium, if any), as the case may be, on the 2022 Bonds to be paid or redeemed as directed by the District as such principal, interest and premium, if any, become due, provided that in the case of 2022 Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that: (i) the Trustee shall have been irrevocably instructed (by the terms of the Indenture or by Written Request of the District) to apply such money to the payment of such principal, interest and premium, if any, with respect to such 2022 Bonds as directed by the District; (ii) the District shall have delivered to the Trustee an opinion of Bond Counsel addressed to the District and the Trustee to the effect that such 2022 Bonds have been discharged in accordance with the Indenture (which opinion may rely upon and assume the accuracy of the Independent Certified Public Accountant's or Independent Municipal Advisor's opinion referred to above); (iii) the District shall have delivered an escrow agreement; and (iv) the District shall have delivered a certificate of discharge of the Trustee with respect to the 2022 Bonds. The opinion of Bond Counsel and Independent Certified

Public Accountant's or Independent Municipal Advisor's opinion referred to above shall be acceptable in form and substance, and addressed, to the District and the Trustee.

The 2022 Bonds shall be deemed Outstanding under this Indenture unless and until they are in fact paid and retired or the above criteria are met.

Section 10.04 Payment of 2022 Bonds After Discharge of Indenture. Notwithstanding any provisions of the Indenture, any moneys held by the Trustee in trust for the payment of the principal of, or interest on, any 2022 Bonds and remaining unclaimed for six (6) months after the principal of all of the 2022 Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in the Indenture), if such moneys were so held at such date, or six (6) months after the date of deposit of such moneys if deposited after said date when all of the 2022 Bonds became due and payable, shall be repaid to the District free from the trusts created by the Indenture upon receipt of an indemnification agreement acceptable to the District and the Trustee indemnifying the Trustee with respect to claims of Owners of 2022 Bonds which have not yet been paid, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the District as aforesaid, the Trustee shall at the written direction of the District (at the cost of the District), first mail to the Owners of 2022 Bonds which have not yet been paid, at the addresses shown on the Registration Books, a notice with respect to the 2022 Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Liability Limited. Notwithstanding anything in the Indenture or the 2022 Bonds, but subject to the priority of payment with respect to Operation and Maintenance Costs, the District shall not be required to advance any moneys derived from any source other than the Revenues, the Revenue Fund and other moneys pledged under the Indenture for any of the purposes mentioned in the Indenture, whether for the payment of the principal of or interest on the 2022 Bonds or for any other purpose of the Indenture. Nevertheless, the District may, but shall not be required to, advance for any of the purposes hereof any funds of the District which may be made available to it for such purposes.

Section 11.02 Successor Is Deemed Included in All References to Predecessor. Whenever in the Indenture either the District or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in the Indenture contained by or on behalf of the District or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 11.03 Limitation of Rights to Parties and 2022 Bond Owners. Nothing expressed or implied in the Indenture or in the 2022 Bonds is intended or shall be construed to give to any person other than the District, the Trustee and the Owners of the 2022 Bonds, any legal or equitable right, remedy or claim under or in respect of the Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the District, the Trustee and the Owners of the 2022 Bonds.

Section 11.04 Waiver of Notice; Requirement of Mailed Notice. Whenever in the Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Whenever in the Indenture any notice shall be required to be given by mail, such requirement shall be satisfied by the deposit of such notice in the United States mail, postage prepaid, by first class mail.

Section 11.05 Disposal of 2022 Bonds. Whenever in the Indenture provision is made for the cancellation by the Trustee and the delivery to the District of any 2022 Bonds, the Trustee shall dispose of such 2022 Bonds in accordance with its then customary practices, and as may be allowed by law, and deliver a certificate of such disposal to the District.

Section 11.06 Severability of Invalid Provisions. If any one or more of the provisions contained in the Indenture or in the 2022 Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in the Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of the Indenture, and the Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The District hereby declares that it would have entered into the Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the 2022 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of the Indenture may be held illegal, invalid or unenforceable.

Section 11.07 Notices. Any notice to or demand upon the District or the Trustee shall be deemed to have been sufficiently given or served for all purposes by being sent by facsimile or email or by being deposited, first class mail, postage prepaid, in a post office letter box, addressed, as the case may be, to the District at El Dorado Irrigation District, 2890 Mosquito Road, Placerville, California 95667, Attention: General Manager (or such other address as may have been filed in writing by the District with the Trustee), to the Trustee at U.S. Bank Trust Company, National Association, 350 California Street, 17th Floor, San Francisco, California 94104, Attention: Corporate Trust Department, Reference: El Dorado Irrigation District, Series 2022A; Facsimile: (415) 273-2492; E-mail: LACT@unionbank.com. Notwithstanding the foregoing provisions of this Section 11.07, the Trustee shall not be deemed to have received, and shall not be liable for failing to act upon the contents of, any notice unless and until a Responsible Officer of the Trustee actually receives such notice.

Section 11.08 Evidence of Rights of 2022 Bond Owners. Any request, consent or other instrument required or permitted by the Indenture to be signed and executed by 2022 Bond Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such 2022 Bond Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of 2022 Bonds transferable by delivery, shall be sufficient for any purpose of the Indenture and shall be conclusive in favor of the Trustee and the District if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to him the execution thereof,

or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The Ownership of 2022 Bonds shall be proved by the Registration Books.

Any request, consent, or other instrument or writing of the Owner of any 2022 Bond shall bind every future Owner of the same 2022 Bond and the Owner of every 2022 Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the District in accordance therewith or reliance thereon.

Section 11.09 Disqualified 2022 Bonds. In determining whether the Owners of the requisite aggregate principal amount of 2022 Bonds have concurred in any demand, request, direction, consent or waiver under the Indenture, 2022 Bonds which are actually known by the Trustee to be owned or held by or for the account of the District, or by any other obligor on the 2022 Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the District or any other obligor on the 2022 Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. 2022 Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such 2022 Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the District or any other obligor on the 2022 Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request, the District shall certify to the Trustee those 2022 Bonds that are disqualified pursuant to this Section 11.09 and the Trustee may conclusively rely on such certificate.

Section 11.10 Money Held for Particular 2022 Bonds. The money held by the Trustee for the payment of the interest, principal or premium due on any date with respect to particular 2022 Bonds (or portions of 2022 Bonds in the case of registered 2022 Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the 2022 Bonds entitled thereto, subject, however, to the provisions of Section 10.04 hereof but without any liability for interest thereon.

Section 11.11 Funds and Accounts. Any fund or account required by the Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with corporate trust industry standards to the extent practicable, and with due regard for the requirements of Section 6.21(a) and for the protection of the security of the 2022 Bonds and the rights of every Owner thereof.

Section 11.12 Waiver of Personal Liability. No member, officer, agent, employee, consultant or attorney of the District shall be individually or personally liable for the payment of the principal of or premium or interest on the 2022 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, agent, employee, consultant or attorney from the performance of any official duty provided by law or by the Indenture.

Section 11.13 Execution in Several Counterparts and Electronic Signing. The Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the District and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture and signature pages for all purposes. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Indenture or any document to be signed in connection with this Indenture shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means.

Section 11.14 CUSIP Numbers. Neither the Trustee nor the District shall be liable for any defect or inaccuracy in the CUSIP number that appears on any 2022 Bond or in any redemption notice. The Trustee may, in its reasonable judgment, include in any redemption notice a statement to the effect that the CUSIP numbers on the 2022 Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the 2022 Bond Owners and that neither the District nor the Trustee shall be liable for any inaccuracies in such numbers. The District will promptly notify the Trustee in writing of any change in the CUSIP numbers.

Section 11.15 Choice of Law. THE INDENTURE SHALL BE GOVERNED BY THE LAWS OF THE STATE.

Section 11.16 U.S.A. Patriot Act. The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

IN WITNESS WHEREOF, the District has caused the Indenture to be signed in its name by its President, and the Trustee, in token of its acceptance of the trusts created hereunder, has caused the Indenture to be signed in its corporate name by its officers thereunto duly authorized, all as of the day and year first above written.

EL DORADO IRRIGATION DISTRICT

By: _____
Its: President of the Board of Directors

Attest:

Clerk

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

By: _____
Its: Authorized Signatory

EXHIBIT A

FORM OF 2022 BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE INDENTURE) TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

EL DORADO IRRIGATION DISTRICT
REFUNDING REVENUE BOND, TAXABLE SERIES 2022A

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
_____ %	March 1, 20__	_____, 2022	283062__
REGISTERED OWNER	CEDE & CO.		
PRINCIPAL AMOUNT:	_____ DOLLARS		

The EL DORADO IRRIGATION DISTRICT, an irrigation district duly organized and existing under the laws of the State of California (the "District"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless: (i) this Bond is authenticated after the fifteenth day of the calendar month preceding an interest payment date, whether or not such day is a Business Day, and on or before the following interest payment date, in which event it shall bear interest from such interest payment date; or (ii) this Bond is authenticated on or before _____, 2022, in which event it shall bear interest from the Original Issue Date identified above; provided, however, that if as of the date of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on this Bond), at the Interest Rate per annum specified above, payable semiannually on each March 1 and September 1, commencing _____ 1, 2022, calculated on the basis of a 360 day year composed of twelve 30 day months. Principal hereof and premium, if any, upon early redemption hereof are payable by check of the Trustee upon presentation and surrender hereof at the Designated Corporate Trust Office of the

Trustee (as defined in the hereinafter described Indenture) of U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Interest hereon is payable by check of the Trustee sent by first class mail on the applicable interest payment date to the Registered Owner hereof at the Registered Owner’s address as it appears on the registration books of the Trustee as of the close of business on the fifteenth day of the month preceding each interest payment date (except that in the case of a registered owner of one million dollars (\$1,000,000) or more in principal amount, such payment may, at such registered owner’s option, be made by wire transfer of immediately available funds to an account in the United States in accordance with written instructions provided to the Trustee by such registered owner prior to the fifteenth (15th) day of the month preceding such interest payment date).

This Bond is not a debt of the State of California, or any of its political subdivisions (other than the District), and neither the State, nor any of its political subdivisions (other than the District), is liable hereon, nor in any event shall this Bond be payable out of any funds or properties of the District other than the Net Revenues (as such term is defined in the Indenture of Trust, dated as of March 1, 2022 (the “Indenture”), by and between the District and the Trustee) and other moneys pledged therefor under the Indenture. The obligation of the District to make payments in accordance with the Indenture is a limited obligation of the District as set forth in the Indenture and the District shall have no liability or obligation in connection herewith except with respect to such payments to be made pursuant to the Indenture. The Bonds do not constitute an indebtedness of the District in contravention of any constitutional or statutory debt limitation or restriction.

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

This Bond is one of a duly authorized issue of bonds of the District designated as the “El Dorado Irrigation District Refunding Revenue Bonds, Taxable Series 2022A” (the “Bonds”), of an aggregate principal amount of _____ Million _____ Thousand Dollars (\$_____), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers or interest rates) and all issued pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, including but not limited to Section 53583, and pursuant to the Indenture and the resolution authorizing the issuance of the Bonds. Reference is hereby made to the Indenture (copies of which are on file at the office of the District) and all supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, and the rights thereunder of the Owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the District hereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees. The Bonds have been issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof.

The Bonds have been issued by the District (i) to refund certain obligations of the District, (ii) to pay the Costs of Issuance with respect to the Bonds, as more fully described in the Indenture.

This Bond and the interest, premium, if any, hereon and all other Bonds and the interest and premium, if any, thereon (to the extent set forth in the Indenture) are special obligations of the District, secured by a pledge and second lien on and payable from the Revenues and any other amounts on deposit in certain funds and accounts created under the Indenture. As and to the extent set forth in the Indenture, all of the Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture, to the payment of the principal of and interest and premium (if any) on the Bonds.

The Indenture and the rights and obligations of the District and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental thereto. No such modification or amendment shall extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or premium (if any) thereon, or extend the time of payment, or change the rate of interest or the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected.

The Indenture and the rights and obligations of the District, the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the District and the Trustee may enter into without the consent of any Bond Owners, if the Trustee shall receive an opinion of Bond Counsel to the effect that the provisions of such supplemental indenture shall not materially adversely affect the interests of the Owners of the Outstanding Bonds, including, without limitation, for any one or more of the following purposes:

(1) to add to the covenants and agreements of the District contained in the Indenture other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power reserved to or conferred upon the District in the Indenture;

(2) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Indenture, or in regard to matters or questions arising under the Indenture, as the District may deem necessary or desirable; and

(3) to modify, amend or supplement the Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute in effect, and to add such other terms conditions and provisions as may be permitted by said act or similar federal statute;

The Trustee may in its reasonable judgment, but shall not be obligated to, enter into any such Supplemental Indenture authorized by the Indenture which materially adversely affects the Trustee's own rights, duties or immunities under the Indenture or otherwise.

Prior to the Trustee entering into any Supplemental Indenture, there shall be delivered to the Trustee an opinion of Bond Counsel stating, in substance, that such Supplemental Indenture has been adopted in compliance with the requirements of the Indenture and that the adoption of such Supplemental Indenture will not, in and of itself, adversely affect the exclusion of interest on the Bonds from State income taxation.

The Bonds are subject to extraordinary redemption prior to their respective stated maturities, as a whole or in part on any date in the order of maturity and within maturities as directed by the District in a Written Request provided to the Trustee at least sixty (60) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date and by lot within each maturity in integral multiples of \$5,000 from Net Proceeds, upon the terms and conditions of, and as provided for in, the Indenture at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on and after March 1, 20__ are subject to redemption prior to their respective stated maturities, as a whole or in part on any date as in the order of maturity as directed by the District in a Written Request provided to the Trustee at least twenty (20) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date in integral multiples of \$5,000, on or after March 1, 20__, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

The Bonds shall be subject to redemption prior to March 1, 20__ at the option of the District, as a whole or in part on any Business Day in the order of maturity as directed in a Written Request of the District provided to the Trustee at least forty-five (45) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date and by lot within each maturity in integral multiples of \$5,000, at the “Make-Whole Redemption Price.” The “Make-Whole Redemption Price,” as determined by the District, is the greater of (1) 100% of the principal amount of the Bonds being redeemed; and (2) the sum of the present values of the remaining unpaid scheduled payments of principal and interest on any Bonds being redeemed, not including any portion of those payments of interest accrued and unpaid to the date of redemption, discounted to the redemption date on a semi-annual basis, (assuming a 360-day year consisting of twelve 30-day months), at the Comparable Treasury Yield plus the following make-whole call spread for the Bonds maturing on the dates set forth below, plus accrued and unpaid interest on the Bonds to be redeemed on the redemption date:

<i>Maturity Date</i>	<i>Make-Whole Call Spread (Basis Points)</i>
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	

As provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail at least twenty (20) days but not more than sixty (60) days prior to the Redemption Date to the respective Owners of any Bonds designated for redemption at their addresses appearing on the registration books of the Trustee, but neither the failure to receive such notice nor any defect in the notice or the mailing thereof shall affect the validity of the proceedings for redemption or the cessation of accrual of interest thereon from and after the date fixed for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all of the Bonds and the interest accrued thereon may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable by the Registered Owner hereof, in person or by his or her duly authorized attorney in writing, at the Designated Corporate Trust Office of the Trustee but only in the manner subject to the limitations and upon payment of the taxes and charges provided in the Indenture

and upon surrender and cancellation of this Bond. Upon registration of such transfer, a new Bond or Bonds of the same series, of authorized denomination or denominations, for the same aggregate principal amount of the same maturity will be issued to the transferee in exchange therefor.

Bonds may be exchanged at the Designated Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same series and same maturity, but only in the manner, subject to the limitations and upon payment of the taxes and charges provided in the Indenture.

The Trustee shall not be required to register the transfer or exchange of any Bond during the period in which the Trustee is selecting Bonds for redemption or any Bond that has been selected for redemption.

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

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time, form and manner as required by the Indenture and the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any limit under any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the District has caused this Bond to be executed in its name and on its behalf with the manual or facsimile signature of its President as of this ___th day of _____, 2022.

EL DORADO IRRIGATION DISTRICT

By: _____
Its: President of the Board of Directors

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION
TO APPEAR ON BONDS]

This is one of the Bonds described in the within-mentioned Indenture.

Dated: _____, 2022

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

By: _____
Its: Authorized Signatory

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or
Social Security Number of Assignee)

the within registered Bond and hereby irrevocably constitute(s) and appoint(s) _____
_____ attorney, to transfer the same on the registration books of the Trustee
with full power of substitution in the premises.

Dated: _____

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

Signature Guaranteed:

Note: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

EXHIBIT B

CERTIFICATE OF GENERAL MANAGER – SERIES 2022A BONDS

I, Jim Abercrombie, am the duly authorized General Manager of the El Dorado Irrigation District (the “District”) and, in accordance with Sections 2.02 and 4.01(b) of the Indenture of Trust, dated as of March 1, 2022 (the “Indenture”), by and between the District and U.S. Bank Trust Company, National Association, as Trustee, set forth the following:

1. In accordance with Section 2.02 of the Indenture, the 2022 Bonds shall be issued in the aggregate principal amount of \$_____ and shall mature on the dates in the years and bear interest on each Interest Payment Date at the rates set forth below. The 2022 Bonds shall be payable on each Interest Payment Date, commencing _____ 1, 2022.

<i>Maturity Date (March 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
	\$	%

2. \$_____ of the proceeds received from the sale of the 2022 Bonds shall be deposited with the Trustee in the Bond Proceeds Fund, and the Trustee shall deposit and transfer from the Bond Proceeds Fund: (a) \$_____ to PERS and used to pay the Unfunded Liability, and (b) transfer \$_____ to the Costs of Issuance Fund.

3. In accordance with Section 4.01(b) of the Indenture, the 2022 Bonds maturing on and after March 1, 20__ are subject to redemption prior to their respective stated maturities, as a whole or in part on any date as in the order of maturity as directed by the District in a Written Request provided to the Trustee at least twenty (20) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date in integral multiples of \$5,000, on or after March 1, 20__, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

4. In accordance with Section 4.01(b) of the Indenture, the 2022 Bonds shall be subject to redemption prior to March 1, 20__ at the option of the District, as a whole or in part on any Business Day in the order of maturity as directed in a Written Request of the District provided to the Trustee at least forty-five (45) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date and by lot within each maturity in integral multiples of \$5,000, at the “Make-Whole Redemption Price.” The “Make-Whole Redemption Price,” as determined by the District, is the greater of (1) 100% of the principal amount of the Bonds being redeemed; and (2) the sum of the present values of the remaining unpaid scheduled payments of principal and interest on any Bonds being redeemed, not including any portion of those payments of interest accrued and unpaid to the date of redemption, discounted to the redemption date on a semi-annual basis, (assuming a 360-day year consisting of twelve 30-day months), at the Comparable Treasury Yield plus the following make-whole call spread for the Bonds maturing on the dates set forth below, plus accrued and unpaid interest on the Bonds to be redeemed on the redemption date:

<i>Maturity Date</i>	<i>Make-Whole Call Spread (Basis Points)</i>
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	
March 1, 20__ through March 1, 20__	

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

Dated: _____, 2022

EL DORADO IRRIGATION DISTRICT

By: _____
General Manager

EXHIBIT C

FORM OF COST OF ISSUANCE REQUISITION

The undersigned hereby states and certifies:

(i) that he is the duly appointed, qualified and acting _____ of the El Dorado Irrigation District, an irrigation district organized and existing under the laws of the State of California (the "District"), and as such, is familiar with the facts herein certified and is authorized to certify the same;

(ii) that, pursuant to Section 3.03 of that certain Indenture of Trust, dated as of March 1, 2022 (the "Indenture"), by and between U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), and the District, the undersigned hereby requests the Trustee, upon receipt of invoices from the payees designated on the attached Exhibit A, to disburse from the Costs of Issuance Fund established under the Indenture, to the payees the amounts set forth in such invoices but no more than the amounts set forth on Exhibit A, and such payments shall be made by check or wire transfer in accordance with the payment instructions set forth in Exhibit A or in invoices submitted in accordance therewith and the Trustee may conclusively rely on such payment instructions given by the District with no duty to investigate or inquire as to the authenticity of the invoice or the payment instructions contained therein;

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

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

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

Dated:

EL DORADO IRRIGATION DISTRICT

By: _____

Its:

CONTINUING DISCLOSURE CERTIFICATE FOR THE 2022A BONDS

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the El Dorado Irrigation District (the “District”) in connection with the issuance of its \$_____ Refunding Revenue Bonds, Taxable Series 2022A (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of March 1, 2022 (the “Indenture”), by and between the District and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The District covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term “Annual Report” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term “Beneficial Owner” means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

EMMA. The term “EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

Financial Obligation. The term “Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Fiscal Year. The term “Fiscal Year” means the one-year period ending on the last day of December of each year.

Holder. The term “Holder” means a registered owner of the Bonds.

Listed Events. The term “Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

Official Statement. The term “Official Statement” means the Official Statement dated _____, 2022 relating to the Bonds.

Participating Underwriter. The term “Participating Underwriter” means any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Rule. The term “Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The District shall provide not later than 270 days following the end of its Fiscal Year (commencing with Fiscal Year 2021) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the District is unable to provide to EMMA an Annual Report by the date required in subsection (a), the District shall send to EMMA a notice in the manner prescribed by the Municipal Securities Rulemaking Board.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The audited financial statements for the prior Fiscal Year, which may be included in the Comprehensive Annual Financial Report of the District, prepared in accordance with accounting principles generally accepted in the United States of America as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they come available.

(b) Principal amount of the Bonds outstanding.

(c) An update of the information in the following tables under the caption entitled "THE WATER SYSTEM OF THE DISTRICT" in the Official Statement:

(i) "El Dorado Irrigation District Historic System Firm Yield In Acre-Feet Per Year;"

(ii) "El Dorado Irrigation District Historic Water Connections;"

(iii) "El Dorado Irrigation District Historic Water Deliveries In Acre-Feet Per Year;" and

(iv) "El Dorado Irrigation District Historic Water Sales Revenues."

(d) An update of the information in the following tables under the caption entitled "THE WASTEWATER SYSTEM OF THE DISTRICT" in the Official Statement:

(i) "El Dorado Irrigation District Historic Wastewater Connections;"

(ii) "El Dorado Irrigation District Historic Wastewater System Usage;"

(iii) "El Dorado Irrigation District Historic Wastewater Service Charge Revenues;"

(iv) "El Dorado Irrigation District Historic Recycled Water Connections;"

(v) "El Dorado Irrigation District Historic Recycled Water System Demand in Acre-Feet Per Year;" and

(vi) “El Dorado Irrigation District Historic Recycled Water Service Charge Revenues.”

(e) A table showing Net Revenues of the District and debt service coverage on the Bonds and any parity obligations for the last fiscal year only presented in a similar format as the table entitled “El Dorado Irrigation District Water System Historic Operating Results.”

(f) A table showing Net Revenues of the District and debt service coverage on the Bonds and any parity obligations for the last fiscal year only presented in a similar format as the table entitled “El Dorado Irrigation District Wastewater System Historic Operating Results.”

(g) A table showing Net Revenues of the District and debt service coverage on the Bonds and any parity obligations for the last fiscal year only presented in a similar format as the table entitled “El Dorado Irrigation District Historic Operating Results.”

If the information in sections 4(c) – 4(g) above can be derived from the audited financial statements required to be filed in 4(a) above, failure to file separate tables under sections 4(c) – 4(g) above shall not constitute a default hereunder. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the District shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701 TEB);
6. tender offers;
7. defeasances;
8. ratings changes;
9. bankruptcy, insolvency, receivership or similar proceedings; and
10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated

person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;
2. modifications to the rights of Bond holders;
3. optional, unscheduled or contingent Bond redemptions;
4. release, substitution or sale of property securing repayment of the Bonds;
5. non-payment related defaults;
6. the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. appointment of a successor or additional trustee or the change of the name of a trustee; and
8. incurrence of a Financial Obligation, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect Bond holders.

(c) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

6. Customarily Prepared and Public Information. Upon request, the District shall provide to any person financial information and operating data regarding the District which is customarily prepared by the District and is publicly available.

7. Termination of Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule. The District will provide notice of such amendment to the Municipal Securities Rulemaking Board.

9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holders or Beneficial Owners of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the District satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the District shall have refused to comply therewith within a reasonable time.

11. Dissemination Agent. The District may from time to time appoint or engage a dissemination agent to assist the District in carrying out its obligations under this Disclosure Certificate and may discharge any such dissemination agent with or without appointing a successor dissemination agent.

12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2022

EL DORADO IRRIGATION DISTRICT

By: _____
Its: President of the Board of Directors

EL DORADO IRRIGATION DISTRICT
\$ _____
REFUNDING REVENUE BONDS
TAXABLE SERIES 2022A

PURCHASE CONTRACT

_____, 2022

El Dorado Irrigation District
2890 Mosquito Road
Placerville, California 95667

Ladies and Gentlemen:

Citigroup Global Markets Inc.), acting on behalf of itself and not as an agent or representative of you (the “Underwriter”), offers to enter into this purchase contract (the “Purchase Contract”) with the El Dorado Irrigation District (the “District”), which will be binding upon the District and the Underwriter upon the acceptance hereof by the District. This offer is made subject to its acceptance by the District by execution of this Purchase Contract and its delivery to the Underwriter on or before 8:00 p.m., California time, on the date hereof. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Official Statement (as hereafter defined).

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase, and the District hereby agrees to cause to be delivered to the Underwriter, all (but not less than all) of the District’s \$ _____ aggregate principal amount of Refunding Revenue Bonds, Taxable Series 2022A (the “Bonds”) at a purchase price of \$ _____ (representing the par amount of the Bonds, less \$ _____ of Underwriter’s discount).

2. Description and Purpose of the Bonds.

(a) The Bonds will be dated the date of Closing (as hereinafter defined) and will be executed by the District and will be issued pursuant to an Indenture of Trust dated as of March 1, 2022 (the “Indenture”) between the District and U.S. Bank Trust Company, National Association (the “Trustee”), as trustee. The Bonds shall be dated the date of delivery thereof and shall mature on the dates and in the amounts and shall bear interest and shall be subject to redemption as set forth on Exhibit A hereto and shall be as more particularly described in the Indenture and the Official Statement dated _____, 2022 and relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriter, is hereinafter called the “Official Statement”).

(b) The Bonds shall be secured under, and shall be as described in, and shall be payable and subject to redemption prior to maturity as provided in the Indenture.

(c) The Bonds are being issued to provide funds to (i) refund all or a portion of the District’s current obligation to the California Public Employees’ Retirement System for fiscal year

2021-22 or 2022-23, (ii) pay all or a portion of the unfunded accrued actuarial liability of the District with respect to pension benefits under the Public Employees' Retirement Law and the PERS Contract, and (iii) pay the costs of issuance of the Bonds.

3. Public Offering. The Underwriter agrees to make an initial public offering of all the Bonds at the public offering prices (or yields) set forth in the Official Statement. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering price or prices set forth in the hereinafter referred to Official Statement. The Underwriter also reserves the right (i) to engage in transactions that stabilize, maintain or otherwise affect the market price of the Bonds at a level above that which might otherwise prevail in the open market and (ii) to discontinue such transactions, if commenced, at any time.

4. Delivery of Official Statement. Pursuant to the authorization of the District, the Underwriter has distributed copies of the Preliminary Official Statement dated _____, 2022, relating to the Bonds, which, together with the cover page and appendices thereto, is hereafter called the "Preliminary Official Statement." By its execution of this Purchase Contract, the District hereby approves and ratifies the distribution and use by the Underwriter of the Preliminary Official Statement. The District agrees to execute and deliver a final Official Statement in substantially the same form as the Preliminary Official Statement with such changes as may be made thereto with the consent of the District and the Underwriter, as appropriate, and to provide copies thereof to the Underwriter as set forth in Section 6(n) hereof. The District hereby authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds: the Preliminary Official Statement, the Official Statement, the Indenture and the Continuing Disclosure Certificate (as hereinafter defined) and other documents or contracts to which the District is a party in connection with the transactions contemplated by this Purchase Contract, including this Purchase Contract and all information contained herein, and all other documents, certificates and statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Contract.

5. The Closing. At 8:00 a.m., California time, on _____, 2022 (the "Closing Date"), or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the District and the Underwriter, the District will cause to be executed and delivered (i) the Bonds in book-entry form through the facilities of The Depository Trust Company, or its agent, on behalf of the Underwriter, and (ii) the closing documents hereinafter mentioned at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel") in Newport Beach, California or another place to be mutually agreed upon by the District and the Underwriter. The Underwriter will accept such delivery of the Bonds and pay the purchase price of such Bonds as set forth in Section 1 hereof in immediately available funds to the order of the District. This payment for and delivery of the Bonds, together with the execution and delivery of the aforementioned documents, is herein called the "Closing."

6. District Representations, Warranties and Covenants. The District represents, warrants and covenants to the Underwriter that:

(a) Due Organization, Existence and Authority. The District is an irrigation district duly organized and existing under the Constitution and laws of the State of California (the "State"), with full right, power and authority to execute, deliver and perform its obligations under this

Purchase Contract, the Indenture and the Continuing Disclosure Certificate (collectively, the “District Documents”) and to carry out and consummate the transactions contemplated by the District Documents and the Official Statement.

(b) Due Authorization and Approval. By all necessary official action of the District prior to or concurrently with the acceptance hereof, the District has duly authorized and approved the execution and delivery of, and the performance by the District of the obligations in connection with the issuance of the Bonds on its part contained or described in, the Preliminary Official Statement, the Official Statement and the District Documents and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, and when executed and delivered, and assuming the authorization, execution and delivery by the other parties thereto, each District Document and the Bonds will constitute a legally valid and binding obligation of the District enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors’ rights generally or by the exercise of judicial discretion in appropriate cases or by limitations on legal remedies against public agencies in the State and the District is and will be on the Closing Date in compliance with the provisions of the District Documents.

(c) Official Statement Accurate and Complete. The Preliminary Official Statement was as of its date, and the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement as of its date contained and the Official Statement contains, and up to and including the Closing, will contain no misstatement of any material fact and do not, and up to and including the Closing, will not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading (except no representation is made with respect to information relating to DTC or DTC’s book-entry system).

(d) Underwriter’s Consent to Amendments and Supplements to the Official Statement. The District will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The District will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) District Agreement to Amend or Supplement the Official Statement. If after the date of this Purchase Contract and until 25 days after the end of the “underwriting period” (as defined in Section 240 15c2-12 in Chapter II of Title 17 of the Code of Federal Regulations (“Rule 15c2-12”)), any event occurs as a result of which the Official Statement as then amended or supplemented would include an untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and, in the reasonable opinion of the Underwriter, an amended or supplemented Official Statement should be delivered in connection with the offers or sales of the Bonds to reflect such event, the District promptly will prepare at its expense an amendment or supplement which will correct such statement or omission and the District shall promptly furnish to the Underwriter a reasonable number of copies of such amendment or supplement. The Underwriter hereby agrees to deposit the Official Statement with the Municipal Securities Rulemaking Board (the

“MSRB”). The Underwriter acknowledges that the end of the “underwriting period” will be the date of Closing.

(f) No Material Change in Finances. Except as otherwise described in the Official Statement, there shall not have been any material adverse changes in the financial condition of the District since December 31, 2021.

(g) No Breach or Default. As of the time of acceptance hereof, (A) the District is not in default, nor has it been in default, as to principal or interest with respect to an obligation issued or incurred by the District, and (B) the District is not, in any manner which would materially adversely affect the transactions contemplated hereby and by the District Documents, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or under the District Documents or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would materially adversely affect the transactions contemplated by the District Documents, a default or event of default under any such instrument; and, as of such time, the authorization, execution and delivery of the District Documents and compliance with the provisions of each of such agreements or instruments do not in any manner which would materially adversely affect the transactions contemplated by the District Documents, conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the District Documents.

(h) No Litigation. As of the time of acceptance hereof, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending or, except as disclosed in the Official Statement, to the best knowledge of the District after due investigation, threatened (A) in any way questioning the corporate existence of the District or the titles of the officers of the District to their respective offices; (B) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the District Documents or the consummation of the transactions contemplated thereby, or contesting the powers of the District to enter into the District Documents; (C) which, except as described in the Official Statement, may result in any material adverse change to the financial condition of the District or to its ability to pay principal of or interest on the Bonds when due; or (D) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement as of its date contained or the Official Statement contains, and up to and including the Closing contains, any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (A) through (D) of this sentence.

(i) No Prior Liens on Revenues. Except for the 2016 Installment Purchase Agreement, the 2020 Installment Purchase Agreement, the 2014A Bonds, the 2016A Bonds, the 2016C Bonds, the 2020B Bonds, 2020C Bonds and 2020D Bonds, which are secured by a lien on the Revenues superior to the lien of the Bonds, the District does not and will not at the time of the Closing have outstanding any other indebtedness which indebtedness is secured by a lien on the Revenues superior to or on a parity with the lien of the Bonds on the Revenues.

(j) Further Cooperation: Blue Sky. The District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (A) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (B) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the District shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(k) Consents and Approvals. Except as may be described in the Preliminary Official Statement and the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the District of its obligations in connection with the District Documents have been duly obtained or made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(l) No Other Obligations. Between the date of this Purchase Contract and the date of Closing and except as otherwise disclosed in the Official Statement, the District will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, directly or contingently payable from the Revenues or Net Revenues.

(m) Certificates. Any certificate signed by any official of the District and delivered to the Underwriter shall be deemed to be a representation and warranty by the District to the Underwriter as to the statements made therein.

(n) Compliance with Rule 15c2-12. The Preliminary Official Statement heretofore delivered to the Underwriter is hereby deemed final by the District as of its date and as of the date hereof, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(i) of Rule 15c2-12. The District hereby covenants and agrees that, within seven (7) business days of the date hereof, the District shall cause a final form of the Official Statement to be delivered to the Underwriter in sufficient quantity to comply with paragraph (b)(4) of Rule 15c2-12 and Rules of the MSRB.

(o) Continuing Disclosure. Other than as disclosed in the Official Statement, during the past five years, the District has not failed to comply in any material respect with any continuing disclosure undertaking previously entered into by the District pursuant to Rule 15c2-12. The District will undertake, pursuant to the Continuing Disclosure Certificate relating to the Bonds (the "Continuing Disclosure Certificate") to provide annual reports and notices of certain events in

accordance with the requirements of Rule 15c2-12. The form of the Continuing Disclosure Certificate covering the Bonds is set forth as Appendix E to the Official Statement.

7. Closing Conditions. The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the District contained herein and in the District Documents and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Purchase Contract are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the District contained herein, shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the District Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter, (ii) there shall be in full force and effect such resolutions (together, the "Resolutions") as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated by the Official Statement and the District Documents, (iii) the District shall perform or have performed its obligations required or specified in the District Documents to be performed at or prior to Closing, and (iv) the Official Statement shall not have been supplemented or amended, except pursuant to Sections 6(d) hereof or as otherwise may have been agreed to in writing by the Underwriter.

(c) No Default. At the time of the Closing, no default, or any event that with the passage of time would be reasonably likely to result in default, shall have occurred or be existing under the Resolutions, the District Documents, or any other agreement or document pursuant to which any of the District's financial obligations was issued and the District shall not be in default in the payment of principal or interest on any of its financial obligations which default would materially adversely impact the ability of the District to pay debt service on the Bonds.

(d) Termination Events. The Underwriter shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the District if at any time at or prior to the Closing:

(i) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(ii) between the date hereof and the Closing Date, the market price or marketability, or the ability of the Underwriter to enforce contracts for the sale, at the initial offering price set forth in the Official Statement, of the Bonds shall have been materially adversely affected in the reasonable judgment of the Underwriter (evidenced by a written notice to the District terminating the obligation of the Underwriter to accept delivery of and make any payment for the Bonds) by reason of any of the following:

(A) an amendment to the Constitution of the United States or the State shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter, or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of California or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made, or any' other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State authority with respect to federal or State taxation upon revenues or other income of the general character to be derived by the District or upon interest received on obligations of the general character of the Bonds that, in the reasonable judgment of the Underwriter, materially and adversely affects the tax status of the District, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by State legislation;

(B) legislation enacted, introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission or by any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(C) there shall have occurred any new outbreak or escalation of hostilities, declaration by the United States of or any escalation of a national emergency or war or other calamity or crisis in financial markets;

(D) the declaration of a general banking moratorium by federal, New York or California authorities, or a major financial crisis or a material disruption in commercial banking or securities settlement, payment or clearances services shall have occurred or the general suspension of trading on any national securities exchange;

(E) the imposition by the New York Stock Exchange or other national securities exchange or any governmental authority of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally or the material increase of any such restrictions now in force, including those relating to the extension of credit by or the charge to the net capital requirements of, the Underwriter;

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

(G) the withdrawal or downgrading of any rating of the Bonds or other debt securities of the District by S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P"), or any formal statement shall be published, such as being placed on "credit watch" with negative implications or "negative outlook" or similar qualification, with respect to the Bonds or other debt securities of the District;

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

(I) any litigation or proceedings shall be pending or threatened contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or asserting that the Official Statement contained any untrue statement of material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which there were made, not misleading.

(e) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Bonds the following documents:

(i) Approving Opinion. Approving opinion of Bond Counsel dated the Closing Date and substantially in the form included as Appendix C to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the foregoing opinion addressed to the District may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(ii) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in substantially the form attached hereto as Exhibit B and dated the Closing Date.

(iii) District Counsel Opinion. An opinion of Brian D. Poulsen Jr., Esq., general counsel to the District, dated the Closing Date and addressed to the Underwriter, in substantially the form attached hereto as Exhibit C.

(iv) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the District and the Underwriter, to the effect that:

(A) The Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full corporate power to undertake the trust created under the Indenture;

(B) The Indenture has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the other parties thereto, the Indenture constitutes a valid and binding obligation of the Trustee enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

(C) The Trustee has duly authenticated the Bonds upon the order of the District;

(D) The Trustee's actions in executing the Indenture are in full compliance with, and do not conflict with any applicable law or governmental regulation and, to the best of such counsel's knowledge, after reasonable inquiry with respect thereto, do not conflict with or violate any contract to which the Trustee is a party or any administrative or judicial decision by which the Trustee is bound; and

(E) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is or will be required for the issuance of the Bonds or the consummation by the Trustee of its obligations under the Indenture.

(v) Underwriter's Counsel Opinion. An opinion of Gilmore & Bell, P.C., Salt Lake City, Utah counsel to the Underwriter ("Underwriter's Counsel"), dated the date of the Closing and addressed to the Underwriter to the effect that:

(A) Such counsel is of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(B) While such counsel has not verified and is not passing upon and does not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Official Statement, such counsel has participated in conferences with representatives of and counsel for the District and Bond Counsel and representatives of the Underwriter at which the contents of the Official Statement were discussed and revised. Based on such counsel's representation of the Underwriter in connection with the issuance of the Bonds, no facts came to the attention of the attorneys in such firm rendering legal services in connection with such representation which caused such counsel to believe that the Preliminary Official Statement contained, as of its date, or the Official Statement contained as of its date or as of the date of the Closing contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect (except that no opinion or belief is expressed as to (i) the expressions of opinion, the assumptions, the projections, the financial statements, or other financial, numerical, economic, demographic or statistical data contained in the Official Statement, (ii) the information with respect to DTC and its book-entry system, and (iii) the information contained in Appendix A, Appendix C, Appendix D, Appendix E to the Official Statement); and

(C) The provisions of the Continuing Disclosure Certificate comply with the provisions of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

(vi) District Certificate. A certificate of the District, dated the date of the Closing, signed on behalf of the District by the General Manager or other duly authorized officer of the District to the effect that:

(A) The representations, warranties and covenants of the District contained in the Purchase Contract are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing and the District has complied with all of the terms and conditions of the Purchase Contract required to be complied with by the District at or prior to the date of the Closing;

(B) No event affecting the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except no representation is made with respect to information relating to DTC or DTC's book-entry system); and

(C) No event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute an event of default under the District Documents.

(vii) Trustee's Certificate. A certificate, dated the date of the Closing, signed by a duly authorized official of the Trustee satisfactory in form and substance to the Underwriter, to the effect that:

(A) The Trustee is duly organized and existing as a national banking association under the laws of the United States of America, having the full corporate power and authority to enter into and perform its duties under the Indenture;

(B) The Trustee is duly authorized to enter into the Indenture and has duly executed and delivered the Indenture, and assuming due authorization and execution by the other parties thereto, the Indenture is legal, valid and binding upon the Trustee, and enforceable against the Trustee in accordance with its terms;

(C) The Trustee has duly authenticated and delivered the Bonds to or upon the order of the Underwriter; and

(D) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is or will be required for the authentication and delivery of the Bonds, or the consummation by the Trustee of its obligations under the Indenture.

(viii) Transcripts. Two transcripts of all proceedings relating to the authorization and issuance of the Bonds.

(ix) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the District by duly authorized officers of the District.

(x) Documents. An original executed copy of each of the District Documents.

(xi) District Resolutions. Certified copy of the Resolutions, certified by the District Clerk.

(xii) Trustee Resolution. A certified copy of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers and employees of the Trustee, which resolution authorizes the execution and delivery of the Indenture.

(xiii) 15c2-12 Certificate of the District. A certificate of the District “deeming final” the Preliminary Official Statement for purposes of Rule 15c2-12.

(xiv) CDIAC Statements. A copy of the Notices of Sale required to be delivered to the California Debt and Investment Advisory Commission (“CDIAC”) pursuant to Sections 8855(g) and 53583 of the California Government Code.

(xv) Rating. Evidence from S&P that the Bonds have been assigned the rating of “___.”

(xvi) Continuing Disclosure Certificate. An executed copy of the Continuing Disclosure Certificate.

(xvii) Auditor’s Consent. The written consent of Hudson Henderson & Company Inc. to the inclusion of its report on District’s financial statements for the fiscal years ended December 31, 2021 and 2020, in the Preliminary Official Statement and the Official Statement.

(xviii) Additional Documents. Such additional certificates, instruments and other documents as the Underwriter may reasonably deem necessary.

If the District shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the District shall be under further obligation hereunder, except as further set forth in Section 10 hereof.

8. Expenses. The Underwriter shall be under no obligation to pay and the District shall pay or cause to be paid the expenses incident to the performance of the obligations of the District hereunder including but not limited to (a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the District Documents and the cost of preparing, printing, issuing and delivering the Bonds; (b) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the District; (c) the fees and disbursements of Bond Counsel and Counsel to the District; (d) the fees and disbursements of the rating agencies; (e) the cost of printing and distributing the Preliminary Official Statement and any supplements and amendments thereto and the cost of printing and distributing the Official Statement and any supplements and amendments thereto, including a reasonable number of copies thereof for distribution by the Underwriter; (f) expenses (included in the expense component of the Underwriter's spread) incurred on behalf of the District's officers or employees which are incidental to implementing this Purchase Contract, including, but not limited to, meals, transportation, lodging, and entertainment of those officers or employees; (g) CUSIP Service Bureau fees and charges; and (h) Trustee fees. In addition, the District shall reimburse the Underwriter for amounts paid to CDIAC in connection with the issuance of the Bonds.

The Underwriter shall pay (from the expense component of the Underwriter's spread or otherwise) and the District shall be under no obligation to pay all expenses incurred by it in connection with the public offering and distribution of the Bonds, including any advertising expenses, the fees of [Digital Assurance Certification, L.L.C.] for a continuing disclosure undertaking compliance review, expenses incurred in connection with the preparation and distribution of any Blue Sky surveys or any legal investment memoranda and the costs and fees of counsel to the Underwriter.

9. Notice. Any notice or other communication to be given to the District under this Purchase Contract may be given by delivering the same in writing to El Dorado Irrigation District, 2890 Mosquito Road, Placerville, California 95667, Attention: General Manager.

Any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to Citigroup Global Markets Inc., 300 South Grand Avenue, Suite 3110, Los Angeles, California 90071; Attention: Cameron Parks, Managing Director.

10. Entire Agreement. This Purchase Contract, when accepted by the District, shall constitute the entire agreement between the District and the Underwriter with respect to the subject matter hereof and is made solely for the benefit of the District and the Underwriter (including the successors of the Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All of the District's representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect except as otherwise provided herein, regardless of any investigations made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

11. No Advisory or Fiduciary Role. The District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the District, (iii) the Underwriter has not assumed an advisory or fiduciary or municipal advisory responsibility in favor of the District with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the District on other matters) and the Underwriter has no obligation to the District with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriter is not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), and (v) the District has consulted its own legal, financial, municipal advisory, and other advisors to the extent they deemed appropriate in connection with the offering of the Bonds.

12. Counterparts. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

14. State Law Governs. THE VALIDITY, INTERPRETATION AND PERFORMANCE OF THIS PURCHASE CONTRACT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

15. No Assignment. The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriter or the District without the prior written consent of the other party hereto.

CITIGROUP GLOBAL MARKETS INC.

By: _____
Managing Director

Accepted as of the date first stated above:

EL DORADO IRRIGATION DISTRICT

By: _____
General Manager

EXHIBIT A

EL DORADO IRRIGATION DISTRICT

\$ _____ REFUNDING REVENUE BONDS TAXABLE SERIES 2022A

<i>Maturity Date (March 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
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REDEMPTION

Optional Redemption of Bonds at Par. The Bonds maturing on and after March 1, 20__ are subject to redemption prior to their respective stated maturities, as a whole or in part on any date as in the order of maturity as directed by the District in a Written Request provided to the Trustee at least twenty (20) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date in integral multiples of \$5,000, on or after March 1, 20__, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

Optional Redemption of Bonds at Make-Whole Redemption Price. The Bonds shall be subject to redemption prior to March 1, 20__ at the option of the District, as a whole or in part on any Business Day in the order of maturity as directed in a Written Request of the District provided to the Trustee at least forty-five (45) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date and by lot within each maturity in integral multiples of \$5,000, at the “Make-Whole Redemption Price.” The “Make-Whole Redemption Price,” as determined by the District, is the greater of (1) 100% of the principal amount of the Bonds being redeemed; and (2) the sum of the present values of the remaining unpaid scheduled payments of principal and interest on any Bonds being redeemed, not including any portion of those payments of interest accrued and unpaid to the date of redemption, discounted to the redemption date on a semi-annual basis, (assuming a 360-day year consisting of twelve 30-day months), at the Comparable Treasury Yield plus the following make-whole call spread for the Bonds maturing on the dates set forth below, plus accrued and unpaid interest on the Bonds to be redeemed on the redemption date:

<i>Maturity Date</i>	<i>Make-Whole Call Spread (Basis Points)</i>
March 1, 20__ through March 1, 20__	5
March 1, 20__ through March 1, 20__	10
March 1, 20__ through March 1, 20__	15
March 1, 20__ through March 1, 20__	20
March 1, 20__ through March 1, 20__	25

For purposes of calculating the Make-Whole Redemption Price with respect to the optional make-whole redemption of the Bonds, the following terms shall have the following meanings:

“Calculation Agent” means a commercial bank or an investment banking institution of national standing that is a primary dealer of United States government securities in the United States and designated by the District (which may be the Underwriter).

“Comparable Treasury Issue” means the United States Treasury security selected by the Calculation Agent as having a maturity comparable to the remaining term to maturity of the Bonds being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to maturity of the Bonds being redeemed.

“Comparable Treasury Price” means, with respect to any date on which a Bond or portion thereof is being redeemed, either: (a) the average of five Reference Treasury Dealer quotations for the date fixed for redemption, after excluding the highest and lowest such quotations or (b) if the Calculation Agent is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Calculation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the Calculation Agent, at 5:00 p.m. New York City time at least three Business Days but no more than 20 Business Days preceding the date fixed for redemption, as selected by the District.

“Comparable Treasury Yield” means the yield that represents the weekly average yield to maturity for the preceding week appearing in the most recently published statistical release designated “H.15(519) Selected Interest Rates” under the heading “Treasury Constant Maturities,” or any successor publication selected by the Calculation Agent that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to maturity of the Bond being redeemed. The Comparable Treasury Yield will be determined at least three Business Days preceding the date fixed for redemption, as selected by the District. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to maturity of the Bonds being redeemed, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity: (i) closest to and greater than the remaining term to maturity of the Bonds being redeemed; and (ii) closest to and less than the remaining term to maturity of the Bonds being redeemed. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward. If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) assuming a price for the Comparable Treasury Issue equal to the Comparable Treasury Price as of the date fixed for redemption.

“Reference Treasury Dealer” means a primary dealer of United States Government securities in the United States (which may be the Underwriter) appointed by the District and reasonably acceptable to the Calculation Agent.

Extraordinary Redemption. The Bonds shall be subject to extraordinary redemption prior to their respective stated maturities, as a whole or in part on any date in the order of maturity as directed by the District in a Written Request provided to the Trustee at least sixty (60) days (or such lesser number of days acceptable to the Trustee, such notice for the convenience of the Trustee) prior to such date, in integral multiples of \$5,000 from Net Proceeds, upon the terms and conditions of, and as provided for in the Indenture at a Redemption Price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL TO THE DISTRICT

Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel to the District, proposes to deliver an opinion in substantially the following form in connection with the initial issuance of the Bonds.

_____, 2022

Citigroup Global Markets, Inc.
300 South Grand Avenue, Suite 3110
Los Angeles, California 90071

*Re: \$ _____ El Dorado Irrigation District
 Refunding Revenue Bonds, Taxable Series 2022A*

Ladies and Gentlemen:

We have acted as bond counsel to the El Dorado Irrigation District (the “District”) in connection with the issuance and sale of the Refunding Revenue Bonds, Taxable Series 2022A (the “Bonds”). All capitalized terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture of Trust, dated as of March 1, 2022 (the “Indenture”), by and between the District and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

The Bonds have been authenticated by the Trustee pursuant to the Indenture.

On the date hereof, we delivered to the District an opinion relating to, among other things, the validity of the Bonds and the Indenture (the “Approving Opinion”). You are authorized to rely upon the Approving Opinion as if addressed to you.

Based upon the foregoing and our review of such other information, documents and matters of law as we considered necessary and in reliance on the foregoing, as appropriate, we are of the opinion that:

(i) The Official Statement, dated _____, 2022 (the “Official Statement”) relating to the Bonds and the Purchase Contract, dated _____, 2022 (the “Purchase Contract”), by and between the District and Citigroup Global Markets, Inc., as underwriter (the “Underwriter”), with respect to the Bonds, have each duly authorized, executed and delivered by the District, and assuming due authorization, execution and delivery of the Purchase Contract by the Underwriter, the Purchase Contract is a valid and binding agreement of the District enforceable in accordance with its terms; and

(ii) The statements contained in the Official Statement on the cover page and under the captions (or captions containing such information) “INTRODUCTION,” “THE 2022A BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE 2022A BONDS,” “CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES” and “TAX MATTERS,” and in the appendices entitled (or containing such information) “APPENDIX B — SUMMARY OF PRINCIPAL

LEGAL DOCUMENTS,” “APPENDIX C — FORM OF OPINION OF BOND COUNSEL,” insofar as such statements purport to summarize certain provisions of the Bonds and certain provisions of the Indenture, State law, and Bond Counsel’s opinions concerning certain federal and State income tax matters related to the Bonds are accurate, as of the date of the Official Statement and as of the date hereof.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. We call attention to the fact that the rights and obligations under the Purchase Contract, the Indenture, the Continuing Disclosure Certificate (collectively, the “District Documents”) and the Bonds are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other similar laws affecting creditors’ rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California.

By delivering this letter, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the District Documents (as defined in the Purchase Contract), the Bonds or any document referenced in the Official Statement, nor are we expressing any opinion with respect to the state or quality of title to or interest in any assets described in or as subject to the lien of the District Documents or the Bonds or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets under the District Documents or the Bonds. Our services as Bond Counsel to the District did not involve the rendering of financial or other non-legal advice to you, the District or any other party to the transaction

This letter is limited to matters governed by the laws of the State of California and federal law, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction. Except as expressly set forth in the Approving Opinion we express no opinion regarding any tax consequences with respect to the Bonds. We have not been engaged, nor have we undertaken, to advise any party or to opine as to any matters not specifically covered herein, including, but not limited to, matters relating to compliance with any securities laws.

This opinion letter may be relied upon only by you and may not be circulated, quoted from or relied upon by any other party without our prior written consent. This letter is being furnished to you solely for your benefit in connection with your purchase of the Bonds and is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent. No attorney-client relationship has existed or exists between our firm and you in connection with the issuance and sale of the Bonds or by virtue of this letter. We note you were represented by separate counsel retained by you in connection with the transaction described in the Official Statement.

Our engagement with respect to the Bonds terminates as of the date hereof, and we have not undertaken any duty, and expressly disclaim any responsibility, to advise you as to events occurring after the date hereof with respect to the Bonds or other matters discussed in the Official Statement. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not addressed other than you.

Respectfully submitted,

EXHIBIT C

FORM OF DISTRICT COUNSEL OPINION

Brian D. Poulsen Jr., Esq., as general counsel to the District, proposes to deliver an opinion in substantially the following form upon the initial issuance of the Bonds.

Citigroup Global Markets, Inc.
300 South Grand Avenue, Suite 3110
Los Angeles, California 90071

Re: \$ _____ *El Dorado Irrigation District*
 Refunding Revenue Bonds, Taxable Series 2022A

Ladies and Gentlemen:

Acting in my capacity as general counsel to the El Dorado Irrigation District (the “District”), I have examined the Constitution and laws of the State of California and certified copies of the proceedings of the District taken in connection with the sale and issuance of the above-referenced bonds (the “Bonds”). The Bonds are being issued pursuant to Resolution No. 2022-____, of the District, adopted on _____, 2022, and Resolution No. 2022-____ of the District, adopted on _____, 2022 (together, the “Resolutions”) and that certain Indenture of Trust, dated as of March 1, 2022 (the “Indenture”) by and between the District and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

In arriving at the opinions expressed below, I have examined and am familiar with the following documents: (i) the Resolutions; (ii) the Indenture, (iii) the Purchase Contract, dated _____, 2022, by and between the District and Citigroup Global Markets Inc., as underwriter (the “Purchase Contract”) with respect to the Bonds, (iv) the Continuing Disclosure Certificate of the District, dated _____, 2022, and (v) the Official Statement of the District dated _____, 2022 relating to the Bonds (the “Official Statement”), and other documents as I have deemed relevant and necessary to render the opinions set forth herein and have relied upon, and based our opinions upon, certain representations of fact and certifications made by the District and others. I have not undertaken to verify through independent investigation the accuracy of the representations and certifications relied upon by the undersigned. I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as originals, and the conformity with the original documents of all documents submitted to me as copies.

All terms not defined herein shall have the meaning ascribed to those terms in the Purchase Contract and if not defined in the Purchase Contract, then in the Indenture.

I am a member of the State Bar of California and do not express any opinion as to the laws of any other state or jurisdiction.

Based upon the foregoing examination and review, I am of the opinion that:

(a) The District is an irrigation district duly organized and validly existing under the Constitution and the laws of the State of California;

(b) The District Documents have been duly authorized, executed and delivered by the District and, assuming the validity thereof against the other parties thereto, constitute the valid, legal and binding agreements of the District enforceable against the District in accordance with their respective terms, and the District has full right, power and authority to carry out and consummate all transactions contemplated by the District Documents as of the date of the Official Statement and as of the date of Closing;

(c) Except for the 2016 Installment Purchase Agreement, the 2020 Installment Purchase Agreement, the 2014A Bonds, the 2016A Bonds, the 2016C Bonds, the 2020B Bonds, the 2020C Bonds and the 2020D Bonds, which are secured on a superior lien to the Bonds on the Revenues, the District does not and will not as of the date hereof have outstanding any other indebtedness which indebtedness is secured by a lien on the Revenues superior to or on a parity with the lien of the Bonds on the Revenues;

(d) Each of the Resolutions of the District approving and authorizing the execution and delivery of the District Documents, and approving the Official Statement, has been duly adopted at a meeting of the governing body of the District, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout and the resolutions are in full force and effect and have not been modified, amended or rescinded;

(e) To the best of my knowledge, the execution and delivery of the District Documents and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not, in any respect which will have a material adverse impact on the transactions contemplated by the District Documents conflict with, or constitute, or with the giving of notice or the passage of time would constitute, on the part of the District a breach of or default under, any material agreement or other instrument to which the District is a party or by which it is bound or any existing law, administrative rule, regulation, order, decree, judgment, license or permit to which the District is subject (excluding, however, any opinion as to compliance with any applicable federal securities laws); or by which the District or any of its property is bound;

(f) The Official Statement has been prepared by, or on behalf of, the District under the supervision of the District's General Manager, and executed on its behalf by authorized officers of the District;

(g) Based on the information made available in my role as general counsel to the District, and without having undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained therein, the information in the Official Statement under the captions "THE EL DORADO IRRIGATION DISTRICT" and "LITIGATION" is true and accurate to the best of my knowledge at and as of the date of the Official Statement and at and as of the date hereof (but not including any statistical or financial information contained therein or information concerning The Depository Trust Company or the book-entry only system, as to which no opinion is expressed);

(h) No additional authorization, approval, consent, waiver or any other action by any person, board or body, public or private, not previously obtained is required as of the date of the Closing for the District to enter into the District Documents or to perform its obligations thereunder;

(i) Based on information made available to me in my role as general counsel to the District, I know of no litigation, proceeding, action, suit, or investigation (or any basis therefor) at law or in equity before or by any court, governmental agency or body, pending or, to my best knowledge, threatened, against the District challenging the creation, organization or existence of the District, or the validity of the District Documents or seeking to restrain or enjoin the payment of debt service on the Bonds or in any way contesting or affecting the validity of the District Documents or any of the transactions referred to therein or contemplated thereby or contesting the authority of the District to enter into or perform its obligations under any of the District Documents, or under which a determination adverse to the District would have a material adverse effect upon the financial condition or the revenues of the District, or which, in any manner, questions or affects the right or ability of the District to enter into the District Documents or affects in any manner the right or ability of the District to pay debt service on the Bonds; and

(j) Based on the information made available to me in my role as general counsel to the District, and without having undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to my attention which would lead me to believe that the Official Statement as of its date and as of the date hereof (excluding therefrom the financial and statistical data and forecasts and the information with respect to DTC and its book-entry system included therein, as to which no opinion is expressed) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The opinions expressed herein are based upon my analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. This letter is limited to matters governed by the laws of the State of California and federal securities laws, and I assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction. I call attention to the fact that the rights and obligations under the District Documents are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California.

This letter is being furnished to you solely for your benefit in connection with the issuance of the Bonds, and is not to be used, circulated, quoted or otherwise referred to for any other purpose without my prior written consent. No attorney-client relationship has existed or exists between me and you in connection with the Bonds or by virtue of this letter and I am not assuming any professional responsibility to any other person whomsoever.

Respectfully submitted,

Brian D. Poulsen, Esq.

EXHIBIT D

GOOD FAITH ESTIMATES

Set forth below are good faith estimates of Fieldman, Rolapp & Associates, Inc., the municipal advisor, as required under Section 5852.1 of the California Government Code (the “Code”). The following estimates are based on market conditions as of March 3, 2022 and have no bearing on, and should not be misconstrued as, any not-to-exceed financial parameters authorized by resolution.

- (a) The true interest cost of the Bonds is estimated at 3.47%, calculated as provided in Section 5852.1(a)(1)(A) of the Code.
- (b) The finance charge of the Bonds, including all fees and charges paid to third parties, is estimated at \$416,030.
- (c) Proceeds of the Bonds expected to be received by the District for the sale of the Bonds less the finance charge described in (b) above and any capitalized interest or reserves paid from proceeds of the Bonds (if any), is equal to \$71,593,970.
- (d) The total payment amount calculated as provided in Section 5852.1(a)(1)(D) of the Code is estimated at \$96,780,682.

The foregoing are estimates and the final costs will depend on market conditions and can be expected to vary from the estimated amounts set forth above.



Authorization to Issue Debt Securities

El Dorado Irrigation District
March 14, 2022



Previous Board Actions

- February 28, 2022 – Board received an update presentation related to the District's Public Employees' Retirement System unfunded pension liability



Summary of Issue—2022A Refunding Revenue Bonds






- Debt issue needed to fund:
 - Make contributions to PERS to fund pension benefits for certain District employees
 - Amortize the accrued unfunded actuarial liability (UAL) with respect to such pension benefits
 - Appropriate funds for the foregoing purposes.





Summary of Issue—2022A Refunding Revenue Bonds

- 
- Current conditions indicate:
 - Taxable market interest rate as of January 20, 2022
 - About 3.16% for similarly rated entities
 - Positive annual cash flow savings of \$0.5 million to \$1.7 million
 - Total cash flow savings of approximately \$28.0 million
 - NPV savings of approximately \$22.0 million
 - Taxable market interest rate as of February 16, 2022
 - About 3.66% for similarly rated entities
 - Positive annual cash flow savings of \$0.5 million to \$1.4 million
 - Total cash flow savings of approximately \$23.5 million
 - NPV savings of approximately \$16.7 million
 - Structure maturities over same life of UAL pay down
- 
- 



Staff Analysis—2022A

Refunding Revenue Bonds



■ Current considerations

- Issue not to exceed \$80 million
- Will fund amortization costs of pension benefits



2022A Refunding Revenue Bonds

- Documents

- Indenture of Trust
- Continuing Disclosure Certificate
- Purchase Contract
- Good Faith Estimate





2022A Refunding Revenue Bonds

Indenture of Trust

Agreement between US Bank Trust Company, National Association as Trustee and EID

Continuing Disclosure Certificate

Describes reporting requirements for the duration of the 2022A Refunding Revenue Bonds

Purchase Contract

Agreement between the District and Citigroup Global Markets, Inc. will memorialize the principal amounts and interest rate on the 2022A Bonds upon sale and prior to closing

2022A Refunding Revenue Bonds

Good Faith Estimate

Represents the estimated financial outcome of the transaction including estimates of True Interest Cost (TIC), transaction fees paid to 3rd parties, net proceeds of the transaction and total debt payments under the contract



2022A Refunding Revenue Bonds

Preliminary Official Statement

Describes all relevant details of the participants, the issue, outstanding debt of the District, and purpose of the issue

To be presented with consideration of an adopting resolution prior to discussion with rating agency(s) at the 3/28/2022 Board Meeting.



2022A Refunding Revenue Bonds

■ District resolution

- Approves the bond documents
- Appoints US Bank Trust Company, National Association as trustee
- Authorizes execution and delivery of documents
- Authorizes GM to issue the 2022A refunding revenue bonds





Remaining Tasks

- Approve and print preliminary official statement
- Meet with rating agency(s)
- Price bonds and sign purchase contract/pre-close
- Print official statement
- Close bonds and deliver funds



Board options

- Option 1: Adopt a resolution authorizing the issuance of not to exceed \$80 million aggregate principal amount of refunding revenue bonds, authorizing the execution and delivery of not to exceed \$80 million aggregate principal amount refunding revenue bonds, and approving the execution and delivery of certain documents in connection therewith and certain other matters.
- Option 2: Take other action as directed by the Board.
- Option 3: Take no action.



Recommendation

- Option 1





El Dorado Irrigation District

EL DORADO IRRIGATION DISTRICT

SUBJECT: Consider approving a contract change order to Domenichelli and Associates, Inc. in the not-to-exceed amount of \$30,240 for additional inspection services and authorize additional funding of \$44,760 for capitalized labor for a total funding request of \$75,000 associated with the Camino Safety Project, Project No. 19008.01.

PREVIOUS BOARD ACTION

August 12, 2019 – Board approved a Utility Agreement between the State of California Department of Transportation and the El Dorado Irrigation District for the relocation and installation of pipelines associated with the U.S. Highway 50 Camino Safety Project.

April 27, 2020 – Board authorized a total funding request of \$1,160,000 for the Camino Safety Project.

November 8, 2021 – Board approved the 2022-2026 Capital Improvement Plan (CIP), which included the Camino Safety Project.

BOARD POLICIES (BP), ADMINISTRATIVE REGULATIONS (AR) AND BOARD AUTHORITY

BP3060 Contracts and Procurement

SUMMARY OF ISSUE

The California Department of Transportation (Caltrans) is presently working on the construction of the U.S. Highway 50 Camino Safety Project (Project) in Camino, California. As part of the Project, Caltrans is installing an underpass of Highway 50 at Carson Road. Two of the District's key large transmission lines that deliver water across the service area, El Dorado Main #1 (EDM1) and El Dorado Main #2 (EDM2), required relocation to accommodate the Project. The Project has experienced several challenges that have resulted in extension of the schedule for the EDM1 and EDM2 installations and required additional inspection services.

BACKGROUND/DISCUSSION

Along the north and south side of Highway 50 at the Project location, the District operates two transmission pipelines - EDM1 (north side) and EDM2 (south side). These transmission lines convey water from Pollock Pines to the western end of the District including customers in El Dorado Hills. EDM1 is a 33" concrete pressure pipe (CPP) installed in 1960, which was constructed within the County right-of-way. EDM2 is a 33" CPP installed in 1970, which was constructed within a District easement. To accommodate the Project's construction of the new undercrossing, both EDM1 and EDM2 required relocation by lowering both pipelines below the new finish grade elevation. The District is 100% responsible for the relocation of the approximately 700 linear feet of EDM1, because EDM1 was installed in County right-of-way and thus EID does not have prior rights relative to Caltrans. Caltrans is responsible for 100% of the relocation of approximately 500 linear feet of EDM2, because the District was able to provide the easement documents indicating the District has prior rights relative to Caltrans.

The relocation efforts have been phased in order to maintain water service to District customers at all times. In addition, the District included language within the Project drawings and specifications limiting when the tie-in of the EDM2 pipe could be completed to maintain water

service to District customers, as the capacity of EDM1 alone is not adequate to deliver water to District customers during higher demand months. Due to the complexity and phasing of the construction, Security Paving Inc. (Contractor), Caltrans' contractor for the Camino Safety Project, performed the pipeline relocation with the District providing inspection of the pipeline installations.

Schedule

The Project experienced several setbacks related to the pipeline installations since work initially began back in October 2020.

EDM1

- The Contractor experienced failure of two line stops, which were being used to isolate the portion of EDM1, without interrupting water service to District customers.
- The Contractor's initial installation of the new EDM1 pipeline was non-compliant with industry standards and Project specifications and resulted in severe damage to the new pipeline, including cracking and delamination of the concrete lining that compromised the structural integrity of the pipeline. Delamination is the presence of a void between the interior mortar lining of the pipe and the steel cylinder. The presence of delamination means that the bond between the interior mortar lining and the steel cylinder has been lost, and therefore, the structural integrity of the pipe is compromised.

In May 2021, after subsequent inspection of the EDM1 damage, the District rejected the entire installation and required the pipeline to be removed and replaced. Work on EDM1 restarted in October 2021, and the line stops were successfully installed. The Contractor removed and replaced the rejected EDM1 pipe, and on December 15, 2021, the District inspected the new pipe and approved it for pressure testing and disinfection. Disinfection occurred on February 10, 2022 and EDM1 was tied in on February 16, 2022.

EDM2

Work on EDM2 began in April 2021. Contractor difficulties encountered with the EDM2 installation include:

- On April 14, 2021, a backhoe fell into the pipe trench. This resulted in severe damage to one of the newly installed EDM2 pieces, with concrete spalling and cracking on both the interior and exterior, and deflection of the steel cylinder. The Contractor subsequently attempted to hammer the steel cylinder back in round and patched the damaged concrete, without District review or approval. The District rejected this damaged pipe segment on May 21, 2021, following a May 17 inspection of the damage.
- The EDM2 pipeline was found to be installed at an incorrect line and grade. This could result in issues with the tie-in, as the designed tie-in pieces are made to tie-in at particular elevations and locations. The District is actively working with the Contractor to resolve this issue.
- In June 2021, Caltrans performed an inspection of all installed EDM2 pipe. The inspection found portions of the pipe out of round and other deficiencies.
- On July 30, 2021, the District performed its own inspection of the installed EDM2 pipe. Similar to EDM1, this inspection also found the pipe to be delaminated in six of the installed pieces. These damaged pieces were then rejected by the District on August 9, 2021.

Currently, the Contractor has just started removal of the rejected EDM2 pipe segments and is preparing for new pipe to be delivered the week of March 7, 2022. However, some of the damaged pieces with mitered bends, including the piece impacted by the backhoe, are reportedly

not able to be manufactured and delivered until April, after the contractual deadline for completion and tie-in of the new pipeline has passed. After pipe delivery, the Contractor will still need to install, pressure test and disinfect the new pipeline prior to it being tied-in. District staff and Caltrans have been coordinating on the rejection of the six EDM2 pieces, the replacement schedule and impacts to the overall Project schedule.

Construction Inspection

As noted, the District is providing construction inspection services for the two pipeline installations. As work got underway, it became clear that with the difficulties the Contractor was having, it was in the District’s best interest to have multiple inspectors onsite at all times. The District entered into a contract with Domenichelli and Associates, one of the District’s on-call inspection firms, for additional construction inspection in April 2021. This was originally for a limited term for an additional inspector to assist on days when the Contractor had multiple crews working in different locations. Beginning in October 2021, the District’s in-house inspector became unavailable, which required additional inspection to be provided by Domenichelli and Associates. Staff executed three change orders as the Project continued to be delayed, to account for the additional inspection need. With the extended installation of EDM1 and EDM2 installation ongoing, an additional Change Order No. 4 is needed to cover inspection for the completion of EDM2. The original D&A contract and the three change orders executed to date under the General Manager’s authority result in a total contract amount of \$98,040. Proposed Change Order No. 4 in the amount of \$30,240 takes the contract above \$100,000 and requires Board approval.

Original Contract (April 12, 2021)	\$19,920
Change Order No. 1 (October 10, 2021)	19,200
Change Order No. 2 (January 12, 2022)	24,000
Change Order No. 3 (March 1, 2022)	34,920
Subtotal	\$98,040
Proposed Change Order No. 4	\$30,240
TOTAL	\$128,280

FUNDING

The original Project funding request included \$205,000 for capitalized labor including project management and construction inspection costs and \$150,000 in contingencies. Due to difficulties encountered by the Contractor and the extended timeline for construction, the District has expended the available funding of \$355,000. Therefore, the District is requesting additional funding of \$30,240 for inspection time and \$44,760 for capitalized labor for a total additional funding request of \$75,000.

BOARD OPTIONS

Option 1: Approve a contract change order to Domenichelli and Associates, Inc. in the not-to-exceed amount of \$30,240 for additional inspection services and authorize additional funding of \$44,760 for capitalized labor for a total funding request of \$75,000 associated with the Camino Safety Project, Project No. 19008.01.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

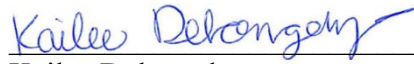
RECOMMENDATION

Option 1

ATTACHMENTS

Attachment A: Contract Change Order No. 4

Attachment B: 2022-2026 CIP worksheet



Kailee Delongchamp

Associate Engineer

 for

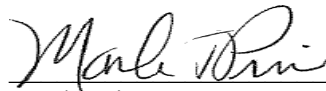
Elizabeth Dawson

Engineering Manager



Brian Mueller

Engineering Director



Mark Price

Finance Director



Brian Poulsen

General Counsel

 for

Jim Abercrombie

General Manager



DOMENICHELLI AND ASSOCIATES, INC.
CIVIL ENGINEERING

Kailee DeLongchamp
El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667

March 1, 2022

Subject: Amendment #4 Request for Construction Inspection Services for the Camino Safety Project – 19008.01

Dear Kailee,

As requested, we are submitting the attached request for additional budget for construction inspection services related to the Camino Safety project. The added budget is requested for the following:

- The Contractor on the project (contracted through Caltrans) incorrectly installed a portion of pipeline and has been required to reinstall the pipe. This has extended the construction timeline.
- There are additional sections of pipeline in question that may require replacement.
- The project has included overtime which was not originally anticipated. This has reduced the overall number of hours available in the contract.
- The Contractor is not experienced in pipeline installation and requires close monitoring to ensure a proper installation.
- Our estimated hours include six weeks of full-time inspection at regular hour rate (40 hours/week x 6 weeks = 240 hours). We have also included 80 overtime hours. This includes additional weekday hours and weekend hours. These hours are anticipated based on discussions with the Contractor regarding their plan for completion.

The project will continue to utilize Joe Saylor for the inspection services. Please let us know if you have any questions or concerns regarding this request.

Sincerely,

Sara Rogers, PE, QSD
Vice President – Domenichelli and Associates, Inc.

Attachments

- **Proposal for Professional Services – On-Call Contract**



Exhibit 1 to Appendix A

PROPOSAL FOR PROFESSIONAL SERVICES – ON-CALL CONTRACT (THROUGH 12/31/2022)

(PURSUANT TO PARAGRAPH 1 OF APPENDIX A OF THE PROFESSIONAL SERVICES AGREEMENT FOR ON-CALL PROFESSIONAL SERVICES 01/01/2020 THROUGH 12/31/2022, THIS PROPOSAL – IF SELECTED BY DISTRICT AND EXECUTED BY BOTH PARTIES – SHALL BECOME THE **SCOPE OF WORK** FOR THE SPECIFIC ON-CALL TASK(S) IDENTIFIED HEREIN.)

TYPE OF SERVICE: Construction Inspection

CONSULTANT NAME: Domenichelli and Associates, Inc.

EID Project Name: Camino Safety Project

EID Project No.: 19008.01

ESTIMATED HOURS AND COST PROPOSAL				
ITEM NO.	TASK DESCRIPTION	PROJECTED HOURS	COST PER HOUR/ITEM (REQUIRED)	PROJECTED COSTS
1	Inspection – Regular Time – Amendment Request	240	\$120.00	\$28,800
2	Inspection – Over Time – Amendment Request	80	\$180.00	\$14,400
TOTAL HOURS		320	TOTAL NOT TO EXCEED	\$30,240

ESTIMATED DURATION: 2 months (REQUIRED)

CONSULTANT MUST ALSO ATTACH A MORE DETAILED DESCRIPTION OF EACH TASK LISTED ABOVE, IDENTIFYING ALL PARTICIPATING PERSONNEL AND SUBCONSULTANTS, A TIMETABLE FOR PERFORMANCE OF EACH TASK, AND ALL DELIVERABLES.

CONSULTANT:

03/01/2022

SIGNATURE

DATE

=====

DISTRICT APPROVAL:

SIGNATURE

DATE

SIGNATURE

DATE

SIGNATURE

DATE

FOR EID USE ONLY:

Charge Nos.:

Notes:

Are safety submittals required? Yes No

If "Yes", safety submittal form needs to be completed and attached to this form. District's Safety/Security Officer must approve safety submittals before commencement of work.

2022

CAPITAL IMPROVEMENT PLAN Program:

Water

Project Number: 19008
Project Name: EDM 1 Relocate / Camino Safety
Project Category: State/County Road Projects
Priority: 1 **PM:** Delongchamp **Board Approval:** 11/08/21

Project Description:

The California Department of Transportation (Caltrans) is presently working on the "U.S. Highway 50 Camino Safety Project" to improve safety on Highway 50 in the Camino Corridor. The project will modify existing roadways to install a concrete median barrier, maintain existing acceleration/deceleration lanes at-grade intersections, construct a new mainline undercrossing to mitigate for loss of left-turn movements, construct access to the new mainline undercrossing for local connectivity, and construct a wildlife crossing. The project is in the Camino area, from Still Meadows Road to Upper Carson Road.

In 2020, the Board approved a utility agreement to share in the costs of relocation of EID facilities. To accommodate the project the District transmission lines EDM1 and EDM2 will need to be relocated. The relocation is included in Caltrans Project. The District is responsible for 100% of the relocation of EDM1 and Caltrans is responsible for 100% of the relocation of EDM2. EDM1 relocation is to be complete in November 2021, EDM 2 relocation is to be complete in January 2022. Punchlist items and project billing is expected to extend into spring of 2022.

Basis for Priority:

The District has facilities in both Right of Way and an Easement that will be impacted by the project. The District must pay a portion of the relocation costs. The Board has previously approved a Utility Agreement for the work and the project is under construction.

Project Financial Summary:

Funded to Date:	\$ 1,210,000	Expenditures through end of year:	\$ 464,302
Spent to Date:	\$ 289,302	2022 - 2026 Planned Expenditures:	\$ 745,000
Cash flow through end of year:	\$ 175,000	Total Project Estimate:	\$ 1,209,302
Project Balance	\$ 745,698	Additional Funding Required	\$ -

Description of Work	Estimated Annual Expenditures					Total
	2022	2023	2024	2025	2026	
Capitalized Labor	\$ 100,000					\$ 100,000
Construction	\$ 645,000					\$ 645,000
TOTAL	\$ 745,000	\$ -	\$ -	\$ -	\$ -	\$ 745,000

Funding Sources	Percentage	2022	Amount
Water FCCs	100%		\$0
Total	100%		\$0

Funding Comments: Work involves relocation of existing facilities.

Caltrans Camino Safety Project Contract Change Order for Inspection Services

Project No. 19008.01

March 14, 2022



Previous Board Actions

August 12, 2019 – Board Approved a Utility Agreement between the State of California Department of Transportation (Caltrans) and the El Dorado Irrigation District for the relocation and installation of pipelines associated with the U.S. Highway 50 Camino Safety Project.

Previous Board Actions Cont.

April 27, 2020 – Board authorized a total funding request of \$1,160,000 for the Camino Safety Project

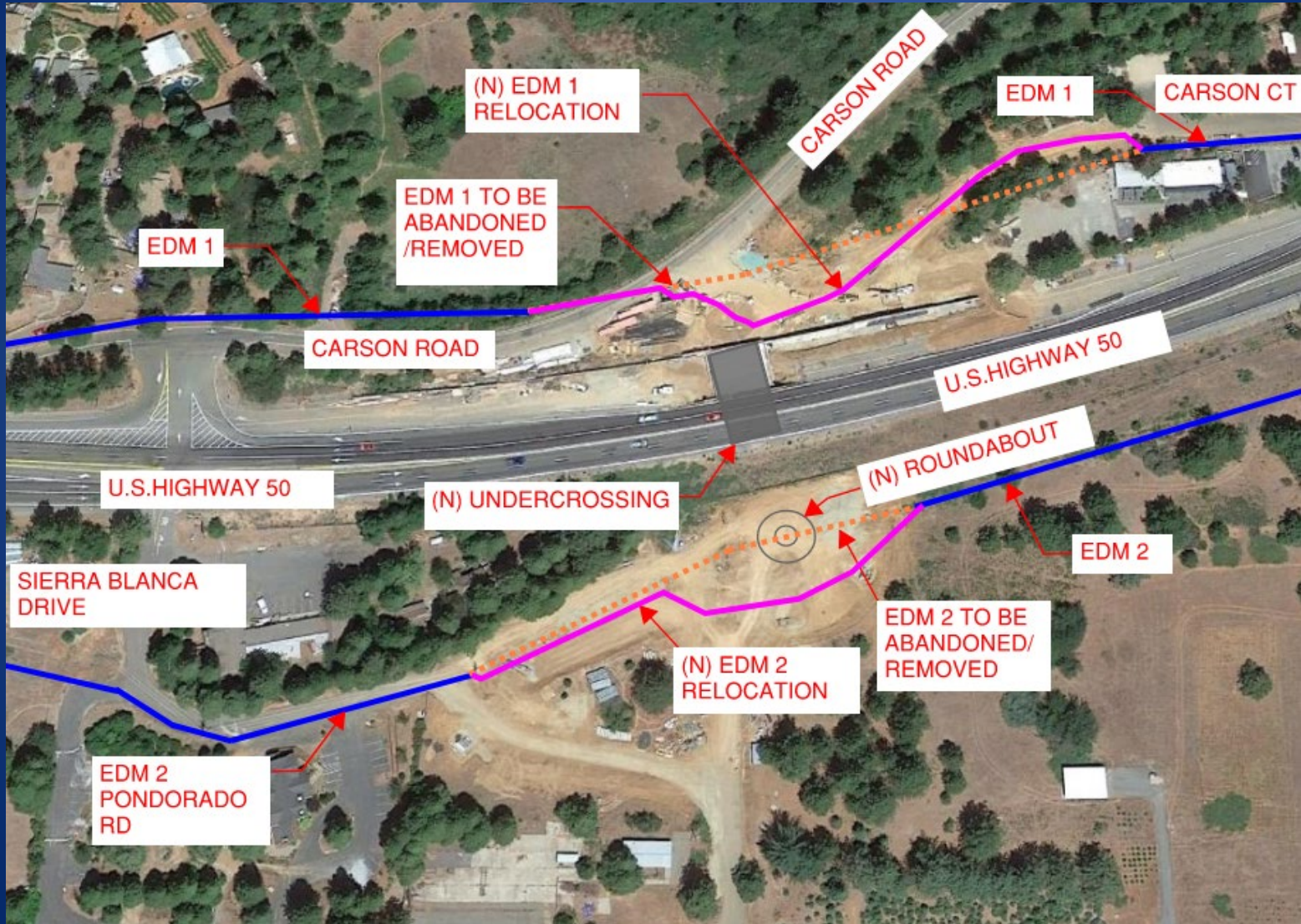
November 8, 2021 – Board approved the 2022-2026 Capital Improvement Plan, which included the Camino Safety Project

What is the Camino Safety Project?

Caltrans U.S. Highway 50 Camino Safety Project:

- Install concrete median barrier – No more left turns across U.S. Highway 50
- Maintain acceleration/deceleration lanes
- Construct new undercrossing
 - Affects 2 of the District's transmission mains
- Construct a wildlife crossing

Camino Safety Project Map



El Dorado Main #1 (EDM1) & El Dorado Main #2 (EDM2)

EDM1:

- 33-inch Concrete Pressure Pipe (1960)
- Relocate \approx 700 LF

EDM2:

- 33-inch Concrete Pressure Pipe (1970)
- Relocate \approx 600 LF

EDM1 & EDM2 feed
the communities:

- Camino
- Swansboro
- Placerville
- Shingle Springs
- Cameron Park
- El Dorado Hills

Project Challenges

EDM1:

- 2 Linestop failures
- Initial installation was non-compliant

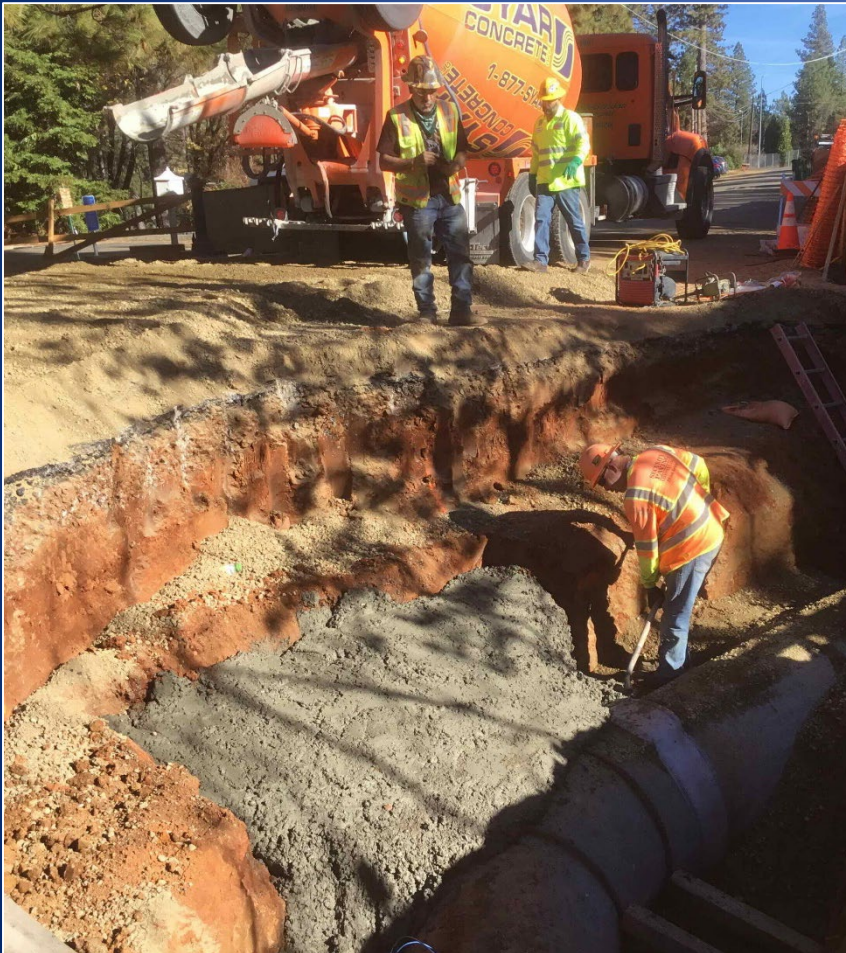
EDM2:

- Damaged pipe with backhoe
- Installation not installed on correct line & grade
- Initial installation of portion of pipe non-compliant

EDM1 – Pipe Installation



EDM1 – Pipe Installation

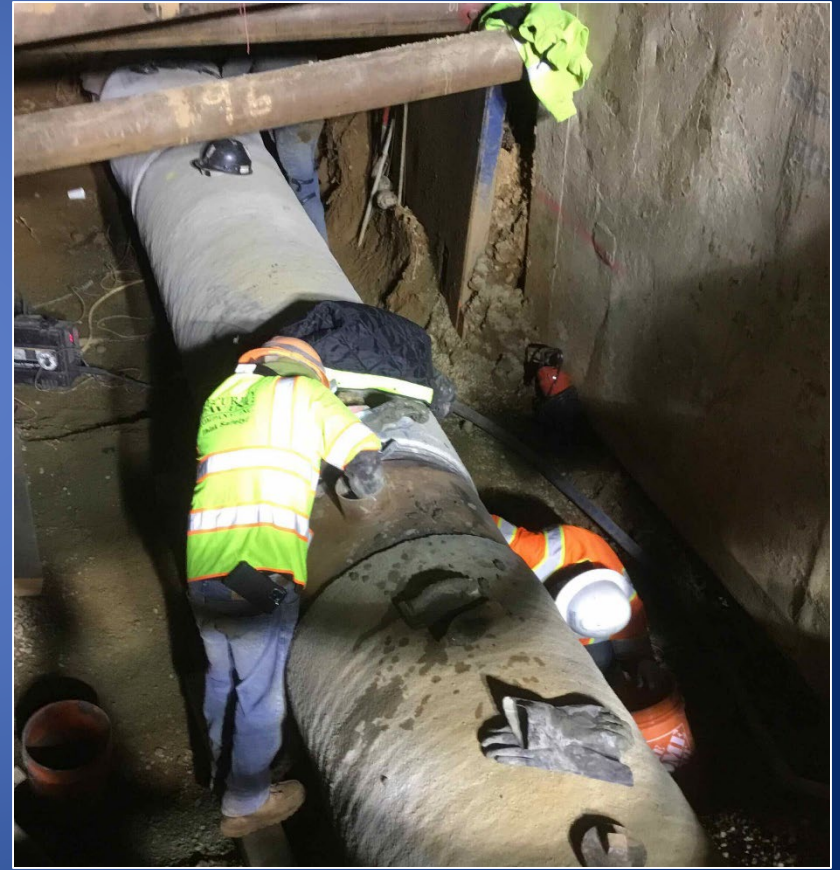


EDM1 – Eastern Tie-In



EDM1 tied in and operational on 2/17/2022

EDM1 – Western Tie-In



EDM2 – Pipe Installation



EDM2 – Pipe Installation



Current Status

- EDM1 installation complete and tied-in
- EDM2
 - Six pieces rejected
 - Awaiting delivery and installation
 - Must be completed before water demands increase
 - Coordination with Caltrans regarding rejection of pipe, new installation and schedule constraints

Construction Inspection Domenichelli and Associates

Original Contract	\$ 19,920
Change Order No. 1	\$ 19,200
Change Order No. 2	\$ 24,000
Change Order No. 3	\$ 34,920
Subtotal	\$ 98,040
Change Order No. 4	\$ 30,240
TOTAL	\$ 128,280

Funding Requirements

Construction Inspection Change Order	\$ 30,240
Capitalized Labor	\$ 44,760
TOTAL	\$ 75,000

Funding for Project included in 2022-2026 CIP

Total Project Funding

4/27/20 Board Meeting	Construction Contract – Per Utility Agreement	\$ 805,000
	Capitalized Labor – Project Management and Inspection	\$ 205,000
	15% Contingency	\$ 150,000
3/14/22 Board Meeting	Construction Inspection Change Order	\$ 30,240
	Capitalized Labor	\$ 44,750
	TOTAL	\$ 1,234,990

Board Options

- **Option 1:** Approve a contract change order to Domenichelli & Associates, Inc. in the not-to-exceed amount of \$30,240 for additional inspection services, and authorize additional funding of \$44,760 for capitalized labor for a total funding request of \$75,000 associated with the Camino Safety Project, Project No. 19008.01.
- **Option 2:** Take other action as directed by the Board
- **Option 3:** Take no action

Recommendation

- Option 1

Questions?