

DIRECTORS

Peter W. Hansen

Craig R. Kaihara

Thomas P. Vujovich, Jr.

John S. Broome

John D. Menne



PLEASANT VALLEY COUNTY WATER DISTRICT

PIONEER IN FOX CANYON AQUIFER CONSERVATION
SERVING AGRICULTURE SINCE 1956

154 S. LAS POSAS ROAD, CAMARILLO, CA 93010-8570
Phone: 805-482-2119
Fax: 805 484-5835

STAFF

Jared L. Bouchard
General Manager

General Counsel
Arnold, Bleuel, LaRoche,
Mathews & Zirbel, LLP

**PLEASANT VALLEY COUNTY WATER DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS**

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Pleasant Valley County Water District Board of Directors will hold a **SPECIAL MEETING** Tuesday May 21st, 2024, @ 10:00 a.m. at the District Office located at 154 S. Las Posas Road, Camarillo, CA 93010-8570.

The following provides information to the public and consultants on how to observe and/or participate in the meeting remotely. Meeting Zoom Link for Live Public and Consultant Participation and Real Time Public and Consultant Comments:

Join Zoom Meeting

<https://us06web.zoom.us/j/81784380580>

Meeting ID: 817 8438 0580

- +1 669 900 6833 US (San Jose)
- +1 408 638 0968 US (San Jose)

Public comments may be submitted in person, virtually via Zoom, or written. In-person and virtual comments should be no longer than 3 minutes. In-Person: Complete a speaker request form located at the entrance of the Council Chamber and give it to the Agency Clerk. Your name will be called when it is your turn to speak. Virtually via Zoom: Access the meeting Zoom link to provide real-time (virtual) comments at appropriate public comment times throughout the meeting by using the raise hand feature. Written: All written public comments should be no more than 500 words and are subject to the Public Records Request Act. Written comments should be submitted to the Agency Clerk by 9:00 a.m. on the day of the Water Agency meeting by email or directly to the Agency Clerk's Office. Email nancy@pvcwater.com and enter "Public Comment" in the Subject line (and agenda item number if applicable). Mail or drop off written comments to the Agency Clerk's Office located at 154 S. Las Posas Rd. Please clearly mark envelope with "PVCWD Public Comment and meeting date."

AGENDA

The agenda is posted at least 72 hours preceding the Board meeting and contains all items on which Board action will be allowed pursuant to Government Code Section 54954.2. Action will be taken on unanticipated items only when an emergency (as defined in Section 54956.5) exists or as otherwise allowed under Section 54954.2(b).

An opportunity for members of the public to briefly address the Board on items not on the agenda is provided at the beginning and end of each meeting. Persons wishing to comment on agenda items should complete a speaker card and submit it (preferably before the meeting) to the Clerk. The Chairman will then recognize them at the appropriate time. Once recognized, persons should step to the podium, clearly state their name, and address for the record, and address the item being considered in as brief, clear, and concise a manner as possible.

OPEN SESSION AND CALL TO ORDER:

- 1) Pledge of allegiance.
- 2) Roll call.
- 3) Determination of quorum.
- 4) Approval of agenda.
- 5) Approval of Minutes:

a. April 23rd, 2024 Special Board Meeting

- 6) Open Forum.

This is an opportunity for the public to address the Board on matters not appearing on the agenda. No action may be taken by the Board at this time, but items can be considered for placing on the agenda for a subsequent meeting.

7) ACTION ITEMS

A. Consider Proposed FY 24/25 Budget

Recommendation: Adopt Proposed FY24/25 Budget

B. Adoption of Ordinance 24-01 - PLEASANT VALLEY COUNTY WATER DISTRICT AN ORDINANCE ESTABLISHING FEES RELATED TO THE PROVISION OF WATER SERVICE:

Recommendation: Adopt Ordinance 24-01

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C. Consider Acuity Hub Agreement with XIO Inc. for Supervisory Control and Data Acquisition (SCADA) services

Recommendation: Authorize the General Manager to execute the agreement with XIO

D. Ratification of Checks The Board will review and ratify checks issued and funds transferred for the period April 20th, 2024, through May 17th, 2024.

Recommendation: Approve

8) GENERAL MANAGER COMMENTS

9) OTHER BUSINESS

10) CLOSED SESSION It is the intention of the Pleasant Valley County Water District Board of Directors to be in closed session to consider the following items:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Authority: California Government Code § 54956.9(d)(1)

Pursuant to Government Code § 54956.9(d)(1), the Board of Directors will meet in closed session to discuss, confer with, and receive advice from legal counsel regarding existing litigation to which the District is a named party, specifically OPV Coalition, et. al. v. Fox Canyon Groundwater Management Agency, et. al., Santa Barbara County Superior Court Case No. VENCI00555357

11) ADJOURNMENT

In compliance with the Americans with Disabilities Act, all possible accommodations will be made for individuals with disabilities so they may attend and participate in meetings. If special assistance is needed, please call the Agency staff at (805) 482-2119 at least 24 hours prior to the meeting so proper arrangements may be assured. If requested, and as possible, agendas will be provided in alternative formats.

Agenda Posting Certification: This agenda was posted not less than 72 hours prior to the scheduled meeting date and time at 154 S. Las Posas Road Camarillo CA, 93010 in a location that is accessible 24 hours a day to the General Public and is posted on the Pleasant Valley County Water District website <https://www.pleasantvalleycountywaterdistrict.com/board-meetings>


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LLP

MINUTES OF SPECIAL MEETING OF THE
BOARD OF DIRECTORS
PLEASANT VALLEY COUNTY WATER DISTRICT HELD
Tuesday April 23rd, 2024 @ 10:00a.m.

Pursuant to notice given, a Special Meeting of the Board of Directors of the Pleasant Valley County Water District was held on Tuesday January 23rd, 2024 @ 10:00 a.m. in the district headquarters facility, 154 S. Las Posas Rd, Camarillo, CA.

Call to Order

The meeting was called to order at 10:01 a.m. by Board President Vujovich.

Agenda Item #1- Pledge of Allegiance - led by Board President Vujovich.

Agenda #2- Roll Call

Attendance was as follows:

Directors Present:

President Thomas P. Vujovich, Jr.

Director John Broome

Director Peter Hansen

Directors Absent:

Vice President Kaihara

Director John Menne

Staff Present:

Dennis McNulty, Attorney

Jared Bouchard, General Manager

Agenda Item #3 – Determination of Quorum

Quorum was established.

Agenda Item #4 – Approval of Agenda

A motion to approve the agenda was made by Director Broome; seconded by Director Hansen. Motion passed unanimously with a 3-0 vote and the agenda was approved as presented.

Ayes: -3- Directors: Broome, Vujovich, Hansen

Ney's: -0-

Absent: -2- Directors: Kaihara, Menne

Abstained: - 0-

Agenda Item #5 -Approval of Minutes

A motion to approve the minutes of the Special Board meeting held on January 23rd, 2024, was made by Director Hansen, seconded by Director Broome. Motion passed unanimously with a 3-0 vote, and minutes were approved as presented.

Ayes: -3- Directors: Vujovich, Broome, Hansen

Ney's: -0-

Absent: -2- Directors: Kaihara, Menne

Abstained: - 0-

Agenda Item #6 -Open Forum

Public comment was made by Daniel Nauman of Naumann Family Farms. No further comments were made.

Members of the public present:

Daniel Naumann of Naumann Family Farms

Cindy Beyrrum of Eide Baily-Present for Action Item A

Sebastian Silvera of Gladstone

Agenda Item #7- Action Items

A. Consider Annual Audit for Fiscal Year Ended June 30, 2023.

Audit for the Fiscal Year ended June 30th, 2023, by Independent Auditor Fanning and Karrh was presented. A motion to receive, approve as presented and file was made by Director Broome, seconded by Director Hansen. Motion passed unanimously with a 3-0 vote.

Ayes: -3- Directors: Vujovich, Broome, Hansen,

Ney's: -0-

Absent: -2- Directors Kaihara, Menne

Abstained: - 0-

B. Board review of Preliminary Draft FY Budget 24/25

A review of the preliminary draft budget for FY 24/25 was presented and discussed. Budget is 80% complete, PVCWD is waiting on a rate increase update from UWCD to complete the Budget.

C. Update on Acuity Hub Agreement with XIO Inc.

XIO Acuity Hub Agreement update on negotiations was discussed. The Agreement will be presented at the May 21st, 2024, Meeting for consideration of board approval.

D. Ratification of Checks

A motion was made by Director Broome, seconded by Director Hansen to ratify checks issued from January 20th, 2024, through April 19th, 2024. The motion passed unanimously with a 3-0 vote, and the list of checks ratified is appended to these minutes.

Ayes: -3- Directors: Vujovich, Broome, Hansen,

Ney's: -0-

Absent: -2- Directors: Kaihara, Menne

Abstained: - 0-

Agenda Item #8 - General Manager Comments

General Manager Bouchard gave an update on the Laguna Road Pipeline Project.

Agenda Item # 9 - Other Business

No other Business

Agenda Item # 10 - Closed Session

The Board went into closed session per Subdivision (d) of the California Government Code Section 54956.9© to conference with legal counsel on potential or existing litigations. Pleasant Valley County Water District Board of Directors entered closed session to consider the following items:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Authority: California Government Code § 54956.9(d)(1) Pursuant to Government Code § 54956.9(d)(1), the Board of Directors met in closed session to discuss, confer with, and receive advice from legal counsel regarding existing litigation to which the District is a named party, specifically OPV Coalition, et. al. v. Fox Canyon Groundwater Management Agency, et. al., Santa Barbara County Superior Court Case No. VENCIO0555357. No reportable action was taken.

The Board concluded closed session at 11:54 a.m.

Agenda Item # 11 - Adjournment

The meeting was adjourned upon a motion duly made seconded, and carried unanimously at 11:54 a.m.

Respectfully Submitted:

Minutes Approval:

Jared Bouchard, General Manager

Thomas Vujovich, Board President

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May 21, 2023 SPECIAL MEETING

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

Subject: Consider FY 2024/25 Budget

AGENDA ITEM: 7A

Attached for review is the proposed budget for Pleasant Valley County Water District Fiscal Year 2024/25.

BUDGET SUMMARY

The first page of the budget is a summary sheet that contains all the various expenses the Districts anticipates paying. The Line item on the left has a corresponding back up page where you may reference the calculations used to populate the summary sheet.

The 24/25 budget as proposed anticipates \$270K of revenues more than expenditures.

As in previous years the budgeted revenues will only be met if the projected water sales are met and the source water forecasting tracks with estimates of the budget, this budget is based on an estimated 13k ac/ft of water sales.

Highlights of the budget and some factors driving the anticipated increase in cost are:

- Legal Fees
- Sufficient funding for consultant assistance in implementing the Supplemental Water Availability program and billing system modifications.
- 250k in capitol acquisition - Funding for 2 Well Rehabs
- Increased fees for all District Water Sources
- 3% Cost of Living Adjustment for wages (included in Water Rate Study)

The single biggest factor driving increases in operational cost to PVCWD can be identified by significant increases in the wholesale water purchase cost and FCGMA Fees.

While the rate study anticipated wholesale water rate increases and FCGMA fee increases, the forecasted amounts were not sufficient to cover the actual increases for

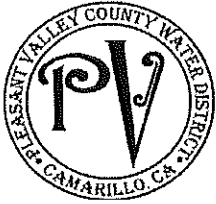
this year. The chart below compares the forecasted increases vs the actual increases imposed.

	Current Rates FY 23/24	Rate Study Assumptions FY 24/25		Actual Rates Increase FY 24/25	Difference between rate study and actual FY 24/25
Zone A	89.75	98.28		135.07	36.79
Zone B	87.00	95.27		135.25	39.98
FCGMA	55	60.23		70	9.77
Total	231.75	253.78		340.32	86.54

For perspective when all the increases and power cost are factored, the all-in cost for pumped water is around \$430 per ac/ft. Because PVCWD has a diverse water portfolio it can mitigate some of that increase, in large part due to the continued availability of Conejo Creek Water and Santa Clara River Surface Waters this year.

In order to fund this budget as proposed, PVCWD will need to implement the \$395.30 /ac/ft rate anticipated by the rate study and implement a pass-through increase of \$25/ac/ft, making the combined PVCWD rate \$420.30/ac/ft

Recommendation: 1. Review and approve the FY 24/25 budget



Pleasant Valley County Water District FY 24/25 Proposed Budget

		A	B	C	D=C-B	E=D/B	
		FY 23/24	FY 23/24	FY 24/25	\$ Variance	% Variance	
G/L	Account	Adopted Budget	Projected Ending	Proposed Budget			
Operating Revenues							
1	Water Revenues	3000.1	\$ 6,316,500	\$ 4,804,600	\$ 5,986,500	\$ 1,181,900	24.6%
Total Operating Revenue			6,316,500	4,804,600	5,986,500	1,181,900	24.6%
Operating Expenses							
Cost of Water							
2	Water Purchases	4010	4,556,200	3,989,900	4,183,100	193,200	4.8%
3	Water Pumping Costs	4020	633,900	248,900	291,800	42,900	17.2%
4	Water Transportation/Distribution	4030	61,400	71,200	74,800	3,600	5.1%
5	Repair & Maintenance	4040	64,200	4,100	67,400	63,300	1543.9%
6	Other Distribution Costs	4050	42,800	65,600	44,900	(20,700)	-31.6%
Total Cost of Water			5,358,500	4,379,700	4,662,000	282,300	6.4%
Salaries & Benefits							
7	Salaries	5010	419,600	401,700	432,000	30,300	7.5%
8	Payroll Taxes	5020	32,100	28,700	33,200	4,500	15.7%
9	Worker's Compensation	5030	8,700	8,800	9,000	200	2.3%
10	Medical Insurance	5040	62,700	61,100	66,900	5,800	9.5%
11	Retirement Contributions	5050	66,900	58,300	75,800	17,500	30.0%
12	Education & Training	5060	2,100	-	2,200	2,200	0.0%
Total Salaries & Benefits			592,100	558,600	619,100	60,500	10.8%
Administrative Expenses							
13	Bank Charges	6010	1,280	1,130	1,340	210	18.6%
14	Contract Labor	6020	3,210	-	3,370	3,370	0.0%
15	Dues & Subscription	6040	23,000	22,800	24,200	1,400	6.1%
16	Election Expenses	6050	2,140	-	2,250	2,250	0.0%
17	Insurance	6060	29,600	28,600	31,500	2,900	10.1%
18	Legal & Professional	6070	500,000	248,600	500,000	251,400	101.1%
19	Memberships	6080	14,980	11,980	15,730	3,750	31.3%
20	Miscellaneous Expenses	6090	9,630	160	10,110	9,950	6218.8%
21	Office expenses	6100	9,630	10,580	11,100	520	4.9%
22	Office Supplies	6110	6,420	2,750	6,740	3,990	145.1%
23	Postage	6120	1,600	2,028	2,130	102	5.0%
24	Printing	6130	1,070	350	1,120	770	220.0%
25	Publication	6140	4,660	5,400	5,670	270	5.0%
26	Rent & Leasing	6150	2,140	880	2,250	1,370	155.7%
27	Repair & Maintenance	6160	14,980	5,340	15,730	10,390	194.6%
28	Security	6170	2,140	860	2,250	1,390	161.6%
29	Telephone & Internet	6180	9,630	3,960	10,110	6,150	155.3%
30	Travel	6190	1,070	-	1,120	1,120	0.0%
31	Utilities	6200	8,500	7,730	8,100	370	4.8%
Total Administrative Expenses			645,680	353,147	654,820	301,673	85.4%



Pleasant Valley County Water District FY 24/25 Proposed Budget

G/L Account	FY 23/24 Adopted Budget	FY 23/24 Projected Ending	FY 24/25 Proposed Budget	\$ Variance	% Variance
Total Operating Expenses	6,596,280	5,291,447	5,935,920	644,473	12.2%



Pleasant Valley County Water District FY 24/25 Proposed Budget

		G/L Account	FY 23/24 Adopted Budget	FY 23/24 Projected Ending	FY 24/25 Proposed Budget	\$ Variance	% Variance
Other Revenues							
32	Property Tax Revenue	9100	400,000	389,900	400,000	10,100	2.6%
33	Late Charges	3000.2	20,000	9,670	12,000	2,330	24.1%
34	Interest Income	9110	14,570	27,100	27,100	-	0.0%
35	Other Income	9120	10,000	17,600	15,000	(2,600)	-14.8%
Total Other Revenues			444,570	444,270	454,100	9,830	2.2%
Other Expenses							
36	(Gain)/Loss on Disposal	9300	-	-	-	-	0.0%
37	Other Expenses	9400	5,000	-	5,000	5,000	0.0%
Total Other Expenses			5,000	-	5,000	5,000	0.0%
Net Income/(Loss) Before Capital			159,790	(42,577)	499,680	542,257	
Capital Improvement/Acquisition							
	Grant Proceeds	3500	-	173,468	-	(173,468)	
38	Capital Acquisition	9230	(206,000)	(264,928)	(228,960)	35,968	
Net Income/(Loss)			\$ (46,210)	\$ (134,037)	\$ 270,720	\$ 404,757	

Projected Cash & Investments 6/30/24 \$ 2,288,100
 Projected Cash & Investments 6/30/25 \$ 2,558,820

Recommended Reserves (Target Date 6/30/25) \$ 4,937,800
 (Under)/Over Recommended Reserves \$ (2,378,980)

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May 21, 2024, SPECIAL MEETING

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

**SUBJECT: ORDINANCE 24-01 of PLEASANT VALLEY COUNTY WATER DISTRICT
AN ORDINANCE ESTABLISHING FEES RELATED TO THE PROVISION
OF WATER SERVICE:**

AGENDA ITEM: 7B

Staff has prepared the Ordinance 24-01 to implement the approved rate increases that were considered and adopted as part of the Boards 2023 Rate Study and Proposition 218 Hearings and notices. In addition to implementing the approved PVCWD rate of \$395.30 per ac/ft, Ordinance 24-01 establishes a necessary pass-through fee of \$25 per ac/ft to cover United Water Cost increases that were not anticipated in the rate study. With the pass-through increase PVCWD customers will have an effective rate of \$420.30 per ac/ft

If approved by your Board, Ordinance 24-01 will become effective on July 1, 2024.

As part of this staff report we have included as background information, certain staff reports from 2023 that document the procedural process the Board undertook in the 218 Process culminating in the noticing and adoption of the proposed rates.

Recommendation:

Approve Ordinance 24-01

Background Documents

Staff Report September 20, 2023

- 1) The final draft of the FY 23/24 & FY 24/25 Water Rate Study prepared by Raftellis Financial Consultants Inc
- 2) Ordinance 23-01 that will implement the rates determined to be appropriate by the Water Study. The rates will become effective November 1, 2023 upon adoption of Ordinance 23-01

At the Boards August 9, 2023 meeting the First Reading of Ordinance 23-01 was performed and the Board directed staff to set a time certain public hearing for adoption of the ordinance on September 20, 2023.

Staff provided the required 45 day noticing of this public hearing prescribed by Proposition 218 to all customers and owners within the District, that notice is attached as part of the record herein and was mailed on July 31, 2023. Hearing Notices. To date, PVCWD has not received any written protest to the rates. If any written protest are received prior to the Public Hearing those protest will be included as part of the official record.

The PVCWD Board reviewed the Rate Study and its findings at public meetings held on March 8, 2023 and May 8, 2023 and held an additional meeting on August 9, 2023 to review Ordinance 23-01 that will implement the appropriate rates recommended by the Rate Study. The Board did not receive any communication on the rates, verbal or written at any of those meetings.

We have included the staff reports below from the March 8, 2023 and May 8, 2023 meetings for background.

September 20, 2023 Public Hearing Recommendations:

- 1) Conduct public hearing, receive staff report, public testimony and close the public hearing
- 2) Clerk of the Board to tabulate written protests and determine whether “majority protest” exists.
- 3) Adopt FY 23/24 & FY 24/25 Pleasant Valley County Water Rate Study FY prepared by Raftellis Financial Consultants Inc.
- 4) Perform reading in title only and adoption of Ordinance 23-01 effective November 1,2023.

Staff Report from May 8, 2023

At the Boards March 8, 2023, meeting, the Board reviewed the first draft of proposed rates and reserve targets as described in the staff report included below from March 8, 2023, meeting,

The Board provided direction to staff to increase the legal fees for year 1, try to keep the rate increases below double digits and ensure the Board Chair had an opportunity to provide input.

Staff met with Chair Vujovich and reviewed the proposed financial plan and rates. As a result of the Board direction and input from Chair Vujovich we have modified the financial plan and rates to include a fixed cost component in the rates.

The introduction of a fixed cost provides increased financial certainty, ensures all PVCWD customers are participating in supporting the fixed cost of the District and helps to reduce the burden on the variable per ac/ft.

The current fixed and variable rate in the modified proposal is as follows.

Fixed Monthly Charge: \$360.18

Variable Cost per ac/ft: \$360.18

The proposed financial plan/ rates are based on 9.75% increase annually over the next five years. It should be noted that this proposed plan does not begin to meet the reserve targets until the 5th year of the plan.

Staff Report from March 8, 2023

On August 30th, 2022, the PVCWD Board authorized the services of Raftelis Financial Consultants Inc. to prepare a comprehensive cost of water and rate study for the District.

In order to develop the draft financial model, Raftelis relied on historical financial data, staff estimates and industry norms when necessary to make assumptions. Examples of staff estimates would include future water sales, capital improvement funding, legal cost etc. Assumptions are necessary when forecasting inflation, power cost, purchased water cost, labor rates etc.

The presentation demonstrates (4) financial scenarios considering the unknown cost of legal expenses for the adjudication. The 4 scenarios are as follows:

1. Maintain current rates- 0 rate increase
2. Low Legal Cost Scenario- Average of 6.5% rate increase over 5 years
3. Most Likely Legal Cost Scenario- Average of 6.7% rate increase over 5 years
4. High Legal Cost Scenario- Average of 6.9% rate increase over 5 years

The goal of this presentation is for the Board to understand the assumptions and estimates, reserve target balances and how they impact future rates and revenues.

After reviewing the preliminary findings, the Board may wish to modify, change or accept any part of the findings in order to meet the Boards desired financial outcomes. Staff will incorporate any Board directed changes to the initial findings into a final report and begin the planning process for a Prop 218 hearing that supports the Boards desired financial outcomes.

In addition to considering the above, the Board may wish to direct staff on how many years of rate adjustments would be appropriate in the Prop 218 noticing we would prepare. A longer-term rate setting notice and hearing process is sometimes desirable to avoid additional 218 hearings and notice requirements in the future, however the draw backs can out weight those benefits if substantial changes occur that were not contemplated in the initial process. In evaluating the current state of uncertainty of regulation, large regional projects being planned, the potential for significant change to PVCWD water sales and purchases as a result of adjudications or changing FCGMA regulation staff would not recommend a long-term rate setting process. Staff would recommend the Board consider a 2-to-3-year rate plan. It should be noted that under no circumstance is the Board required to implement future rate increases that may be noticed as part of the 218 process, if it finds that revenue adjustments are no longer necessary.

Recommendation: Receive the presentation and provide staff direction as appropriate

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154 S. LAS POSAS ROAD, CAMARILLO, CA 93010-8570
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July 27, 2023

Re: Notice of Public Hearing to Consider Water Rate Adjustment

Dear Valued Customer,

With the help of a consultant, Raftelis, the Pleasant Valley County Water District (District) recently completed a comprehensive evaluation of the total cost of providing water service. Known as a rate study, this work is how water providers can be confident that the rates that they charge customers are:

- **Comprehensive.** Rates generate income for the District and must cover all costs from daily operations, maintenance and repairs, infrastructure replacement, building and maintaining responsible reserve funds, costs of purchasing water, and more.
- **Accurate.** The District is NOT a for-profit enterprise and may not collect revenues that exceed the costs of providing the service. Accuracy ensures we don't over or under-collect revenues.
- **Compliant.** The District is subject to various state laws (Proposition 218), and those laws place restrictions on what and how we charge customers for water service. The rates study is a critical part of how we retain the confidence of our customers that their water service is priced fairly and accurately.

Changes Under Consideration

One recommendation from the rates study was to institute a fixed charge – a common feature of most California water providers. This charge will recover the fixed costs of operating the system, which includes fixed operational costs from United Water Conservation District, customer billing, and meter maintenance costs. In addition, the District is considering adopting modest annual increases in the volumetric rate we charge customers.

Covering Increases in Costs

If approved by the Board of Directors, revenue increases will fund:



A Direct Pass-through of Higher Costs of Purchased Water. The water we purchase from wholesale providers accounts for more than 80% of our costs each year. Our updated rates under consideration account for the annual increases we expect from United Water, which historically increases rates by nearly 10% each year.



Critical Infrastructure Investment. The District plans ongoing capital investment each year to ensure our ability to continue delivering reliable water you count on for your livelihood. We intend to use a pay-as-you-go approach to these investments to avoid incurring costly interest charges, which we would have to pass along to you.



Responsible Financial Reserves. For Districts, financial reserves function like your household savings account. Among other benefits, responsible financial reserves give us the resources necessary to act quickly in an emergency should the unthinkable happen. Over the next two years, the proposed rates will set us on a path to slowly build reserves to bring us in line with other similar districts.

Details on the proposed changes follow, along with information on the upcoming public hearing and how you may express your support for or opposition to these changes. Please reach out to me directly should you have questions or concerns.

Sincerely,

Jared L. Bouchard

Jared L. Bouchard
General Manager
805-482-2119 | Jared@pvcwater.com

Notice of Public Hearing

On Proposed Water Rate and Rate Structure Adjustments

The Public Hearing before the Board of Directors will cover proposed rate increases and rate structure changes for water services. If adopted, the proposed rate adjustments would become effective November 1st, 2023. All interested persons are invited to appear at the Public Hearing on September 20th, 2023 at 10:00 a.m. to give oral or written testimony, as well as written protests, regarding proposed rate adjustments. Details on the written protest process can be found below.

Public Hearing Details

Date: September 20th, 2023

Time: 10:00 a.m.

Location:

Pleasant Valley County Water District Office
154 S. Las Posas Road
Camarillo, CA 93010-8570

Join: For meeting and agenda information, and how to participate in person or virtually, go to <https://www.pleasantvalleycountywaterdistrict.com/board-meetings>.

As an industry best practice and to comply with applicable laws, the District recently evaluated water rates to ensure sufficient revenue will be available to provide reliable service. Results of the Rate Study showed that rate increases are needed over the next two years to continue to operate and maintain the systems, repair and replace aging infrastructure, secure water supplies, and keep up with cost increases. Details regarding the proposed rate structure changes and increases are detailed on the following pages and in the Rate Study available at: <https://www.pleasantvalleycountywaterdistrict.com/2023-cost-of-service-and-rate-study>

Your Rights

You have the right to protest the proposed rate increases. To be valid, each written protest must (1) state the name of the identified property owner or ratepayer; (2) provide the location of the identified property (by street address or assessor's parcel number); (3) include an original signature of the submitting property owner or ratepayer.

Written protests may be submitted by mail or in person prior to or during the public hearing or prior to the conclusion of the public hearing on September 20th, 2023 to: Pleasant Valley County Water District, Attn: Nancy Lawrence, Office Manager, 154 S. Las Posas Road, Camarillo, CA 93010-8570.

Only one written protest per affected property will be counted. Telephone, e-mail, and fax protests will not be accepted.

Written protests must be received by the Office Manager prior to the conclusion of the public hearing; she will not accept or consider any protest received after the conclusion of the public hearing.

At the public hearing, the Board of Directors will accept and consider all written protests and hear all oral comments on the Proposed Changes. Oral comments will not be counted as protests unless accompanied by a written protest. At the conclusion of the public hearing, the Board will consider adoption of the proposed changes as follows:

1. If less than a majority of property owners or ratepayers file a protest, the Board of Directors will consider increasing water rates, effective November 1st, 2023.
2. If a majority of affected property owners or ratepayers protest the increase before the conclusion of a required public hearing, the District is prohibited by law from increasing water rates.

Please note that there is a 120-day statute of limitations from the effective date of the resolution or ordinance adopting the rates to challenge any of the rates described herein. This notice is required in order to take advantage of the statute of limitations.

For more information, please go to the District website at

www.pleasantvalleycountywaterdistrict.com.

Proposed Rates and Fees:

Volumetric Rate (\$ / AF) and Fixed Charge	Current Vol Rate	FYE 2024	FYE 2025
Volumetric Rate	\$355.00	\$360.18	\$395.30
Fixed Charge		\$360.18	\$395.30

Anticipated Bill Impacts – FY 2024

Water Use (AF)	Current Charge	Proposed Charge	\$ Difference	% Difference
6	\$2,130	\$2,521	\$391	18.4%
12	\$4,260	\$4,682	\$422	9.9%
18	\$6,390	\$6,843	\$453	7.1%
24	\$8,520	\$9,005	\$485	5.7%

STAFF

Jared L. Bouchard
General Manager

General Counsel
Arnold, Bleuel,
LaRochelle,
Mathews & Zirbel,
LLP

DIRECTORS

Peter W. Hansen

Craig R. Kaihara

Thomas P. Vujovich, Jr.

John S. Broome

John D. Menne



PLEASANT VALLEY COUNTY WATER DISTRICT

PIONEER IN FOX CANYON AQUIFER CONSERVATION
SERVING AGRICULTURE SINCE 1956

154 S. LAS POSAS ROAD, CAMARILLO, CA 93010-8570
Phone: 805-482-2119
Fax: 805 484-5835

Ordinance 24-01

PLEASANT VALLEY COUNTY WATER DISTRICT AN ORDINANCE ESTABLISHING FEES RELATED TO THE PROVISION OF WATER SERVICE

SECTION 1: Short Title

The Short Title of this Ordinance shall be: **“PVCWD Service Fee and Charges Ordinance”** and may be cited as such.

SECTION 2: Purpose

“The purposes of this Ordinance are:

- a. Establish sufficient rates and fees to fund Pleasant Valley County Water District Operations, including regulatory cost, legal expenses, wholesale water purchase cost and other cost necessary to the ongoing operation of the District, and
- b. In order to pass through increased wholesale water costs and increased regulatory pump charges, that increase the cost of water that Pleasant Valley County Water District charges to its customers, and
- c. Establish such other fees, including stand by fees; reconnection fees; charges for water waste. Such fees are necessary for the ongoing operations and management of the District’s water service.”

Section 3: Definitions and Abbreviations.

- (a) “PVCWD” shall mean Pleasant Valley County Water District
- (b) “Recycled Water” shall mean in the broad sense, all water supplied by PVCWD
- (c) “Ac/ft “ shall mean one acre foot of water
- (d) “Turnout” shall mean any connection to the PVCWD for the purpose of providing PVCWD supplied water
- (e) “Idle Turnout” shall mean an existing turnout that has been locked off or has not been immediately available for use by the customer.

- (f) "Fixed Charge"- Shall mean a fee imposed for any turnout that is open and available for use by the customer.
- (g) "Pass Through Rate" – Shall mean a fee for wholesale water or regulatory fee increases not anticipated in the Pleasant Valley County Water District 2023 Cost of Service Study – Specifically United Water Conservation District Wholesale Rate increase for FY 24-25

Section 4: Metered Use Rates, Billing , Late Fees, Disconnection and Reconnection

The following rates are effective beginning at 12:01am on July 1st, 2024:

Section 4.1 Metered Use Rates - The metered use rate for turnout delivered water in accordance with Supplemental Water Availability Limits as established by Pleasant Valley County Water District Ordinance(s) shall be: **\$395.30/ Ac/ft**

- i. Pass Through Rate- A pass through rate for all water delivered through a Pleasant Valley County Water District Turnout shall be assessed in the amount of shall be **\$25/ Ac/ft** in addition to the "Metered Use Rate"

Section 4.2 Billing- The District shall deliver a monthly bill to each customer by the 5th of each month, the bills are due and payable by the 1st day of the following month of the billing date

- i. **Late Fees**- Any account that fails to pay the bill in full will incur a 6% late fee on any unpaid balance for the billing period.
- ii. **Disconnection for Non Payment**- Any account that is delinquent beyond 30 days after the due date shall be subject to termination in accordance with Resolution 17-01 or the then current Delinquent Account Policies adopted by the Pleasant Valley County Water District Board and be subject to \$150 dollar reconnection fee if service is terminated for non payment.

Section 4.3 Fixed Charge– A \$395.30/month fee shall be imposed for each turnout that is available for use by a customer.

Section 4.4 Charges for Relocation or Abandonment of Metered Service. Charges for all meter relocation services will be billed at the District's actual cost plus a 15% administration fee to cover handling and billing costs on all materials as well as other related costs incurred by the District in connection with the provision of these services. An estimate of costs for each relocation or abandonment shall be available upon request from the District's General Manager.

Section 4.5 Reconnection Fees for Idle Turnouts- The following fees shall be imposed on each turnout where a customer request that an Idle Turnout be Restored to service:

The reconnection fee shall be calculated using the then effective Fixed Charge Fees times the number of months the Turnout has been Idle.

Section 4.6 Prohibition of Water Waste- No Customer of PVCWD shall cause or allow the direct application or runoff from lands irrigated with PVCWD waters to reach or come in contact with roads or other prohibited drainage system consistent with applicable local, state, federal or other regulatory restrictions relating to the delivery of Recycled Water.

Violation of this section shall be subject to:

1. \$50 fine for a first offense
2. \$100 for second offense within a 12 month period and the termination of water service for 48hours.
3. \$300 for a third offense in a 12 month period and the termination of water service, for a period of up to 14 days an no less than 5 days from the date of notice. The length of termination of service shall be determined by the General Manager and in no case will water service be restored until all fines and outstanding charges to the District are satisfied on the subject account.

SECTION 5: Effective Date

This Ordinance shall become effective at **12:01 a.m. on July 1 , 2024.**

SECTION 6: Publication

Upon adoption, this Ordinance shall be published in title and general description only in a newspaper of general circulation within the District’s general area of service.

SECTION 7: Repeal of Ordinances

Ordinance 23-01 is repealed and replaced by Ordinance 24-01

SECTION 8: Severability

In the event that any section, clause or portion of this Ordinance is found to be invalid, the validity of the remaining sections of the Ordinance shall not be affected.

PASSED, APPROVED and ADOPTED by the Pleasant Valley County Water District Board of Directors on this ____ **day of May 2024**, by the following vote:

AYES: Directors:

NOES: Directors:

ABSENT: Directors:

Thomas Vujovich, BOARD PRESIDENT

Dennis McNulty, General Counsel

Jared Bouchard, GENERAL MANAGER

ATTEST:
APPROVED AS TO FORM:

DIRECTORS

Peter W. Hansen

Craig R. Kaihara

Thomas P. Vujovich, Jr.

John S. Broome

John D. Menne



PLEASANT VALLEY COUNTY WATER DISTRICT

PIONEER IN FOX CANYON AQUIFER CONSERVATION
SERVING AGRICULTURE SINCE 1956

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STAFF

Jared L. Bouchard
General Manager

General Counsel
Arnold, Bleuel, LaRochelle,
Mathews & Zirbel, LLP

May 21, 2024 SPECIAL MEETING

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: Consider Acuity Hub Agreement with XIO Inc. for Supervisory Control and Data Acquisition (SCADA) services

AGENDA ITEM: 7C

PVCWD established a relationship with XIO inc. in March of 2019 to automate the PVCWD wells and implement a well optimization project. Those 2 items were implemented and have been working successfully since full implementation occurred. The automation has allowed PVCWD to save over 312 overtime hours (approximately 15K to 20k) annually and the well optimization project is estimated to save the District 137K annually in electrical cost.

Over the past 2 years XIO has made significant investment in upgrading its platform to include, but not limited to the addition of asset management tools, increased data interrogation tools and screen/data customization tools for the customer. XIO will no longer be supporting the old platform that PVCWD was established on but will be transitioning to their new platform called Acuity Hub, and as part of that transition XIO is implementing a new fee structure and as such is seeking new agreements with each of its customers.

PVCWD staff have spent months negotiating the terms of the new fee structure with XIO for our agency. Staffs main negotiating position was to establish a legacy customer pricing structure that respected the investment PVCWD has made into ensuring the success of the projects that ultimately allowed XIO to expand its business opportunities by using PVCWD as case study for the XIO platforms capabilities.

We believe the agreement being presented for the Boards consideration is fair and respects the Districts investment and provides sufficient cost controls that will avoid unexpected or unacceptable increase in the future.

The current annual cost for XIO services is \$7368, the agreement will increase the annual cost of XIO by 108% over 4 years, the increases by year are as follows:

Year 1- \$3696 increase = \$11,064 annually
Year 2- \$1212 increase = \$12,276 annually
Year 3- \$1392 increase = \$13,668 annually
Year 4- \$1596 increase = \$15,264 annually

Total increase over 4 years is \$7948 more per year than PVCWD currently pays.

After the fourth year of the agreement cost adjustments are calculated using a CPI escalation factor that has a not to exceed 5.5% provision in the agreement.

Recommendation: Authorize the General Manager to execute the Agreement


XiO Service Agreement

This XiO Service Agreement is made between XiO, Inc. at 100 Smith Ranch Road, San Rafael, CA 94903 ("**Vendor**" or "**XiO**") and **Pleasant Valley County Water District** at **1863 East Las Posas Road, Camarillo, CA 93010** ("**Customer**"), with an effective date of 04/29/2024 (the "**Effective Date**") and forms part of the Agreement as defined in the attached XiO General Terms and Conditions.

Subject to the terms and conditions of this Agreement, XiO will provide the goods and/or services for the payments and on the other terms each as are set forth in the "Pleasant Valley County Water District v.1.4" document attached as Attachment 1 (the "Proposal"). The Start Date of the Subscription Term will be the first day of the first full calendar month immediately following the date on which all Professional Services necessary to implement Customer's Subscription account and Platform access have been completed.

XiO Service Agreement Acceptance

By signing below, Customer agrees to purchase the products and services indicated above on the terms and conditions contained in the Agreement

XiO, INC.:	Pleasant Valley County Water District :
Signature: 	Signature:
Name: Colin Bunyard	Name:
Title: VP of Sales, XiO Inc.	Title:

Contents

XiO Service Agreement	1
1 Proposal	4
1.1 Synopsis	4
1.2 Monitored Assets (27)	4
1.3 Additional Inputs (19)	4
1.4 Controlled Outputs (10)	5
1.5 Disabled and Not Displayed Soft Devices (33)	5
1.6 Scope of Supply	7
1.7 Pricing	8
1.8 Payment Terms	9
1.9 Scope of Services; Term	9
EXHIBIT A: XiO General Terms and Conditions	10
EXHIBIT B: Platform Terms and Conditions	18
EXHIBIT C: Service Level Agreement Terms	21



Acuity Hub Operations Management for Pleasant Valley County Water District

Version: 1.4

Publish Date: April 29, 2024

1 Proposal

XiO, Inc. (XiO) is pleased to supply this Proposal for Pleasant Valley County Water District .

1.1 Synopsis

Migration of Assets, Inputs, and Control to the Acuity Hub.

1.2 Monitored Assets (27)

FIU Name	Soft Device
FIU-1: Well 1	Well 1 Water Meter (3 Wire)
FIU-1: Well 1	Well 1 Pump
FIU-2: Well 2	Well 2 Water Meter (3 wire)
FIU-2: Well 2	Well 2
FIU-2: Well 2	Well 2 Pump
FIU-3: Well 3	Well 3 Water Meter (3 Wire)
FIU-3: Well 3	Well 3 Pump
FIU-4: Well 4	Well 4 Water Meter (3 Wire)
FIU-4: Well 4	Well 4 Pump
FIU-5: Well 5	Well 5 Water Meter (3 Wire)
FIU-5: Well 5	Well 5 Pump
FIU-6: Well 6	Well 6 Water Meter (3 Wire)
FIU-6: Well 6	Well 6 Pump
FIU-7: Well 7	Well 7 Water Meter (3 Wire)
FIU-7: Well 7	Well 7
FIU-7: Well 7	Well 7 Pump
FIU-8: Well 8	Well 8 Water Meter (3 Wire)
FIU-8: Well 8	Well 8 Pump
FIU-8: Well 8	Well 8 Pump Contactor Relay
FIU-9: Well 9	Well 9 Water Meter (3 Wire)
FIU-9: Well 9	Well 9 Pump
FIU-10: Well 10	Well 10 Water Meter (3 Wire)
FIU-10: Well 10	Well 10 Pump
FIU-11: Well 11	Well 11 Water Meter (3 Wire)
FIU-11: Well 11	Well 11 Pump
FIU-12: Reservoir	Reservoir 1 from United Water PLC
FIU-12: Reservoir	Reservoir 2 from United Water PLC

1.3 Additional Inputs (19)

FIU Name	Soft Device
FIU-1: Well 1	Well 1 Wellhead Pressure
FIU-2: Well 2	Well 2 Wellhead Pressure
FIU-2: Well 2	Oil Drop Passing Sensor
FIU-2: Well 2	Oil Dripper Power
FIU-3: Well 3	Well 3 Wellhead Pressure
FIU-4: Well 4	Well 4 Wellhead Pressure
FIU-5: Well 5	Well 5 Wellhead Pressure
FIU-6: Well 6	Well 6 Wellhead Pressure
FIU-7: Well 7	Well 7 Wellhead Pressure
FIU-8: Well 8	Well 8 Wellhead Pressure
FIU-9: Well 9	Well 9 Wellhead Pressure
FIU-10: Well 10	Well 10 Wellhead Pressure
FIU-11: Well 11	Well 11 Wellhead Pressure
FIU-12: Reservoir	ISOLATED Cam-San
FIU-12: Reservoir	ISOLATED Canejo Creek 1A
FIU-12: Reservoir	ISOLATED Cam-San to PV
FIU-12: Reservoir	ISOLATED Flow Rate from United Water PLC
FIU-12: Reservoir	ISOLATED Flow Rate from Camarosa PLC
FIU-12: Reservoir	ISOLATED Line Pressure from Camarosa PLC

1.4 Controlled Outputs (10)

FIU Name	Soft Device
FIU-1: Well 1	Well 1 Pump
FIU-2: Well 2	Well 2 Pump
FIU-3: Well 3	Well 3 Pump
FIU-4: Well 4	Well 4 Pump
FIU-5: Well 5	Well 5 Pump
FIU-6: Well 6	Well 6 Pump
FIU-7: Well 7	Well 7 Pump
FIU-9: Well 9	Well 9 Pump
FIU-10: Well 10	Well 10 Pump
FIU-11: Well 11	Well 11 Pump

1.5 Disabled and Not Displayed Soft Devices (33)

FIU Name	Soft Device
FIU-1: Well 1	Intrusion Switch
FIU-1: Well 1	ISOLATED Well 1 Level
FIU-1: Well 1	Barometric Pressure ABSOLUTE
FIU-1: Well 1	Water Meter Tampering Detection Dry Contact
FIU-2: Well 2	Intrusion Switch
FIU-2: Well 2	Water Meter Tampering Detection Dry Contact
FIU-3: Well 3	Intrusion Switch
FIU-3: Well 3	ISOLATED Well 3 Level
FIU-3: Well 3	Water Meter Tampering Detection Dry Contact
FIU-4: Well 4	Intrusion Switch
FIU-4: Well 4	ISOLATED Well 4 Level
FIU-4: Well 4	Water Meter Tampering Detection Dry Contact
FIU-5: Well 5	Intrusion Switch
FIU-5: Well 5	ISOLATED Well 5 Level
FIU-5: Well 5	Water Meter Tampering Detection Dry Contact
FIU-6: Well 6	Intrusion Switch
FIU-6: Well 6	ISOLATED Well 6 Level
FIU-6: Well 6	Water Meter Tampering Detection Dry Contact
FIU-7: Well 7	Intrusion Switch
FIU-7: Well 7	Water Meter Tampering Detection Dry Contact
FIU-8: Well 8	Intrusion Switch
FIU-8: Well 8	ISOLATED Well 8 Level
FIU-8: Well 8	Water Meter Tampering Detection Dry Contact
FIU-9: Well 9	Intrusion Switch
FIU-9: Well 9	ISOLATED Well 9 Level
FIU-9: Well 9	Water Meter Tampering Detection Dry Contact
FIU-10: Well 10	Intrusion Switch
FIU-10: Well 10	ISOLATED Well 10 Level
FIU-10: Well 10	Water Meter Tampering Detection Dry Contact
FIU-11: Well 11	Intrusion Switch
FIU-11: Well 11	ISOLATED Well 11 Level
FIU-11: Well 11	Water Meter Tampering Detection Dry Contact
FIU-12: Reservoir	Intrusion Switch

1.6 Scope of Supply

Recurring Services

Description	Details
<p>XiO ACUITY Hub operations management platform <i>Monitored Assets and Inputs with a full suite of software tools and data management</i></p>	<p>27 x Asset, Monitored 19 x Additional Inputs</p>
<p>XiO Control Services <i>Automated and remote control of devices</i></p>	<p>10 x Controlled Outputs</p>
<p>XiO Cellular Service <i>Cellular Internet Service managed by XiO</i></p>	<p>12 x Cellular Internet Service</p>

1.7 Pricing

Hardware		
XiO Hardware	\$0.00	
3rd Party Hardware	\$0.00	
Hardware Subtotal		\$0.00
Non-Recurring Services		
Premium Technical Support (15 support points)	\$3,000.00	
Services Subtotal		\$3,000.00
Subscription Fee Detail		
Annual Subscription Fee (Includes Standard Support)	\$20,100.00	
Annual Escalation Adjustment	\$0.00	
Annual Subscription Fee Discount	(\$12,036.00)	
Subscription Fee at Start Date (1 year paid up front)		\$8,064.00

Summary of Up Front Fees	
Services Subtotal	\$3,000.00
Subscription Fee at Start Date (1 year paid up front)	\$8,064.00
Total Up Front Fees	\$11,064.00

1.8 Payment Terms

Subscription Fees Vendor will invoice the Subscription Fee at Start Date indicated above on the Start Date payable on net30 terms. Except where it is indicated above that Customer is prepaying for Subscription Fees for all years of the Subscription Term, (i) the Subscription Fee at Start Date indicated above is for the first year only and Vendor reserves the right each subsequent year of the Subscription Term to increase the then annual recurring fee by an amount equal to the then year-over-year percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U); U.S. City Average; All items, not seasonally adjusted, 1982/1984 = 100 reference base prepared by the U.S. Department of Labor plus 1.5 percentage points, not to exceed a 5.5% increase. For example, if the CPI year-over-year increase were 2%, then the maximum fee increase would be a 3.5% increase to the then recurring annual fee.

Special Terms.

1. Notwithstanding the foregoing, the Subscription Fee and the Premium Technical Support Services will be invoiced and payable annually in advance in accordance with the following schedule:
 - Year 1: \$20,100 + \$3,000 - \$12,036.00 = \$11,064.00 (Annual Subscription + Premium Technical Support - Discount)
 - Year 2: \$20,100 - \$10,824.00 = \$9,276.00 (Annual Subscription - Discount)
 - Year 3: \$20,100 - \$9,432.00 = \$10,668.00 (Annual Subscription - Discount)
 - Year 4: \$20,100 - \$7,836.00 = \$12,264.00 (Annual Subscription - Discount)
 - Year 5: \$20,100 - \$6,000.00 = \$14,100.00 (Annual Subscription - Discount)
2. Notwithstanding the foregoing, 90 days before the completion of the 5 year term, the Agreement may be renewed subject to the CPI increases described in the preceding section "Subscription Fees".

Premium Technical Support

XiO will invoice on the Start Date. Payment terms are Net 30.

1.9 Scope of Services; Term

Such services will include providing access and use of the Platform to Customer for a Subscription Term commencing on the Start Date, continuing for an **Initial Term of 5 years**, and thereafter automatically renewing for successive 1 year terms absent an election not to renew in accordance with Section 2 of Exhibit B - Platform Terms and Conditions. Except as otherwise stated in the Special Terms above, the Start Date of the Subscription Term will be the first day of the first full calendar month immediately following the date on which all Professional Services necessary to implement Customer's Subscription account and Platform access have been completed.

End XiO Proposal

EXHIBIT A: XiO General Terms and Conditions

These XiO General Terms and Conditions (these “**General Terms**”) govern the provision by XiO, Inc. (“**Vendor**” or “**XiO**”) of goods and/or services to Customer as described in one or more Orders. All Orders, together with these General Terms and all attachments to, and ancillary terms incorporated into, the foregoing form a binding master agreement between Vendor and Customer (collectively, the “**Agreement**”). The Agreement is effective as of the effective date of the initial Order to which these General Terms are attached or that reference being subject to these General Terms. Capitalized terms used in these General Terms, but not defined herein have the meaning given to them elsewhere in the Agreement.

1. Definitions.

- 1.1 “**Affiliate**” means, as to a party, an entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with that party.
- 1.2 “**Confidential Information**” means all technical, business, financial, and other information, in whatever form (including written, oral, visual, paper, electronic, narrative, and graphic), that a party discloses to the other party in relation to this Agreement except information that (i) is or becomes publicly available other than as a result of disclosure by the receiving party in violation of this Agreement or any other legal, contractual or fiduciary obligation; (ii) is or was independently developed by personnel of the receiving party without access to or use of any Confidential Information of the other party (as defined without regard to this exception); (iii) is or becomes available to the receiving party on a non-confidential basis from a source (other than the disclosing party) that is not prohibited from disclosing such information to the receiving party by any legal, contractual or fiduciary obligation; or (iv) is information that was already known by the receiving party, so long as the receiving party can prove that such information had been in the receiving party’s possession prior to receipt of the Confidential Information by the receiving party.
- 1.3 “**Customer**” means the entity or person indicated as the procuring party on the initial Order.
- 1.4 “**Customer Data**” has the meaning given it in Exhibit B – Platform Terms and Conditions.
- 1.5 “**Customer Information**” means information made available to Vendor or its representatives by or on behalf of Customer in connection with this Agreement including in the context of Professional Services and including Customer Data.
- 1.6 “**De-identified Data**” means Customer Information that is aggregated with other information of Vendor’s customers or that has been de-identified.
- 1.7 “**Deliverables**” means reports, analyses, and other work product delivered by Vendor pursuant to an Order for the provision of Professional Services that constitutes Customer Information or that is unique and specific to Customer.
- 1.8 “**Hardware**” means tangible goods sold by Vendor to Customer pursuant to an Order.
- 1.9 “**Order**” means an initial or any subsequent Vendor proposal, Statement of Work, quotation, Service Agreement, Engagement Terms, or similar ordering document prepared by Vendor that is signed by the parties and provides for one or more of the sale of Hardware, the provision of Professional Services, or Subscription(s) and that references these General Terms or is otherwise entered into by the parties in relation to this Agreement.
- 1.10 “**Platform**” has the meaning given it in Exhibit B – Platform Terms and Conditions.
- 1.11 “**Professional Services**” means consulting, design, analysis, assessments, evaluations, verification, installation, commissioning, implementation, support, management, training, configuration, and other professional services (and excluding for the avoidance of doubt, access or use of the Platform) provided by or on behalf of Vendor to Customer pursuant to the Agreement as further described in the applicable Order.
- 1.12 “**Professional Services Fees**” mean the fees payable to Vendor in consideration of Professional Services as provided in the applicable Order.
- 1.13 “**Services**” means collectively, Professional Services and the provision of access to and use of the Platform in relation to this Agreement.
- 1.14 “**Statement of Work**” means a written proposal or other document prepared by Vendor and executed by the parties that describes the nature and scope of Professional Services and any Hardware and/or Subscriptions to be sold or otherwise provided by Vendor to Customer and that may include, as applicable, related compensation, expense reimbursement, and other terms and conditions relating thereto. A Statement of Work may be attached to and form part of an Order or serve as a stand-alone Order.
- 1.15 “**Vendor**” means XiO, Inc.
- 1.16 “**XiO Hardware**” means Hardware that is proprietary to Vendor or is Vendor-branded Hardware.

2. General Payment Terms.

2.1 Unless as otherwise specified in the applicable Order, all payments are due net 30 days from the date of invoice. Customer hereby procures the Services and Hardware and shall pay the amounts on the terms set forth in each Order in accordance with this Agreement. All sales of Services and Hardware are final and related payments are non-refundable except to the extent otherwise expressly provided in the Agreement. Any credit extended by Vendor and the limits of the credit, are at Vendor's sole discretion, and may be reduced or terminated by Vendor at any time, for any reason. A late charge is payable on all overdue balances while outstanding at the rate of the lesser of 1.5% monthly and the highest rate allowed by law. Vendor may defer delivery of Hardware ordered and/or suspend the provision of Services until all such overdue amounts are paid. All payments must be paid in U.S. Dollars. Except as otherwise specified in this Agreement, (i) all fees are exclusive of, and Customer is responsible for, applicable foreign, federal, state, and local sales, use, excise, value added, export, customs, duties and other governmental fees or levies or other applicable taxes, other than taxes on the net income of Vendor, (ii) Customer shall pay or reimburse Vendor for any such taxes and fees paid by Vendor, and (iii) Vendor may add any such taxes to invoices submitted to Customer by Vendor. Vendor shall be entitled to recover from Customer any costs incurred in collecting any amount past due under this Agreement, including reasonable attorneys' fees. Customer may make no offset for any amounts due regardless of the justification for the intended offset. Any good faith invoice disputes must be brought by Customer within thirty (30) days of receipt, otherwise Customer waives the dispute. Additional Hardware and Services not within the scope of an Order are subject to additional fees at Vendor's then-current rates or as mutually agreed by the parties.

3. Orders.

3.1 All Orders and amendments and attachments thereto are hereby incorporated into this Agreement upon their execution by the parties. Any Customer purchase order or similar purchasing document issued by any entity other than Vendor is subject to and incorporates these General Terms and will be valid only for the purpose of identifying this Agreement and the items and quantities ordered. Any other terms and conditions included in such purchasing document that conflict with, vary, or supplement the terms in this Agreement are void and will be of no effect, even if Vendor otherwise accepts the purchase order. In the event of a conflict between these General Terms and an Order, these General Terms will control. Vendor's failure to object to Customer terms and conditions contained in any Order or other document from Customer will not be construed as a waiver of the foregoing nor an acceptance of any such terms and conditions.

4. Platform Terms and Conditions

4.1 Access to and use of the Platform is subject to the additional terms and conditions in the Platform Terms and Conditions (also referred to as the "**Platform Terms**").

5. Professional Services

5.1 **Engagement; Cooperation.** Customer hereby engages Vendor to perform the Professional Services of the scope and on the terms described in Orders specifying the provision of Professional Services and Customer agrees to reasonably cooperate with the performance of such Professional Services.

5.2 **Professional Services Fees and Terms.** Except as otherwise provided in the applicable Order, (i) Professional Services and related reimbursable expenses will be invoiced monthly in arrears or, for brief engagements, at completion, at Vendor's option, (ii) any total fee amount communicated in connection with a time and materials-based project is an estimate only and not a guarantee that the Professional Services will be completed for such total fee amount, and (iii) Customer shall obtain and pay for all state and local permits and approvals legally required of Customer to receive the Hardware and Services and Vendor may suspend the provision of Professional Services pending receipt of such permits and approvals. In the event of an early termination of Professional Services (to the extent permitted by the Agreement), Vendor shall invoice and Customer shall pay all Professional Services Fees for Professional Services provided up to the effective date of termination of the applicable Order plus reasonable shutdown fees, if any, incurred by Vendor. Professional Services are limited to the scope and planned Deliverables as are set forth in the applicable Order, which do not include all design, installation, use, or maintenance considerations for Customer's systems generally.

5.3 **Change Orders.** If Customer or Vendor requests a change in the scope or other terms of Professional Services to be provided (excluding Standard and Premium Technical Support), the parties shall promptly meet to discuss the proposed changes. Once any changes are tentatively agreed, if

at all, Vendor will prepare and deliver for Customer's review and approval a change order describing the proposed changes including any changes in fees and expenses (each, a "**Change Order**"). Change Orders are not binding unless and until they are executed by both parties. Upon their execution, Change Orders will be deemed part of, and subject to, this Agreement. If the parties disagree about the proposed changes, the parties shall, at the request of either party, promptly escalate the change request to their respective senior management officers for resolution.

5.4 **Professional Services Warranty.** Vendor warrants to Customer that Vendor will perform Professional Services in a professional manner consistent with industry standards and that it will deliver Deliverables substantially conforming to those specified to be delivered in the applicable Order. Customer's sole and exclusive remedy for Vendor's breach of the foregoing warranty is as follows: Customer must provide Vendor with a detailed written description of the non-conforming Deliverables and their claimed non-conformity within ten (10) days from the date of delivery of the Deliverables or Professional Services claimed to be non-conforming, Vendor shall promptly review and confer with Customer regarding such written claims and, for those claims that Vendor accepts as valid following an inquiry in good faith, Vendor shall promptly and at its expense, use commercially-reasonable efforts to re-perform the non-conforming Professional Services. If no written rejection is given to Vendor by Customer within ten (10) days following such re-performance, the Deliverables and/or Professional Services as re-performed will be deemed accepted by Customer. If Vendor determines, in its sole discretion, that it is not commercially feasible to re-perform non-conforming Professional Services so as to be conforming, then Vendor shall refund amounts paid by the Customer for the non-conforming Professional Services. To the extent Vendor disagrees with Customer's notice of non-conformance, the parties shall, at the written request of Customer, escalate the matter to their respective senior management. This Section constitutes Customer's sole remedy and Vendor's sole obligation with respect to a breach of the foregoing Professional Services warranty.

5.5 **Insurance Coverage.** In respect of Professional Services, Vendor shall maintain insurance policies and coverages as follows: Worker's Compensation Insurance insuring Vendor's liability under the worker's compensation and occupational disease laws of the state where Professional Services are performed with at least the coverage required by law; Commercial General Liability Insurance with coverage on an "occurrence" basis with a combined single limit of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; in each case to insure Vendor for Professional Services performed under an Order; and Insurance for operations of all hired and non-owned vehicles with limits for each accident of \$1,000,000 combined single limit with respect to bodily injury, death and property damage. Vendor shall provide a current certificate of insurance to Customer upon request.

5.6 **Termination of Professional Services.** Excluding Standard and Premium Technical Support, either party may terminate Professional Services (i) in the event of material breach by the other party with notice and thirty (30) days' opportunity to cure (or 10 days for failure to pay Professional Services Fees or reimburse expenses not disputed in good faith) or (ii) in accordance with the termination provisions of the applicable Order.

6. **Sale of Hardware.**

6.1 **Hardware Purchase Terms.** Except as otherwise specified in the applicable Order, (i) Hardware prices are F.O.B. origin, freight prepaid to the destination specified in the Order and added to the invoice and (ii) Vendor will invoice sales of Hardware at the time of their shipment. Title and risk of loss pass to Customer upon tender of shipment to the carrier. Customer must make any good faith claim for shipment shortfall or damage within five (5) days of receipt of shipment; otherwise, Customer waives such claim as to such Order.

6.2 **Hardware Warranties.** All XiO Hardware is warranted in accordance with and is sold subject to the Hardware limited warranty found on Vendor's website (the "**Limited Warranty**"), currently at <http://xiowatersystems.com/warranty>. The remedies provided in the Limited Warranty constitute Customer's sole remedies and Vendor's sole obligations with respect to a breach of the Limited Warranty. The Limited Warranty is made expressly subject to the terms and conditions of this Agreement including Section 14 below. Hardware other than XiO Hardware sold by XiO to Customer is sold subject to the Hardware manufacturer's applicable warranty, if any, on a passthrough basis and is otherwise sold "AS-IS" by Vendor.

7. **Ownership; Proprietary Rights.**

7.1 **The Services and XiO Hardware.** Except as otherwise expressly provided in the applicable Order referencing this Section 7.1, the Services, Deliverables, and all ideas, know-how, processes, software, documentation, information, drawings, documents, designs, models, inventions, copy-

rightable material, and other tangible and intangible materials authored, prepared, created, made, developed, delivered, conceived, or reduced to practice, in whole or in part, by Vendor in relation to this Agreement (collectively, the “**Works**”) and all copyrights, patent rights, trade secrets, trademarks, moral rights, and all other proprietary and intellectual property rights throughout the world in each of the foregoing (collectively, “**Intellectual Property Rights**”) are and will remain the sole and exclusive property of Vendor. As between Vendor and Customer, each party retains all of its rights to its trademarks, logos, trade names, and service marks, website(s), technologies, patents, copyrights, trade secrets, and other intellectual property, and proprietary rights. Without limiting the generality of the foregoing, Vendor shall at all times solely and exclusively own (i) all rights, title, and interest in and to the Platform and content therein (excluding Customer Data), the Professional Services, De-identified Data, and any and all improvements, enhancements, derivative works, and extensions thereof, and all Intellectual Property Rights therein and (ii) all Intellectual Property Rights in XiO Hardware. No implied licenses are granted. All rights not expressly granted to Customer in this Agreement are reserved to Vendor.

- 7.2 **Use of Information.** Customer hereby consents to Vendor’s use of Customer Information as required or permitted by this Agreement and for exercising and enforcing Vendor’s rights under this Agreement, including generating De-identified Data from Customer Information.
- 7.3 **Feedback.** Customer hereby grants XiO a perpetual, royalty-free, worldwide right to use any information, suggestions, bug reports and fixes, and ideas provided by or on behalf of Customer to XiO for enhancements, modifications, and other feedback regarding the Services, Hardware, or any other XiO product or service.
8. **Customer Cooperation.** Customer shall provide reasonable cooperation to Vendor in Vendor’s performance of Vendor’s obligations under this Agreement.
9. **Customer Obligations Regarding Site Conditions.** Except as otherwise disclosed in writing to Vendor and acknowledged in writing by Vendor in advance of providing Professional Services, Customer represents and warrants that, to Customer’s knowledge after reasonable inquiry, there are no potentially hazardous substances, environmental contamination, or conditions in, on, or near the properties required to be visited by Vendor employees or other representatives in performing Vendor’s obligations under the Agreement that present, within the context of similar facilities, an unreasonable and/or unanticipated danger to human health or the environment. Customer shall immediately notify Vendor if it becomes aware of a change in such circumstances. Vendor shall not be responsible for remedying any pre-existing hazardous materials, pre-existing hazardous conditions or pre-existing violations of laws, or regulations affecting the site where Professional Services are to be performed, and Customer shall indemnify, defend, and hold harmless Vendor from any liability, loss, damages, cost, and expense (including attorneys’ fees) arising out of or relating to a failure or breach of Customer’s representations, warranties, and undertakings in this Section.
10. **Protection and Use of Confidential Information.** Each party shall not use or disclose Confidential Information of the other party without the prior written consent of the other party or as permitted or required by this Agreement. The receiving party may disclose the other party’s Confidential Information to the extent necessary to comply with a lawful order of a court or taxing authority, or government regulation, on condition that the party making the disclosure provides the other party with reasonable advance written notice to the extent legally permissible, and reasonably cooperates with the other party’s efforts (at the other party’s request and expense) to seek confidential or protective treatment. In addition, each party shall take at least reasonable measures to protect and maintain in confidence the other party’s Confidential Information. Each party may disclose the terms of this Agreement to (i) its attorneys, accountants, and other professional advisors, or to potential investors or other third parties conducting due diligence in connection with a potential financing, change of control, or other similar transaction of the party, and (ii) in the case of Vendor, to Vendor’s independent contractors and service providers for the purpose of performing Vendor’s obligations under this Agreement, in each case, so long as the third party is under a duty of confidentiality with respect to the disclosure at least as protective as those in this Agreement. Customer may disclose this Agreement to the extent necessary to comply with applicable laws and regulations that make this Agreement a public document or to otherwise comply with applicable public disclosure laws and regulations; provided, however, that, to the extent permitted by law, Customer shall use commercially reasonable efforts to seek confidential treatment of all pricing information within this Agreement in connection with the disclosure. If Vendor is obligated to respond to a third-party subpoena or other compulsory legal order or process in connection with Customer Information or Customer’s use of the Hardware or Services, Customer shall reimburse Vendor for Vendor’s reasonable and documented related attorneys’ fees, and other reasonable costs and expenses of responding to the legal order or process at Vendor’s then-current hourly rates for such Services.

11. **Use of Third-Party Services and Subcontractors.** Vendor may, in the ordinary course of business, utilize third-party services (including third-party hosting and data centers) and may also engage independent contractors and subcontractors in performing its obligations under this Agreement (including for Hardware installation and other Professional Services) and Customer hereby consents to such use provided Vendor is responsible for its subcontractors' compliance with this Agreement in their performance on behalf of Vendor.
12. **Indemnification.**
 - 12.1 **By Vendor.**
 - 12.1.1 **General.** Vendor shall indemnify, defend, and hold harmless Customer and its officers, directors, agents, and employees (each a "**Customer Indemnified Party**") from and against any and all third-party claims, demands, losses, liabilities, suits, costs, and expenses (including reasonable attorney's fees and legal expenses) (collectively, "**Claims**") to the extent arising out of death, injury, and property damage to the extent caused by Vendor's gross negligence, or willful, reckless, or criminal misconduct in the performance of the Professional Services at Customer's location except to the extent caused by the negligence or misconduct of a Customer Indemnified Party or resulting from Customer's failure to comply with this Agreement.
 - 12.1.2 **Infringement.** Vendor shall indemnify, defend, and hold Customer Indemnified Parties harmless from all Claims to the extent arising out of or relating to any third-party claims, demands, or suits alleging that one or more of the XIO Hardware, the Platform, or the Services infringe a third-party's United States copyright or trademark rights except to the extent the alleged infringement is caused by: (a) changes or modifications to the Platform made or specified by Customer or any third party; or (b) combinations of the Platform or Professional Services Deliverables with any product or service not supplied or specified by Vendor under this Agreement. If a Claim contemplated under this Section 12.1.2 is brought, Vendor shall, at its sole option and expense, and within a reasonable period, use commercially reasonable efforts to (1) procure for Customer the right to continue using the allegedly infringing item; (2) replace the same with a non-infringing item providing materially equivalent functions and efficiency; (3) modify the same to be non-infringing without material loss of functionality; or, if none of the foregoing (1)-(3) is, in Vendor's sole discretion, commercially reasonable, at Vendor's notice, Customer shall discontinue use of the allegedly infringing item and Vendor shall refund to Customer the fees paid by Customer to Vendor corresponding to the period following the effective date of such discontinuance and any pre-paid unused Subscription fees. This Section 12.1.2 sets forth Vendor's sole liability, and Customer's sole and exclusive remedy, in lieu of all others, with respect to infringement.
 - 12.2 **By Customer.** Customer shall indemnify, defend, and hold harmless Vendor and its Affiliates and their respective officers, directors, agents, and employees (each an "**Vendor Indemnified Party**") from and against any and all Claims to the extent arising out of death, injury, and property damage to the extent caused by Customer's gross negligence, or willful, reckless, or criminal misconduct; and except in each case to the extent caused by the negligence or misconduct of a Vendor Indemnified Party or resulting from Vendor's failure to comply with this Agreement.
 - 12.3 **Procedures.** The obligations under this Section 12 are conditioned upon the indemnified party (i) giving the indemnifying party prompt written notice of any Claim; (ii) granting the indemnifying party complete control of the defense and (conditioned upon a full release of the indemnified parties) settlement of Claims; and (iii) reasonably cooperating with the indemnifying party in the defense and settlement of the Claims.
13. **Representations and Warranties by Both Parties.** Each party represents and warrants to the other party that (i) this Agreement is binding on it and it has the right to enter into this Agreement and perform its obligations hereunder in the manner contemplated by this Agreement, (ii) this Agreement does not conflict with any other agreement entered into by it and (iii) that it shall comply with all applicable law in connection with the performance of its obligations and use of the Hardware and Services.
14. **Disclaimers.** **Except for the express warranties provided in this Agreement, the Hardware and Services are provided "AS IS AND WITH ALL FAULTS" and "AS AVAILABLE" and to the fullest extent permissible under applicable law, Vendor disclaims all warranties, express, implied, and statutory, concerning the Hardware and Services, and otherwise related to this Agreement, including, but not limited to, the implied warranties of merchantability, fitness for a particular purpose, and any warranties of non-infringement. Vendor does not warrant (i) that the Hardware or Services will meet Customer's requirements, (ii) that the Platform's operation will be error-free or uninterrupted (including due to performance of the Internet, other transmission networks, and customer's local network and equipment, which systems**

Vendor is not responsible for providing), (iii) that the Services or any Hardware will properly operate when used with equipment, other systems, or configurations, in each case not specified by Vendor in an Order, or (iv) Vendor's qualification under state licensing provisions. Vendor's express warranties do not apply to failures due to misuse, electrical power line surge damage, improper installation by user, improper power supply attachment, water damage, or physical abuse or where resulting from Customer's failure to reasonably cooperate with Vendor's performance. Vendor does not provide design, installation, or maintenance services for water or other industrial systems generally. Proper installation and use of Vendor Hardware and Services may involve design, installation, and other considerations not provided by Vendor and for which Vendor is not responsible. Vendor is not responsible for (i) errors in data provided by Customer or its users or representatives, (ii) injury or property damage or other damages or losses due to a failure of Hardware or Services or resulting from local or remote management through Hardware and/or Services of Customer's facilities or systems, (iii) use of its Hardware and Services in a manner inconsistent with their specifications and intended use as provided by Vendor, or (iv) defects or problems in Hardware or Services to the extent caused by factors other than the Hardware or Services, or to the extent as a result of tampering with Hardware or Services (including without limitation disconnection, abuse, misuse, accident, alteration, neglect, unauthorized repair, relocation, or interference). Customer acknowledges that the Hardware and Services, as equipment and activities in an industrial operation, have an inherent risk of failure and Customer assumes such general risk. The specific risks disclaimed in this Section are not exhaustive. Procurement of Hardware or Services from Vendor does not limit Customer's obligation to ensure, and is not a replacement for, Customer's on-site monitoring and management of its facilities including responding to water leaks, malfunctions, and hazardous conditions. The entire responsibility in connection with the consequences resulting from the use of the Hardware and Services as well as the intended or achieved results resulting from the use of the Hardware and Services lies entirely with Customer. If Customer has acquired the Hardware or Services through an authorized distributor or reseller of Vendor, Vendor shall not be held responsible for any promises or warranties made by such distributor or reseller. To the maximum extent permitted by law, this Section shall apply even if any express warranty or limited remedies set forth in this Agreement fails of its essential purpose.

15. **Limitation of Liability.** To the maximum extent permitted by applicable law, in no event will Vendor or its Affiliates, including their respective employees, officers, directors, owners, agents, successors and assigns, be liable to Customer or to any third party for any indirect, incidental, special, exemplary or consequential damages, including, but not limited to, lost profits, loss of data, loss of use, business interruption, loss of good will, or cost of procuring substitute products or services, arising out of or in relation to this Agreement or the Hardware or Services, even if advised of the possibility of such damages or losses. Notwithstanding anything else in this Agreement to the contrary, Vendor's aggregate liability arising from, relating to, based on, or connected with this Agreement including the Hardware and Services, shall in any event and under any theory of recovery, including claims of negligence, be limited to the amount of fees actually received by Vendor under this Agreement relating to the Customer facility for which the claim accrued during the twelve month period immediately preceding the date on which Customer's claim first accrued.
16. **Limitations of Disclaimers and Limitations on Liability.** Applicable law in certain jurisdictions relevant to this Agreement may limit the contractual exclusion, limitation, or disclaimer of warranties or damages. In such cases, Vendor's liability (and the liability of its Affiliates and agents) will be limited in accordance with this Agreement to the greatest extent permitted by applicable law.
17. **Not a Licensed Contractor.** Customer acknowledges that Vendor is performing services as an independent contractor and that Vendor is a provider of water facility control systems and services and is not a licensed contractor. Customer acknowledges that Vendor may work with a third-party installer (who, if required by applicable law, will be licensed) to perform specified installation services described in the applicable Order. Customer acknowledges that Vendor is not a licensed contractor under California or other law or regulations or under the law or regulations of the state in which it will perform Professional Services (each are "state licensing provisions"). Customer hereby waives any claim, and shall not raise any defense to enforcement of a contract, on grounds that Vendor (i) is a contractor within the meaning of any state licensing provisions, or (ii) is required under any state licensing provisions or other applicable law to be licensed as a contractor.

18. **Force Majeure.** Vendor shall not be liable to Customer or any other person or entity for any delay or failure in the performance of this Agreement or for loss or damage of any nature whatsoever suffered by Customer or its Affiliates due to (i) disruption or unavailability of communications, utility, hosting, or Internet service not within the reasonable control of Vendor, (ii) acts of war, acts of vandalism, pandemics, terrorism, hacking, lightning, flood, fire, strike, or (iii) any other causes not reasonably anticipated and beyond Vendor's reasonable control.
19. **Sale of Real Property.** If Customer sells or otherwise transfers ownership of an individual facility or property serviced by Vendor under this Agreement to an unrelated third party in an arms-length transaction, Customer may, with notification to Vendor delivered within 60 days following the transfer of ownership, assign the Services relating to such facility or property to the new owner only in respect of such individual facility or property and related Services, and only if the new owner agrees with Vendor in writing to be bound by an agreement substantially equivalent to this Agreement as it applies to the transferred Services, except that Customer acknowledges that splitting of Customer's Platform account and Services for purposes of the foregoing may require additional Services at additional cost. Any such assignment will not relieve Customer of obligations or liabilities under the Agreement occurring and/or accruing prior to the date of the assignment, and Customer shall continue to be bound by the Order to the extent not assigned. Absent such assignment in accordance with this Section, Customer will remain obligated under the Agreement for contracted Services relating to such transferred property.
20. **Publicity.** Customer consents to Vendor's reasonable and limited use of Customer's name, logo, and use case in promotion of Vendor's goods and services on condition that: (i) any public use, such as on a website or press release must first be submitted for approval by Customer and (ii) Customer reserves the right to terminate this use right at any time upon written notice to Vendor (email acceptable).
21. **Independent Contractor.** The relationship of Vendor and Customer is solely that of independent contractors. Nothing contained in this Agreement will be construed to make either party the other's partner, joint venturer, co-owner, agent, franchisee, or employee. Neither party is authorized or empowered to transact business, incur obligations, or make representations on behalf of the other party.
22. **Dispute Resolution.** In the event of any dispute arising out of or related in any way to this Agreement (except for non-payment by Customer), the parties shall, at the written request of either party, first attempt, in good faith, to settle such disputes informally through direct discussions and negotiations. If a resolution cannot be reached informally within a reasonable period (not to exceed 15 days), the parties shall, before the filing of any lawsuit, submit such disputes to and participate in good faith in at least one non-binding mediation before a mutually-acceptable mediator (or if they cannot agree, then the parties will each choose a mediator and the two mediators will select a third mediator to serve as the sole mediator). For purposes of the procedures set forth in this paragraph, a "dispute" means any action, dispute, claim or controversy of any kind, whether in contract or tort, statutory or common law, legal or equitable, now existing or hereafter arising under or in connection with, or in any way pertaining to this Agreement. The foregoing does not apply to the seeking of injunctive relief. No formal proceedings for the judicial resolution of any dispute, except for the seeking of injunctive relief, may begin until the foregoing dispute resolution procedure has been completed except as otherwise agreed in writing by the parties.
23. **Miscellaneous.** This Agreement, including all its attachments, contains the entire agreement of the parties, and supersedes any and all previous or contemporaneous agreements, with respect to the subject matter hereof, whether oral or written. This Agreement will be binding and will inure to the benefit of the parties hereto and their respective successors and permitted assigns. Subject to Section 19, this Agreement may not be assigned by Customer, in whole or in part, without Vendor's prior written consent, such consent not to be unreasonably withheld. Any attempted assignment in violation of the foregoing is void. Vendor may assign, delegate, and subcontract any or all of its rights or obligations hereunder. All formal notices, requests, demands, consents, and communications under this Agreement must be in writing and delivered by electronic mail, by certified or registered mail, return receipt requested, or by overnight courier and will be deemed given five (5) days after deposit in the mail, two (2) days after deposit with an overnight courier, and on the date sent by email if sent during normal business hours of the sender, and on the sender's next business day if sent outside of the normal business hours of the sender, in each case with confirmation of email transmission. Notices will be sent to the party's most recent contact information set forth in the Order or such other contact information as the party may specify in writing for notification purposes in accordance with the foregoing from time to time. This Agreement is governed in all respects, including validity, interpretation and effect, by the laws of the State of California, without reference to the conflicts of laws rules or any other rules that would result in the application of a different body of law. The UN Convention on Contracts for the International Sale of Goods will not apply to this Agreement. For purposes of enforcement of this Agreement, except

to the extent the parties otherwise agree in writing, the parties submit themselves to the exclusive jurisdiction of the state and federal courts located in Marin County in the state of California and hereby agree that such courts have exclusive jurisdiction for the enforcement of this Agreement and any rulings or orders associated therewith, and voluntarily waive any right to challenge jurisdiction based on any theory, including inconvenience of forum. Notwithstanding the foregoing, Vendor may seek injunctive or other equitable relief, wherever it deems appropriate, to protect or enforce Vendor's rights under this Agreement. If any part of this Agreement is held to be void or unenforceable, such part will be treated as severable, leaving valid the remainder of this Agreement notwithstanding the part or parts found to be void or unenforceable. No waiver will be effective unless it is in writing and signed by an authorized representative of the waiving party, and any such waiver will only be applicable to the specific instance(s) referenced in such written waiver. This Agreement may be amended only by a writing executed by each of the parties. Headings in this Agreement are for purposes of reference only and will not limit or otherwise affect the meaning hereof. Sections 7, 10, 12, 14 - 18, 22, and 23, Vendor's limited Hardware warranties in Section 6.2 (subject to their terms), and any and all payment obligations of Customer will survive a termination of this Agreement or any one or more Orders. The words "for example", "e.g." "including" and "includes" in this Agreement are deemed to be followed by "without limitation".

End General Terms and Conditions

EXHIBIT B: Platform Terms and Conditions

These Platform Terms and Conditions (these, “**Platform Terms**”) are supplemental terms and conditions governing the provision by XiO, Inc. (“**Vendor**”) of access to and use of the Platform, as defined below, and are attached to the General Terms and made part of the Agreement between Vendor and Customer. These Platform Terms supplement, but do not replace, the General Terms and other terms and conditions of this Agreement. Capitalized terms used, but not defined in this Exhibit have the meaning given them elsewhere in the Agreement.

1. **Definitions.**

- 1.1 “**Customer Data**” means electronic data submitted to and stored in the Platform by or behalf of Customer in using the Platform.
- 1.2 “**Platform**” means, collectively, the software application-based and other electronic services and data provided by Vendor to which Customer procures access and use pursuant to the Agreement via one or more of the Internet, cell and/or other wireless technology, and other telecommunications methods (“**Electronic Communications**”). The Platform may include web-based management and/or monitoring applications, and data feeds and services, and includes those that are accessed by the Customer through Hardware and other equipment. Platform excludes Professional Services.
- 1.3 “**Start Date**” means the date on which a Subscription Term commences as set forth in the applicable Order procuring the Subscription or if no date is indicated, then the effective date of the Order.
- 1.4 “**Subscription**” means the right to access and use the Platform for the applicable Subscription Term pursuant to and in accordance with this Agreement.
- 1.5 “**Subscription Fees**” mean the fees owed in consideration of a Subscription.
- 1.6 “**Subscription Term**” means, as to a Subscription, the Initial Term and any Renewal Terms (or until earlier terminated in accordance with this Agreement) commencing on the Start Date.

2. **General; Term of Subscription.** Subject to the terms and conditions of the Agreement (including payment by Customer of applicable Subscription Fees) and for the Subscription Term, Customer hereby subscribes to, and Vendor shall use commercially reasonable efforts to make available, access and use of the Platform via Electronic Communications solely for Customer’s internal business use. Subscriptions commence on the Start Date. The Subscription Term will continue for the initial term of the Subscription (the “**Initial Term**”) indicated on the applicable Order. If no such Initial Term is indicated, then the Initial Term is one (1) year. Upon expiration of the Initial Term, the Subscription Term will automatically renew for successive renewal periods of duration specified in the applicable Order or if not so specified, successive one-(1) year renewal terms (each, a “**Renewal Term**”) absent written notice by either party of its election to not so renew delivered at least 60 days prior to the renewal.

3. **Restrictions.** Customer shall not, and shall not knowingly permit any third party to, in whole or in part, (i) reverse engineer, decompile, or disassemble the Platform or use similar methods to determine any design structure, concepts, or construction method of the Platform, including its database, or replicate the functionality of the Platform for any purpose, (ii) copy, translate, resell, distribute, or create a derivative work of the Platform or use the Platform for timesharing, service bureau, or similar purposes, (iii) use the Platform for the purpose of building a similar or competitive product or service, (iv) obtain or knowingly assist in obtaining unauthorized access to the Platform including by sharing log-in credentials to access to Platform, (v) use the Platform in a manner that is contrary to applicable law, in violation of this Agreement or any third party rights of privacy or Intellectual Property Rights, (vi) use the Platform to store, access, distribute or transmit any material that is unlawful, inappropriate, or infringing; facilitates illegal activity; or causes or is reasonably likely to cause damage or injury to any person or property, or (vii) transmit viruses or other code intended to harm or surreptitiously intercept data to or from the Platform, or Vendor’s or a third party’s networks or systems, or adversely affect their operation or security. Customer shall indemnify, defend, and hold Vendor harmless from claims, demands, liabilities, losses, and costs and expenses (including attorneys’ fees) arising out of or relating to Customer’s breach of this Section 3. Vendor has the right (but not the obligation) to monitor and review all information and materials transferred to or otherwise stored under Customer’s account in the Platform for information, material, or activity that Vendor deems in its sole discretion to violate these Platform Terms or the Agreement generally. Customer shall comply with all applicable laws and regulations in connection with its use of the Platform including export laws and obtain any permits, licenses, and authorizations required to be obtained by Customer in using the Platform. Customer shall not remove, modify, or obscure any Vendor or other copyright, trademark, or other proprietary notices affixed to or displayed on or in the Platform and shall not knowingly allow any third party under Customer’s control to take any such action. Customer is responsible under this Agreement for all activities conducted in the Platform

under its login credentials and account including those of its independent contractors or any other third party.

4. **Customer Data; Right to Use; Other Customer Responsibilities.** Responsibility for ensuring that Customer Data is accurate and reflects Customer requirements lies solely with Customer. Customer hereby grants Vendor the right and license to use, copy, store, transmit, modify, process, and display Customer Data for the purposes of performing Vendor's obligations under this Agreement. The Platform may require the use of Hardware or other equipment such as transmitting sensors and communications and other hardware and software necessary to access the Internet and the Platform, which are not included in Subscription Fees (collectively, the "**Equipment**") and Customer is responsible for obtaining and maintaining Equipment, at Customer expense. Customer is responsible for maintaining the security of the Equipment, Customer account information, passwords and files, and for all uses of Customer's Platform account or the Equipment with or without Customer's knowledge or consent (excluding uses by Vendor in performing its obligations under this Agreement). Customer consents to Vendor's creation of De-identified Data from Customer Data. Vendor owns all right, title, and interest in and to De-identified Data and nothing herein restricts Vendor's use of De-identified Data in any manner whatsoever.
5. **Subscription Fees.** Customer shall pay all Subscription Fees in the amounts and according to the terms as are set forth in the applicable Orders procuring the Subscriptions. Except as otherwise specified in the Agreement, (i) Subscription Fees will be invoiced annually in advance and due within thirty (30) days of Customer's receipt of the invoice, and (ii) Vendor may increase Subscription Fees at each renewal of the Subscription Term by notice delivered at least 120 days' prior to the renewal. If Customer's use of the Platform exceeds the parameters or restrictions set forth in the applicable Order or otherwise requires the payment of additional Subscription Fees (per the terms of this Agreement), Customer will be billed for such usage and Customer agrees to pay the additional fees in the manner provided herein. Subscriptions Fees are not refundable except in accordance with this Agreement.
6. **Service Level Agreement Terms.** During the Subscription Term, Vendor shall meet the service levels on and subject to the terms and conditions indicated in the Service Level Agreement Terms attached as Exhibit C.
7. **Platform Disclaimer.** Without limiting Section 14 of the General Terms (Disclaimers), the Platform provided by Vendor relies upon numerous interconnected communication and other technologies that are inherently not fault-free and may contain errors or become interrupted. Vendor disclaims responsibility for liabilities, losses, claims, and demands resulting from any such errors or interruptions. The Platform should not be used for fault-intolerant applications or where such errors or interruptions would present a high degree of risk. Certain Platform features allow alerts and notifications to be sent to mobile devices. Vendor is not responsible for text or other mobile communications charges resulting from such alerts and notifications or for alert failures due to failures of the mobile device or its connectivity. Vendor is not responsible for Platform errors due to Hardware or other equipment failure.
8. **Improvements to Platform.** Vendor may make enhancements, updates, and other modifications to the functionality, user interface, usability, and documentation of the Platform from time to time in its sole discretion as part of its ongoing effort to improve its offerings, so long as such modifications do not materially diminish the functionality of the Platform.
9. **Ownership of Platform.** Without limiting Section 7 of the General Terms (Ownership; Proprietary Rights), as between Vendor and Customer, Vendor owns all right, title and interest in and to the Platform including all Intellectual Property Rights therein. Nothing in this Agreement grants Customer any right, title or interest in or to the Platform other than the limited right to access and use the Platform during the Subscription Term in accordance with the Agreement. All rights not expressly granted to Customer in this Agreement are reserved by Vendor.
10. **Termination of a Subscription for Cause.** Either party may terminate a Subscription during the Subscription Term in the event that the other party has committed a material breach of this Agreement that is not cured within thirty (30) days after the other party's receipt of written notice thereof, which notice must expressly state all of the reasons for the claimed breach in sufficient detail so as to provide the alleged breaching party a meaningful opportunity to cure the alleged breach, except that the cure period for failure of Customer to pay fees when due is five (5) days.
11. **Effect of Termination.** Upon termination or expiration of a Subscription, for any reason, Customer shall cease all use of the Platform and Vendor has the right, at any time more than ninety (90) days following such termination or expiration, to permanently delete Customer Data and Customer's account associated with the terminated Subscription.

12. **Export; U.S. Governmental Rights.** Customer shall not remove or export from the United States or knowingly permit the export or re-export of the Platform, or any of its source code, object code, or underlying structure, ideas, know-how or algorithms, documentation or data (the “**Platform Materials**”), or anything related thereto, or any direct product thereof in violation of any restrictions, laws or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, or any other United States or foreign agency or authority. The Platform Materials are “commercial items”, “commercial computer software”, and “commercial computer software documentation” under U.S. federal acquisition regulations (FAR) and U.S. defense federal acquisition regulations (DFAR). Consistent with such regulations, any use modification, reproduction, release, performance, display, or disclosure of Platform Materials by the U.S. Government will be governed solely by the terms of this Agreement and will be prohibited except to the extent expressly permitted by this Agreement.

End Platform Terms and Conditions

EXHIBIT C: Service Level Agreement Terms

These Service Level Agreement Terms (these “**SLA Terms**”) are provided pursuant to that certain Agreement to which these SLA Terms are attached between Vendor and Customer and form part of the Agreement. Capitalized terms used in these SLA Terms, but not defined herein have the meaning given to them elsewhere in the Agreement.

1. **Availability Service Levels**

1.1 **Definitions** For purposes of these SLA Terms, the following terms have the following meanings:

1.1.1 “**Emergency Maintenance**” means Vendor’s unplanned or emergency maintenance for application of hotfixes, security related maintenance activities, and other actions necessary to maintain the integrity or operation of the Platform during which the Platform is unavailable.

1.1.2 “**Scheduled Maintenance**” means scheduled maintenance to maintain the integrity or operation of the Platform during which the Platform is unavailable.

1.1.3 “**Total Monthly Time**” means the total number of minutes in the applicable calendar month.

1.1.4 “**Unavailable Monthly Time**” means the total number of minutes in the applicable calendar month during which the Platform was unavailable for use.

1.1.5 “**Uptime Percentage**” = $((A-B+C)/A)$
multiplied by 100 and expressed as a percentage, where:

A = Total Monthly Time;

B = Unavailable Monthly Time; and

C = Excluded Monthly Time (as defined below)

1.2 **Availability Commitment** Subject to these SLA Terms:

1.2.1 During the Subscription Term, Vendor shall use commercially reasonable efforts to ensure that the Platform will have an Uptime Percentage of at least **99.9%**; and

1.2.2 Vendor shall endeavor to schedule Scheduled Maintenance to occur outside of Vendor’s normal business hours and to provide Customer at least 48 hours’ notice prior to Scheduled Maintenance. No prior notice to Customer is required for Emergency Maintenance; however, Vendor shall use commercially reasonable efforts to notify Customer in advance of Emergency Maintenance.

1.3 **Exclusions.** Notwithstanding anything to the contrary in these SLA Terms, no Unavailable Monthly Time will be deemed to have occurred if it: (a) is caused by factors outside of Vendor’s reasonable control, including, without limitation, Internet access or related problems occurring beyond the point in the network where Vendor maintains access and control over the Platform; (b) results from failures or issues in satellite, radio, cellular, or other non-Internet-based telecommunications transmissions used to communicate with or to the Platform, whether procured through Vendor or otherwise; (c) results from any actions or inactions of Customer or any third party (except for Vendor’s agents and subcontractors); (d) results from any Customer third party application(s), Customer’s equipment, software, or other technology, add-on services, or third-party equipment, software, or other technology; (e) occurs during Scheduled Maintenance; (f) occurs during Emergency Maintenance; or (g) is less than five (5) minutes of continuous unavailability in duration (minutes of unavailability in the calendar month resulting from (a)-(g) collectively, “**Excluded Monthly Time**”).

1.4 **Unavailability Credits**

1.4.1 For any calendar month that has an Uptime Percentage indicated in the Unavailability Credit Table below, Customer may request an Unavailability Credit corresponding to the Uptime Percentage, where “Unavailability Credit” is calculated as the applicable Unavailability Credit Percentage of the Subscription Fees corresponding to the calendar month at issue. The Unavailability Credit will be credited toward the next invoice for Subscription Fees or refunded if the Subscription Term expires or is terminated before it can be so credited.

1.4.2 Customer must request the Unavailability Credit by submitting a request to Vendor via email to accounts-receivable@xiowater.com during the first 15 calendar days of the calendar month immediately following the calendar month for which the credit is claimed.

1.4.3 Unavailability Credit Table:

Uptime Percentage	Unavailability Credit Percentage (%)
99.5% - <99.9%	2.0%
98.5% - <99.5%	3.0%
<98.5%	5.0%

1.5 **Chronic Unavailability** If the Platform experiences an Uptime Percentage that is less than **98.5%** for any two consecutive months, or for any four out of 12 consecutive months, then Customer will have the right, upon 10 business days' notice to Vendor, to terminate the Subscription in which case Vendor shall refund to Customer its prepaid and unused fees corresponding to the period from the effective date of termination to the expiration of the then applicable Subscription Term. The foregoing credits and termination right constitute Vendor's sole and entire liability to Customer, and Customer's sole and exclusive remedy with respect to Vendor's failure to meet Vendor's commitments regarding availability of the Platform provided in this Exhibit C.

2. **Standard Support**

2.1 **Standard Support Access and Hours.** Vendor shall provide requested general technical support services to address errors in the Platform as further described in and subject to the Standard Support terms in this Section 2 of these SLA Terms (such support services, "**Standard Support**"). Standard Support is available without extra charge from 8am – 5pm Pacific time, Monday – Friday, except Vendor holidays ("**Standard Support Hours**") through Vendor's online ticketing system accessible at www.xiowater.com and via email at support@xiowater.com. Vendor reserves the right to update the contact information for accessing Standard Support from time to time by written notice to Customer.

2.2 **Standard Support Service Levels.** Each request for Standard Support received by Customer must identify an Error (defined below) and will be assigned a case number (each, a "Case"). An "Error" means a failure of the Platform to perform in accordance with its specifications as further described in the Error Description column below. For each Error, Vendor will prioritize the Case in accordance with the Severity Levels in the table below and will work to provide a temporary or permanent solution, fix, or work-around that resolves the material aspects of the Error with the corresponding Level of Effort as described in the table below.

2.3 **Standard Support Service Levels Table:**

EXHIBIT C: Service Level Agreement Terms

Severity Level	Error Description	Target Initial Response Time	Level of Effort
“Severity 1 (Critical)”	Critical production issue affecting all users, including Platform unavailability and data integrity issues with no workaround available.	Four (4) hours	Vendor shall use best efforts, applying its resources on a 24 hour per day basis to the exclusion of other priorities, to correct the Error as quickly as possible.
“Severity 2 (High)”	Major functionality is impacted. Issue is persistent and affects many users and/or major functionality. No reasonable workaround available.	Four (4) Hours	Vendor shall use best efforts, applying resources during normal business hours, to correct the Error as quickly as reasonably practicable.
“Severity 3 (Medium)”	Platform performance issue or bug affecting some but not all users. Short-term workaround is available, but not scalable.	Eight (8) hours	Vendor shall use commercially reasonable efforts, applying resources during normal business hours, to correct the Error as quickly as reasonably practicable.
“Severity 4 (Low)”	Inquiry regarding a routine technical issue; bug affecting a small number of users. Reasonable workaround available.	Twenty four (24) hours	Vendor shall use commercially reasonable efforts to correct the Error.

As used above, “**Target Initial Response Time**” means the elapsed time during Standard Support Hours between the moment a request regarding an Error is first submitted to Vendor via a Standard Support contact until Vendor first responds to the request except that, if the request is submitted during the last 30 minutes of Support Hours on a given day, the elapsed time will be measured from the start of the next day on which Standard Support Hours are available.

Under no circumstances does Vendor warrant or represent that Errors can or will be corrected.

2.4 Customer Obligations for Standard Support. Vendor’s ability and obligation to fulfill its Standard Support obligations is conditioned upon Customer (a) providing all relevant information necessary for Vendor to respond to a Standard Support request within the applicable response times set forth above; (b) providing all relevant information and any additional requested information and documentation necessary for Vendor to reproduce the Error; (c) designation of Customer’s primary and secondary contacts (along with after-hours contact information for such personnel) who have been trained on the Platform and who can provide Vendor with all requested information; (d) submission of Standard Support requests promptly in response to an Error; (e) using commercially reasonable efforts to diagnose and resolve problems in the operation of the Customer’s interface to the Platform prior to submitting a request for Standard Support; (f) using commercially reasonable efforts to confirm that reported problems are not due to Customer’s systems or third-party systems; (g) consultation of Vendor-supplied documentation before submitting Standard Support requests; and (h) providing Vendor with remote access to Customer’s account or environment on the Platform for purposes of providing the requested Standard Support. Customer acknowledges that if it provides Vendor with erroneous information, or fails to provide all reasonably available information, then Vendor will not be liable for delays in, or improper performance of Standard Support. Customer is responsible for procuring, installing, and maintaining all applications, equipment, telephone lines, communications interfaces, and other hardware necessary to access the Platform and to obtain Standard Support.

2.5 Standard Support Exclusions. The following are outside the scope of Standard Support:

- support provided outside of the Standard Support Hours;
- support that relates to or becomes necessary due to failure of computer hardware, equipment or programs not provided by Vendor,

- negligence of Customer, error by Customer in operation of the Platform, or improper modification or use of hardware or software by Customer;
- maintenance and support of hardware, software programs, or data connections not provided by Vendor ("**Third Party Products**");
- development, customization, coding, installation, integration, consulting, and training;
- any other services that are not for the identification and resolution of Errors in the Platform; and
- issues or failures caused by:
 - Customer acts or omissions, including any Customer misuse or abuse of the Vendor system or in violation of the Agreement;
 - Any force majeure event as described in the Agreement;
 - Viruses or system attacks not prevented by Vendor's application of industry standard anti-virus software; and
 - An increase in Platform utilization by Customer materially beyond the Platform's standard or mutually agreed hosting capacity.

2.6 **Out-of-Scope Support.** If Customer does not have Premium Technical Support and requests and receives technical support from Vendor that is provided outside of Standard Support Hours or is otherwise outside the scope of Standard Support (for example, providing assistance or training in use of the Platform, troubleshooting of non-Vendor products or services, or light engineering advice) or if Customer is subject to additional charges for overuse of Premium Technical Support as described in Section 3.3 ("**Out-of-Scope Support**"), then Customer will be charged and agrees to pay for such excess support on an hourly basis at Vendor's then generally applicable hourly rates for the type of support provided. Higher rates will apply for Out of Scope Support provided outside of Standard Support Hours, that is outside of the scope of Standard Support, or that involves assistance from a Vendor engineer. Any such charges will be invoiced and payable monthly in arrears. Customer may request Vendor's support services hourly rates at any time. Out-of-Scope Support is subject to Section 3.5 below (Disclaimer).

2.7 **Chronic Support failures.** If Vendor materially fails to meet its Standard Support commitments in this Exhibit C for any two consecutive months, or for any four out of 12 consecutive months as shown by reasonable documentation, then Customer will have the right, upon 30 days' prior written notice to Vendor, to terminate the Agreement in which case Vendor shall refund to Customer its prepaid and unused Subscription Fees corresponding to the period from the effective date of termination to the expiration of the then applicable Subscription Term. The foregoing termination right constitutes Vendor's sole and entire liability to Customer, and Customer's sole and exclusive remedy with respect to Vendor's failure to meet the Standard Support commitments in this Exhibit C.

3. **Premium Technical Support**

3.1 The following terms apply only to Customers that have procured Premium Technical Support. Premium Technical Support is an enhanced technical support plan, further described below, which includes an annual allotment of support points that may be redeemed at different rates depending on the nature and timing of the support provided and that, in addition to online ticketing and email support contacts provided with Standard Support, includes telephone support at the support telephone number made available by Vendor to its Premium Technical Support Customers ("**Premium Technical Support**").

3.2 **Scope.** In addition to receiving Standard Support, Customers that have purchased Premium Technical Support may request technical support for assistance in the use of the Platform, requests that may involve some light engineering, and requests that may involve or relate to software, hardware, services, or products provided by third parties ("**Third-Party Products**"). Subject to Section 3.5 (Disclaimer) below, Vendor will use its commercially reasonable efforts to fulfill and/or resolve its Premium Technical Support requests. Standard Support requests (i.e., those involving errors in the Platform provided during Standard Support Hours) will be subject to the Standard Support terms in Section 2 (Standard Support) above.

3.3 **Support Points.** On or before the Start Date of the Subscription Term, Customers with Premium Technical Support will be allotted the number of support points indicated in the applicable Order purchasing Premium Technical Support, which points will be redeemable during the Subscription Term. The points expire if not redeemed during the Subscription Term for which they were allotted. Support points are redeemed for Premium Technical Support provided at the applicable rate in the table below based on the time spent by Vendor providing the support, subject to the rounding

described below. Premium Technical Support provided via telephone, email, the online ticketing portal, or otherwise, as well as time spent by Vendor on the support case outside of communications with Customer count for purposes of determining points redeemed. Standard Support provided during Standard Support Hours will not use or count against Premium Technical Support points. Every approximately three months, Vendor will provide Customer a statement of Standard and Premium Technical Support provided and an accounting of points redeemed and remaining since the period covered by the last such report provided (or since the Start Date, as applicable). If Customer has exhausted its available points during the Subscription Term, Premium Technical Support will still be provided at Vendor’s applicable hourly rates in the manner specified in Section 2.6 (Out-of-Scope Support), except that the rates will be discounted by the discount percentage applicable to the Premium Support level or plan that Customer has procured (as indicated in the applicable Order). Unused points have no cash value and expire upon termination or expiration of the Subscription for which the Premium Technical Support was procured.

3.4 Premium Technical Support Point Redemption Rates:

Type of Premium Technical Support	During/Outside Standard Support Hours	Rate of Point Redemption*
Premium Technical Support (not provided by a Vendor engineer)	During Standard Support Hours	1 point redeemed per hour of support provided.
Premium Technical Support or Standard Support (not provided by a Vendor engineer)**	Outside Standard Support Hours	1.5 points redeemed per hour of support provided.
Premium Technical Support provided by a Vendor engineer***	During Standard Support Hours	2 points redeemed per hour of support provided.

*For purposes of point redemption for a support case, Premium Technical Support provided for the case will be rounded up to the nearest 6 minute increment. For example, with respect to a Premium Technical Support case, 21 minutes of actual time spent by Vendor providing the support would be treated as the provision of 24 minutes of support.

** Support provided outside of Standard Support Hours (regardless of whether the issue is within or outside the scope of Standard Support) redeems points at 1.5 points per hour, subject to the applicable rounding described above.

*** Engineer-provided Premium Technical Support is not available outside of Standard Support Hours.

3.5 Disclaimer. With respect to Premium Technical Support that involves engineering and/or that relates to Third Party Products, Customer acknowledges that Vendor makes no guarantees as to Vendor’s ability to resolve or otherwise provide such support or as to the accuracy or appropriateness of any such support that is provided. Engineering provided through Premium Technical Support is intended for relatively minor engineering matters or where exigent circumstances require immediate attention and action. Engineering needs that involve complex or critical functions or problems should be addressed, if at all, through the provision of Professional Services separately procured pursuant to a properly scoped Statement of Work and not through Premium Technical Support whenever possible. Vendor reserves the right at any time to decline to provide engineering and assistance with Third Party Products through Premium Technical Support that Vendor determines in its sole discretion is beyond the scope of what is appropriate for Premium Technical Support, including at any time after such support has been commenced.

3.6 Changes to these SLA Terms. During the Subscription Term, upon reasonable notice, Vendor reserves the right to reasonably modify these SLA Terms, but not in manner that materially, adversely reduces Vendor’s commitments herein.

End of Service Level Agreement Terms

Pleasant Valley County Water District
Meeting Bank Accounts Register
As of May 17, 2024

<i>Type</i>	<i>Date</i>	<i>Num</i>	<i>Name</i>	<i>Amount</i>
1000 · Cash				
1010 · Pacific Western-Checking				
Bill Pmt -Check	04/23/2024	9987	AIRGAS USA, LLC	(51.35)
Bill Pmt -Check	04/23/2024	9988	AT&T Mobility	(104.84)
Bill Pmt -Check	04/23/2024	9989	City of Oxnard	(148.46)
Bill Pmt -Check	04/23/2024	9990	Eide Bailly LLP	(4,683.75)
Bill Pmt -Check	04/23/2024	9991	FGL Environmental	(188.00)
Bill Pmt -Check	04/23/2024	9992	Prudential Overall Supply	(113.82)
Bill Pmt -Check	04/23/2024	9993	Dial Security	(78.29)
Check	04/26/2024	eft	CalPERS-Retirement	(1,988.30)
Check	04/26/2024	eft	CalPERS	(8,359.96)
Check	04/26/2024	eft	CalPERS-Retirement	(506.16)
Check	04/26/2024	eft	CalPERS-Retirement	(200.00)
Paycheck	04/29/2024	DD18...	Daniel J Vasquez	
Paycheck	04/29/2024	DD18...	Nancy M Lawrence	
Paycheck	04/29/2024	DD18...	Paul A Otero	
Paycheck	04/29/2024	DD18...	Jared Bouchard	
Liability Check	04/29/2024		QuickBooks Payroll Serv...	(14,064.72)
Check	05/07/2024	eft	SCE / ACCOUNTS REC...	(6,447.98)
Check	05/09/2024	eft	SCE / ACCOUNTS REC...	(3,966.85)
Check	05/09/2024	eft	CalPERS-Retirement	(506.16)
Check	05/09/2024	eft	CalPERS-Retirement	(2,530.58)
Check	05/09/2024	eft	CalPERS-Retirement	(1,988.30)
Check	05/13/2024	eft	WEX BANK	(1,415.23)
Check	05/13/2024	eft	The Gas Company	(37.66)
Paycheck	05/13/2024	DD18...	Daniel J Vasquez	
Paycheck	05/13/2024	DD18...	Nancy M Lawrence	
Paycheck	05/13/2024	DD18...	Paul A Otero	
Paycheck	05/13/2024	DD18...	Jared Bouchard	
Liability Check	05/13/2024		QuickBooks Payroll Serv...	(15,021.19)
Check	05/13/2024	eft	SCE/Payment Processing	(605.52)
Bill Pmt -Check	05/13/2024	10000	Access Information Man...	(542.44)
Bill Pmt -Check	05/13/2024	10001	ACWA/JPIA	(470.42)
Bill Pmt -Check	05/13/2024	10002	Arnold, LaRochelle, Etal	(3,168.00)
Bill Pmt -Check	05/13/2024	10003	Atlantis Utility Inc	(232.78)
Bill Pmt -Check	05/13/2024	10004	BONDY GROUNDWATE...	(949.10)
Bill Pmt -Check	05/13/2024	10005	BROWNSTEIN HYATT F...	(783.61)
Bill Pmt -Check	05/13/2024	10006	Camrosa Water District	(166,200.45)
Bill Pmt -Check	05/13/2024	10007	Castle Cleaning Services	(210.00)
Bill Pmt -Check	05/13/2024	10008	City of Camarillo	(87.98)
Bill Pmt -Check	05/13/2024	10009	Culligan of Ventura Cou...	(68.32)
Bill Pmt -Check	05/13/2024	10010	E.J. Harrison & Sons	(220.48)
Bill Pmt -Check	05/13/2024	10011	Fanning & Karrh	(5,468.40)
Bill Pmt -Check	05/13/2024	10012	FGL Environmental	(188.00)
Bill Pmt -Check	05/13/2024	10013	Jared. Bouchard	(15.00)
Bill Pmt -Check	05/13/2024	10014	Prudential Overall Supply	(170.73)
Bill Pmt -Check	05/13/2024	10015	RICOH USA, INC	(263.26)
Bill Pmt -Check	05/13/2024	10016	SOARES, SANDALL & P...	(279.00)
Bill Pmt -Check	05/13/2024	10017	STREAMLINE	(355.00)
Bill Pmt -Check	05/13/2024	10018	U S Bank Payment Center	(1,288.17)
Bill Pmt -Check	05/13/2024	10019	Underground Service Alert	(67.75)
Bill Pmt -Check	05/13/2024	10020	ACWA/JPIA	(2,027.36)
Check	05/14/2024	eft	CalPERS-Retirement	(1,988.30)
Check	05/14/2024	eft	CalPERS-Retirement	(506.16)
Check	05/14/2024	eft	CalPERS-Retirement	(200.00)
Bill Pmt -Check	05/14/2024	9994	AIRGAS USA, LLC	(50.28)

10:56 AM
05/17/24
Accrual Basis

Pleasant Valley County Water District
Meeting Bank Accounts Register
As of May 17, 2024

Type	Date	Num	Name	Amount
Bill Pmt -Check	05/14/2024	9995	AT&T Mobility	(104.84)
Bill Pmt -Check	05/14/2024	9996	UWCD	(75,389.53)
Bill Pmt -Check	05/15/2024	9997	Castle Cleaning Services	(210.00)
Bill Pmt -Check	05/15/2024	9998	Prudential Overall Supply	(56.91)
Bill Pmt -Check	05/17/2024	9999	FGL Environmental	(188.00)
Total 1010 · Pacific Western-Checking				(324,757.39)
Total 1000 · Cash				(324,757.39)
TOTAL				<u>(324,757.39)</u>