

**AGENDA
IRVINE RANCH WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING**

July 13, 2020

Due to COVID-19, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspend certain requirements of the Ralph M. Brown Act. Members of the public may not attend this meeting in person.

Participation by members of the Board of Directors will be from remote locations. Public access and participation will only be available telephonically/electronically.

To virtually attend the meeting and to be able to view any presentations or additional materials provided at the meeting, please join online via Webex using the link and information below:

Via Web:

<https://irwd.my.webex.com/irwd.my/j.php?MTID=m54206a613497257e47cf0d63708b213a>

Meeting Number (Access Code): 126 101 0500

Meeting Password: FVdbtSb53x6 (38328725 from phones and video systems)

After joining the meeting, in order to ensure all persons can participate and observe the meeting, please select the "Call in" option and use a telephone to access the audio for the meeting by using the call-in information and attendee identification number provided.

As courtesy to the other participants, please mute your phone when you are not speaking.

PLEASE NOTE: Participants joining the meeting will be placed into the WebEx lobby when the Board enters closed session. Participants who remain in the "lobby" will automatically be returned to the open session of the Board once the closed session has concluded. Participants who join the meeting while the Board is in closed session will receive a notice that the meeting has been locked. They will be able to join the meeting once the closed session has concluded.

CALL TO ORDER 5:00 p.m.

ROLL CALL Directors Reinhart, LaMar, Swan, and Withers, and President Matheis

PUBLIC COMMENT NOTICE

If you wish to address the Board of Directors on any item, please submit a request to speak via the "chat" feature available when joining the meeting virtually. Remarks are limited to three minutes per speaker on each subject. You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 12:00 p.m. on Monday, July 13, 2020.

ALL VOTES SHALL BE TAKEN BY A ROLL CALL VOTE.

COMMUNICATIONS TO THE BOARD

1. A. Written:

B. Oral:

2. ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Recommendation: Determine the need to discuss and/or take immediate action on item(s).

PUBLIC HEARING

Resolution No. 2020-13

3. SEWER CHARGES IN THE NEWPORT NORTH SERVICE AREA

- a. Recommendation: Open the hearing.
- b. Inquire of the Secretary how the hearing was noticed.
- c. Receive and file the affidavit of posting and proof of publication.
- d. Request legal counsel to describe the nature of the proceedings.
- e. Inquire of the Secretary if there have been any written communications.
- f. Inquire whether there are any individuals who wish to speak regarding the proposed collection of sewer charges on the tax roll in the Newport North service area.
- g. Inquire of the Board if it has any comments or questions.
- h. Close the hearing, and
- i. Adopt a resolution by title adopting the sewer charge report and authorizing collection of sewer charges on the tax roll for the Newport North Service Area.

Reso. No. 2020-

CONSENT CALENDAR

Items 4-13

4. BOARD MEETING MINUTES

Recommendation: That the minutes of the June 22, 2020 Regular Board meeting be approved as presented.

5. RATIFY/APPROVE BOARD OF DIRECTORS' ATTENDANCE AT MEETINGS AND EVENTS

Recommendation: That the Board ratify/approve the meetings and events for Mary Aileen Matheis, Peer Swan, Steven LaMar, and John Withers, as described.

CONSENT CALENDAR – Continued

Resolution No. 2020-13

Items 4-13

6. 2020 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: That the Board adopt a “seek amendments” position on SB 474 (Stern).

7. BAKE PARKWAY DOMESTIC WATER ZONE 5 TO 4 FIRE FLOW PRESSURE REDUCING VALVUE AND PIPELINE FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Bake Parkway Domestic Water Zone 5 to 4 Fire Flow Pressure Reducing Valve and Pipeline, authorize the General Manager to file a Notice of Completion, and authorize the payment of the retention 35 days after the date of recording the Notice of Completion for Project 05404.

8. FISCAL YEAR 2020-21 PURCHASE ORDER VENDOR COMMITMENTS GREATER THAN \$200,000

Recommendation: That the Board approve the submitted list of vendor commitments greater than \$200,000 based on approved FY 2020-21 operating budget expenditures.

9. LUMP SUM PAYMENT OPTION FOR EMPLOYER CONTRIBUTIONS FOR FY 2020-21 TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Recommendation: That the Board approve the lump sum payment for employer contributions to the California Public Employees Retirement System (CalPERS) by making a one-time contribution of \$5,888,727 for IRWD’s FY 2020-21 employer contribution.

10. INFORMATION SERVICES PROFESSIONAL SERVICES SUPPORT CONTRACT RENEWALS

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement for Fiscal Year 2020-21 with Infosys Limited in the amount of \$325,000 for managed support services.

11. BAKER WATER TREATMENT PLANT ENTRANCE IMPROVEMENTS BID REJECTION

Recommendation: That the Board reject the bid received for the Baker Water Treatment Plant Entrance Improvements, Project 10559 and authorize staff to re-bid the project after revising the bid documents.

CONSENT CALENDAR – Continued

Resolution No. 2020-13

Items 4-13

12. CULVER DRIVE 12-INCH DOMESTIC WATER PIPELINE RELOCATION BUDGET INCREASE AND CONSTRUCTION AWARD

Recommendation: That the Board authorize a budget increase in the amount of \$708,000, from \$248,000 to \$956,000, and authorize the General Manager to execute a construction contract with L&S Construction, Inc. in the amount of \$333,000 for the Culver Drive 12-inch Domestic Water Pipeline Relocation, Project 07170.

13. TURTLE RIDGE PIPELINES CATHODIC PROTECTION BUDGET INCREASE AND CONSTRUCTION AWARD

Recommendation: That the Board authorize a budget increase in the amount of \$444,000, from \$309,000 to \$749,000, for Project 07888 and \$379,500, from \$309,000 to \$688,500, for Project 07889, and authorize the General Manager to execute a construction contract with Paulus Engineering, Inc. in the amount of \$579,777 for the Turtle Ridge Pipeline Cathodic Protection, Projects 07888 and 07889.

ACTION CALENDAR

14. WATER EFFICIENCY TACTICAL INCENTIVE FUNDING AUTHORIZATION

Recommendation: That the Board authorize the General Manager to allocate \$325,000 in funding to the FY 2020-21 rebate programs administered through the Water Conservation Participation Agreement Between Municipal Water District of Orange County and IRWD, and execute addendums to the agreement as may be necessary to allocate funds to specific programs and modify device incentive levels based on customer participation rates and regional program funding levels.

15. 2020 WATER USE EFFICIENCY OUTREACH CAMPAIGN

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with Sukle Advertising & Design in the amount of \$396,000 for the implementation of the 2020 Water Use Efficiency Outreach Campaign.

16. SECURITY SERVICES CONTRACT

Recommendation: That the Board authorize the General Manager to execute an agreement with Securitas, Inc. for security guard and patrol services for an amount of \$2,392,692.

ACTION CALENDAR – Continued

17. SETTING CONNECTION FEES AND PROPERTY TAXES FOR FISCAL YEAR 2020-21

Recommendation: That the Board approve revisions to connection fees and property taxes as presented and adopt three resolutions by title 1) adopting changes to connection fees as set forth in the Schedule of Rates and Charges in Exhibit “B” to the Rules and Regulations of IRWD for water, sewer, recycled water, and natural treatment system service, 2) establishing *ad valorem* tax revenues for FY 2020-21, and 3) amending allocation of *ad valorem* property taxes to debt service, subject to pledge.

Reso. No. 2020-

Reso. No. 2020-

Reso. No. 2020-

OTHER BUSINESS

Pursuant to Government Code Section 54954.2, members of the Board of Directors or staff may ask questions for clarification, make brief announcements, and make brief reports on his/her own activities. The Board or a Board member may provide a reference to staff or other resources for factual information, request staff to report back at a subsequent meeting concerning any matter, or direct staff to place a matter of business on a future agenda. Such matters may be brought up under the General Manager’s Report or Directors’ Comments.

- 18. General Manager’s Report
- 19. Directors’ Comments
- 20. Receive oral update(s) from District liaison(s) regarding communities within IRWD’s service area and provide information on relevant community events.
- 21. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION – Pursuant to Government Code Section 54956.9(d)(2): significant exposure to litigation. *(One (1) potential case; Main Street Notice of Subrogation, claim on file with the District.)*
- 22. Open Session.
- 23. Adjourn.

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the above-named Board in connection with a matter subject to discussion or consideration at an open meeting of the Board are available for public inspection in the District’s office, 15600 Sand Canyon Avenue, Irvine, California (“District Office”). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available electronically via the Webex meeting noted. Upon request, the District will provide for written agenda materials in appropriate alternative formats, and reasonable disability-related modification or accommodation to enable individuals with disabilities to participate in and provide comments at public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, or alternative format requested at least two days before the meeting. Requests should be emailed to comments@irwd.com. Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

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July 13, 2020
Prepared by: C. Carter / E. Lin
Submitted by: C. Clary
Approved by: Paul A. Cook *P. Cook*

PUBLIC HEARING

SEWER CHARGES IN THE NEWPORT NORTH SERVICE AREA

SUMMARY:

On June 24, 2019, the Board adopted a two-year budget which included rates and charges for Fiscal Year (FY) 2020-21. The rates adopted for FY 2020-21 were monthly sewer charges of \$26.35 for a residential single-family home and \$19.75 per unit for multiple family dwelling units. Considering the hardships to many IRWD customers created by the impacts of COVID-19, on May 26, 2020, the Board approved that the FY 2020-21 sewer rate increases scheduled to become effective on July 1, 2020 be deferred. The previous rates adopted for FY 2019-20 of \$26.10 for a single-family home and \$19.55 per unit for multiple family dwellings shall remain in effect for the deferral period. The Newport North customers will have the same rate, but the method of collection differs in that they pay their sewer fees on an annual basis by means of the County of Orange tax rolls.

By adoption of Resolution No. 1987-45, the Board of Directors elected to have sewer charges for certain parcels of land located in the Newport North area collected on the tax roll together with IRWD's general taxes. The resolution directs the filing of a report containing a description of such parcels and the corresponding charges for each fiscal year. Pursuant to the requirements of the Health and Safety Code of the State of California, a public hearing on the report is required. The District Secretary has noticed a hearing for this meeting for objections or protests to the report, if any.

OUTLINE OF PROCEEDINGS

President: Declare this to be the time and place for a hearing on the sewer charge report for the Newport North area, and declare the hearing open. Ask the Secretary how the hearing was noticed.

Secretary: The report was filed with the Secretary on June 16, 2020 and notice of the filing of the report and the time and place of this hearing was published in the Daily Pilot on June 28, July 5, and July 12, 2020. A notice was also posted in the District office and the District website (www.irwd.com) on June 24, 2020.

Board: RECOMMENDED MOTION: "RECEIVE AND FILE THE AFFIDAVIT OF POSTING AND THE PROOF OF PUBLICATION PRESENTED BY THE SECRETARY."

President: Request Legal Counsel to describe the nature of the proceedings.

Legal Counsel: A public hearing on the sewer charge report is an annual requirement of the Health and Safety Code, Section 5473, in order to collect the sewer charges on the tax roll.

President: Inquire of the Secretary whether there have been any written communications.

President: Inquire whether there is anyone present who wishes to address the Board regarding the proposed collection of sewer charges on the tax roll.

President: Inquire whether there are any comments or questions from members of the Board of Directors. State that the hearing will be closed.

Board: RECOMMENDED MOTION: THAT THE HEARING BE CLOSED AND THAT THE FOLLOWING RESOLUTION BE ADOPTED BY TITLE:

RESOLUTION NO. 2020 –

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT ADOPTING THE
SEWER CHARGE REPORT AND AUTHORIZING COLLECTION OF
SEWER CHARGES ON THE TAX ROLL FOR
THE NEWPORT NORTH SERVICE AREA

FISCAL IMPACTS:

The sewer rates charged in Newport North are the same as the other areas within IRWD, and therefore will be set at the equivalent of \$26.10 per month for a residential single family home and \$19.55 per month for multiple family dwelling units for a total FY 2020-21 assessment of \$313.20 or \$234.60. Only the method of collection is different for the customers in Newport North.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

FISCAL IMPACTS:

None.

COMMITTEE STATUS:

This is a routine annual item for Board consideration and was not reviewed by a Committee.

LIST OF EXHIBITS:

Exhibit “A” – Orange County Special Assessment Report
Exhibit “B” – Resolution

EXHIBIT "A"

**Irvine Ranch Water District
Orange County Special Assessment Report
Fiscal Year 2020/2021**

| <u>Parcel #</u> | <u>Amount</u> | <u>Parcel #</u> | <u>Amount</u> | <u>Parcel #</u> | <u>Amount</u> | <u>Parcel #</u> | <u>Amount</u> | <u>Parcel #</u> | <u>Amount</u> | <u>Parcel #</u> | <u>Amount</u> |
|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| 42734202 | 313.20 | 44204208 | 133,722.00 | 44204210 | 313.20 | 44205210 | 469.20 | 44205401 | 313.20 | 44205402 | 313.20 |
| 44205403 | 313.20 | 44205404 | 313.20 | 44205405 | 313.20 | 44205406 | 313.20 | 44205407 | 313.20 | 44205408 | 313.20 |
| 44205409 | 313.20 | 44205410 | 313.20 | 44205411 | 313.20 | 44205412 | 313.20 | 44205413 | 313.20 | 44205414 | 313.20 |
| 44205415 | 313.20 | 44205416 | 313.20 | 44205417 | 313.20 | 44205418 | 313.20 | 44205419 | 313.20 | 44205420 | 313.20 |
| 44205421 | 313.20 | 44205422 | 313.20 | 44205423 | 313.20 | 44205424 | 313.20 | 44205425 | 313.20 | 44205426 | 313.20 |
| 44205427 | 313.20 | 44205428 | 313.20 | 44205429 | 313.20 | 44205430 | 313.20 | 44205431 | 313.20 | 44205432 | 313.20 |
| 44205433 | 313.20 | 44205434 | 313.20 | 44205435 | 313.20 | 44205436 | 313.20 | 44205437 | 313.20 | 44205438 | 313.20 |
| 44205439 | 313.20 | 44205440 | 313.20 | 44205441 | 313.20 | 44205442 | 313.20 | 44205443 | 313.20 | 44205444 | 313.20 |
| 44205445 | 313.20 | 44205446 | 313.20 | 44205447 | 313.20 | 44205448 | 313.20 | 44205449 | 313.20 | 44205450 | 313.20 |
| 44205451 | 313.20 | 44205452 | 313.20 | 44205453 | 313.20 | 44205454 | 313.20 | 44205455 | 313.20 | 44205456 | 313.20 |
| 44205457 | 313.20 | 44205458 | 313.20 | 44205459 | 313.20 | 44205460 | 313.20 | 44205461 | 313.20 | 44205501 | 313.20 |
| 44205502 | 313.20 | 44205503 | 313.20 | 44205504 | 313.20 | 44205505 | 313.20 | 44205506 | 313.20 | 44205507 | 313.20 |
| 44205508 | 313.20 | 44205509 | 313.20 | 44205510 | 313.20 | 44205511 | 313.20 | 44205512 | 313.20 | 44205513 | 313.20 |
| 44205514 | 313.20 | 44205515 | 313.20 | 44205516 | 313.20 | 44205517 | 313.20 | 44205518 | 313.20 | 44205519 | 313.20 |
| 44205520 | 313.20 | 44205521 | 313.20 | 44205522 | 313.20 | 44205523 | 313.20 | 44205524 | 313.20 | 44205525 | 313.20 |
| 44205526 | 313.20 | 44205527 | 313.20 | 44205528 | 313.20 | 44205529 | 313.20 | 44205530 | 313.20 | 44205531 | 313.20 |
| 44205532 | 313.20 | 44205533 | 313.20 | 44205534 | 313.20 | 44205535 | 313.20 | 44205536 | 313.20 | 44205537 | 313.20 |
| 44205538 | 313.20 | 44205539 | 313.20 | 44205540 | 313.20 | 44205541 | 313.20 | 44205542 | 313.20 | 44205543 | 313.20 |
| 44205544 | 313.20 | 44205545 | 313.20 | 44205546 | 313.20 | 44205547 | 313.20 | 44205548 | 313.20 | 44205549 | 313.20 |
| 44205550 | 313.20 | 44205551 | 313.20 | 44205552 | 313.20 | 44205553 | 313.20 | 44205554 | 313.20 | 44205555 | 313.20 |
| 44205556 | 313.20 | 44205557 | 313.20 | 44205601 | 313.20 | 44205602 | 313.20 | 44205603 | 313.20 | 44205604 | 313.20 |
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| 44205611 | 313.20 | 44205612 | 313.20 | 44205613 | 313.20 | 44205614 | 313.20 | 44205615 | 313.20 | 44205616 | 313.20 |
| 44205617 | 313.20 | 44205618 | 313.20 | 44205619 | 313.20 | 44205620 | 313.20 | 44205621 | 313.20 | 44205622 | 313.20 |
| 44205623 | 313.20 | 44205624 | 313.20 | 44205625 | 313.20 | 44205626 | 313.20 | 44205627 | 313.20 | 44205628 | 313.20 |
| 44205629 | 313.20 | 44205630 | 313.20 | 44205631 | 313.20 | 44205632 | 313.20 | 44205633 | 313.20 | 44205634 | 313.20 |
| 44205635 | 313.20 | 44205636 | 313.20 | 44205637 | 313.20 | 44205638 | 313.20 | 44205639 | 313.20 | 44205640 | 313.20 |
| 44205641 | 313.20 | 44206115 | 70,380.00 | 44228201 | 313.20 | 44231169 | 313.20 | 93180614 | 313.20 | 93180615 | 313.20 |
| 93180616 | 313.20 | 93180617 | 313.20 | 93180618 | 313.20 | 93180619 | 313.20 | 93180620 | 313.20 | 93180621 | 313.20 |
| 93180622 | 313.20 | 93180623 | 313.20 | 93180624 | 313.20 | 93180625 | 313.20 | 93180626 | 313.20 | 93180627 | 313.20 |
| 93180628 | 313.20 | 93180629 | 313.20 | 93180630 | 313.20 | 93180631 | 313.20 | 93180632 | 313.20 | 93180633 | 313.20 |

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|----------|--------|----------|--------|----------|--------|----------|--------|----------|--------|----------|--------|
| 93180634 | 313.20 | 93180635 | 313.20 | 93180636 | 313.20 | 93180637 | 313.20 | 93180638 | 313.20 | 93180639 | 313.20 |
| 93180640 | 313.20 | 93180641 | 313.20 | 93180642 | 313.20 | 93180643 | 313.20 | 93180644 | 313.20 | 93180645 | 313.20 |
| 93180646 | 313.20 | 93180647 | 313.20 | 93180648 | 313.20 | 93180649 | 313.20 | 93180650 | 313.20 | 93180651 | 313.20 |
| 93180652 | 313.20 | 93180653 | 313.20 | 93180654 | 313.20 | 93180655 | 313.20 | 93180656 | 313.20 | 93180657 | 313.20 |
| 93180658 | 313.20 | 93180659 | 313.20 | 93180660 | 313.20 | 93180661 | 313.20 | 93180662 | 313.20 | 93180663 | 313.20 |
| 93180664 | 313.20 | 93180665 | 313.20 | 93180666 | 313.20 | 93180667 | 313.20 | 93180668 | 313.20 | 93180669 | 313.20 |
| 93180670 | 313.20 | 93180671 | 313.20 | 93180672 | 313.20 | 93180673 | 313.20 | 93180674 | 313.20 | 93180675 | 313.20 |
| 93180676 | 313.20 | 93180677 | 313.20 | 93180678 | 313.20 | 93180679 | 313.20 | 93180680 | 313.20 | 93180681 | 313.20 |
| 93180682 | 313.20 | 93180683 | 313.20 | 93180684 | 313.20 | 93180685 | 313.20 | 93180686 | 313.20 | 93180687 | 313.20 |
| 93180688 | 313.20 | 93180689 | 313.20 | 93180690 | 313.20 | 93180691 | 313.20 | 93180692 | 313.20 | 93180693 | 313.20 |
| 93180694 | 313.20 | 93180695 | 313.20 | 93180696 | 313.20 | 93180697 | 313.20 | 93180698 | 313.20 | 93180699 | 313.20 |
| 93180700 | 313.20 | 93180701 | 313.20 | 93180702 | 313.20 | 93180703 | 313.20 | 93180704 | 313.20 | 93180705 | 313.20 |
| 93180706 | 313.20 | 93180707 | 313.20 | 93180708 | 313.20 | 93180709 | 313.20 | 93180710 | 313.20 | 93180711 | 313.20 |
| 93180712 | 313.20 | 93180713 | 313.20 | 93180714 | 313.20 | 93180715 | 313.20 | 93180716 | 313.20 | 93180717 | 313.20 |
| 93180718 | 313.20 | 93180719 | 313.20 | 93180720 | 313.20 | 93180721 | 313.20 | 93180722 | 313.20 | 93180723 | 313.20 |
| 93180724 | 313.20 | 93180725 | 313.20 | 93180726 | 313.20 | 93180727 | 313.20 | 93180728 | 313.20 | 93180729 | 313.20 |
| 93180730 | 313.20 | 93180731 | 313.20 | 93180732 | 313.20 | 93180733 | 313.20 | | | | |

Total Parcels: 286
Total Assessment Amount: 293,206.80

Exhibit "B"

RESOLUTION NO. 2020-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT ADOPTING THE
SEWER CHARGE REPORT AND AUTHORIZING COLLECTION
OF SEWER CHARGES ON THE TAX ROLL FOR THE
NEWPORT NORTH SERVICE AREA

Resolution No. 1987-45 adopted August 10, 1987, the Board of Directors of Irvine Ranch Water District ("IRWD") elected to have sewer charges for certain parcels collected on the tax roll each year in the same manner, by the same persons, and at the same time as, together with and not separately from, its general taxes, pursuant to Section 5473 et seq. of the California Health and Safety Code.

Pursuant to said Resolution, a report has been filed with the Secretary containing a description of such parcels and the corresponding charges for fiscal year 2020-21 and notice was given as required by law of a hearing on the report to be held on Monday, the 13th day of July, 2020, at 5:00 p.m.. Due to Covid-19, this public hearing was conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspend certain requirements of the Ralph M. Brown Act.

The duly noticed public hearing was held telephonically and by web-based video conferencing and all persons interested were given an opportunity to be heard concerning the report and to submit any objections or protests to the report.

The Board of Directors of IRWD does hereby RESOLVE, DETERMINE and ORDER as follows:

Section 1. The Board of Directors hereby determines that protests to the report were not made by the owners of a majority of separate parcels of property described in the report.

Section 2. The Board of Directors hereby adopts the report containing a description of the parcels for which charges for sewer service shall be collected on the tax roll and containing the amount of the charges for each parcel for the fiscal year 2020-21, computed in conformity with the schedule of rates and charges adopted by Resolution No. 2020-___. The report is attached as Exhibit "A" and incorporated herein by this reference. Each charge set forth in Exhibit "A" is hereby determined to be adopted.

Section 3. The Secretary is hereby authorized and directed to endorse on the report a statement that the report was adopted by this Board on July 13, 2020, and to take whatever other action is required by the Auditor of the County of Orange in regard thereto in order to place the charges on the tax roll for the parcels described in the report.

Section 4. The Secretary is hereby authorized and directed to file a copy of such report with the Auditor of the County of Orange.


APPROVED, SIGNED and ADOPTED this 13th day of July, 2020.

President, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

Secretary, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM;
Hanson Bridgett LLP

By _____
District Counsel

July 13, 2020
Prepared and
submitted by: L. Bonkowski
Approved by: Paul A. Cook 

CONSENT CALENDAR

BOARD MEETING MINUTES

SUMMARY:

Provided are the minutes of the June 22, 2020 Regular Board meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE JUNE 22, 2020 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – June 22, 2020 Minutes

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EXHIBIT "A"

MINUTES OF REGULAR MEETING – June 22, 2020

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:00 p.m. by President Matheis on June 22, 2020 via teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20 due to COVID-19. Members of the public did not attend this meeting in person.

Directors Present: Reinhart, Swan, Withers, LaMar and Matheis.

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Technical Services Burton, Executive Director of Water Policy Weghorst, Director of Treasury and Risk Management Jacobson, Executive Director of Operations Chambers, General Counsel Collins, Director of Public Affairs Beeman, Director of Human Resources Roney, Director of Water Quality and Regulatory Compliance Colston, Director of Recycling Operations Zepeda, Director of Maintenance Mykitta, Director of Administrative Services Malone, Director of Water Resources Sanchez, Government Relations Officer/Deputy General Counsel Compton, Secretary Bonkowski, and members of staff and the public.

WRITTEN: None.

ORAL COMMUNICATIONS: Director Swan asked that tonight's Board meeting be adjourned in memory of Ms. Madeline Swinden.

ITEMS TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

On MOTION by Reinhart, seconded by Swan, and unanimously carried by a roll call vote (5-0) Withers, Matheis, Reinhart, Swan, and LaMar voting aye, and 0 noes, CONSENT CALENDAR ITEMS 3 THROUGH 7 WERE APPROVED AS FOLLOWS:

3. BOARD MEETING MINUTES

Recommendation: That the minutes of the June 8, 2020 Regular Board meeting be approved as presented.

4. RATIFY/APPROVE BOARD OF DIRECTORS' ATTENDANCE AT MEETINGS AND EVENTS

Recommendation: That the Board ratify/approve the meetings and events for Mary Aileen Matheis, Douglas Reinhart, Steven LaMar and John Withers, as described.

CONSENT CALENDAR (Continued)

5. MAY 2020 TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer's Investment Summary Report, the Summary of Fixed and Variable Rate Debt, and Disclosure Report of Reimbursements to Board members and staff, approve the May 2020 Summary of Payroll ACH payments in the total amount of \$2,106,403, and approve

the May 2020 Accounts Payable Disbursement Summary of Warrants 408210 through 408858, Workers' Compensation Distributions, Wire Transfers, payroll withholding Distributions and voided checks in the total amount of \$15,098,804.

6. MICHELSON WATER RECYCLING PLANT PAVING AT NORTH ODOR SCRUBBER AND DIVERTER CHUTES FINAL ACCEPTANCE

Recommendation: That the Board accept construction of Michelson Water Recycling Plant Paving at North Odor Scrubber and Diverter Chutes, Projects 07890 and 07891, authorize the General Manager to file a Notice of Completion, and authorize the Release of Retention 35 days after filing of the Notice of Completion.

7. SANTIAGO HILLS ZONE C+ RESERVOIR STRAINER MODIFICATIONS CONSTRUCTION AWARD

Recommendation: That the Board authorize the General Manager to execute a construction contract with Paulus Engineering, Inc. in the amount of \$215,965.99 for the Santiago Hills Zone C+ Reservoir Strainer Modifications, Project 05407.

ACTION CALENDAR

PRIMARY DISINFECTION FACILITY SODIUM HYPOCHLORITE STORAGE AND FEED SYSTEM CONSTRUCTION AWARD, CONSULTANT SELECTION, AND BUDGET INCREASE

General Manager Cook reported that this project includes removal of the existing chlorine gas system and related appurtenances and the installation of a new sodium hypochlorite storage and feed system within the existing chlorination building. He said that upon completion of this project, gaseous chlorine will no longer be used at any IRWD facility.

Executive Director of Engineering and Technical Services Burton reported that the District retained Carollo to design the PDF Sodium Hypochlorite Storage and Feed System project, and that staff approved the plans in February 2020 and advertised the project for construction bidding to a select list of 15 mechanical contractors. Mr. Burton said that the bid opening was held on June 2, 2020, with bids received from Pacific Hydrotech Corporation, Environmental Construction, Inc., and Steve P. Rados, Inc. He said that Pacific Hydrotech Corporation is the apparent low bidder with a bid amount of \$5,537,800. The engineer's estimate, prepared by Carollo, is \$5,900,000.

Mr. Burton said that Carollo provided engineering design services for the project, and staff requested Carollo to submit a proposal for engineering services during construction. He said that Carollo's proposal includes scope for meeting attendance, submittal reviews, responses to

contractor requests for information, miscellaneous construction support, site visits during construction, and record drawing preparation. Carollo recently provided similar engineering services during construction for previous gaseous chlorine conversion projects at the Rattlesnake Reservoir and Initial Disinfection Facility.

Director Reinhart said that the consultant selection recommendation was reviewed by the Engineering and Operations Committee on March 17, 2020. In response to Director Swan's inquiry, Mr. Burton relayed that Steve P. Rados, Inc. was recently added to the list of contractors, and has not performed contractor services for over 15 years at the District. On MOTION by Reinhart, seconded by Matheis, and unanimously carried by a roll call vote (5-0) Withers, Matheis, Reinhart, Swan, and LaMar voting aye, and 0 noes,

THAT THE BOARD AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$5,050,000, FROM \$2,976,900 TO \$8,026,900; AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH PACIFIC HYDROTECH CORPORATION IN THE AMOUNT OF \$5,537,800; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH CAROLLO ENGINEERS IN THE AMOUNT OF \$363,353 FOR ENGINEERING SERVICES DURING CONSTRUCTION FOR THE PRIMARY DISINFECTION FACILITY SODIUM HYPOCHLORITE STORAGE AND FEED SYSTEM, PROJECT 06214.

SAND CANYON OFFICE IMPROVEMENT PROJECT CONSTRUCTION AWARD AND BUDGET INCREASE

General Manager Cook reported that the Sand Canyon Headquarters was receiving its first refresher since this facility was constructed nearly 30 years ago. He said that staff has been developing a scope of work to refresh the building and reconfigure office areas to provide for more efficient use of office space as well as physical distancing especially now during COVID-19.

Ms. Tanja Fournier, Project Manager for this project, reported that for over the past several months, staff and architects from Ware Malcomb have been developing a scope of work to refresh the building and reconfigure areas to provide for more efficient use of the Sand Canyon building. Ms. Fournier said that Phase I of the refresh project includes predominantly carpet and painting in the Board Room, Multi-Purpose Room, Lunchroom area, and the lobby, which is nearly complete. She said that with most of the Sand Canyon staff still working remotely due to COVID-19, staff is now working diligently to complete the remaining improvements throughout the building before staff returns full-time to the Sand Canyon building, thereby also taking advantage of favorable construction pricing.

Ms. Fournier said that the District retained architect Ware Malcomb for design services and Newport Real Estate Services (NRES) for construction management services. She said that NRES received bids from three pre-qualified general contractors including Layton Construction Company, KPRS Construction, and Howard Building Corporation. Layton Construction Company was the low bidder with a bid amount of \$1,799,849.79. This bid price is approximately \$45.00 per square foot, based on the actual office area being improved. She further said that staff expects all of the work associated with this project to be completed by the end of 2020. Director Swan commented that this project was appropriately being funded through the Replacement Reserve fund and that there were no impacts that would affect the District's rates. Director Matheis said that she was pleased that this project would be putting people to work during these difficult times.

General Manager Cook said that the staff recommendation was revised to reflect a lower amount budget amount due to an oversight with inclusion of General & Administrative costs. He then reviewed the amounts with the Board. There being no objection to the revised amounts, on MOTION by Withers, seconded by Swan, and unanimously carried by a roll call vote (5-0) Withers, Matheis, Reinhart, Swan, and LaMar voting aye, and 0 noes, BOARD AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$600,000, FROM \$177,500 TO \$777,500, FOR OFFICE SPACE IMPROVEMENT PROJECT 01257, AND AN INCREASE IN THE AMOUNT OF \$600,000, FROM \$471,000 TO \$1,071,000, FOR OFFICE SPACE IMPROVEMENT PROJECT 01336, AND AN INCREASE IN THE AMOUNT OF \$600,000, FROM \$441,500,000 TO \$1,041,500, FOR OFFICE SPACE IMPROVEMENT PROJECT 01549, AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH LAYTON CONSTRUCTION COMPANY IN THE AMOUNT OF \$1,799,849.79 FOR THE OFFICE SPACE IMPROVEMENT PROJECT AS REVISED.

KERN FAN GROUNDWATER STORAGE PROJECT UPDATE AND APPOINTMENT OF GROUNDWATER BANKING AUTHORITY BOARD MEMBERS

General Manager Cook reported that IRWD and Rosedale-Rio Bravo Water Storage District are forming the Groundwater Banking Authority, a Joint Powers Authority (Authority) of the two agencies that will plan, design, construct and operate the Kern Fan Groundwater Storage Project (Kern Fan Project).

Using a PowerPoint presentation, Director of Water Policy Sanchez said that Proposition 1 provides \$2.7 billion for public benefits associated with water storage projects that will provide specific public and ecosystem benefits with funding through the Water Storage Investment Program (WSIP). She said that IRWD and Rosedale jointly submitted a WSIP grant application for the Kern Fan Project and was granted \$67.5 million in conditional funding for the project.

Ms. Sanchez said that the proposed Kern Fan Project will be constructed in two phases with Phase 1 IRWD and Rosedale acquiring up to 640 acres in the Kern Fan area and constructing recharge and recovery facilities as necessary to develop a fully functioning water banking project. Additionally, they will be constructing a new dedicated conveyance canal from the California Aqueduct to ensure the ability to convey flows from the SWP to the new recharge facilities. In Phase 2, IRWD and Rosedale will acquire an additional 640 acres of land to construct additional water banking facilities. The overall project would consist of approximately 500 cubic feet per second (cfs) of canal capacity from the California Aqueduct with the capacities shared equally by both parties.

Ms. Sanchez reviewed the Federal funding and said that in December 2019, staff submitted a feasibility study that is required for Reclamation to recommend the Kern Fan Project for federal funding through the Water Infrastructure Improvements for the Nation Act. In April 2020, staff prepared and submitted an updated feasibility study that included a 30% Design Report and corresponding project costs prepared by Dee Jaspar and Associates. On June 5, Reclamation notified IRWD that the policy review was complete and that all the policy requirements have been satisfied. In addition, Reclamation has recently conducted a Design, Estimating and Construction (DEC) review to confirm that the project is technically feasible with outcome pending. Following completion of the DEC review and the development of

findings, Reclamation will prepare a Joint Resolution Memo with a recommendation regarding federal funding for the Kern Fan Project.

Ms. Sanchez said that multiple agreements are required with the Department of Water Resources and the California Department of Fish and Wildlife, and to implement the Kern Fan Project, the Authority will need to develop and execute the several agreements with state agencies involved with the project. She said that the purpose of these agreements will be to coordinate construction and operation of the Kern Fan Project, and to provide the public benefits necessary for the Authority to receive \$67.5 million in WSIP funding.

Ms. Sanchez said that execution of the Aqueduct Turnout and Exchange Agreements are critical path items for the successful implementation of the Kern Fan Project. Principles for these critical agreements were finalized in May 2020. IRWD and Rosedale have requested that DWR execute a Letter of Concurrence on the principles for the Exchange Agreement and the principles for the Aqueduct Turnout Agreement. Execution of the Letter of Concurrence is in progress and expected to be completed by the end of June 2020. She further reviewed the environmental documentation schedule and project schedule.

Ms. Sanchez said that an agreement was authorized between Rosedale and IRWD creating the Joint Powers Authority which will plan, design and operate the Kern Fan Project. She said that on April 8, 2020, the agreement forming the Authority was executed with an effective date of July 1, 2020 subject to the terms of a side letter agreement. The side agreement prevents the operation of the Authority until IRWD and Rosedale have received reasonable assurances that it will be feasible to execute the critical path turnout and exchange agreements. The Letter of Concurrence with DWR will provide the reasonable assurances contemplated by the side agreement.

Ms. Sanchez said that Rosedale and IRWD will each have two representatives on the Authority Board of Directors and that staff recommends the IRWD Board appoint the members of the Supply Reliability Programs Committee, including the designated alternate to the Committee, as Board members and alternate Board member to the Authority. As per the Joint Powers Agreement, IRWD's two Board member representatives of the Authority combined will represent one vote in actions taken by the Authority. Rosedale will also have two Board members on the Authority that combined will also represent one vote. All actions taken by the Authority Board require a unanimous decision. She said that the initial actions of the Authority Board will be to adopt the Authority Bylaws; setting a time and place for regular meetings; adopt banking resolutions; establish initial funding requirements; approve previous expenditures of IRWD and Rosedale on the Kern Fan Project; adopt a Conflict of Interest Code for filing with the Fair Political Practices Commission; appoint officers; and establish Committee representatives.

Director Swan reported that this item was reviewed by the Supply Reliability Programs Committee extensively on June 18, 2020. On MOTION by Swan, seconded by Reinhart, and unanimously carried by a roll call vote (5-0) Withers, Matheis, Reinhart, Swan, and LaMar voting aye, and 0 noes, **THE BOARD APPOINTED THE MEMBERS OF THE SUPPLY RELIABILITY PROGRAMS COMMITTEE, INCLUDING THE DESIGNATED ALTERNATE TO THE COMMITTEE, AS BOARD MEMBERS AND ALTERNATE BOARD MEMBER TO THE GROUNDWATER BANKING AUTHORITY.**

OTHER BUSINESS

GENERAL MANAGER'S REPORT

General Manager Cook reported that as a follow-up to the June 8 Board meeting Board item terminating IRWD ownership of the Trabuco Canyon Water District's El Toro Road Lift Station, this item was also recently approved by the TCWD Board of Directors, and is anticipating that he will be executing the agreement this week.

Mr. Cook updated the Board on SB 939 which would prohibit a landlord from evicting tenants of commercial property during COVID-19, and said that the bill is currently in the Senate Appropriations Committee suspense file, and noted that staff had worked with CSDA to obtain amendments to the bill.

DIRECTORS' COMMENTS

In response to Director Withers' suggestion to notify the City of Santa Ana that no chlorination products will be used in its city due to the construction of the District's Primary Disinfection Facility Sodium Hypochlorite storage facility (approved this evening), General Manager Cook said that once the facility is complete, staff will notify the City accordingly.

Director Swan asked that in addition to adjourning tonight's Board meeting in memory of Ms. Madeline Swinden, he would also like to include Mr. Jack Keating from Newport Beach. He further reported on his attendance at Newport Chamber of Commerce meetings, a meeting at West Basin, an OCBC Government Affairs Committee meeting, and a Newport Beach Watershed Executive Committee meeting.

Director LaMar reported on his attendance at a Southern California Water Coalition meeting on the history of water, an NCC Board meeting, and an ACWA meeting with MCWD relative to disadvantaged communities.

Director Reinhart reported on his attendance at an OCWD Water Issues Committee meeting, an OCWD Administration Finance Committee meeting, and an OCWD Board meeting.

Director Matheis also reported on her attendance at a Southern California Water Coalition meeting on the history of water with Mr. Tim Quinn as presenter, and an Urban Water Planning meeting. She further said she appreciated the efforts of Ms. Fiona Sanchez relative to her item tonight on the Kern Fan Groundwater Storage Project update.

COMMUNITY UPDATE

The District's consultant, Mr. Bruce Newell, updated the Board on activities in the canyon including a record-breaking Chipper Day event where residents removed trees and branches for chipping.

ADJOURNMENT

There being no further business, President Matheis adjourned the meeting in memory of Ms. Madeline Swinden and Mr. Jack Keating.

APPROVED and SIGNED this 13nd day of July 2020.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP

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July 13, 2020
Prepared and
submitted by: K. Swan
Approved by: Paul A. Cook



CONSENT CALENDAR

RATIFY/APPROVE BOARD OF DIRECTORS'
ATTENDANCE AT MEETINGS AND EVENTS

SUMMARY:

Pursuant to Resolution 2006-29 adopted on August 28, 2006, the following events and meetings require approval by the Board of Directors:

Steven LaMar

June 3 MWDOC Board Workshop Meeting with MWD Directors

Mary Aileen Matheis

June 18 MWDOC Executive Committee Meeting
July 8 SoCalREN: Making the (Up)grade Resources for Water Systems SCADA

Peer Swan

June 3 West Basin Municipal Water District Special Board Meeting with MWD
Representative Caucus
June 5 Orange County Business Council Government Affairs Committee Meeting
June 9 Orange County Business Council Infrastructure Committee Meeting
August 12-14 California Association of Sanitation Agencies' Virtual Summer Conference

John Withers

June 24-25 WateReuse California Virtual Conference
June 30 VerdeXchange: Water Resilience in 2035 & Beyond Livestream
September 13-14 ACC-OC 2020 Leadership Conference


RECOMMENDATION:

THAT THE BOARD RATIFY/APPROVE THE MEETINGS AND EVENTS FOR STEVEN LAMAR, MARY AILEEN MATHEIS, PEER SWAN, AND JOHN WITHERS AS DESCRIBED HEREIN.

LIST OF EXHIBITS:

None.

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July 13, 2020
Prepared and
submitted by: C. Compton
Approved by: Paul A. Cook 

CONSENT CALENDAR

2020 LEGISLATIVE AND REGULATORY UPDATE

SUMMARY:

This report provides an update on the 2019-2020 legislative session, regulatory issues, and IRWD priorities. As legislation and regulations develop, staff will provide updates and recommendations to the Water Resources Policy and Communications Committee and the Board, as appropriate.

Staff recommends the Board consider the following actions/positions:

- *SB 474 (Stern) – Very High Fire Hazard Severity Zone: Development Prohibition: “SEEK AMENDMENTS”.*

BACKGROUND:

On July 13, both the Assembly and the State Senate were scheduled to return from their 2020 summer recesses; however, that return has been delayed due to COVID-19 concerns. When the Legislature returns, policy committees currently have until July 31 and August 7 to hear fiscal and non-fiscal bills, respectively. Fiscal committees in both houses currently have until August 14 to meet and report bills to the floor. The last day for each house to pass bills without an urgency clause this legislative year is August 31, which is the day the Final Recess begins.

A copy of the 2020 Legislative Matrix is provided as Exhibit “A”. Links to the bills discussed below are included within each discussion, unless a separate exhibit is noted.

2020 State Legislative Update:

SB 474 (Stern, D-Calabasas) – Very High Fire Hazard Severity Zone: Development Prohibition:

SB 474 was gutted and amended on June 19. The bill, which previously dealt with the California Fish and Game Code, now proposes to prohibit new residential, commercial, retail and industrial development within a very high fire severity zone or state responsibility area. As currently drafted, the language of the bill does not clearly exclude utility infrastructure from the bill’s development prohibition and, therefore, creates uncertainty as to whether infrastructure development is permitted. The author’s office has indicated that it does not intend for the bill to prohibit the development of facilities and infrastructure related to utility service.

Staff recommends the Board adopt a “seek amendments” position on SB 474. The amendments sought would be clarification that the bill does not apply to water and wastewater utility infrastructure and facilities.

2020 Mid-Session Update on State Bills of Interest to IRWD:

As has been traditionally done in July after the House of Origin deadline, staff has provided an update on each active bill the District has taken a position on, or is actively monitoring, during this legislation session. A summary and a status report on each bill are provided below:

AB 69 (Ting, D-San Francisco/Quirk-Siliva, D-Fullerton) – Land Use: Accessory Dwelling Units:

AB 69 bill would require the Department of Housing and Community Development to propose and submit small home building standards governing Accessory Dwelling Units (ADU) smaller than 800 square feet to the California Building Standards Commission for adoption on or before January 1, 2021. The bill, which does not directly address the fees a local agency like IRWD can charge, is currently on the Senate Inactive File. Because the ADU bills introduced by this author the past two years included provisions that could have impacted water fees and charges, staff has continued to monitor the ADU legislation this year to ensure that it does not impact the District's ability to charge connection fees, or cost-of-service-based rates and charges. IRWD currently has a "watch" position on this bill.

AB 134 (Bloom, D-Santa Monica) – Safe Drinking Water Restoration:

AB 134 would require the State Water Resources Control Board to adopt an assessment of funding needed for at-risk water systems, adopt and provide for a sustainable plan for restoring safe drinking water based on the recommendation of a regional engineer, and make available a map of aquifers that are used or likely to be used as a source of drinking water and that are at high risk of containing contaminants. Last year, after the passage of SB 200 (2019), the author of AB 134, Assemblymember Bloom, stated that he would continue to work on refining his bill to address safe drinking water in California during the remainder of the 2019-2020 two-year legislative session. Staff has continued to monitor AB 134. The bill is currently in the Senate Environmental Quality Committee. IRWD currently has a "watch" position on AB 134.

AB 292 (Quirk, D-Hayward) – Recycled Water: Raw Water and Groundwater Augmentation:

In 2017, in order to advance the development of potable reuse regulations, WaterReuse California sponsored AB 574, introduced by Assemblymember Bill Quirk (D-Hayward). AB 574 established a statutory deadline for the State Board to develop a policy and sequential regulations for potable reuse consistent with a report provided to the Legislature. Additionally, the bill recognized the continuum of potable reuse projects and defined "potable reuse" as well as four subcategories: groundwater augmentation, reservoir augmentation, raw water augmentation, and treated water augmentation. As introduced, AB 574 also proposed to remove the terms "Indirect Potable Reuse" and "Direct Potable Reuse" from the Water Code. Unfortunately, the version of AB 574 signed into law did not include the removal of these terms from the Water Code, causing WaterReuse California to sponsor AB 292 which would remove the terms "Indirect Potable Reuse" and "Direct Potable Reuse" from the Water Code. As a leader in recycled water, IRWD has long advocated and supported efforts to increase water recycling in California. IRWD currently has a "support" position on AB 292. AB 292 remains on the Senate Inactive File.

AB 828 (Ting, D-San Francisco) – Temporary Moratorium on Foreclosures and Unlawful Detainer Actions:

Among other things, AB 828 would prohibit the eviction of a tenant during the COVID-19 state emergency and through 15 days after the emergency ends. It would also require a court to permit a residential tenant, who has not paid their rent, to remain in the property if they pay their monthly rent plus 10 percent of the unpaid rent owed each month. AB 828 is currently in the Senate Rules Committee. IRWD currently has a “watch” position on AB 828.

AB 1484 (Grayson, D-Concord) – Mitigation Fee Act:

AB 1484 proposes a number of changes to the laws governing fees charged to new housing developments, including connection fees. Of interest to IRWD is its inclusion and limitations on connection fees. AB 1484 is currently on the Senate Inactive File. IRWD has a “watch” position on the bill while staff continues to work with the District’s association and industry partners to seek removal of connection fees from the bill should it move forward.

AB 1672 (Bloom, D-Santa Monica) – Flushable Products:

In recent years, wipes labeled as flushable have gained popularity, which encourages residents to dispose of wipes products generally in their toilets instead of in trash cans. This can result in the wipes being caught in pipes and can cause problems for wastewater infrastructure and treatment facilities. These products often combine with fats, oils, and grease and become larger obstructions within sewer systems, which can result in costly sewer overflows. AB 1672, which is a proposal sponsored by the California Association of Sanitation Agencies (CASA), would require non-flushable wipes to be labeled clearly and conspicuously to communicate that they should not be flushed. IRWD currently has a “support” position on the bill. The bill is currently in the Senate Environmental Quality Committee.

AB 2560 (Quirk, D-Hayward) – Notification and Response Levels:

The California Municipal Utilities Association and Orange County Water District have jointly co-sponsored AB 2560. The bill seeks to codify the process the State Board undertakes when it sets notification levels (NL) and response levels (RL). The purpose of the bill is to ensure there is sufficient public notice and comment periods for NLs and RLs. AB 2560 is currently in the Senate Environmental Quality Committee. IRWD has a “support” position on AB 2560.

AB 2968 (Rodriguez) – County Emergency Plans:

AB 2968 would require the California Office of Emergency Services (OES) to establish best practices for communities developing and updating a county emergency plan. The bill would require OES to review each county’s plan and determine if the plan sufficiently covers the following elements: whether the plan is consistent with the office’s proposed best practices, whether the plan protects and accommodates vulnerable populations during natural disasters, whether the plan has established procedures for alerting, evacuating, and sheltering individuals during an emergency, and any other necessary and appropriate element, as determined by OES.

IRWD adopted a “seek amendments” position on AB 2968. Staff is working to obtain amendments that would ask OES to determine if the plans sufficiently establish proceeds for coordinating emergency response with other local agencies, including water agencies, and other essential utility providers. The bill is currently in the Senate Rules Committee for referral to a policy committee.

SB 204 (Dodd, D-Napa) – State Water Projects: Contracts:

SB 204 would require the Department of Water Resources (DWR) to provide notice to the Joint Legislative Budget Committee and relevant policy and fiscal committees of the Legislature before holding public sessions to negotiate any potential amendment of certain long-term water supply contracts for the State Water Project. The bill would require DWR, before the execution of a specified proposed amendment to a long-term water supply contract and at least 60 days before final approval of such an amendment, to submit to the Joint Legislative Budget Committee and relevant policy and fiscal committees of the Legislature certain information regarding the terms and conditions of a proposed amendment of a long-term water supply contract and to submit a copy of the long-term contract as it is proposed to be amended. The bill is currently in the Assembly Water, Parks and Wildlife Committee. In 2019, the hearing was postponed by that committee. IRWD currently has a “watch” position on SB 204.

SB 414 (Caballero, D-Salinas) – Small System Water Authority Act of 2019:

The California Municipal Utilities Association, in coordination with Eastern Municipal Water District, continue to sponsor SB 414. SB 414, which is similar to AB 2050 (2018), proposes to enact the Small System Water Authority Act of 2019. The proposal seeks to address the governance issues causing unsafe drinking water in a number of communities in California. The bill is currently on the Assembly Appropriations Suspense File. IRWD currently has a “support” position on this bill.

SB 939 (Wiener, D-San Francisco) – COVID-19 Commercial Tenancy Evictions:

SB 939 would prohibit a landlord from evicting tenants of a commercial property during the COVID-19 state emergency. It would also authorize a commercial tenant that is a small business experiencing a decline in monthly revenue as compared to two months before the shelter-in-place order took effect or to the same month in 2019, and commercial tenants that are eating or drinking establishments, places of entertainment, or performance venues, to renegotiate or break their leases. While amendments to the bill in late May removed some of the most objectionable provisions in the bill, SB 939 remained a concern to IRWD. This week SB 939 was held on the Senate Appropriations Committee Suspense File. In the event the bill was removed from the Suspense File, staff had worked through the California Association of Special Districts (CSDA) to obtain amendments to the bill. CSDA was able to obtain a commitment that if the bill was removed from the Suspense File, it would be amended so that local governments, who own commercial property, were exempted from SB 939’s provisions.

SB 1099 (Dodd, D-Napa/Glazer, D-Orinda) – Emergency Backup Generators:

SB 1099, as currently drafted, would require air districts to develop stipulations for an order of abatement that allows an operator of a critical facility to use their backup generators in exceedance of the permitted runtimes during a Public Safety Power Shutoff event provided the operators agree to replace the backup generators with the cleanest feasible and applicable technology over a period of time. The bill is currently in the Assembly awaiting referral to a policy committee. IRWD currently has a “support” position on SB 1099.

Other State Legislation of Interest to IRWD:

Staff discussed the following bills/topics with the Water Resources Policy and Communications Committee:

- Climate Bond/Economic Stimulus Bond Proposals;
- [SB 1386 \(Moorlach\) – Local Government- Water Assessments, Fees and Charges;](#) and
- State-proposed COVID-19-related legislation.

2020 State Regulatory Update:

The following is a list of some of the State regulations and agency reports staff is monitoring, tracking or planning to engage in over the next three to 12 months. As the next drafts of the regulations or report are released for public review and comment, staff will engage as appropriate.

The pending regulations and reports actively being tracked include the:

- California Air Resources Board’s [proposed “Advanced Clean Trucks Regulation;”](#)
- California Plumbing Code Update;
- DWR and the State Board’s implementation of the [“Making Water Conservation a California Way of Life”](#) legislation;
- State Board’s adopted [Environmental Laboratory Accreditation Program Regulations;](#)
- State Board’s adopted [“Definition of Microplastics in Drinking Water;”](#)
- State Board’s development of a [“Cross Connection Policy Handbook;”](#)
- State Board’s [“Draft Fund Expenditure Plan for the Safe and Affordable Drinking Water Fund;”](#)
- State Board’s proposed [“Mercury TMDL and Statewide Mercury Control Program for Reservoirs”](#) regulations;
- State Board’s Section 1211 Checklist;
- State Board’s [water loss performance standards regulations;](#)
- State Board’s Water Rights Enforcement Policy; and

- State Board’s “Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California” and draft “Toxicity Provisions.”

2020 Federal Legislative Update:

IRWD’s federal advocacy efforts in 2020 continue to largely focus on seeking federal funding for the Kern Fan Groundwater Storage Project and advocating for an increased funding authorization for the federal Water Storage Program. As the nation’s attention has shifted to COVID-19, staff and the District’s advocates have been tracking the federal legislation dealing with the coronavirus. Staff also continues to track federal legislation related to infrastructure funding. Staff updated the Water Resources Policy and Communications Committee on these efforts, the ongoing efforts related to positioning the Kern Fan Groundwater Storage Project for federal funding this year and efforts related to federal dam safety funding.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on July 9, 2020.

RECOMMENDATION:

THAT THE BOARD ADOPT A “SEEK AMENDMENTS” POSITION ON SB 474 (STERN).

LIST OF EXHIBITS:

Exhibit “A” – IRWD Legislative Matrix

EXHIBIT “A”
IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--------------------------------------|---|--------------------------|---|--|
| <u>AB 69</u> Ting (D) | Land Use: Accessory Dwelling Units | WATCH | Requires the department to propose small home building standards governing accessory dwelling units smaller than 800 square feet, junior accessory dwelling units, and detached dwelling units smaller than 800 square feet, as specified, and to submit the small home building standards to the California Building Standards Commission for adoption on or before a specified date. | 09/05/2019 - In SENATE. To Special Consent Calendar.;09/05/2019 - In SENATE. From Special Consent Calendar. To third reading.;09/05/2019 - In SENATE. From third reading. To Inactive File. |
| <u>AB 134</u> Bloom (D) | Safe Drinking Water Restoration | WATCH | Requires each regional engineer to arrange for a prescribed comprehensive assessment of each failed water system in the region of the drinking water regional office to be completed. Requires the board, upon adoption of an assessment of funding need, to convey to each regional engineer a list of at-risk water systems in that region and additional information. Requires the board by a specified date of each year to review the assessment of funding need and to prioritize the public water systems. | 06/13/2019 - To SENATE Committees on ENVIRONMENTAL QUALITY and NATURAL RESOURCES AND WATER. |
| <u>AB 196</u> Gonzalez (D) | Workers' Compensation: Coronavirus | | Defines injury for certain employees who are employed in an occupation or industry deemed essential except as specified, or who are subsequently deemed essential, to include coronavirus disease that develops or manifests itself during a period of employment of those persons in the essential occupation or industry. Creates a conclusive presumption that the injury arose out of and in the course of the employment. | 05/05/2020 - From SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT with author's amendments.;05/05/2020 - In SENATE. Read second time and amended. Re-referred to Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT. |
| <u>AB 202</u> Mathis (R) | Endangered Species: Conservation: Safe Harbor Program | | Extends the operation of the California State Safe Harbor Agreement Program Act indefinitely, which encourages landowners to manage their lands voluntarily, by means of state safe harbor agreements approved by the Department of Fish and Wildlife, to benefit endangered, threatened, or candidate species. | 04/24/2019 - To SENATE Committee on NATURAL RESOURCES AND WATER. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---|---|-----------------------------|--|--|
| <u>AB 235</u> Mayes (R) | Electrical Corporations: Wildfire Victim Recovery Bonds | | Authorizes the Public Utilities Commission, upon application by an electrical corporation, to issue financing orders to support the issuance of wildfire victim recovery bonds by an electrical corporation or other financing entity to finance wildfire recovery costs. Authorizes the State Infrastructure and Economic Development Bank to act as a financing entity for these purposes. | 06/29/2020 - From SENATE Committee on ENERGY, UTILITIES AND COMMUNICATIONS with author's amendments.;06/29/2020 - In SENATE. Read second time and amended. Re-referred to Committee on ENERGY, UTILITIES AND COMMUNICATIONS. |
| <u>AB 254</u> Quirk-Silva (D) | Warewashing Machines: Water Reuse | | Authorizes water from a warewashing machine at a retail food business to be reused on the same warewashing machine, for prerinse purposes only, if an attendant is onsite to control the reuse of the water for prerinse purposes and a written disclosure notice is posted. | 07/09/2019 - In SENATE Committee on HEALTH: Not heard. |
| <u>AB 292</u> Quirk (D) | Recycled Water: Raw Water and Groundwater Augmentation | SUPPORT | Eliminates the definition of direct potable reuse and instead substitutes the term groundwater augmentation for indirect potable reuse for groundwater recharge in definitions. Requires the State Water Resources Control Board to adopt uniform water recycling criteria for raw water augmentation. | 08/30/2019 - In SENATE. From third reading. To Inactive File. |
| <u>AB 352</u> Garcia E (D) | Wildfire Prevention, Safe Drinking Water | SUPPORT IF AMENDED | Enacts the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$3,920,000,000 pursuant to the State General Obligation Bond Law to finance a wildlife prevention, safe drinking water, drought preparation, and flood protection program. | 08/14/2019 - From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments.;08/14/2019 - In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY. |
| <u>AB 402</u> Quirk (D) | Water Resources Control Board: Local Primacy Delegation | OPPOSE UNLESS AMENDED | Authorizes the State Water Resources Control Board to delegate partial responsibility for the Safe Drinking Water Act's enforcement by means of a local primacy delegation agreement. Includes enforcement costs as costs covered by the annual Drinking Water Surveillance Program grant. Authorizes any local primacy agency, with the approval of the State Water | 08/30/2019 - In SENATE Committee on APPROPRIATIONS: Held in committee. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|-------------------------------------|--|--------------------------|---|--|
| | | | Resources Control Board, to elect to participate in a funding stabilization program. | |
| <u>AB 418</u> Kalra (D) | Evidentiary Privileges: Union Agent-Worker Privilege | | Establishes a privilege between a union agent and a represented employee or represented former employee to refuse to disclose any confidential communication between the employee or former employee and the union agent made while the union agent was acting in the union agent's representative capacity, except as specified. | 09/12/2019 - In SENATE. From third reading. To Inactive File. |
| <u>AB 464</u> Garcia (D) | State Global Warming Solutions Act of 2006 | | Defines district under the State Global Warming Solutions Act to mean an air pollution control or an air quality management district. Specifies that the definition of contribution of natural sources under the Act includes contribution from catastrophic wildfires. | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |
| <u>AB 685</u> Reyes (D) | Juveniles: Indian Tribes: Counsel | | Requires the State Bar of California to administer grants to qualified legal services projects and qualified support centers for the purpose of providing legal services to Indian tribes in child welfare matters under the federal Indian Child Welfare Act of 1978. | 06/29/2020 - From SENATE Committee on JUDICIARY with author's amendments.;06/29/2020 - In SENATE. Read second time and amended. Re-referred to Committee on JUDICIARY. |
| <u>AB 722</u> Bigelow (R) | Water: Dams: Fees | | Limits the total annual fee for a dam operated by certain irrigation districts to no more than 20% of the fees assessed pursuant to the schedule of fees. | 06/25/2019 - In SENATE Committee on NATURAL RESOURCES AND WATER: Heard, remains in Committee. |
| <u>AB 727</u> Flora (R) | Dams and Reservoirs: Exclusions | | Specifies that a structure owned or operated by a public entity may have the principal purpose of impounding water for agricultural use for the purposes of an exclusion from being considered a dam, provided the structure is a certain height. | 05/16/2019 - To SENATE Committee on NATURAL RESOURCES AND WATER. |
| <u>AB 787</u> Gipson (D) | Elections: Vote Registration | | Requires a county or a city and county that operates a jail facility to allow organizations to conduct in-person voter registration activities, including, but not limited to, the provision of vote-by- | 08/30/2019 - In SENATE Committee on APPROPRIATIONS: Held in committee. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---|---|--------------------------|---|--|
| | | | mail applications, in each county jail facility. Requires a county or city and county to establish policies and criteria governing the admittance of individuals from those organizations into jail facilities, including procedures for notifying an individual of the basis for denial. | |
| <u>AB 828</u> Ting (D) | Moratorium on Foreclosures and Unlawful Detainer Action | | Requires a trustee, mortgagee, or beneficiary to first file a record in the office of the recorder a notice of default, and establishes other requirements and procedures for completion of a foreclosure sale. Prohibits a person from taking any action to foreclose on a residential real property while a state or locally declared state of emergency related to the coronavirus. Establishes a procedure, known as an unlawful detainer action. | 05/18/2020 - From SENATE Committee on PUBLIC SAFETY with author's amendments.;05/18/2020 - In SENATE. Read second time and amended. Re-referred to Committee on PUBLIC SAFETY. |
| <u>AB 831</u> Grayson (D) | Planning and Zoning: Housing: Development Application | | Requires a multifamily housing development and the site on which it is located to satisfy the specified location, urbanization, and zoning requirements. Authorizes a development proponent to request a modification. Requires the local government to determine if the requested modification is consistent with the objective planning standard. Specifies that if a public improvement is necessary to implement certain developments, the local government or district shall be limited in its discretion over approval. | 04/17/2020 - From SENATE Committee on RULES with author's amendments.;04/17/2020 - In SENATE. Read second time and amended. Re-referred to Committee on RULES. |
| <u>AB 933</u> Petrie-Norris (D) | Ecosystem Resilience: Watershed Protection | | Requires the Department of Conservation, to the extent funds are available, to establish and administer the Ecosystem Resilience Program to fund watershed coordinator positions, and other necessary costs, throughout the state for the purpose of achieving specified goals, including the goal to develop and implement watershed improvement plans, and other plans to enhance the natural functions of a watershed, aligned with multiple statewide and regional objectives across distinct bioregions. | 08/30/2019 - In SENATE Committee on APPROPRIATIONS: Held in committee. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|---|--------------------------|---|--|
| <u>AB 953</u> Ting (D) | Land Use: Accessory Dwelling Units | | Deems a permit application for the creation of an accessory dwelling unit or junior accessory dwelling unit approved if the local agency has not acted upon the completed application within 60 days. Requires ministerial approval of an application for a building permit within a residential or mixed-use zone to create one accessory dwelling unit and one junior accessory dwelling unit per lot with a proposed or existing single-family dwelling if certain requirements are met. | 06/23/2020 - To SENATE Committee on GOVERNANCE AND FINANCE. |
| <u>AB 955</u> Gipson (D) | Water Replenishment Districts: Water System Needs | | Authorizes a water replenishment district, pursuant to an agreement with the State Water Resources Control Board, to offer to conduct a needs assessment program for water systems serving disadvantaged communities within the district. Makes a water system's participation in the program voluntary. | 08/30/2019 - In SENATE Committee on APPROPRIATIONS: Held in committee. |
| <u>AB 992</u> Mullin (D) | Open Meetings: Local Agencies: Social Media | | Provides that the Ralph M. Brown Act does not apply to the participation, as defined, in an internet- based social media platform, as defined, by a majority of the members of a legislative body, provides that a majority of the members do not discuss among themselves the business of a specific nature that is within subject matter jurisdiction of the legislative body. | 06/23/2020 - To SENATE Committee on GOVERNANCE AND FINANCE. |
| <u>AB 1035</u> Ramos (D) | COVID 19 Emergency: Small Businesses | | Exempts a small business with a certain number of employees from liability for an injury or illness to a person due to coronavirus based on a claim that the person contracted coronavirus while at that small business, or due to the actions of that small business. Requires the small business, for this exemption to apply, to have implemented and abided by all applicable state and local health laws, regulations, and protocols. | 06/25/2020 - From SENATE Committee on JUDICIARY with author's amendments.;06/25/2020 - In SENATE. Read second time and amended. Re-referred to Committee on JUDICIARY. |
| <u>AB 1063</u> Petrie-Norris (D) | Healthcare Coverage: Waivers | | Requires express statutory authority to request a state innovation waiver from the United States Department of Health and Human Services. | 06/29/2020 - In SENATE. From Inactive File. To second reading.;06/29/2020 - In SENATE. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|---|-----------------------------|---|--|
| | | | | Read second time and amended. To second reading. |
| <u>AB 1217</u> Mullin (D) | Electioneering and Issue Lobbying Communications | | Requires a person who, makes payments of \$10,000 dollars or more for "electioneering communications" or "issue lobbying communications" to make specified disclosures in connection with those communications. | 08/14/2019 - From SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS with author's amendments.;08/14/2019 - In SENATE. Read second time and amended. Re-referred to Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS. |
| <u>AB 1415</u> Friedman (D) | Department of Water Resources: Reporting | | Requires the department to impose a civil penalty on an entity that fails to file with the department a specified report or plan by the deadline required for that particular report or plan. Authorizes the department to reduce or waive the civil penalty under certain circumstances. | 08/30/2019 - In SENATE Committee on APPROPRIATIONS: Held in committee. |
| <u>AB 1436</u> Chiu (D) | Tenancy: Rental Payment Default: State of Emergency | | Prohibits a landlord from applying a security deposit or monthly rental payment for the satisfaction of an obligation other than the prospective month's rent, if the obligation accrued during or within ninety days after the termination of a state of emergency related to coronavirus. Provides that a tenant is not guilty of unlawful detainer, if the alleged default in payment of rent accrued during or within ninety days of a state of emergency related to coronavirus. | 06/19/2020 - Re-referred to SENATE Committee on RULES. |
| <u>AB 1484</u> Grayson (D) | Mitigation Fee Act: Housing Developments | OPPOSE UNLESS AMENDED | Prohibits a local agency from imposing a housing impact requirement adopted by the local agency on a housing development project, as defined, unless specified requirements are satisfied by the local agency, including that the housing impact requirement be roughly proportional in both nature and extent to the impact created by the housing development project. | 09/09/2019 - In SENATE. Read second time. To third reading.;09/09/2019 - In SENATE. Senate Rule 29.10(b) suspended.;09/09/2019 - Re-referred to SENATE Committee on RULES. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---|--|--------------------------|--|--|
| <u>AB 1552</u> Limon (D) | Pupil Instruction: Native American Studies | | Appropriates \$800,000 from the General Fund to the State Department of Education to fund the development by the commission of a model curriculum in Native American studies. | 06/29/2020 - From SENATE Committee on EDUCATION with author's amendments.;06/29/2020 - In SENATE. Read second time and amended. Re-referred to Committee on EDUCATION. |
| <u>AB 1567</u> Aguiar-Curry (D) | Organic Waste: Scoping Plan | | Requires the Strategic Growth Council , in consultation with stakeholders and relevant permitting agencies, to prepare and submit to the Legislature a report that provides a scoping plan for the state to meet its organic waste, climate change, and air quality mandates, goals, and targets. Requires the scoping plan to include, among other things, recommendations on policy and funding support for the beneficial reuse of organic waste. | 06/23/2020 - To SENATE Committee on NATURAL RESOURCES AND WATER. |
| <u>AB 1672</u> Bloom (D) | Solid Waste: Nonwoven Disposable Products | SUPPORT | Requires certain nonwoven disposal products to be labeled clearly and conspicuously to communicate that they should not be flushed. Prohibits a covered entity from making a representation about the flushable attributes, benefits, performance, or efficacy of those nonwoven disposal products. Establishes a civil penalty per violation. | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |
| <u>AB 1703</u> Bloom (D) | Redevelopment Plans: City of Los Angeles | | prohibit the successor agency of the Redevelopment Agency of the City of Los Angeles, and the City of Los Angeles, if it requests the transfer of all land use related plans and functions of the former redevelopment agency, from enforcing any provision of a redevelopment plan for an area of the City of Los Angeles that imposes greater restrictions on the allowable intensity of housing than any applicable general or specific plan land use designation, local zoning, or affordable housing incentive program. | 06/29/2020 - From SENATE Committee on RULES with author's amendments.;06/29/2020 - In SENATE. Read second time and amended. Re-referred to Committee on RULES. |
| <u>AB 1720</u> Carrillo (D) | Office Of Planning and Research: Land Use Guidelines | | Requires the Office of Planning and Research to develop and adopt guidelines for a city or county to implement policies and practices that represent best practices to support small businesses | 06/29/2020 - In SENATE. From Inactive File. To second reading.;06/29/2020 - In SENATE. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|---|--------------------------|--|--|
| | | | within their jurisdictions. Requires those guidelines to include, among other things, recommendations for policies and practices to be included within mandatory elements required in general plans, specific plans, and other land use planning documents of a city or county. | Read second time and amended. To second reading. |
| <u>AB 1751</u> Chiu (D) | Water and Sewer System Corporations | | Authorizes a water or sewer system corporation to file an application and obtain approval from the Public Utilities Commission through an order authorizing the water or sewer system corporation to consolidate with a public water system or certain state small water system, or to implement rates for the subsumed water system. | 08/30/2019 - In SENATE Committee on APPROPRIATIONS: Held in committee. |
| <u>AB 1808</u> Cervantes (D) | Public Contracts: Goods and Services | | Requires bidding on public works contracts, would authorize a state or local agency to use the above-described procedures for the purchase, or purchase and installation, of carpet, resilient flooring, or synthetic turf if the installation work is not performed in connection with new construction and the contractor complies with specified requirements relating to wages and labor. | 06/19/2019 - Re-referred to SENATE Committees on GOVERNANCE AND FINANCE and GOVERNMENTAL ORGANIZATION. |
| <u>AB 1850</u> Gonzalez (D) | Worker Classification | | Deletes the provision that relates to the exemptions of bona fide business to business contracting relationship in relation to individual workers. Revises the criteria of the relationship between a referral agency and a service provider, including requiring the referral agency to check the validity of one license in a location where the service provider performs work a minimum time per calendar year. Provides professional services exemptions to specified industries. | 06/11/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 1928</u> Kiley (R) | Employment Standards: Independent Contractors | | Repeals existing provisions for determining when workers are employees or independent contractors, and instead requires a determination of whether a person is an employee or an independent contractor to be based on the specific multifactor | 02/14/2020 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|---|--------------------------|---|--|
| | | | test set forth in the Borello case, including whether the person to whom the service is rendered has the right to control the manner and means of accomplishing the result desired, and other identified factors. | |
| <u>AB 1947</u> Kalra (D) | Employment Violation Complaints: Requirements: Time | | Extends the period of time within which people who believe they have been discharged or otherwise discriminated against in violation of the Labor Code may file complaints to within one year after the occurrence of the violations. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2060</u> Holden (D) | Drinking Water: Pipes and Fittings: Lead Content | | Defines lead free for purposes of manufacturing, industrial processing, or conveying or dispensing water for human consumption, to mean does not leach more than one microgram of lead under certain tests and meeting a specified certification when used with respect to endpoint devices. Requires the Department of Toxic Substances Control to annually select no more than 75 drinking water faucets or other drinking water plumbing fittings and fixtures for testing and evaluation. | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |
| <u>AB 2107</u> Rodriguez (D) | Local Government: Securitized Obligation Notes | | Extends the authorization for a special district to issue securitized limited obligation notes for the acquisition or improvement of land, facilities, or equipment. | 06/23/2020 - To SENATE Committee on GOVERNANCE AND FINANCE. |
| <u>AB 2151</u> Gallagher (R) | Political Reform Act: Online Filing Disclosure | | Requires a local government agency to post on its internet website, within seventy two hours of the applicable filing deadline, a copy of any specified statement, report, or other document filed with that agency in paper format. | 06/23/2020 - To SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS. |
| <u>AB 2178</u> Levine (D) | Emergency Services | | Includes a deenergization, defined as a planned public safety power shutoff, within those conditions constituting a state of emergency and a local emergency under the Emergency Services Act. | 06/23/2020 - To SENATE Committee on GOVERNMENTAL ORGANIZATION. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|--|--------------------------|---|---|
| <u>AB 2210</u> Aguiar-Curry (D) | Contractors: Violations: Disciplinary Actions | | Authorizes disciplinary action against a contractor for violations of specified regulations regarding tree work, including maintenance or removal, without regard to whether death or serious injury to an employee resulted. Requires the registrar appointed by the Contractors' State License Board to initiate disciplinary action against a contractor upon transmission to the board of copies of any citations or other actions taken by the Division of Occupational Safety and Health. | 06/23/2020 - To SENATE Committee on BUSINESS, PROFESSIONS AND ECONOMIC DEVELOPMENT. |
| <u>AB 2213</u> Limon (D) | Office of Emergency Services: Model Guidelines | | Requires the Office of Emergency Services, in coordination with state volunteers, to develop model guidelines for local governments, operational areas, and nonprofit, community based, faith based, and private sector organizations active in disasters to identify, type, and track community resources that could assist in responding to or recovering from local, tribal, regional, national, or international disasters. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2231</u> Kalra (D) | Public Works | | Provides that a public subsidy is de minimis if it is less than a specified amount and percentage of total project cost. Specifies that these provisions do not apply to a project that was advertised for bid, or a contract that was awarded, before a specified date. | 06/08/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2296</u> Quirk (D) | State Water Resources Control Board: Delegation | | Authorizes the State Water Resources Control Board to delegate partial responsibility for the Safe Drinking Water Act's administration and enforcement by means of a local primacy delegation agreement. Authorizes the state board, for counties that have not been delegated primary responsibility as of January 2021, to offer an opportunity for the county to apply for partial or primary responsibility if the state board determines that it needs assistance. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2311</u> Low (D) | Public Contracts: Skilled and Trained Workforce | | Requires a public entity, when the use of a skilled and trained workforce to complete a contract or project is required pursuant to existing law, to include in all bid documents and construction | 06/23/2020 - To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|---|--------------------------|--|--|
| | | | contracts a notice that the project is subject to the skilled and trained workforce requirement. | |
| <u>AB 2323</u> Friedman (D) | California Environmental Quality Act: Exemptions | | Requires that a project is undertaken and is consistent with either a specific plan prepared pursuant to specific provisions of law or a community plan in order to be exempt from an environmental assessment. Allows the location of agricultural employee housing projects, affordable housing projects, and housing projects on infill sites to be located within the boundaries of a state conservancy in order to be exempt. | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |
| <u>AB 2333</u> Quirk (D) | Waste: Releases: Remedial Action: Local Oversight | | Authorizes a responsible party to request the local officer to oversee the remedial action only if the release is not being overseen by the Department of Toxic Substances or regional water quality control board. Authorizes the local officer to agree to oversee the remedial action only if the local officer demonstrates to the department or the regional water quality control board that the same conditions referenced have been met. | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |
| <u>AB 2371</u> Friedman (D) | Climate Change: Office and Planning and Research | | Requires the Office of Planning and Research to convene a climate science advisory team of distinguished scientists to advise on climate planning and adaptation efforts in the state and to provide input to improve climate adaptation and hazard mitigation planning across state agencies. | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |
| <u>AB 2467</u> Levine (D) | Political Reform Act: Misuse of Funds | | Amends the Political Reform Act. Prohibits a state or local government agency from expending public money for a public communication that clearly identifies a candidate or ballot measure. | 05/04/2020 - From ASSEMBLY Committee on ELECTIONS AND REDISTRICTING with author's amendments.;05/04/2020 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ELECTIONS AND REDISTRICTING. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|--|--------------------------|---|--|
| <u>AB 2473</u> Cooper (D) | Public Investment Funds | | Exempts from disclosure under California Public Records Act specified records regarding an internally managed private loan made directly by a public investment fund, including quarterly and annual financial statements of the borrower or its constituent owners, unless the information has already been publicly released by the keeper of the information. Makes nonsubstantive changes to certain other provisions. Defines terms. | 06/23/2020 - To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT. |
| <u>AB 2504</u> Nazarian (D) | Capital Access Loan Program | | Expands the definition of a qualified residential property owner for purposes of the seismic retrofitting program under the Capital Access Loan Program to include a homeowners' association that owns a residential building that is a qualified building, and is authorized to seismically retrofit such a building. Authorizes moneys in the California Seismic Safety Capitol Access Loan Program Fund to be used by the Pollution Control Financing Authority for incentives to borrowers. | 05/04/2020 - From ASSEMBLY Committee on BANKING AND FINANCE with author's amendments.;05/04/2020 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on BANKING AND FINANCE. |
| <u>AB 2519</u> Wood (D) | Conservation Projects: Grants: Advance Payments | | Requires, to the extent not in conflict with any other law, the Natural Resources Agency, the conservancy, the department, and the board, when awarding grants for conservation projects, as defined, to provide an advance payment of up to a certain percent of the total grant award if requested by a grant recipient. Requires the granting entities specified above to provide a report to the Legislature on or before specified date. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2560</u> Quirk (D) | Water Quality: Notification and Response Levels | SUPPORT | Amends the Safe Drinking Water Act. Requires the State Water Resources Board to comply with specified public notice and comment procedures when establishing or revising notification response levels. | 06/29/2020 - From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments.;06/29/2020 - In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|---|--------------------------|---|--|
| <u>AB 2621</u> Mullin (D) | Climate Adaptation Action Plans | | Authorizes certain local government entities to establish and participate in a regional climate network to prepare a regional climate adaptation action plan for certain region. Requires the Office of Planning and Research to develop guidelines establishing how a regional climate network may develop a regional climate adaptation action plan, including certain information, analyses, and contents to be included in a plan and certain considerations and procedures for a regional climate network. | 06/11/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2765</u> O'Donnell (D) | Public Works: Prevailing Wages | | Expands the definition of public works, for the purposes of provisions relating to the prevailing rate of per diem wages, to also include any construction, alteration, demolition, installation, or repair work done under private contract on a project for a charter school, as defined, when the project is paid for, in whole or in part, with the proceeds of conduit revenue bonds. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2800</u> Quirk (D) | Climate-Safe Infrastructure Working Group | | Extends provisions relating to the Climate Safe Infrastructure Working Group, whose purpose it is to exam how to integrate scientific data concerning projected climate change impacts into state infrastructure engineering, including oversight, investment, design, and construction. Provide that the working group shall only convene and perform its functions to the extent resources are available to fund the support of the working group and its activities. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2843</u> Chu (D) | Local Employer Affordable Housing Fees | | Requires a city, county, or city and county to collect an additional annual fee from any applicant for a local business license in an amount depending on the number of employees employed by the business, as specified. | 03/05/2020 - To ASSEMBLY Committees on LOCAL GOVERNMENT and HOUSING AND COMMUNITY DEVELOPMENT. |
| <u>AB 2849</u> Chau (D) | Proposition 65: Enforcement | | Amends the Safe Drinking Water and Toxic Enforcement Act. Revises the definition of person in the course of doing business to include a person employing fewer than ten employees on | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|--|--------------------------|---|--|
| | | | terms and conditions as that person states in writing to a person giving notice of a violation and the Attorney General. | |
| <u>AB 2887</u> Bonta (D) | Statewide Emergencies: Mitigation | | Adds provisions relating to states of emergency, including the coronavirus pandemic. Provides for school meal distribution. Provides a moratorium on rent collection from small businesses. Requires zero interest rate loans for small businesses and nonprofit organizations. Provides paid sick leave for all employees regardless of term of employment. Prohibits the termination of utility service for certain nonpayment after the declaration of a state of emergency. | 05/08/2020 - In ASSEMBLY. Suspend Assembly Rule 96.;05/08/2020 - Re-referred to ASSEMBLY Committee on BUDGET. |
| <u>AB 2967</u> O'Donnell (D) | Public Employees' Medical and Hospital Care Act | | Amends the Public Employees' Medical and Hospital Care Act. Provides for firefighters and public safety officers. Reduces the period within which an employer is to provide notice of a death of an employee to the Board of Administration of the Public Employees' Retirement System. | 06/29/2020 - From SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT with author's amendments.;06/29/2020 - In SENATE. Read second time and amended. Re-referred to Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT. |
| <u>AB 2968</u> Rodriguez (D) | Country Emergency Plans: Best Practices | SEEK AMENDMENTS | Requires the Office of Emergency Services to establish best practices for counties developing and updating a county emergency plan. Requires the office to establish a review process for a county to request the office to review a county's emergency plan. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 2992</u> Weber (D) | Employment Practices: Leave Time | | Prohibits an employer from discharging, or discriminating or retaliating against, an employee who is a victim of crime or abuse for taking time off from work to obtain or attempt to obtain relief, as prescribed. Prohibits an employer from taking action against an employee, when an unscheduled absence occurs, if the employee victim of crime or abuse provides | 06/11/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|--|--------------------------|--|---|
| | | | certification that they were receiving services for certain injuries, or if the documentation is from a victim advocate, as defined. | |
| <u>AB 2999</u> Low (D) | Employees: Bereavement Leave | | Enacts the Bereavement Leave Act. Requires an employer to grant an employee up to ten business days of unpaid bereavement leave upon the death of a spouse, child, parent, sibling, grandparent, grandchild, or domestic partner, in accordance with certain procedures, and subject to certain exclusions. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 3074</u> Friedman (D) | Fire Prevention: Wildfire Risk: Defensible Space | | Relates to defensible space. Requires more intense fuel reductions between 5 and 30 feet around the structure, and to create an ember-resistant zone within 5 feet of the structure, as provided. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 3088</u> Chiu (D) | Tenancy: Termination: Rent Caps | | Exempts housing that has been issued a final inspection, final permit, or similar approval for initial residential occupancy of the unit within the previous fifteen years from existing law that prohibits an owner of residential real property from terminating the tenancy without just cause, either at fault or no fault of the tenant. Exempts, from gross rental rate increases, dormitories owned and operated by an institution of higher education or elementary or secondary school. | 06/23/2020 - To SENATE Committee on JUDICIARY. |
| <u>AB 3164</u> Friedman (D) | Fire Prevention: Wildland Urban Interface | | Requires the Department of Forestry and Fire Protection to develop a wildland urban interface wildfire risk model to determine the risk for a community or parcel within a local responsibility area or state responsibility the department to establish, and consult with, an advisory workgroup, with specified members, to develop the model. Requires the department to update the model and guidelines when fire hazard severity zones are revised. | 06/10/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|--|--------------------------|---|--|
| <u>AB 3216</u> Kalra (D) | Employee Leave: Authorization | | Makes it an unlawful employment practice for any employer to refuse to grant a request by an employee to take up to twelve workweeks of family care and medical leave during any twelve month period due to a qualifying exigency related to the covered public health emergency or state of emergency. Provides that the leave granted under these provisions would run concurrently with leave authorized under the federal Family Medical Leave Act. | 06/18/2020 - In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. |
| <u>AB 3256</u> Garcia E (D) | Bond Act | SUPPORT IF AMENDED | Enacts the Economic Recovery, Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act, which, if approved by the voters, would authorize the issuance of bonds in a specified amount to finance projects for an economic recovery, wildfire prevention, safe drinking water, drought preparation, and flood protection program. | 06/04/2020 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on RULES. |
| <u>AB 3267</u> Smith C (D) | Office of Emergency Services: State Emergency Plan | | Requires the Office of Emergency Services to coordinate with representatives of the access and functional needs population when the office updates the State Emergency Plan. Requires the Office to complete an after-action report within a certain number of days after each declared disaster. | 06/23/2020 - To SENATE Committee on GOVERNMENTAL ORGANIZATION. |
| <u>AB 3279</u> Friedman (D) | California Environmental Quality Act | | Repeals certain obsolete and duplicative provisions from The California Environmental Quality Act and makes nonsubstantive changes to certain other provisions. | 06/23/2020 - To SENATE Committee on ENVIRONMENTAL QUALITY. |
| <u>ACA 3</u> Mathis (R) | Clean Water for All Act | WATCH | Requires not less than a certain percent of specified state revenues to be set apart for the payment of principal and interest on bonds authorized pursuant to the Water Quality, Supply, and Infrastructure Improvement Act. Relates to water supply, delivery, and quality projects administered by the Department of Water Resources and water quality projects administered by the State Water Resources Control Board. | 04/30/2019 - In ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Failed passage.;04/30/2019 - In ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Reconsideration granted. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|-------------------------------------|---|--------------------------|---|--|
| <u>ACA 10</u> Bonta (D) | Personal Rights: Right To Housing | | Declares that the fundamental human right to housing exists in this state. Declares that this right is exclusively enforceable by a public right of action. Specifies that it is the shared obligation of state and local jurisdictions to respect, protect, and fulfill this right through progressively implemented measures, consistent with available resources, within an aggressive but reasonable time frame. | 05/11/2020 - From ASSEMBLY Committee on ELECTIONS AND REDISTRICTING with author's amendments.;05/11/2020 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ELECTIONS AND REDISTRICTING. |
| <u>ACR 179</u> Voepel (R) | Special Districts Week | | Proclaims the week of May 17, 2020, to May 23, 2020, to be Special Districts Week. | 03/12/2020 - To ASSEMBLY Committee on RULES. |
| <u>SB 43</u> Allen (D) | Carbon Intensity and Pricing: Retail Products | | Requires the state board, no later than January 1, 2022, to submit a report to the Legislature on the findings from a study, as specified, to determine the feasibility and practicality of assessing the carbon intensity of all retail products subject to the tax imposed pursuant to the Sales and Use Tax Law, so that the total carbon equivalent emissions associated with such retail products can be quantified. | 07/08/2019 - In ASSEMBLY Committee on REVENUE AND TAXATION: Failed passage.;07/08/2019 - In ASSEMBLY Committee on REVENUE AND TAXATION: Reconsideration granted. |
| <u>SB 45</u> Allen (D) | Wildfire Prevention, Drinking Water, Drought, and Flood | SUPPORT IF AMENDED | Enacts the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act, which, if approved by the voters, would authorize the issuance of bonds to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program. | 01/29/2020 - In SENATE. Read third time, urgency clause adopted. Passed SENATE. *****To ASSEMBLY. |
| <u>SB 69</u> Wiener (D) | Ocean Resiliency Act | | Requires the Department of Fish and Wildlife to develop and implement a plan, in collaboration with specified scientists, experts, and representatives, as part of its fish hatchery operations for the improvement of the survival of hatchery-produced salmon, and the increased contribution of the hatchery program to commercial and recreational salmon fisheries. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--------------------------------------|--|--------------------------|---|--|
| <u>SB 162</u> Galgiani (D) | State Board Of Equalization: Local Voter Approved Bond | | Requires, by January 1, 2022, and January 1 of each year thereafter, a local agency to transmit specified data related to the issuance of any bonds by that local agency pursuant to the authorization of any local bond act, as defined, to the State Board of Equalization, including the amount of debt authorized by the local bond act. | 06/19/2019 - From ASSEMBLY Committee on REVENUE AND TAXATION with author's amendments.;06/19/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on REVENUE AND TAXATION. |
| <u>SB 166</u> Wiener (D) | Process Water Treatment Systems: Breweries | | Requires the State Water Resources Control Board, in consultation with the State Department of Public Health, Food and Drug Branch, to adopt regulations for microbiological, chemical, and physical water quality and treatment requirements for voluntary onsite treatment and reuse of process water in breweries. Requires the Food and Drug Branch to consult with the State Board before requiring termination of a process water treatment system. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |
| <u>SB 204</u> Dodd (D) | State Water Project: Contracts | WATCH | Requires the Department of Water Resources to provide at least 10 days' notice to the Joint Legislative Budget Committee and relevant policy and fiscal committees of the Legislature before holding public sessions to negotiate any potential amendment of a long-term water supply contract that is of projectwide significance with substantially similar terms intended to be offered to all contractors, or that would permanently transfer a contractual water amount between contractors. | 06/06/2019 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE. |
| <u>SB 216</u> Galgiani (D) | Carl Moyer Memorial Air Quality Standards Attainment | | Adds as an eligible project under the Carl Moyer Memorial Air Quality Standards Attainment Program, a used heavy-duty truck exchange. Requires the state board to hold a public workshop on the heavy-duty truck exchange and develop a plan to help air pollution control and air quality management districts add a heavy-duty truck exchange as an eligible project under the program. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|--|--------------------------|---|--|
| <u>SB 226</u> Nielsen (R) | Watershed Restoration: Wildfires: Grant Program | | Requires the Natural Resources Agency to develop and implement a watershed restoration grant program for purposes of awarding grants to private property land owners to assist them with watershed restoration on watersheds that have been affected by wildfire. Requires the agency to provide technical resources to the private property land owners seeking assistance with watershed restoration. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |
| <u>SB 287</u> Nielsen (R) | Commission on State Mandates: Test Claims: Filing Date | | Relates to the filing date on test claims for the Commission on State Mandates. Specifies that for purposes of filing a test claim based on the date of incurring increased costs, "within 12 months" means by June 30 of the fiscal year following the fiscal year in which increased costs were first incurred by the test claimant. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |
| <u>SB 378</u> Wiener (D) | Electrical Corporations: Deenergization Events | | Requires each electrical corporation to annually submit a report to the Wildfire Safety Division and to the Office of Energy Infrastructure Safety, that includes specified information. Requires the Public Utilities Commission to establish a procedure for customers, local governments, and others affected by a deenergization event to recover costs during such an event from an electrical corporation, within specified time periods. Sets civil penalties. | 06/18/2020 - To ASSEMBLY Committee on UTILITIES AND ENERGY. |
| <u>SB 414</u> Caballero (D) | Small System Water Authority Act of 2019 | SUPPORT | Creates the Small System Water Authority Act of 2019 and states legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |
| <u>SB 474</u> Stern (D) | Very High Fire Hazard Severity Zone | | Prohibits the creation or approval of a new development in a very high fire hazard severity zone or a state responsibility area. | 06/29/2020 - Re-referred to ASSEMBLY Committee on LOCAL GOVERNMENT. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|-------------------------------|---|--------------------------|---|--|
| SB 479 Atkins (D) | Tenancy: Automatic Renewal or Extension of Lease | | Requires the renewal or extension provision and the recital of a lease agreement to appear in a certain boldface type. | 06/26/2020 - In ASSEMBLY. Notice of intention to remove from Inactive File. |
| SB 535 Moorlach (R) | Greenhouse Gases: Wildfires and Forest Fires | | Requires the report to include information, if feasible, regarding the greenhouse gas, criteria air pollutant, and short-lived climate pollutant emissions from wildfires and forest fires, an assessment of the increased severity of wildfires and forest fires from the impacts of climate change, and a calculation of the increase in the emissions of criteria air pollutants, greenhouse gases, and short-lived climate pollutants based on the increased severity of wildfires and forest fires assessed. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |
| SB 559 Hurtado (D) | California Water Commission: Grant: Friant-kern Canal | | Appropriates funds to the Department of Water Resources for the purposes of restoring the Friant-kern Canal to its full capacity. Requires the grant to be part of a comprehensive solution to groundwater sustainability and subsidence in the San Joaquin Valley and would require the joint powers authority to demonstrate a funding match of at least 35% from user fees, local sources, federal funding, or a combination of these sources. | 08/30/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee. |
| SB 668 Rubio (D) | Fire Hydrants: Water Suppliers: Regulations | | Requires an urban water supplier, to review and revise its emergency response plan as required by federal law. Requires the Office of Emergency Services to establish emergency response and recovery plans in coordination with urban water suppliers. | 09/12/2019 - In ASSEMBLY. To Inactive File. |
| SB 749 Durazo (D) | State Public Records Act: Trade Secrets | | Provides that specified records of a private industry employer that are prepared, owned, used, or retained by a public agency are not trade secrets and are public records, including certain records relating to employment terms and conditions of employees working for a private industry employer pursuant to a contract with a public agency, under specified conditions. Excludes certain contracts between a public agency and private employer entered into before a specified date. | 09/13/2019 - In ASSEMBLY. To Inactive File. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|-------------------------------------|--|--------------------------|---|--|
| <u>SB 773</u> Skinner (D) | Land Use: Accessory Dwelling Units | | Deems a permit application for the creation of an accessory dwelling unit or junior accessory dwelling unit approved if the local agency has not acted upon the completed application within 60 days. | 06/29/2020 - To ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION. |
| <u>SB 774</u> Stern (D) | Electricity: Microgrids | | Requires each electrical corporation to collaborate with certain entities in its service territory to identify locations where sources of back-up electricity may provide increased electrical distribution grid resiliency. Authorizes electrical corporations to file applications with the Public Utilities Commission to invest in, and deploy, microgrids to increase that resiliency and prohibits the Commission from approving microgrid applications that use a certain cost-recovery mechanism. | 06/06/2019 - To ASSEMBLY Committee on UTILITIES AND ENERGY. |
| <u>SB 794</u> Jackson (D) | Emergency Services: Telecommunications | | Expands provisions authorizing a city to enter into an agreement to access contact information of resident account holders through the records of a public utility. Permits the telephone numbers and email addresses of elderly or disabled social services clients to be disclosed to emergency personnel. Specifically identifies a public safety power shutoff as a public safety emergency. | 06/18/2020 - To ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION. |
| <u>SB 795</u> Beall (D) | Economic Development: Housing: Climate Change | | Makes funds available in each fiscal year for the purpose of providing emergency economic recovery and development, climate change, and disaster response. Requires the Controller to allocate a portion of those funds among various housing programs administered by the Department of Housing and Community Development, to the Climate, Sea Level, and Natural Disaster Program, and to the Community Economic Development Program. | 06/29/2020 - To ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT. |
| <u>SB 801</u> Glazer (D) | Electrical Corporations: Wildfire Mitigation Plans | | Requires an electrical corporation to deploy backup electrical resources or provide financial assistance for backup electrical resources to a customer receiving a medical baseline allowance, | 06/29/2020 - To ASSEMBLY Committee on UTILITIES AND ENERGY. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|------------------------------------|--|--------------------------|---|--|
| | | | if the customer meets specified conditions. Requires an electrical corporation to develop its program to provide backup electrical resources or financial assistance in consultation with community disability rights groups or other local disability rights advocates. | |
| <u>SB 862</u> Dodd (D) | Planned Power Outage: Public Safety | | Includes a deenergization event within a sudden and severe energy shortage constituting a state of emergency and a local emergency. Requires an electrical corporation to coordinate with local governments in its service territory to identify sites within those jurisdictions where community resource centers can be established and operated during a deenergization event and the level of services that will be available at those centers. | 06/29/2020 - To ASSEMBLY Committee on UTILITIES AND ENERGY. |
| <u>SB 865</u> Hill (D) | Excavations: Subsurface Installations | | Provides that the Underground Facilities Safe Excavation Board is also known as the Dig Safe Board. Requires all new subsurface installations, except for specified oil and gas flowlines with a certain diameter size that are located within the administrative boundaries of an oil field, be tagged with GIS coordinates and maintained as permanent records of the operator. | 06/29/2020 - To ASSEMBLY Committee on UTILITIES AND ENERGY. |
| <u>SB 939</u> Wiener (D) | Emergencies: Coronavirus: Evictions | | Prohibits a commercial landlord from serving a specified notice of eviction on a commercial tenant under a certain number of days after the state of emergency proclaimed by the Governor on March 4, 2020, is lifted and if specified criteria apply. Defines eligible COVID 19 impacted commercial tenant. Provides that specified notices of eviction served on commercial tenants are void under specified circumstances. | 06/18/2020 - In SENATE Committee on APPROPRIATIONS: Held in committee. |
| <u>SB 943</u> Chang (R) | Paid Family Leave: Coronavirus | | Authorizes wage replacement benefits to specified workers who take time off work to care for a child or other family member, including a child with disabilities, for whom the employee is responsible for providing care, if that person's school or place of care has been closed, or the care provider of that person is unavailable, due to the coronavirus outbreak. | 06/18/2020 - In SENATE Committee on APPROPRIATIONS: Held in committee. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--------------------------------------|---|--------------------------|--|---|
| <u>SB 952</u> Nielsen (R) | Sales and Use Tax: Exemptions: Backup Electrical | | Provides an exemption from sales and use tax laws with respect to the sale of, or the storage, use, or consumption of, a backup electrical generator, if that backup electrical generator is purchased for use exclusively in powering a critical facility by a city, county, city and county, special district, or other political subdivision during deenergization events and the purchaser provides to the seller a written statement with regard to these facts. | 06/29/2020 - To ASSEMBLY Committee on REVENUE AND TAXATION. |
| <u>SB 974</u> Hurtado (D) | California Environmental Quality Act: Water Systems | | Exempts from the California Environmental Quality Act certain projects consisting solely of the installation, repair, or reconstruction of water infrastructure that primarily benefit a small disadvantaged community water system by improving the system's water quality, encouraging water conservation, or providing drinking water service to existing residences within a disadvantaged community where there is specified evidence of an inadequate supply of safe drinking water. | 06/29/2020 - To ASSEMBLY Committee on NATURAL RESOURCES. |
| <u>SB 998</u> Moorlach (R) | Local Government: Investments | | Amends the Joint Exercise of Powers Act. Authorizes a joint powers authority to establish the terms and conditions pursuant to which agencies may participate and invest in pool shares. Specifies that a federally recognized Indian tribe is eligible to participate in a joint powers authority formed for this purpose. Sets forth prohibitions in relation to investment assets. | 06/18/2020 - To ASSEMBLY Committee on LOCAL GOVERNMENT. |
| <u>SB 1044</u> Allen (D) | Firefighting Equipment and Foam: PFAS Chemicals | | Requires any person, including a manufacturer, that sells firefighter personal protective equipment to any person to provide a written notice to the purchaser at the time of sale if the firefighter personal protective equipment contains perfluoroalkyl and polyfluoroalkyl substances. Provides that a violation of this requirement is punishable by a specified civil penalty. | 06/29/2020 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|--|--------------------------|---|---|
| <u>SB 1099</u> Dodd (D) | Emergency Backup Generators: Critical Facilities | SUPPORT | Requires, either commencing on a specified date, or twelve months after the adoption of a specified rule on emergency backup generators, the air pollution control officer to develop stipulations and conditions for an order for abatement that allows the operator of a critical facility to use a permitted emergency backup generator in exceedance of that permit's runtime, and testing and maintenance limits, if specified conditions are met. | 06/29/2020 - To ASSEMBLY Committee on NATURAL RESOURCES. |
| <u>SB 1100</u> Atkins (D) | Coastal Resources: Sea Level Rise | | Includes, as part of the procedures the California Coastal Commission is required to adopt, recommendations and guidelines for the identification, assessment, minimization, and mitigation of sea level rise within each local coastal program. Deletes the timeframe by which the Commission is required to adopt these procedures. Requires the Commission to take into account the effects of sea level rise in coastal resource planning and management policies and activities. | 05/12/2020 - In SENATE. 2nd & 3rd Committee referral withdrawn by rule. |
| <u>SB 1159</u> Hill (D) | Workers Compensation: Coronavirus | | Amends existing law relating to the workers' compensation system. Defines injury for an employee to include illness or death resulting from coronavirus disease. Creates a disputable presumption that an injury that develops or manifests itself while an employee is employed arose out of and in the course of the employment. Requires an employee to exhaust their paid sick leave benefits before receiving temporary disability benefits. | 06/29/2020 - To ASSEMBLY Committee on INSURANCE. |
| <u>SB 1185</u> Moorlach (R) | Emergency Backup Generators: Deenergization Events | | Requires a facility permittee applying for an emergency variance with an air district hearing board to demonstrate that the permitted emergency backup generator is using the cleanest, feasible, available backup power source sufficient to meet the facility's electrical service demand during a deenergization event. | 06/29/2020 - To ASSEMBLY Committee on NATURAL RESOURCES. |
| <u>SB 1190</u> Durazo (D) | Tenancy: Termination | | Authorizes a tenant to notify a landlord of their intent to terminate their tenancy because an immediate family member was the victim of a crime. Makes the Tenant Protection Act | 06/29/2020 - To ASSEMBLY Committee on JUDICIARY. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|---------------------------------------|---|--------------------------|---|---|
| | | | enforceable by the Attorney General, a city attorney, district attorney, or county counsel. Authorizes the legislative body of a local government to designate a local agency to investigate and enforce the Act, including awarding restitution and levying fines for each violation. | |
| <u>SB 1215</u> Stern (D) | Electricity: Microgrids | | Requires the Public Utilities Commission, in consultation with the Office of Emergency Services, to create a database of critical facilities and critical infrastructure, and related circuits, that are located in tier 2 or tier 3 high fire threat districts served by electrical corporations, and identify with respect to each whether it serves a low income and disadvantaged community. | 06/29/2020 - To ASSEMBLY Committee on UTILITIES AND ENERGY. |
| <u>SB 1312</u> McGuire (D) | Electrical Corporations: Deenergization | | Requires the Public Utilities Commission to revise Electric Tariff Rule 20 to additionally authorize and fund the undergrounding of electrical infrastructure within high fire threat areas for purposes of wildfire mitigation. Requires an electrical corporation, by a specified date, to identify and report to the Commission a minimum percentage of its transmission and distribution infrastructure that is most likely to cause such a shutoff. | 06/29/2020 - To ASSEMBLY Committee on UTILITIES AND ENERGY. |
| <u>SB 1386</u> Moorlach (R) | Local Government: Assessments, Fees, and Charges: Water | SPONSOR | Specifies various requirements with respect to the levying of assessments and property related fees and charges by a local agency. Requires that the local agency provide public notice and a majority protest procedure. Relates to Proposition 218 Omnibus Implementation Act. Defines the term water to mean any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source. | 06/18/2020 - To ASSEMBLY Committee on LOCAL GOVERNMENT. |
| <u>SB 1400</u> Umberg (D) | Accessory Dwelling Unit Construction Bond Act | | Enacts the Accessory Dwelling Unit Construction Bond Act. Authorizes the issuance of bonds to finance the Accessory Dwelling Unit Construction Program. Authorizes the Department | 04/08/2020 - From SENATE Committee on RULES with author's amendments.;04/08/2020 - In |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|--|--------------------------|--|--|
| | | | of Housing and Community Development to enter into a contract under that program with a homeowner to provide financing to pay for the eligible costs incurred by the homeowner in constructing an accessory dwelling unit on the homeowner's property. Provides for submission of the Accessory Dwelling Unit Bond Act to the voters. | SENATE. Read second time and amended. Re-referred to Committee on RULES. |
| SB 1410 Caballero (D) | COVID 19 Emergency: Tenancies | | Authorizes an owner of real property and a tenant to sign and execute a tenant owner COVID 19 eviction relief agreement that, during a state of emergency related to the COVID 19 pandemic, would allow the tenant to defer the tenant's unpaid rent. Voids any demand for the payment of unpaid rent accrued, or any notice to terminate tenancy served, upon the declaration of the state of emergency related to the COVID 19 pandemic, and until the state of emergency is terminated. | 06/29/2020 - To ASSEMBLY Committee on JUDICIARY. |
| SB 1473 Governance and Finance Cmt | Local Government Omnibus Act of 2020 | | Authorizes a county to lend any of its funds to a resource conservation district to perform its functions and meets its obligations, specifies that no reading of the title or county ordinance is required if the title is included on the published agenda and a copy of the full ordinance is made available to the public on the county's internet website and in print at the meeting before the introduction or passage of the ordinance. | 06/18/2020 - To ASSEMBLY Committee on LOCAL GOVERNMENT. |
| HR 535 Dingell D (D) | Hazardous Substances Designation | | Requires the Administrator of the Environmental Protection Agency to designate per- and polyfluoroalkyl substances as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. | 01/13/2020 - In SENATE. Read second time.;01/13/2020 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| HR 1162 Napolitano (D) | Water Recycling and Reuse Projects Grant Program | SUPPORT | Establishes a grant program for the funding of water recycling and reuse projects. | 03/11/2020 - Subcommittee on WATER, POWER AND OCEANS discharged.;03/11/2020 - In HOUSE Committee on NATURAL RESOURCES: Consideration and |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|--|--------------------------|---|---|
| | | | | mark-up session held.;03/11/2020 - In HOUSE Committee on NATURAL RESOURCES: Ordered to be reported as amended. |
| <u>HR 1417</u> Lawrence (D) | Water and Sewer Infrastructure Trust Fund | | Establishes a trust fund to provide for adequate funding for water and sewer infrastructure. | 03/27/2019 - In HOUSE Committee on AGRICULTURE: Referred to Subcommittee on CONSERVATION AND FORESTRY. |
| <u>HR 1567</u> Lujan (D) | Water Contamination From Military Installations | | Authorizes the Department of Defense to temporarily provide water uncontaminated with perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS) for agricultural purposes to areas affected by contamination from military installations, authorizes the Secretary of the Air Force to acquire real property to extend the contiguous geographic footprint of any Air Force base that has shown signs of contamination from PFOA and PFOS due to activities on the base. | 03/07/2019 - In HOUSE Committee on TRANSPORTATION & INFRASTRUCTURE: Referred to Subcommittee on WATER RESOURCES AND ENVIRONMENT. |
| <u>HR 1764</u> Garamendi (D) | Federal Water Pollution Control Permitting Terms | SUPPORT | Amends the Federal Water Pollution Control Act with respect to permitting terms. | 03/15/2019 - In HOUSE Committee on TRANSPORTATION & INFRASTRUCTURE: Referred to Subcommittee on WATER RESOURCES AND ENVIRONMENT. |
| <u>HR 1976</u> Kildee (D) | Perfluorinated Compounds Survey | | Requires the Director of the United States Geological Survey to perform a nationwide survey of perfluorinated compounds. | 06/13/2019 - Subcommittee on WATER, POWER AND OCEANS hearings held. |
| <u>HR 2377</u> Boyle B (D) | Drinking Water Maximum Contaminant Level | | Amends the Safe Drinking Water Act, requires the Administrator of the Environmental Protection Agency to publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for total per- and polyfluoroalkyl substances. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--------------------------------------|---|--------------------------|--|--|
| <u>HR 2500</u> Smith A (D) | National Defense Authorization Act for Fiscal Year 2020 | | Provides for the National Defense Authorization Act for specified Fiscal Year. | 07/12/2019 - In HOUSE. HA 560 Amendment offered by Representative Thompson.;07/12/2019 - In HOUSE. HA 561 Amendment offered by Representative Malinowski.;07/12/2019 - In HOUSE. HA 562 Amendment offered by Representative Dingell.;07/12/2019 - In HOUSE. HA 562. Representative Dingell amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 563 Amendment offered by Representative Jayapal.;07/12/2019 - In HOUSE. HA 564 Amendment offered by Representative Smith.;07/12/2019 - In HOUSE. HA 564. Representative Smith amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 538. Representative Lee amendment failed on HOUSE floor.;07/12/2019 - In HOUSE. HA 539. Representative Amash amendment failed on HOUSE floor.;07/12/2019 - In HOUSE. HA 552. Representative Tipton amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 553. Representative Turner amendment failed on HOUSE floor.;07/12/2019 - In HOUSE. HA 554. Representative Khanna amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 555. Representative Lee amendment |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|--|--------------------------|--|---|
| | | | | <p>agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 556. Representative Lee amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 557. Representative Garcia amendment failed on HOUSE floor.;07/12/2019 - In HOUSE. HA 558. Representative Ocasio-Cortez amendment failed on HOUSE floor.;07/12/2019 - In HOUSE. HA 559. Representative Ocasio-Cortez amendment failed on HOUSE floor.;07/12/2019 - In HOUSE. HA 560. Representative Thompson amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 561. Representative Malinowski amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. HA 563. Representative Jayapal amendment agreed to on HOUSE floor.;07/12/2019 - In HOUSE. Passed HOUSE. *****To SENATE.</p> |
| <p><u>HR 2533</u> Pallone (D)</p> | <p>Community Water Systems Contamination</p> | | <p>Assists community water systems affected by perfluoroalkyl substances (PFAS) contamination.</p> | <p>09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee.</p> |
| <p><u>HR 2566</u> Soto (D)</p> | <p>Environmental Protection Agency Safer Choice Standard</p> | | <p>Requires the Administrator of the Environmental Protection Agency to revise the Safer Choice Standard to provide for a Safer Choice label for pots, pans, and cooking utensils that do not contain polyfluoroalkyl substances (PFAS).</p> | <p>09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee.</p> |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|---|--------------------------|---|---|
| <u>HR 2570</u> Rouda (D) | Water Treatment Costs | | Ensures that polluters pay ongoing water treatment costs associated with contamination from perfluoroalkyl and polyfluoroalkyl substances. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2577</u> Delgado (D) | Toxics Release Inventory Inclusion | | Amends the Emergency Planning and Community Right-To-Know Act of 1986, includes per- and polyfluoroalkyl substances on the Toxics Release Inventory. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2591</u> Khanna (D) | Polyfluoroalkyl Substance Waste Prohibition | | Prohibits the waste incineration of per- and polyfluoroalkyl substances. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2596</u> Kuster (D) | Polyfluoroalkyl Substances Manufacturing and Processing | | Amends the Toxic Substances Control Act with respect to manufacturing and processing notices for per- and polyfluoroalkyl substances. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2600</u> Dean (D) | Per and Polyfluoroalkyl Substances Regulation | | Regulates per- and polyfluoroalkyl substances under the Toxic Substances Control Act. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2605</u> Stevens (D) | Hazardous Air Pollutants Classification | | Directs the Administrator of the Environmental Protection Agency to issue a final rule adding as a class all perfluoroalkyl and polyfluoroalkyl substances with at least one fully fluorinated carbon atom to the list of hazardous air pollutants under section 112(b) of the Clean Air Act (42 U.S.C. 7412(b)). | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2608</u> Maloney S (D) | Toxic Substances Testing | | Requires the testing of perfluoroalkyl and polyfluoroalkyl substances under the Toxic Substances Control Act. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|--|--------------------------|---|---|
| | | | | Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2626</u> Upton (R) | Water Contamination Remediation Agreements | | Encourages Federal agencies to expeditiously enter into or amend cooperative agreements with States for removal and remedial actions to address PFAS contamination in drinking, surface, and ground water and land surface and subsurface strata. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2638</u> Fletcher (D) | Firefighting Foam Use | | Directs the Administrator of the Environmental Protection Agency to issue guidance on minimizing the use of firefighting foam containing PFAS. | 09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee. |
| <u>HR 2800</u> Slotkin (D) | Drinking Water Substance Monitoring | | Amends the Safe Drinking Water Act, requires continued and expanded monitoring of perfluoroalkyl and polyfluoroalkyl substances in drinking water. | 05/16/2019 - INTRODUCED.;05/16/2019 - To HOUSE Committee on ENERGY AND COMMERCE. |
| <u>HR 3591</u> Trone (D) | Alcohol and Substance Misuse Prevention | | Amends the Higher Education Act, provides for the prevention of certain alcohol and substance misuse. | 06/27/2019 - INTRODUCED.;06/27/2019 - To HOUSE Committee on EDUCATION AND LABOR. |
| <u>HR 7073</u> Garamendi (D) | Municipal Liquidity Facility Special Districts | | Amends the Social Security Act, includes special districts in the coronavirus relief fund, directs the Secretary to include special districts as an eligible issuer under the Municipal Liquidity Facility. | 06/01/2020 - INTRODUCED.;06/01/2020 - To HOUSE Committee on OVERSIGHT AND REFORM.;06/01/2020 - To HOUSE Committee on FINANCIAL SERVICES. |
| <u>S 611</u> Sanders (I) | Water and Sewer Infrastructure Funding | | Provides adequate funding for water and sewer infrastructure. | 02/28/2019 - INTRODUCED.;02/28/2019 - In SENATE. Read second time.;02/28/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| <u>S 638</u> Carper (D) | Hazardous Substances Designation | | Requires the Administrator of the Environmental Protection Agency to designate per- and polyfluoroalkyl substances as | 02/28/2019 - INTRODUCED.;02/28/2019 - In |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--|---|------------------|---|--|
| | | | hazardous substances under the Comprehensive Environmental Response, Compensation, Liability Act of 1980. | SENATE. Read second time.;02/28/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| <u>S 675</u> Udall T (D) | Water Contamination From Military Installations | | Authorizes the Department of Defense to temporarily provide water uncontaminated with perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS) for agricultural purposes to areas affected by contamination from military installations, authorizes the Secretary of the Air Force to acquire real property to extend the contiguous geographic footprint of any Air Force base that has shown signs of contamination from PFOA and PFOS due to activities on the base. | 03/06/2019 - INTRODUCED.;03/06/2019 - In SENATE. Read second time.;03/06/2019 - To SENATE Committee on ARMED SERVICES. |
| <u>S 950</u> Stabenow (D) | Perfluorinated Compounds Survey | | Requires the Director of the United States Geological Survey to perform a nationwide survey of perfluorinated compounds. | 03/28/2019 - INTRODUCED.;03/28/2019 - In SENATE. Read second time.;03/28/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| <u>S 1251</u> Shaheen (D) | Emerging Contaminants Public Health Response Assistance | | Improves coordinate interagency Federal actions, provides assistance to States for responding to public health challenges posed by emerging contaminants. | 04/30/2019 - INTRODUCED.;04/30/2019 - In SENATE. Read second time.;04/30/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| <u>S 1372</u> Stabenow (D) | Water Contamination Remediation Agreements | | Encourages Federal agencies to expeditiously enter into or amend cooperative agreements with States for removal and remedial actions to address polyfluoroalkyl substances (PFAS) contamination in drinking, surface, and ground water and land surface and subsurface strata. | 05/08/2019 - INTRODUCED.;05/08/2019 - In SENATE. Read second time.;05/08/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| <u>S 1473</u> Gillibrand (D) | Drinking Water Maximum Contaminant Levels | | Amends the Safe Drinking Water Act, requires the Administrator of the Environmental Protection Agency to set maximum contaminant levels for certain chemicals. | 05/15/2019 - INTRODUCED.;05/15/2019 - In SENATE. Read second |

IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|--------------------------------------|--|------------------|---|---|
| | | | | time.;05/15/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| <u>S 1507</u> Capito (R) | Toxics Release Inventory Inclusion | | Includes certain perfluoroalkyl and polyfluoroalkyl substances in the toxics release inventory. | 06/19/2019 - In SENATE Committee on ENVIRONMENT AND PUBLIC WORKS: Ordered to be reported with an amendment in the nature of a substitute.;06/19/2019 - From SENATE Committee on ENVIRONMENT AND PUBLIC WORKS: Reported by Sen. Barrasso with an amend. in the nature of a substitute.;06/19/2019 - In SENATE. Placed on SENATE Legislative Calendar under General Orders. |
| <u>S 1932</u> Gardner (R) | Reclamation States Water Infrastructure Support | SUPPORT | Supports water infrastructure in Reclamation States. | 07/18/2019 - Subcommittee on WATER AND POWER hearings held. |
| <u>S 3227</u> Sanders (I) | Hazardous Substances Designation | | Requires the Administrator of the Environmental Protection Agency to designate per- and polyfluoroalkyl substances as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. | 01/28/2020 - INTRODUCED.;01/28/2020 - In SENATE. Read second time.;01/28/2020 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |
| <u>S 3590</u> Barrasso (R) | Safe Drinking Water Act Provisions Reauthorization | | Amends the Safe Drinking Water Ac, reauthorize certain provisions. | 05/11/2020 - From SENATE Committee on ENERGY & NATURAL RESOURCES: Reported by Senator Barrasso with an amend. in the nature of a sub.;05/11/2020 - In SENATE. Placed on SENATE Legislative Calendar under General Orders. |
| <u>S 3591</u> Barrasso (R) | Water Conservation and Development | | Provides for improvements to the rivers and harbors of the United States, provides for the conservation and development of | 05/11/2020 - From SENATE Committee on ENERGY & NATURAL RESOURCES: Reported |


IRWD 2020 LEGISLATIVE MATRIX
Updated 06/30/2020

| Bill No. Author | Title | IRWD Position | Summary/Effects | Status |
|------------------------------|--|--------------------------|---|--|
| | | | water and related resources, provides for water pollution control activities. | by Senator Barrasso with an amend. in the nature of a sub.;05/11/2020 - In SENATE. Placed on SENATE Legislative Calendar under General Orders. |
| S 3944 Udall T (D) | Plastic Products Production Reduction | | Amends the Solid Waste Disposal Act, reduces the production and use of certain single use plastic products and packaging, improves the responsibility of producers in the design, collection, reuse, recycling, and disposal of their consumer products and packaging, prevents pollution from consumer products and packaging from entering into animal and human food chains and waterways. | 06/11/2020 - INTRODUCED.;06/11/2020 - In SENATE. Read second time.;06/11/2020 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS. |

July 13, 2020

Prepared by: T. Lynch/J. McGehee/R. Mori

Submitted by: K. Burton

Approved by: Paul A. Cook 

CONSENT CALENDAR

BAKE PARKWAY DOMESTIC WATER ZONE 5 TO 4 FIRE FLOW PRESSURE REDUCING VALVE AND PIPELINE FINAL ACCEPTANCE

SUMMARY:

The Bake Parkway Domestic Water Zone 5 to 4 Fire Flow Pressure Reducing Valve (PRV) and Pipeline project is complete. IRWD's contractor Ferreira Construction Co. completed the required work and all punch list items. The project has received final inspection and acceptance of construction is recommended.

BACKGROUND:

As defined in the Lake Forest Sub-Area Master Plan, a new domestic water connection between Zone 5 and Zone 4 was recommended on Bake Parkway near North Pointe Drive in the City of Lake Forest. To facilitate the connection, a PRV station and approximately 1,000 feet of pipeline were required to be constructed. The connection will provide additional fire flow capacity to portions of Zone 4 that were hydraulically modeled to be slightly lower than the District's goal for fire flow in the area.

Staff completed the design in August 2019, and Ferreira Construction was awarded the construction contract on October 15, 2019. Ferreira completed construction of all improvements on June 25, 2020. A summary of construction change orders is provided as Exhibit "A".

| | |
|---------------------------------|--|
| Project Title: | Bake Parkway Domestic Water Zone 5 to 4 Fire Flow PRV and Pipeline Project |
| Project No.: | 05404 |
| Design Engineer: | MBF Consulting, Inc. |
| Construction Management by: | IRWD Staff |
| Contractor: | Ferreira Construction |
| Original Contract Cost: | \$484,825.50 |
| Final Contract Cost: | \$522,590.67 |
| Original Contract Days: | 250 |
| Final Contract Days: | 250 |
| Final Change Order Approved On: | March 16, 2020 |

FISCAL IMPACTS:

Project 05404 is included in the FY 2020-21 Capital Budget. The existing budget is sufficient to fund the final payment for the project.

ENVIRONMENTAL COMPLIANCE:

This project is exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15303, which provides categorical exemption for small facilities or structures; installation of small new equipment and facilities in small structures; water main, sewage, electrical, gas and other utility extensions, including street improvements of reasonable length to serve such construction and Section 15282, which provides statutory exemption for installation of new pipeline that does not exceed one mile (more than 5,210 feet) in length. A Notice of Exemption was filed with the Orange County Clerk's office on February 19, 2019.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD ACCEPT CONSTRUCTION OF THE BAKE PARKWAY DOMESTIC WATER ZONE 5 TO 4 FIRE FLOW PRESSURE REDUCING VALVE AND PIPELINE, AUTHORIZE THE GENERAL MANAGER TO FILE A NOTICE OF COMPLETION, AND AUTHORIZE THE PAYMENT OF THE RETENTION 35 DAYS AFTER THE DATE OF RECORDING THE NOTICE OF COMPLETION FOR PROJECT 05404.

LIST OF EXHIBITS:

Exhibit "A" – Construction Change Order Summary

EXHIBIT "A"

**Bake Parkway Domestic Water Zone 5 to 4 Fire Flow PRV and Pipeline Project
PR 05404
Construction Change Order Summary**

Date: June 29, 2020
 Contractor: Ferreira
 Design Engineer: MBF Consulting, Inc.

| | | | Contract Amount | | | | | | Contract Days | | | | Original Completion Date: |
|------------------|--|----------|--|---------------------|------------------------|-----------------------------------|-------------------------------|-------------------------|--------------------|----------------------------|------------------------|-----------------------------|---------------------------|
| | | | Original Contract Amount: \$484,825.50 | | | | | | Original Days: 250 | | | | 6/21/2020 |
| Change Order No. | Description | Category | Change Order Line Item Amount | Change Order Amount | Previous Change Orders | Cumulative Total of Change Orders | % of Original Contract Amount | Revised Contract Amount | Change Order Days | Previous Change Order Days | Cum. Change Order Days | Revised Total Contract Days | Revised Completion Date |
| 1 | Approved by Executive Director of Technical Services Approved on March 16, 2020 <u>CR-1</u> : Addition of 2-inch Flush Out <u>CR-2</u> : Delta 2 Revised Pipeline Alignment | A B | \$3,500.17 \$34,265.00 | \$37,765.17 | \$ - | \$ 37,765.17 | 7.79% | \$522,590.67 | 0 | 0 | 0 | 250 | 6/21/2020 |


| Category | Total Amount | % of Original Contract |
|--|--------------------|------------------------|
| A - Owner Directed Change | \$3,500.17 | 0.72% |
| B - Differing/Unknown Condition | \$34,265.00 | 7.07% |
| C - External Agency, Regulatory, and/or Permit Required Change | \$0.00 | 0.00% |
| D - Design Oversight | \$0.00 | 0.00% |
| Total Change Order Amount (A + B + C + D) | \$37,765.17 | 7.79% |

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July 13, 2020

Prepared by: A. Aguilar

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook 

CONSENT CALENDAR:

FISCAL YEAR 2020-21 PURCHASE ORDER VENDOR COMMITMENTS
GREATER THAN \$200,000

SUMMARY:

Each year, staff initiates and/or renews commitments with vendors for certain products and services included in the Board-approved operating budget. Staff has provided a list of those vendors with expected commitments totaling \$200,000 or greater in fiscal year (FY) 2020-21 for Committee review. The list of vendor commitments excludes contracts/agreements which have been previously approved under a separate Board action. Consistent with provisions included in the District's *Policy for Authorization of Expenditures*, staff recommends that the Board approve the list of vendor expenditure commitments totaling \$200,000 or greater for FY 2020-21.

BACKGROUND:

Every two years, the Board approves the fiscal year operating budget for the District for the upcoming two-year period. Included in the operating budget are expenditures for line items such as chemicals, fuel, hauling of biosolids, and other products and services which result in commitments greater than \$200,000. These expenditures typically utilize cooperative agreements for best pricing when applicable or have been previously competitively bid, and in some cases are for specialized products (e.g., certain chemicals) provided by a single supplier.

These commitments are structured as open purchase orders and typically consist of multiple individual transactions during the fiscal year with the cumulative total of the purchase order exceeding \$200,000. The approval structure allows staff to order goods and services on a regular and efficient basis. These commitments are a "not to exceed" amount and can be cancelled at any time.

A list of the planned vendor commitments exceeding \$200,000 for FY 2020-21 is attached as Exhibit "A". The list includes vendor names, descriptions of the products or service being provided, the basis for pricing (e.g. cooperative agreement, single source, etc.) and estimated annual expense. Excluded from this list are contracts in excess of \$200,000 which have been previously approved by separate Board actions and are within their approved contract period as well as recurring utility bills.

The total planned expenditure amount for the listed vendors for FY 2020-21 is \$4,411,824, representing approximately 2.6% of total planned expenditures in the approved operating budget. Consistent with provisions included in the District's *Policy for Authorization of Expenditures*, staff recommends that the Board approve the list of vendor commitments greater than \$200,000 for FY 2020-21.

FISCAL IMPACTS:

Total planned expenditures for FY 2020-21 for vendor commitments greater than \$200,000 (excluding contracts/agreements approved by separate Board action) are \$4,411,824, representing approximately 2.6% of total planned expenditures in the approved FY 2020-21 operating budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on July 7, 2020.

RECOMMENDATION:

THAT THE BOARD APPROVE THE SUBMITTED LIST OF VENDOR COMMITMENTS GREATER THAN \$200,000 BASED ON APPROVED FY 2020-21 OPERATING BUDGET EXPENDITURES.

LIST OF EXHIBITS:


Exhibit "A" – FY 2020-21 Purchase Order Vendor Commitments Greater Than \$200,000

Exhibit "A"

FY 2020-2021 PURCHASE ORDER OVER \$200K

| Supplier | Service | Requester | Type | PO Amount |
|----------------------------|---|-------------------------------------|---|---------------------|
| BioMagic Inc. | FY 20/21 Open PO for odor control chemical deliveries (BioMagic 500 @ \$5.85/gal) as part of the odor control program to multiple locations determined by IRWD from 7/1/20 through 6/30/21. | H. Solis | Single Source | \$ 275,000 |
| California Barricade, Inc. | FY 20/21 Open PO to provide IRWD traffic control services for the Construction & Repairs Dept. from 7/1/20 through 6/30/21. | B. Clinton O. Escobar M. Cano | Competitive Bid | \$ 250,000 |
| California Barricade, Inc. | FY 20/21 Open PO to provide IRWD traffic control services for the Collections Dept. from 7/1/20 through 6/30/21. | H. Solis | Competitive Bid | \$ 228,000 |
| Culligan of Santa Ana | FY 20/21 Open PO for resin exchange service at BWTP from 7/1/20 through 6/30/21. | K. Reideler | Single Source | \$ 300,000 |
| Hill Brothers Chemical | FY 20/21 Open PO for the delivery of odor control product (Oxy-Can) at various sites in the District. Price at \$3.05/gal., min. 300 gal del. Fuel surcharge of \$20 + freight charges from 7/1/20 through 6/30/21. | H. Solis | Single Source | \$ 265,000 |
| Infosend, Inc. | FY 20/21 Open PO for pass thru postage cost from InfoSend in support of Utility Bill Service. Year 2 of 3 from 7/1/20 through 6/30/21. | D. Cotton | Competitive Bid | \$ 309,000 |
| Merrimac Petroleum, Inc. | FY 20/21 Open PO for gasoline and diesel motor fuel from 7/1/20 - 6/30/21 (cooperative agreement with the County of Orange through January 8, 2023). | J. Dayer | Cooperative Agreement (County of Orange) | \$ 550,000 |
| Olin Corporation | FY 20/21 Open PO to supply MWRP with Sodium Hypochlorite 12.5% for Effluent Disinfection, MBR and Odor Scrubber deliveries as required from 7/1/20 through 6/30/21. | J. Perez | Cooperative Agreement (SOCWA) | \$ 589,700 |
| Polydyne | FY 20/21 Open PO to supply MWRP Biosolids with Emulsion Polymer for thickening and dewatering from 7/1/20 through 6/30/21. | A. Nieto | Cooperative Agreement (SOCWA) | \$ 400,000 |
| Synagro | FY 20/21 Open PO to provide Class A Pellets/ Class B biosolids hauling for MWRP Biosolids per SOCWA Agreement from 7/1/20 through 6/30/21. | A. Nieto | Cooperative Agreement (SOCWA) | \$ 1,025,452 |
| Olin Corporation | FY 20/21 Open PO to supply Sodium Hypochlorite 12.5% for MWRP Biosolids Odor Control per SOCWA Agreement from 7/1/20 through 6/30/21. | A. Nieto | Cooperative Agreement (SOCWA) | \$ 219,672 |
| TOTALS | | | | \$ 4,411,824 |

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July 13, 2020
Prepared by: E. Lin
Submitted by: C. Clary
Approved by: Paul A. Cook 

CONSENT CALENDAR

LUMP SUM PAYMENT OPTION FOR EMPLOYER CONTRIBUTIONS
FOR FY 2020-21 TO THE CALIFORNIA
PUBLIC EMPLOYEES RETIREMENT SYSTEM

SUMMARY:

Staff recommends the Board approve a lump sum payment option for employer contributions to the California Public Employees Retirement System (CalPERS) by making a one-time contribution of \$5,888,727 for IRWD’s Fiscal Year (FY) 2020-21 employer contributions to CalPERS. This recommendation is consistent with the “pre-funding approach” developed by the Board during the operating budget process and in prior years.

BACKGROUND:

The total minimum required employer contribution is the sum of the CalPERS Plan’s Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) contribution amount (billed monthly in dollars). Beginning in FY 2009-10, IRWD elected to utilize the lump sum payment option for the total minimum required employer contribution as it benefits from not incurring interest expense at the assumed actuarial interest rate, which is currently 7.00%.

Beginning three fiscal years ago, only the UAL portion of the employer contribution can be prepaid in full no later than July 31 of each year. The normal cost contributions, estimated to be \$3.4 million, will be made as part of the payroll reporting process. CalPERS indicates that IRWD’s UAL lump sum payment will be \$5,888,727, as provided in Exhibit “A”. The total cost for choosing the monthly payments option is approximately \$6,091,347, so the lump sum payment option saves IRWD approximately \$202,620.

FISCAL IMPACTS:

IRWD’s approved operating budget for FY 2020-21 includes an employer contribution of \$8.3 million for the CalPERS requirement. The payments are consistent with the impacts identified in setting rates for FY 2020-21.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

Consent Calendar: Lump Sum Payment Option for Employer Contributions for FY 2020-21 to the California Public Employees Retirement System

July 13, 2020

Page 2

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on July 7, 2020.

RECOMMENDATION:

THAT THE BOARD APPROVE THE LUMP SUM PAYMENT FOR EMPLOYER CONTRIBUTIONS TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS) BY MAKING A ONE-TIME CONTRIBUTION OF \$5,888,727 FOR IRWD'S FY 2020-21 EMPLOYER CONTRIBUTION.

LIST OF EXHIBITS:

Exhibit "A" – Letter from CalPERS Regarding Lump Sum Prepayment Amount

Required Contributions

| | Fiscal Year |
|---|---------------------|
| Required Employer Contribution | 2020-21 |
| Employer Normal Cost Rate | 9.428% |
| <i>Plus, Either</i> | |
| 1) Monthly Employer Dollar UAL Payment | \$ 507,612 |
| <i>Or</i> | |
| 2) Annual UAL Prepayment Option* | \$ 5,888,727 |
| Required PEPRAs Member Contribution Rate | 6.50% |
| <p><i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars).</i></p> <p><i>* Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Any prepayment totaling over \$5 million requires a 72-hour notice email to FCSD_public_agency_wires@calpers.ca.gov. Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change.</i></p> <p><i>In accordance with Sections 20537 and 20572 of the Public Employees' Retirement Law, if a contracting agency fails to remit the required contributions when due, interest and penalties may apply.</i></p> <p><i>For additional detail regarding the determination of the required contribution for PEPRAs members, see Appendix D. Required member contributions for Classic members can be found in Appendix B.</i></p> | |

| | Fiscal Year | Fiscal Year |
|--|--------------------|--------------------|
| | 2019-20 | 2020-21 |
| Normal Cost Contribution as a Percentage of Payroll | | |
| Total Normal Cost | 15.707% | 16.857% |
| Employee Contribution ¹ | 7.227% | 7.429% |
| Employer Normal Cost ² | 8.480% | 9.428% |
| Projected Annual Payroll for Contribution Year | \$ 34,133,602 | \$ 35,640,482 |
| Estimated Employer Contributions Based On Projected Payroll | | |
| Total Normal Cost | \$ 5,361,365 | \$ 6,007,915 |
| Employee Contribution ¹ | 2,466,835 | 2,647,731 |
| Employer Normal Cost² | 2,894,530 | 3,360,184 |
| Unfunded Liability Contribution | 5,433,674 | 6,091,347 |
| % of Projected Payroll (illustrative only) | 15.919% | 17.091% |
| Estimated Total Employer Contribution | \$ 8,328,204 | \$ 9,451,531 |
| % of Projected Payroll (illustrative only) | 24.399% | 26.519% |

¹ For classic members, this is the percentage specified in the Public Employees' Retirement Law, net of any reduction from the use of a modified formula or other factors. For PEPRAs members, the member contribution rate is based on 50 percent of the normal cost. A development of PEPRAs member contribution rates can be found in Appendix D. Employee cost sharing is not shown in this report.

² The Employer Normal Cost is a blended rate for all benefit groups in the plan. A breakout of normal cost by benefit group is shown in Appendix D.

Actuarial Assumptions

In 2017, CalPERS completed its most recent asset liability management study incorporating actuarial assumptions and strategic asset allocation. In December 2017, the CalPERS Board of Administration adopted relatively modest changes to the asset allocation that reduced the expected volatility of returns. The adopted asset allocation was expected to have a long-term blended return that continued to support a discount rate assumption of 7.00 percent. The Board also approved several changes to the demographic assumptions that more closely aligned with actual experience.

On December 21, 2016, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 actuarial valuations. **The minimum employer contributions for Fiscal Year 2020-21 determined in this valuation were calculated using a discount rate of 7.00 percent.** The decision to reduce the discount rate was primarily based on reduced capital market assumptions provided by external investment consultants and CalPERS investment staff. The specific decision adopted by the Board reflected recommendations from CalPERS staff and additional input from employer and employee stakeholder groups. Based on the investment allocation adopted by the Board and capital market assumptions, the reduced discount rate schedule provides a more realistic assumption for the long-term investment return of the fund.

Notwithstanding the Board's decision to phase into a 7.0 percent discount rate, subsequent analysis of the expected investment return of CalPERS assets or changes to the investment allocation may result in a change to this discount rate schedule.

For more details and additional rationale for the selection of the actuarial assumptions, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website under: "Forms and Publications". Click on "View All" and search for Experience Study.

All actuarial assumptions (except the discount rates used for the hypothetical termination liability) represent an estimate of future experience rather than observations of the estimates inherent in market data.

Economic Assumptions

Discount Rate

The prescribed discount rate assumption, adopted by the Board on December 21, 2016, is 7.00 percent compounded annually (net of investment and administrative expenses) as of June 30, 2018.

Termination Liability Discount Rate

The current discount rate assumption used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date.

The hypothetical termination liabilities in this report are calculated using an observed range of market interest rates. This range is based on the lowest and highest 20-year Treasury bond observed during an approximate 2-year period centered around the valuation date. The 20-year Treasury bond has a similar duration to most plan liabilities and serves as a good proxy for the termination discount rate. The 20-year Treasury yield was 2.83 percent on June 30, 2018.



BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS FY 2020-21

(in thousands)

| | FY 2019-20 | FY 2020-21 | Change |
|---|-------------------|-------------------|-----------------|
| Insurance and Benefits | | | |
| Health Ins Actives | \$ 5,889 | \$ 6,478 | \$ 589 |
| Dental Premiums | 464 | 488 | 24 |
| Wrkrs Comp Premiums | 727 | 763 | 36 |
| Wrkrs Comp Paid Claims | 735 | 772 | 37 |
| Life Ins Actives | 174 | 174 | 0 |
| LT Disability Premiums | 155 | 155 | 0 |
| Medical Premiums - Retirees | 170 | 177 | 7 |
| Vision Benefit Premiums | 85 | 85 | 0 |
| RHCAP Payments - OPEB | 496 | 575 | 79 |
| Life Ins Retirees | 13 | 13 | (0) |
| Other | 182 | 187 | 5 |
| | <u>\$ 9,089</u> | <u>\$ 9,866</u> | <u>\$ 777</u> |
| Employment Tax and PERS | | | |
| PERS Employer Portion | \$ 7,897 | \$ 8,319 | \$ 422 |
| PERS In Excess Of ARC | 1,372 | 1,909 | 537 |
| 401A Employer Match Portion | 924 | 973 | 49 |
| 401A Employer Direct Portion | 367 | 387 | 20 |
| Medicare Tax | 525 | 553 | 28 |
| St Unemployment Tax | 50 | 50 | 0 |
| | <u>\$ 11,135</u> | <u>\$ 12,191</u> | <u>\$ 1,056</u> |
| Total Insurance, Benefits, and Taxes | <u>\$ 20,224</u> | <u>\$ 22,057</u> | <u>\$ 1,833</u> |

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July 13, 2020

Prepared by: T. Malone

Submitted by: C. Clary

Approved by: Paul A. Cook



CONSENT CALENDAR

INFORMATION SERVICES PROFESSIONAL SERVICES SUPPORT CONTRACT RENEWALS

SUMMARY:

IRWD has utilized outside resources to supplement staff's operation and maintenance of the District's Customer Care and Billing (CC&B) system. In 2019, IRWD retained Infosys Limited, the systems integrator for the previous CC&B system upgrade, to provide managed support services. Staff has determined a need to continue the support services from Infosys through Fiscal Year (FY) 2020-21, and recommends the Board authorize the General Manager to execute a Professional Services Agreement with Infosys through FY 2020-21 for an amount of \$325,000.

BACKGROUND:

Infosys has provided IRWD with managed support services for the CC&B system since August 2014. Infosys provides highly skilled, experienced, and reliable resources who are knowledgeable with IRWD's systems, standards, and staff. Infosys has proven its ability to augment staff resources by handling urgent projects with tight deadlines, as was done with the programming changes for the Utility Bill Redesign Project during FY 2018-19.

Staff has identified the need to continue the software support services agreement for FY 2020-21. Under the proposed scope, Infosys will continue to provide support for issues involving a high degree of complexity, while IRWD staff will handle routine and less complex requests. The proposed software support services are \$26,880 per month or \$322,560 for 12 months. In addition, there may be small miscellaneous projects in the amount of \$2,440 that will require these additional resources to complete. Staff recommends the Board authorize the General Manager to execute a Professional Services Agreement with Infosys for a total amount of \$325,000.

FISCAL IMPACTS:

Funding for professional services to augment the Information Services Department is included in the FY 2020-21 Operating budget. The professional services provided by Infosys will be charged to the appropriate projects or expense account.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on July 7, 2020.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR FISCAL YEAR 2020-21 WITH INFOSYS LIMITED IN THE AMOUNT OF \$325,000 FOR MANAGED SUPPORT SERVICES.

LIST OF EXHIBITS:

Exhibit "A" – Infosys Scope for Managed Support Services and Change Request

ICE: Application Support and Maintenance



Table of Contents

Proposed Support Model

In-scope application portfolio

In Scope / Out of Scope

Solution Assumptions

Commercials

Timelines and Milestones

Application Support & Maintenance Ticket Trend

Application Support & Maintenance Open Ticket Trend

Proposed Support Model

Proposed Scope

Extended Application Support (12 months)

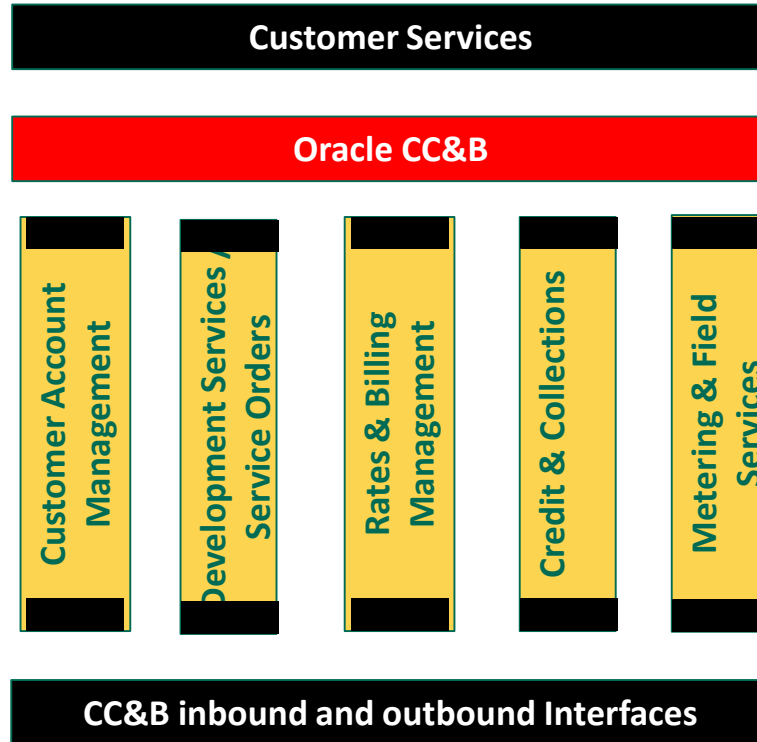
Infosys

- L2 & L3 Support
- Oracle Support Co-ordination

IRWD

- Work with Infosys resources in L2 & L3 Support, and to pickup Job Monitoring
- Take Lead in resolving some of the support tickets

In-scope application portfolio



In Scope / Out of Scope

In Scope

Level 2 Support Activities:

- Incident investigation, diagnosis and the delivery of workarounds and resolutions without code changes.
- Escalation/closure of unresolved issues to Level 3 support.
- Providing quick fixes for any data issues.
- Escalation of key product issues with Oracle and manage the lifecycle of the particular Service Request for the same.
- Incident notification (send email to stakeholders, etc.),
- Incident Follow up, Incident Closure.

Level 3 Support Activities:

- Problem analysis and provide resolution by way of code fixes.
- Root cause analysis for recurring issues for preventive maintenance.
- Configuration changes related to bug fixes.
- Support for application-specific data issues which impacts the database.
- BIP support activities for reporting requirements with minor changes.

Out of Scope

Level 1 Support Activities:

- Batch Jobs monitoring and quick fixes for Batch job failures
- Handling direct calls from customers or Help desk support activities
- Infrastructure support and related testing activities
- Desktop and client connectivity support
- Major Enhancements and Product Upgrades
- Core DBA and App DBA support for CC&B, OBIU and BIP admin activities.
- Accuzip support activities
- Weekend/ On-Call Support (Beeper support)
- Minor Enhancements
- OUBI
- Bills, Letters (like Invoice, Master agreement, Mater Bond, Cross connection letters etc.) and report formatting

Solution Assumptions

- Additional staffing required for sudden surge in number of tickets per month will be mutually agreed and staffed
- IRWD IS team to drive the business interactions to follow-up on the tickets which include incidents and service request for user verification and closure.
- Support will be provided in the normal office hours for onsite and offshore locations
 - Onsite Office hours : 9:00 AM PST/PDT – 5:30 PM PST/PDT
 - Offshore Office hours : 8:30 PM PST/PDT – 5:00 AM PST/PDT
- Any request to provide production support out of the above office hours at onsite will be considered as additional scope as this involves overtime charges.

Commercials

- ❑ Total fixed price for **12 months of L2/L3 support** is **322,560 USD**
- ❑ Ticket scope and resource loading details are provided below
- ❑ In addition to tickets, 40 hours per month considered for adhoc requests
- ❑ No Enhancements hours
- ❑ Only CC&B Technical Resources are considered for the support. OUBI applications are not considered in the scope.
- ❑ Tickets per month count includes service requests, Incidents, adhoc requests and impact assessment for the change requests before they convert to approved CR's.

| | Jul'19 | Aug'19 | Sep'19 | Oct'19 | Nov'19 | Dec'19 | Jan'20 | Feb'20 | Mar'20 | Apr'20 | May'20 | June'20 |
|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Tickets Per Month | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Onsite Resource | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Offshore Resource | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

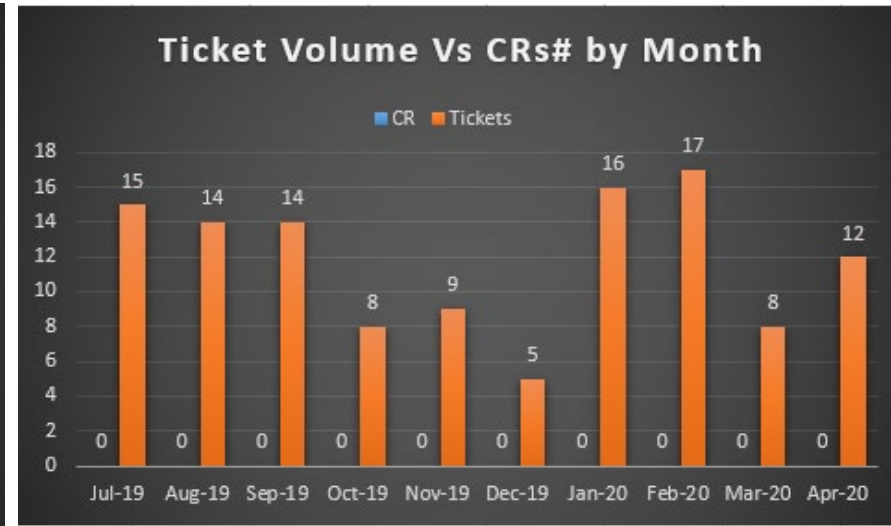
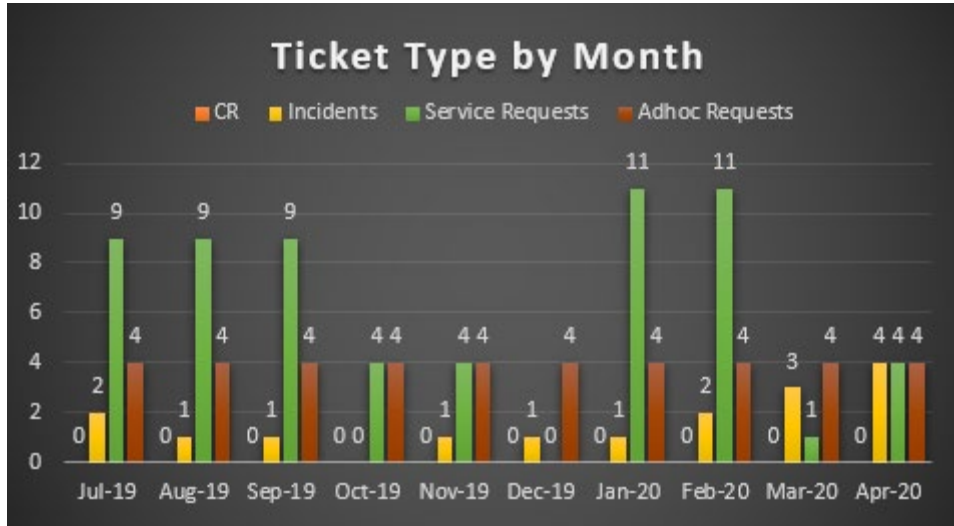
Timelines and Milestones

- This New Support extension is for a period of **12 months starting 01 July, 2020 to 30 June, 2021** and below are the monthly milestones during this support period.
- Monthly milestone amounts would be distributed as 25%, 50%, 25% across STP, HYDSEZ, BBSRSEZ respectively as we have resource loading across locations in the new extension opportunity.

| M# | Description | Milestone Date | Services Amount |
|-----|---------------------|----------------|---------------------|
| M1 | July Milestone | 1-Aug-20 | \$268,80.00 |
| M2 | August Milestone | 1-Sep-20 | \$268,80.00 |
| M3 | September Milestone | 1-Oct-20 | \$268,80.00 |
| M4 | October Milestone | 1-Nov-20 | \$268,80.00 |
| M5 | November Milestone | 1-Dec-20 | \$268,80.00 |
| M6 | December Milestone | 1-Jan-21 | \$268,80.00 |
| M7 | January Milestone | 1-Feb-21 | \$268,80.00 |
| M8 | February Milestone | 1-Mar-21 | \$268,80.00 |
| M9 | March Milestone | 1-Apr-21 | \$268,80.00 |
| M10 | April Milestone | 1-May-21 | \$268,80.00 |
| M11 | May Milestone | 1-Jun-21 | \$268,80.00 |
| M12 | June Milestone | 28-Jun-21 | \$268,80.00 |
| | | TOTAL | \$322,560.00 |

Note : Our resources will be working from multiple locations, and they would be using the client provided software's with maximum connections not exceeding 5 in total across locations.

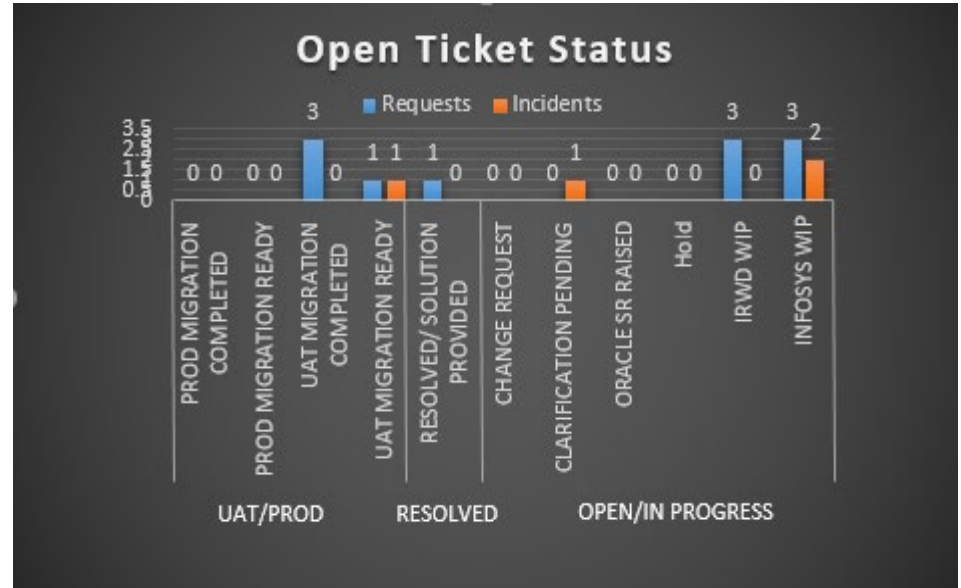
Application Support & Maintenance Ticket Trend



- Based on the inflow of tickets (Incident and Service requests), 13 tickets per month have been considered in scope for the support extension. This is same as in the current contract.
- Average time spent by team is considered 23 Hours per ticket.
- In addition, team has also worked on few adhoc requests. An average effort of 40~ Hrs. per month has been considered in scope for such adhoc requests.
- Ticket volumes captured as WSR reporting till April 2020, more tickets to be added to the list by end of June.

Application Support & Maintenance Open Ticket Trend

| Status Type | Status Description | Requests | Incidents |
|------------------|-----------------------------|----------|-----------|
| UAT / PROD | PROD MIGRATION COMPLETED | 0 | 0 |
| | PROD MIGRATION READY | 0 | 0 |
| | UAT MIGRATION COMPLETED | 3 | 0 |
| | UAT MIGRATION READY | 1 | 1 |
| RESOLVED | RESOLVED/ SOLUTION PROVIDED | 1 | 0 |
| OPEN/ INPROGRESS | CHANGE REQUEST | 0 | 0 |
| | CLARIFICATION PENDING | 0 | 1 |
| | ORACLE SR RAISED | 0 | 0 |
| | Hold | 0 | 0 |
| | IRWD WIP | 3 | 0 |
| | INFOSYS WIP | 3 | 2 |
| Totals | | 11 | 4 |



- ❑ Open ticket status is based on the WSR reporting till April 2020
- ❑ We would have around 15~ open tickets with following status (In-Progress, Change Control Board, Clarification Pending, Oracle SR Raised), which would be carry forward to the next support Jul'20 to Jun'21. Team would continue to support these tickets for successful production deployment as per business priorities.

Thank You




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July 13, 2020
Prepared by: A. Murphy / M.
Cortez
Submitted by: K. Burton
Approved by: Paul A. Cook 

CONSENT CALENDAR

BAKER WATER TREATMENT PLANT ENTRANCE IMPROVEMENTS BID REJECTION

SUMMARY:

The Baker Water Treatment Plant Entrance Improvements will construct security fencing, a motorized vehicle gate and other miscellaneous improvements at the new entrance to IRWD's Baker Water Treatment Plant off Civic Center Drive in Lake Forest. The only bid received at the bid opening on June 30, 2020 was from Paulus Engineering in the amount of \$359,777, which was significantly greater than the engineer's estimate of \$170,900. Staff recommends the Board authorize staff to reject the bid for the Baker Water Treatment Plant Entrance Improvements and re-bid the project after revising the bid documents.

BACKGROUND:

The Baker Water Treatment Plant Entrance Improvements, designed by Michael Baker International, will construct security fencing, a new motorized vehicle gate, and other miscellaneous improvements at the new entrance to the Baker Water Treatment Plant campus off Civic Centre Drive adjacent to the Serrano Summit development of Lake Forest. The proposed vehicle gate and tubular steel fence will connect with and match the existing Lake Forest City Hall fence and will create a continuous security barrier for IRWD's Baker Campus. The improvements will also include a lighted entrance sign for the Baker Plant.

The design was completed in May 2020, and the project was advertised for construction bidding to 18 contractors. Staff conducted a non-mandatory pre-bid meeting that was attended by Paulus Engineering only. The bid opening was held on June 30, 2020, and Paulus Engineering was the only contractor to submit a bid. Paulus Engineering's bid results are provided as Exhibit "A".

Bid Rejection and Re-bid:

The bid of \$359,777 from Paulus Engineering is more than double the engineer's estimate of \$170,900. After reviewing Paulus' bid, staff determined that 84% of the increase in cost above the engineer's estimate was due to its much higher bid costs for the fencing, vehicle gate, and lighted entrance sign. The engineer underestimated these bid item costs, as well as the contractor's markup.

Staff recommends the Board authorize staff to reject Paulus' bid and re-bid the project after staff completes the following items to ensure a competitive bid: 1) research manufacturers for alternative less expensive tubular steel fencing that is similar to the security fencing used at other IRWD facilities, 2) include fencing contractors on the bidder's list, and 3) evaluate alternatives to reduce the cost of the lighted entrance sign.

FISCAL IMPACTS:

Project 10559 is included in the FY 2020-21 Capital Budget and is not a flagged project. The existing budget and Expenditure Authorization are sufficient to fund the construction of the project.

ENVIRONMENTAL COMPLIANCE:

This project is subject to the California Environmental Quality Act (CEQA) and in conformance with the California Code of Regulations Title 14, Chapter 3, Article 7, an Environmental Impact Report, SCH #2010051055, was certified on April 24, 2011 by IRWD for the Baker Water Treatment Plant. Also, in conformance with the California Code of Regulations Title 14, Chapter 3, Article 7, an Environmental Impact Report, SCH #2011051009, was certified by the City of Lake Forest for the Serrano Summit development.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD REJECT THE BID RECEIVED FOR THE BAKER WATER TREATMENT PLANT ENTRANCE IMPROVEMENTS, PROJECT 10559, AND AUTHORIZE STAFF TO RE-BID THE PROJECT AFTER REVISING THE BID DOCUMENTS.

LIST OF EXHIBITS:

Exhibit "A" – Paulus Engineering Bid Results

Bid Results**Bidder Details**

Vendor Name Paulus Engineering, Inc.
Address 2871 E Coronado St
 Anaheim, CA 92806
 United States

Respondee Rory Campbell
Respondee Title Chief Estimator
Phone 714-632-3975 Ext.
Email campbell@paulusengineering.com

Vendor Type CADIR
License # 724114
CADIR 1000000540

Bid Detail

Bid Format Electronic
Submitted June 30, 2020 1:13:40 PM (Pacific)
Delivery Method
Bid Responsive
Bid Status Submitted
Confirmation # 217593
Ranking 0

Respondee Comment**Buyer Comment****Attachments**

| File Title | File Name | File Type |
|------------|----------------------|-----------|
| Bid Form | 220112 Paperwork.pdf | Bid Form |

Line Items

| Type | Item Code | UOM | Qty | Unit Price | Line Total | Comment |
|----------------------------|--|-----|-----|--------------|--------------|---------|
| BASE BID LINE ITEMS | | | | | | |
| 1 | Mobilization and Demobilization(not to Exceed 5% of Total Amount of Bid) | LS | 1 | \$10,000.00 | \$10,000.00 | |
| 2 | Fence (6' High) and Pedestrian Gate | LF | 200 | \$391.00 | \$78,200.00 | |
| 3 | 18-ft Wide Single Swing Entrance Gate, Accessories, and Installation | LS | 1 | \$29,617.00 | \$29,617.00 | |
| 4 | Gate Opener and Control System | LS | 1 | \$125,555.00 | \$125,555.00 | |
| 5 | IRWD Lighted Sign and Pedestal (2'x3'x5') | LS | 1 | \$77,405.00 | \$77,405.00 | |

Bid Results

| Type | Item Code | UOM | Qty | Unit Price | Line Total | Comment |
|--|--|-----|------|------------|-----------------|---------------------|
| 6 | Red Curb Stripping | LF | 2000 | \$5.00 | \$10,000.00 | |
| 7 | Fire Lane and Not A Through Street Signs | EA | 1 | \$8,500.00 | \$8,500.00 | |
| 8 | Replace Existing Keypad Stanchion Foundation | LS | 1 | \$4,700.00 | \$4,700.00 | |
| 9 | Type II Slurry Seal | SF | 4600 | \$3.00 | \$13,800.00 | |
| 10 | Final Record Drawings | LS | 1 | \$2,000.00 | \$2,000.00 | |
| | | | | | Subtotal | \$359,777.00 |
| ADDITION OR DEDUCTION LINE ITEM | | | | | | |
| 11 | ADDITION (+) OR DEDUCTION (-) | LS | 1 | 0 | 0 | |
| | | | | | Subtotal | 0 |
| | | | | | Total | \$359,777.00 |


Subcontractors

| Name & Address | Description | License Num | CADIR | Amount | Type |
|---|----------------------------|-------------|------------|--------------|-------|
| All American Asphalt 400 E. 6th Street Corona, CA 92879 United States | Slurry Seal | 267073 | 1000001051 | \$8,740.00 | CADIR |
| Alcorn Fence Company 9901 Glenoaks BLVD Sun Valley, CA 91352 United States | Fence, Gate Control Opener | 122954 | 1000001986 | \$133,909.00 | CADIR |
| Hydrotech Electric 37707 Green Knolls Road Winchester, CA 92596 United States | Electrical | 977838 | 1000001266 | \$24,229.00 | CADIR |

July 13, 2020

Prepared by: R. Burk / M. Cortez

Submitted by: K. Burton

Approved by: Paul A. Cook 

ACTION CALENDAR

CULVER DRIVE 12-INCH DOMESTIC WATER PIPELINE RELOCATION BUDGET INCREASE AND CONSTRUCTION AWARD

SUMMARY:

The Culver Drive 12-inch Domestic Water Pipeline Relocation project will relocate the existing 12-inch pipeline beneath the City of Irvine's existing reinforced concrete box culvert storm drain at the intersection of University Drive and Culver Drive. Staff recommends the Board:

- Authorize a budget increase for Project 07170 in the amount of \$708,000, from \$248,000 to \$956,000, and
- Authorize the General Manager to execute a construction contract with L&S Construction, Inc. in the amount of \$333,000 for the Culver Drive 12-inch Domestic Water Pipeline Relocation project.

BACKGROUND:

The City of Irvine is continuing construction of the University Drive and Culver Drive street improvement projects. As part of the City's University Drive Widening project, segments of IRWD's pipelines and appurtenances have been relocated under a Reimbursement Agreement. During the City's construction of the street widening of northbound Culver Drive at University Drive, the City's contractor discovered IRWD's 12-inch domestic water pipeline to be extremely shallow and in conflict with the proposed right-turn lane improvements. IRWD's 12-inch domestic water pipeline ran directly underneath the former sidewalk portion of the street at an extremely shallow elevation, crossing over the top of the City's existing culvert storm drain. The City removed the shallow portion of IRWD's 12-inch pipeline to allow for the street widening improvements.

Due to the inadequate cover above the City's existing culvert storm drain, IRWD's pipeline needs to be relocated under the existing culvert storm drain utilizing a bore and jack operation. The City preferred not to include the pipeline relocation as additional change order work and requested IRWD to relocate the pipeline – after the City's construction was completed but before the final street paving occurred. Staff verified that the City has prior rights and the relocation would be at IRWD's expense. The project site is shown in Exhibit "A".

IRWD retained Stantec Consulting Services to provide engineering design services for the design of the 12-inch domestic water pipeline relocation underneath the existing culvert storm drain. The design was coordinated with the City's Intersection Improvements Project, and Stantec completed design in May 2020. The City's contractor is expected to complete construction of the street improvements this month. The construction for IRWD's pipeline relocation project is anticipated to start in mid-August, and then City's paving contractor will perform final street paving subsequent to the District's completion of the pipeline relocation.

Action Calendar: Culver Drive 12-inch Domestic Water Pipeline Relocation Budget Increase and Construction Award

July 13, 2020

Page 2

Construction Bid:

The project was advertised to a select bidders list of 19 pipeline contractors on May 18, 2020, and the bid opening was held on June 18. Five bids were received from L&S Construction, Ferreira Construction Company, GCI Construction, Paulus Engineering, and T.E. Roberts.

The bids are summarized in the table below.

| Bidder | Bid Amount |
|---------------------------------|-------------------|
| L&S Construction, Inc. | \$333,000 |
| Ferreira Construction Co., Inc. | \$396,000 |
| GCI Construction, Inc. | \$419,500 |
| Paulus Engineering, Inc. | \$429,777 |
| T.E. Roberts, Inc. | \$499,400 |
| <i>Engineer's Estimate</i> | <i>\$554,000</i> |

L&S Construction, Inc. was the apparent low bidder with a bid of \$333,000; the bid information is provided as Exhibit "B". All bids were between 10% and 40% lower than the engineer's estimate of \$554,000. The discrepancy between the bids and the engineer's estimate can be attributed to a conservative engineer's estimate for the jack and bore line item as well as conservative contingency and market allowances accounted for in the final engineer's estimate. L&S has extensive experience with pipeline projects and is well qualified to construct the improvements.

FISCAL IMPACTS:

Two projects are being funded by Project 07170. The University Widening and Appurtenance Relocation, Project 07170, was established for relocating IRWD pipeline appurtenances along University Drive in response to the City's street improvements project. The relocation of IRWD's 12-inch domestic water pipeline through a bore and jack operation was not accounted for in the original budget for Project 07170. The budget increase will fund both the 12-inch domestic water pipeline relocation at the intersection of University and Culver, as well as the change orders for relocating pipeline appurtenances along University Drive.

Project 07170 is included in the FY 2020-21 Capital Budget. A budget increase is required to fund the construction and engineering support services for the project as shown in the following table.

| Project No. | Current Budget | Addition <Reduction> | Total Budget |
|-------------|----------------|----------------------|--------------|
| 07170 | \$248,000 | \$708,000 | \$956,000 |

Action Calendar: Culver Drive 12-inch Domestic Water Pipeline Relocation Budget Increase
and Construction Award

July 13, 2020

Page 3

ENVIRONMENTAL COMPLIANCE:

This project is subject to the California Environmental Quality Act (CEQA). In conformance with the California Code of Regulations Title 14, Chapter 3, Article 7, a Mitigated Negative Declaration, SCH # 2014031052, was certified on August 26, 2014, by the City of Irvine, lead agency responsible for CEQA compliance.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE A BUDGET INCREASE IN THE AMOUNT OF \$708,000, FROM \$248,000 TO \$956,000 AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH L&S CONSTRUCTION, INC. IN THE AMOUNT OF \$333,000 FOR THE CULVER DRIVE 12-INCH DOMESTIC WATER PIPELINE RELOCATION, PROJECT 07170.

LIST OF EXHIBITS:

Exhibit "A" – Project Site Map

Exhibit "B" – Bid Results

Note: This page is intentionally left blank.

EXHIBIT A – PROJECT SITE MAP
CULVER DRIVE 12-INCH DOMESTIC WATER RELOCATION



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Bid Results**Bidder Details**

Vendor Name L&S Construction, Inc.
Address 674 N Batavia St.
Orange, CA 92868
United States

Respondee Mike Kinney III
Respondee Title Secretary
Phone 714-476-3326 Ext.
Email mikek@lsconstruction.net

Vendor Type CADIR
License # 412580
CADIR 1000009625

Bid Detail

Bid Format Electronic
Submitted June 18, 2020 1:48:18 PM (Pacific)
Delivery Method
Bid Responsive
Bid Status Submitted
Confirmation # 216412
Ranking 0

Respondee Comment**Buyer Comment****Attachments**

| File Title | File Name | File Type |
|------------|---|-----------|
| Bid Packet | L&S Construction Bid Packet 6-18-2020.pdf | Bid Form |

Line Items

| Type | Item Code | UOM | Qty | Unit Price | Line Total | Comment |
|-----------------------|--|-----|-----|-------------|-------------|---------|
| BASE BID ITEMS | | | | | | |
| 1 | Mobilization, Demobilization, and Clean-up | LS | 1 | \$42,000.00 | \$42,000.00 | |
| 2 | Stormwater and Erosion Control BMPs | LS | 1 | \$12,500.00 | \$12,500.00 | |
| 3 | Traffic Control | LS | 1 | \$45,000.00 | \$45,000.00 | |
| 4 | Trench Safety Measures | LS | 1 | \$45,500.00 | \$45,500.00 | |
| 5 | Potholing | LS | 1 | \$12,000.00 | \$12,000.00 | |

Bid Results

| Type | Item Code | UOM | Qty | Unit Price | Line Total | Comment |
|--|----------------------------------|-----|-----|-----------------|---------------------|---------|
| 6 | Jack and Bore 20" Steel Casing | LF | 55 | \$2,000.00 | \$110,000.00 | |
| 7 | Construction of 12" PVC Pipe | LF | 100 | \$280.00 | \$28,000.00 | |
| 8 | Repair Asphalt Concrete Pavement | LS | 1 | \$27,500.00 | \$27,500.00 | |
| 9 | Install Project Sign | LS | 1 | \$8,500.00 | \$8,500.00 | |
| 10 | Final Record Drawings | LS | 1 | \$2,000.00 | \$2,000.00 | |
| | | | | Subtotal | \$333,000.00 | |
| ADDITION OR DEDUCTION LINE ITEM | | | | | | |
| 11 | ADDITION (+) OR DEDUCTION (-) | LS | 1 | 0 | 0 | |
| | | | | Subtotal | 0 | |
| | | | | Total | \$333,000.00 | |


Subcontractors

| Name & Address | Description | License Num | CADIR | Amount | Type |
|---|--------------------------------|-------------|------------|-------------|-------|
| Golden State Boring & Pipe Jacking, Inc. 7000 Merrill Ave. Box 40 Chino, CA 91761 United States | Jack and Bore 20" Steel Casing | 678500 | 1000005788 | \$21,500.00 | CADIR |

July 13, 2020

Prepared by: T. Bonkowski / M. Cortez

Submitted by: K. Burton

Approved by: Paul A. Cook 

ACTION CALENDAR

TURTLE RIDGE PIPELINES CATHODIC PROTECTION BUDGET INCREASE AND CONSTRUCTION AWARD

SUMMARY:

The project consists of the installation of a cathodic protection system to protect IRWD's domestic and recycled water pipelines in the Turtle Ridge development area from corrosion. Staff recommends the Board:

- Authorize a budget increase in the amount of \$444,000, from \$309,000 to \$749,000, for Project 07888 and \$379,500, from \$309,000 to \$688,500, for Project 07889, and
- Authorize the General Manager to execute a construction contract with Paulus Engineering, Inc. in the amount of \$579,777 for the Turtle Ridge Pipelines Cathodic Protection project.

BACKGROUND:

Over the past several years, corrosion-related leaks have been repaired on the 10-inch ductile iron recycled water main and 16-inch ductile iron domestic water main in the Turtle Ridge development area. This project will install an impressed current cathodic protection system consisting of a deep well anode and rectifier to protect the recycled and domestic water pipelines in Turtle Ridge Drive, Federation Way and Summit Park Drive in Irvine.

V&A Consulting Engineers was retained for the extensive design, which included: 1) pothole excavations to expose the pipelines in multiple locations to determine their condition, 2) exploratory excavations of tees and valves to determine the need for insulator joints between any dissimilar metal pipe materials, i.e. ductile iron and cement mortar lined and coated steel, and 3) continuity testing of the pipelines.

V&A also coordinated the project construction schedule with the adjacent school and churches within the project vicinity. Since the school has been closed due to COVID-19 and the church has only recently reopened, construction at this time is opportune.

Construction Award:

In May, the plans were approved and the project was advertised for construction bidding to a select list of 24 cathodic protection and pipeline contractors. The bid opening occurred on June 25, 2020 with three bids received from Paulus Engineering, T.E. Roberts, and Corpro Companies. Paulus Engineering, Inc. was the apparent low bidder with a bid of \$579,777; the engineer's estimate was \$408,765. The difference between the engineer's estimate and Paulus Engineering's bid is associated with three items of work. The engineer underestimated the cost associated with the installation of deep well anodes, installation of insulator joints on the existing

pipelines, and asphalt concrete pavement repair and slurry sealing. Paulus Engineering's bid information is provided as Exhibit "A", and a summary of the three bids is provided as follows:

| Bidder | Bid Amount |
|----------------------------|-------------------|
| Paulus Engineering, Inc. | \$579,777 |
| T.E. Roberts, Inc. | \$651,356 |
| Corrpro Companies, Inc. | \$897,817 |
| <i>Engineer's Estimate</i> | <i>\$408,765</i> |

FISCAL IMPACTS:

Projects 07888 and 07889 are included in the FY 2020-21 Capital Budget. Budget increases for both projects are required to fund construction and design phase overexpenditures as shown in the table below:

| Project No. | Current Budget | Addition <Reduction> | Total Budget |
|--------------|------------------|----------------------|--------------------|
| 07888 | \$309,000 | \$440,000 | \$749,000 |
| 07889 | \$309,000 | \$379,500 | \$688,500 |
| Total | \$618,000 | \$819,500 | \$1,437,500 |

ENVIRONMENTAL COMPLIANCE:

This project is exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations Title 14, Chapter 3, Section 15301, which provides categorical exemption for the operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. A Notice of Exemption was filed with the Orange County Clerk's office on May 18, 2017.

COMMITTEE STATUS:

Construction awards are not routinely taken to Committee prior to submittal to the Board.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE A BUDGET INCREASE IN THE AMOUNT OF \$444,000, FROM \$309,000 TO \$749,000, FOR PROJECT 07888 AND \$379,500, FROM \$309,000 TO \$688,500, FOR PROJECT 07889; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH PAULUS ENGINEERING, INC. IN THE AMOUNT OF \$579,777 FOR THE TURTLE RIDGE PIPELINE CATHODIC PROTECTION, PROJECTS 07888 AND 07889.

Action Calendar: Turtle Ridge Pipelines Cathodic Protection Budget Increase and Construction
Award
July 13, 2020
Page 3

LIST OF EXHIBITS:

Exhibit "A" – Paulus Engineering, Inc.'s Bid Results

Note: This page is intentionally left blank.

EXHIBIT "A"

Irvine Ranch Water District

Page 1

Turtle Ridge Pipelines Cathodic Protection (07888), bidding on June 25, 2020 2:00 PM (Pacific)

Printed 06/25/2020

Bid Results

Bidder Details

Vendor Name Paulus Engineering, Inc.
Address 2871 E Coronado St
Anaheim, CA 92806
United States
Respondee Rory Campbell
Respondee Title Chief Estimator
Phone 714-632-3975 Ext.
Email campbell@paulusengineering.com
Vendor Type CADIR
License # 724114
CADIR 1000000540

Bid Detail

Bid Format Electronic
Submitted June 25, 2020 11:35:22 AM (Pacific)
Delivery Method
Bid Responsive
Bid Status Submitted
Confirmation # 216975
Ranking 0

Respondee Comment

Buyer Comment

Attachments

| File Title | File Name | File Type |
|------------|----------------------|-----------|
| Paperwork | 220107 Paperwork.pdf | Bid Form |

Line Items

| Type | Item Code | UOM | Qty | Unit Price | Line Total | Comment |
|----------------------------|--|-----|-----|--------------|--------------|---------|
| BASE BID LINE ITEMS | | | | | | |
| 1 | Mobilization, demobilization, cleanup, and soil disposal (not to exceed 5%) | LS | 1 | \$28,500.00 | \$28,500.00 | |
| 2 | Install deep anode well per plan detail including but not limited to anodes, vent tube, conduit, anode lead wires, rectifier unit including cabinet, concrete pad, shunt panel, structure lead wires, replace existing SCE pedestal, power connection to replaced SCE pedestal, concrete sidewalk and asphalt repair, traffic control, tree removal, tree replacement, temporary water connection at hydrant, temporary fencing, landscape repair, and all other appurtenant work. | LS | 1 | \$220,771.06 | \$220,771.06 | |
| 3 | Install insulator joint and insulator joint test station on existing 16" DW at Sta. 9+70. | LS | 1 | \$32,501.00 | \$32,501.00 | |
| 4 | Install insulator joint and insulator joint test station on existing 10" DW near the DW PRV Vault. | LS | 1 | \$29,360.12 | \$29,360.12 | |
| 5 | Install insulator joint and insulator joint test station on existing 10" RW at Sta. 9+72. | LS | 1 | \$29,360.12 | \$29,360.12 | |

Turtle Ridge Pipelines Cathodic Protection (07888), bidding on June 25, 2020 2:00 PM (Pacific)

Printed 06/25/2020

Bid Results

| Type | Item Code | UOM | Qty | Unit Price | Line Total | Comment |
|------|---|-----|-------|-----------------|---------------------|---------|
| 6 | Install insulator joint and insulator joint test station on existing 10" RW at Sta. 28+66.70. | LS | 1 | \$35,203.03 | \$35,203.03 | |
| 7 | Install pipe joint bond cables across and at all pipe joints on 16" DW from Sta. 10+70 to Sta. 11+35. | LS | 1 | \$51,207.14 | \$51,207.14 | |
| 8 | Install pipe joint bond cables across existing 10" RW valve at Sta. 18+19.29. | LS | 1 | \$29,227.10 | \$29,227.10 | |
| 9 | Provide slurry seal (Type II) in accordance with City of Irvine standards and encroachment permit. | SF | 40000 | \$0.79 | \$31,600.00 | |
| 10 | Asphalt Repair | SF | 750 | \$50.03 | \$37,522.50 | |
| 11 | Trench Safety Measures | LS | 1 | \$17,164.85 | \$17,164.85 | |
| 12 | Startup, Testing, and Commissioning | LS | 1 | \$28,753.38 | \$28,753.38 | |
| 13 | Operation and Maintenance Manuals | LS | 1 | \$6,606.70 | \$6,606.70 | |
| 14 | Final Record Drawings | LS | 1 | \$2,000.00 | \$2,000.00 | |
| | | | | Subtotal | \$579,777.00 | |
| | ADDITION OR DEDUCTION LINE ITEM | | | | | |
| 15 | ADDITION (+) OR DEDUCTION (-) | LS | 1 | 0 | 0 | |
| | | | | Subtotal | 0 | |
| | | | | Total | \$579,777.00 | |

Subcontractors

| Name & Address | Description | License Num | CADIR | Amount | Type |
|--|-------------------------|-------------|------------|-------------|-------|
| All American Asphalt 400 E. 6th Street Corona, CA 92879 United States | Grind Cap & Slurry Seal | 267073 | 1000001051 | \$41,530.00 | CADIR |
| Farwest Corrosion Control Company 12029 Regentview Ave. Downey, CA 12029 United States | CP Anode Well | 248232 | 1000000051 | \$93,083.25 | CADIR |

July 13, 2020

Prepared by: N. Hastings / A. McNulty

Submitted by: F. Sanchez / P. Weghorst

Approved by: Paul A. Cook *P.A. Cook*

ACTION CALENDAR

WATER EFFICIENCY TACTICAL INCENTIVE FUNDING AUTHORIZATION

SUMMARY:

IRWD's Water Use Efficiency Program includes tactical incentives to encourage customers to install water conservation devices that are cost-effective to the District. In 2015, IRWD executed a multi-year Water Conservation Participation Agreement with the Municipal Water District of Orange County (MWDOC) to administer District incentives for regional rebate programs. Staff recommends the Board authorize the General Manager to allocate \$325,000 from over-allocation revenues in the current Operating Budget to FY 2020-21 rebate programs that are administered through the Water Conservation Participation Agreement with MWDOC, and execute addenda to the agreement as may be necessary to reallocate the funds among the individual rebate programs and to modify incentive levels based on customer participation rates and changes in regional program funding levels.

BACKGROUND:

Tactical incentives are a key element to IRWD's Water Use Efficiency Program. The financial incentives provided by IRWD are used to supplement existing regional rebate programs that are administered by MWDOC. IRWD's incentives are provided taking into consideration avoided costs to the District as a result of the installation of various water conservation devices.

In July 2015, the Board approved the multi-year Water Conservation Participation Agreement with MWDOC, provided as Exhibit "A". Each fiscal year, addenda to the agreement are executed to allocate funding and to specify device rebate funding levels for the Residential, Commercial, Water Savings Incentive and Turf Removal programs.

Device Funding Levels:

The proposed allocation of the IRWD tactical incentive funding and the specific device funding levels for FY 2020-21 are shown in Exhibit "B". The allocation is based on prior customer participation rates and regional funding.

Total incentive program funding in the amount of \$325,000 is included in the FY 2020-21 Operating Budget. Authorization from the Board is required to allocate funds to the Water Conservation Participation Agreement with MWDOC in order to continue providing program incentives through June 2021.

FISCAL IMPACTS:

Funding from over-allocation revenues for tactical incentives in the amount of \$325,000 is included in the FY 2020-21 Operating Budget.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15378.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on July 9, 2020.

RECOMMENDATION:

That the Board authorize the General Manager to allocate \$325,000 in funding to the FY 2020-21 rebate programs administered through the Water Conservation Participation Agreement Between Municipal Water District of Orange County and IRWD, and execute addenda to the agreement as may be necessary to allocate funds to specific programs and modify device incentive levels based on customer participation rates and regional program funding levels.

LIST OF EXHIBITS:

Exhibit "A" – Water Conservation Participation Agreement with MWDOC

Exhibit "B" – Device Funding Levels FY 2020-21

Exhibit "A"

Water Conservation Participation Agreement between the Municipal Water District of Orange County and Irvine Ranch Water District

This Water Conservation Participation Agreement (“Agreement”) is made between the Municipal Water District of Orange County (“MWDOC”) and Irvine Ranch Water District (“Participant Agency”). MWDOC and Participant Agency may be collectively referred to as “Parties” and individually as “Party.”

Recitals

- A. The Metropolitan Water District of Southern California (“Metropolitan”) provides incentive funding to residential, commercial, and industrial water users in its service area for a variety of water conservation activities, including, but not limited to, rebates for the purchase and installation of water-saving devices (“Metropolitan Base Incentives”).
- B. MWDOC is a member agency of Metropolitan and has agreements with Metropolitan that enable residential, commercial, and industrial water users in MWDOC’s service area, and for the benefit of MWDOC’s member agencies, to participate in and take advantage of Metropolitan’s Base Incentives.
- C. Participant Agency, as a MWDOC member agency or a direct Metropolitan member agency, may elect to participate in Metropolitan’s program to replace non-conserving items within its service area.
- D. The Metropolitan Base Incentives amounts for each eligible device or program available to MWDOC and Metropolitan member agencies are listed in the attached Addendums 1A and 1B. It is expected that Metropolitan will establish funding for additional water conservation items and to change some or all of the existing funding rates throughout the term of this Agreement. Any such changes will be incorporated herein by amendment to Addendums 1A and 1B.
- E. Metropolitan and MWDOC each have fiscal responsibility to manage their individual budgets, and hence may have a need to limit availability of funds.
- F. MWDOC and Metropolitan member agencies may also choose to provide additional supplemental funding of their own to augment the Metropolitan Base Incentives. Based on the terms and conditions of this Agreement, MWDOC will facilitate supplemental funding for Participant Agency through the Metropolitan rebate contractor (“Rebate Contractor”) or MWDOC directly. Metropolitan member agencies will coordinate any supplemental funding directly with Metropolitan.
- G. In addition to the Metropolitan Base Incentives, MWDOC has developed and arranged additional local, state, and federal grant funding (“Grant Funding”) for eligible devices in a number of water conservation programs (“MWDOC Administered Programs”) that MWDOC offers to Participant Agency and Metropolitan member agencies. This grant funding may be used to enhance the Metropolitan Base Incentives. Granting agencies

include, but are not limited to, the Department of Water Resources and the United States Bureau of Reclamation.

- H. Participant Agency may also operate customized, local water conservation incentive programs in their respective service areas (“Participant Agency Administered Programs”) and may have access to the Metropolitan Base Incentives and Grant Funding for such, subject to MWDOC and Metropolitan approval and the terms and conditions of this Agreement and any MWDOC and/or Metropolitan agreements.
- I. The purpose of this Agreement is to create a master water conservation participation agreement between MWDOC and Participant Agency that combines all of the conservation programs and incentives (“Programs”) into one agreement. Addendums to this Agreement will be issued for changes involving Metropolitan approved items, MWDOC Board approved items, Grant Funding, adding and subtracting MWDOC Administered Programs and Participant Agency Administered Programs as identified in Section 2, and changes to incentive programs, including funding and incentive levels.

NOW THEREFORE, in consideration of the promises and covenants hereinafter set forth, the Parties do agree as follows:

Section 1: Agreement Term and Administration

- 1.1 This Agreement will be effective on July 1, 2015 or upon execution of this Agreement by all Parties, whichever is later, and shall terminate on June 30, 2025 (“Term”). Continuance of this Agreement will be subject to annual budget approval by MWDOC’s Board of Directors.
- 1.2 This Agreement may be amended at any time by written mutual agreement of the Parties, or by Addendums issued by MWDOC as set forth in Recital I.
- 1.3 This Agreement may be terminated by either Party for any reason upon thirty (30) days written notice to the other Party.
- 1.4 All Addendums are enforced for the duration of this Agreement unless the Addendums are amended or terminated by either Party.
- 1.5 In the event the Agreement is terminated early, Participant Agency is responsible for payment of any funding contributions required by this Agreement that that were initiated prior to the effective date of the termination. For purposes of this Agreement, an application is deemed initiated when an application has been received by Metropolitan’s rebate vendor, EGIA, by MWDOC, or a reservation has been made within any of MWDOC’s online application portals that is pursuant to any of the programs described within this Agreement and the attached Addendums.
- 1.6 Notwithstanding any other provision in this Agreement, funds for all of the programs described within this Agreement and the attached Addendums are conditioned upon the

availability of funds and MWDOC is under no obligation to provide funding for any of the programs if MWDOC determines, in its own discretion, that such funding is exhausted, reduced, eliminated, or unavailable from any funding source, for any reason.

Section 2: Program Funding

2.1 Supplemental Funding

2.1.1 In addition to the Metropolitan Base Incentives, Participant Agency may provide additional funding to augment the Metropolitan Base Incentives amounts for those programs and devices that Participant Agency identifies, and in the amounts indicated, in the appropriate locations in Addendums 2A, 2B, and 2C (“Supplemental Funding”). The Supplemental Funding listed in Addendums 2A through 2C shall specify the amount of Supplemental Funding Participant Agency will provide per device or program, as well as the total maximum Supplemental Funding amount committed to each category of device or program. If the Participant Agency does not complete, sign, and return Addendums 2A through 2C to MWDOC, notwithstanding any other provision of this Agreement, the Participant Agency will not be bound by this Section or the provisions in Addendums 2A through 2C. In general, Supplemental Funding Addendums submitted by the 15th of a month will become effective the first of the following month.

2.1.2 If Participant Agency elects to provide Supplemental Funding or enhanced incentives under this Agreement for any device or program, Participant Agency is responsible for tracking the use of and the remaining availability of those funds. MWDOC will assist, in every way possible, but the ultimate responsibility for tracking all Participant Agency funding is the responsibility of Participant Agency. Participant Agency will ultimately be responsible for any overuse of Participant Agency Supplemental Funding.

2.1.3 Any requests for changes or revisions to Participant Agency’s Supplemental Funding, including funding transfers between Programs, must be submitted by Participant Agency to MWDOC in the form of revised Addendum 2s listing the new funding amounts/limits.

2.1.4 The Participant Agency may elect to participate in the Supplemental Funding Program and be bound by the provisions of this Section 2.1, Sections 3, 5, 6, 7, and 8 of this Agreement, and Addendum 2A through 2C by having its authorized representative complete and sign Addendum 2A through 2C in the spaces provided.

2.2 MWDOC Administered Programs

2.2.2 Participant Agency may elect to take advantage of the MWDOC Administered Programs by having its authorized representative complete and sign Addendums 3A through 3C in the spaces provided. If Participant Agency completes and signs Addendums 3A through 3C, Participant Agency agrees to be bound by the provisions of this Section 2.2, Sections 3, 5, 6, 7, and 8 of this Agreement, and Addendums 3A through

3C. If the Participant Agency does not complete, sign, and return Addendums 3A through 3C, notwithstanding any other provision of this Agreement, the Participant Agency will not be bound by this Section or the provisions in Addendums 3A through 3C.

2.3 Participant Agency Administered Programs

2.3.1 From time to time, funding may be made available for Participant Agency to operate a customized member agency administered local water conservation incentive program or programs (“Participant Agency Administered” “PA” or “MAA Program”) in its service area and access the Metropolitan Base Incentives for such, subject to MWDOC approval of the program and the terms and conditions of this Agreement and Addendum 4. The Participant Agency Administered Program(s) and requirements in connection with it are described in more detail in Addendum 4.

2.3.2 Upon receipt of approval of a Participant Agency Administered Program by MWDOC, Participant Agency is bound by the provisions of Sections 3, 5, 6, 7, and 8 of this Agreement and Addendum 4.

2.4 Exhaustion of Funding

2.4.1 In the event Participant Agency provided funding for any Program or device is exhausted, and Participant Agency does not elect to add additional funding or transfer available funding from another Program or device, MWDOC will discontinue offering the additional rebate funding for that Program or device in Participant Agency’s service area. Notwithstanding any other provision in this Agreement, MWDOC may terminate this Agreement as it relates to Section 2 at any time without prior notice in the event that MWDOC determines that funding for any device or program on Addendums 2 through 4 or MWDOC Grant Funding is exhausted, reduced, eliminated, or unavailable from any funding source, for any reason.

Section 3: Participant Agency Responsibility and Ownership

- 3.1 Participant Agency, at its sole discretion, may independently contract with its own agents under separate agreements for program administration and management for any Participant Agency Administered Program provided that doing so does not compromise program performance, create or present a conflict of interest, or violate the terms of this Agreement.
- 3.2 Participant Agency and/or its agent shall provide all necessary services and materials for such Participant Agency Administered Programs including, but not limited to the following: program administration, promotion, marketing materials, data collection, and analysis, installation verification, and reporting.
- 3.3 All materials and supplies necessary to implement a Participant Agency Administered Program shall be the exclusive property of Participant Agency. MWDOC shall have no

ownership, right, title, security interest, or other interest in any Participant Agency Administered Program materials or supplies, nor any rights duties, or responsibilities, therefor.

- 3.4 Participant Agency is responsible for assuring that any Participant Agency Administered Program complies with all federal, state, and local requirements.
- 3.5 Participant Agency agrees to cooperate with MWDOC's data management activities related to assessing device saturation and program success.
- 3.6 As part of any Participant Agency Administered Program, Participant Agency shall use, maintain, and submit to MWDOC within the designated timeframe an electronic database, to be approved by MWDOC prior to use, for any conservation items installed, distributed, or rebated by Participant Agency or its agents to avoid duplicate distributions and to determine the saturation rate of items by the appropriate geographic delineation.
- 3.7 Participant Agency is solely responsible for the performance of its staff or representatives in complying with the terms of this Agreement and for the proper allocation and appropriate use of funds provided by Metropolitan and/or MWDOC for the purpose of achieving water conservation savings under this Agreement.

Section 4: MWDOC's Obligations

- 4.1 MWDOC will be response to Participant Agency for ensuring that timely reports on the Programs' results are prepared by MWDOC's staff.
- 4.2 MWDOC will develop a database of information regarding participation in the Programs and provide monthly electronic and/or written reports of activity to Participant Agency.
- 4.3 MWDOC will invoice Participant Agency for any Participant Agency funding obligations on a monthly basis for rebates issued in the previous month.
- 4.4 MWDOC does not guarantee any minimum number of rebates will be available for Participant Agency's service area.

Section 5 Marketing.

- 5.1 Participant Agency agrees to assist in the marketing of programs it participates in under this Agreement. With regard to Participant Agency Administered Programs, Participant Agency will be solely responsible for marketing its Participant Agency Administered Program to customers in its service area.

Section 6: Installation Verification

- 6.1 Participant Agency shall be responsible for conducting installation verifications of items installed, distributed, and/or rebated by Participant Agency under Participant Agency

Administered Programs, and/or for paying all costs associated with this verification. Installation verification measures for program devices must be designed to ensure that materials, installation verifications of eligible program devices, and services meet requirements established by Metropolitan, which requirements will be provided to Participant Agency by MWDOC.

- 6.2 Participant Agency may be responsible for conducting installation verifications of items installed, distributed, and/or rebated by Participant Agency or MWDOC under MWDOC Administered Programs, and/or for paying all costs associated with this verification. Installation verification measures for program devices must be designed to ensure that materials, installation verifications of eligible program devices, and services meet requirements established by Metropolitan, which requirements will be provided to Participant Agency by MWDOC.
- 6.3 MWDOC reserves the right to conduct installation verification of items within Participant Agency's service area.
- 6.4 Participant Agency acknowledges that any device receiving funding from Metropolitan may be subject to an installation verification to be performed by Metropolitan, or its agent(s), at Metropolitan's discretion.
- 6.5 Participant Agency shall promptly refund to MWDOC any amounts paid under any Participant Agency Administered Program or MWDOC Administered Program for installed or distributed devices in the event MWDOC or Metropolitan establishes via installation verification that the program devices were not installed.

Section 7: Reporting and Invoicing

- 7.1 For any and all Supplemental Funding provided by Participant Agency and/or Participant Agency provided funding or inspection costs under the MWDOC Administered Programs pursuant to Section 2 of this Agreement, and as more particularly described in Addendums 2 and 3, MWDOC will invoice Participant Agency on a monthly basis for the cost of such funding, and Participant Agency must pay the full amount of such invoice within thirty (30) days of receipt of any such invoice.
- 7.2 For any and all Participant Agency Administered Program(s), Participant Agency will invoice MWDOC on a monthly basis, by the 10th of each month, for any approved funding and costs associated with the Participant Agency Administered Program(s) as indicated in and subject to the provisions of Addendum 4. MWDOC is under no responsibility to reimburse Participant Agency for any costs incurred by Participant Agency that are not approved by MWDOC consistent with the terms and conditions of this Agreement and Addendum 4. The invoice package shall include a fully completed, to the satisfaction of MWDOC, Excel customer/applicant spreadsheet showing program activity, and an invoice, signed by the General Manager or designee of Participant Agency, certifying the information provided as accurate. Participant Agency shall use the Excel customer/applicant spreadsheet and Invoice forms approved by MWDOC.

- 7.3 Participant Agency shall maintain all Participant Agency Administered Program information, including Participant Agency applications, water bills, and purchase receipts, for a period of seven years from the end date of this Agreement.
- 7.4 Payment of Participant Agency invoices shall be in the form of either a credit on MWDOC's water bill to Participant Agency or a check made payable to Participant Agency. Method of payment shall be at MWDOC's discretion.

Section 8: Confidentiality

- 8.1 MWDOC agrees to maintain the confidentiality of Participant Agency's customer names, addresses, and other information gathered in connection with this Agreement. MWDOC will not cause or permit the disclosure of such information except as necessary to carry out any of the MWDOC Administered or Participant Agency Administered Programs, or as required by law. To the extent that MWDOC contracts with third party contractors to carry out all or any portion of any of the Programs, MWDOC will require such contractors to maintain the confidentiality of such customer information.
- 8.2 Notwithstanding anything to the contrary in this Agreement, Participant Agency acknowledges and agrees that MWDOC may request and use historical water consumption data for purposes of satisfying any grant water use and water quality evaluation requirements of any of the Programs. Participant Agency also acknowledges and agrees that MWDOC may also request to use Program applicant information, such as name, mailing address, site photos, and email address to market other water use efficiency programs to past applicants. A similar provision will be required of every individual applicant.

Section 9. Indemnification.

- 9.1 The parties agree that each Party shall be responsible for its own actions, and the actions of its officers, employees, and agents, in performing services under this Agreement. Except as provided in this Agreement and its Addendums, each Party agrees to indemnify and hold the other Party and its officers and agents harmless and agrees to defend the other Party against any claim or asserted liability arising out of its actions, either willful or negligent, or the actions of its officers, employees, and agents, in performing services pursuant to this Agreement. Such indemnity will include any losses relating to any claim made, whether or not a court action is filed, and will include attorney fees and administrative and overhead costs related to or arising out of such claim or asserted liability.
- 9.2 Participant Agency shall include the following language in its agreement with any consultant or contractor retained by Participant Agency to work on any of the Program" "(Consultant) agrees at is sole cost and expense to protect, indemnify, defend, and hold harmless Metropolitan, MWDOC, and their associated Boards of Directors, officers, representatives, agents and employees from and against any and all claims and liability

of any kind (including, but not limited to, any claims or liability for injury or death to any person, damage to property, natural resources or to the environment, or water quality problems) that arise out of or related to Participant Agency's approval, construction, operation, repair, or ownership of any Program. Such indemnity shall include all damages and losses related to any claim made, whether or not a court action is filed, and shall include attorneys' fees, administrative and overhead costs, engineering and consulting fees, and all other costs related to our arising out of such claim or asserted liability."

Section 10. Certification re Lobbying (43 CFR 18)

10.1 The undersigned hereby certifies on behalf of Participant Agency that no Federal appropriated funds have been paid or will be paid, by or on behalf of the Participant Agency, to any person for influencing or attempting to influence an officer or employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions. To the extent federal funds are involved, the Participant Agency shall require that the language of this certification be included in the awards documents for any sub-awards by the Participant Agency at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans and cooperative agreements) and that sub-recipients, if any, shall certify accordingly.

Section 11. Other Terms

- 11.1 Any alteration or variation of the terms of this Agreement will not be valid unless made in writing and signed by both Parties.
- 11.2 This Agreement will inure to the benefit of and be binding upon the Parties and their respective successors.
- 11.3 The partial or total invalidity of one or more parts of this Agreement will not affect the intent or validity of this Agreement.
- 11.4 This agreement shall be deemed a contract made under the laws of the State of California, and for all purposes will be interpreted in accordance with such laws. The Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California, and that the venue of any action brought hereunder will be in Orange County, California.


///
///


11.5 This Agreement constitutes the entire agreement between the Parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.


MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY

IRVINE RANCH WATER DISTRICT

By: 
Robert J. Hunter
General Manager
Date: 7-14-15

By: 
Paul Cook
General Manager
Date: 7-9-15

Approved as to Form:
Bowie, Arneson, Wiles & Giannone


Joan C. Arneson
Legal Counsel
Date: 6/25/15

**FIRST AMENDMENT TO WATER CONSERVATION PARTICIPATION
AGREEMENT**

This First Amendment to Water Conservation Participation Agreement (“First Amendment”) is effective on July 1, 2016 (“Effective Date”), by and between the Municipal Water District of Orange County (“MWDOC”) and Irvine Ranch Water District (“Participant Agency”) MWDOC and Participant Agency may be collectively referred to as “Parties” and individually as “Party.”

RECITALS

- A. MWDOC and Participating Agency entered into a Water Conservation Participation Agreement regarding the Participating Agency’s participation in certain water conservation programs (“Agreement”).
- B. The Parties now desire to amend the Agreement to make certain changes to provisions regarding verification of the installation of items and devices installed as part of certain water conservation incentive programs.

TERMS

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Agreement as follows:

1. Amendment. Section J is added to the Recitals to read as follows:
 - “J. The purpose of this Agreement is also to acknowledge that Participating Agency is participating in MWDOC’s Choice Water Use Efficiency Program (“WUE Program”) and in doing so is agreeing to pay for its proportionate share of MWDOC’s administrative and direct program costs of the WUE Program.”

2. Amendment. Section 1 .7 is added to the Agreement to read as follows:
 - “1.7 Participating Agency understands that by entering into this Agreement it is participating in MWDOC’s Choice Water Use Efficiency Program (“WUE Program”) and agrees to pay MWDOC for its proportionate share of MWDOC’s costs for administering the WUE Program based on Participating Agency’s level of participation in the WUE Program. MWDOC will annually invoice Participating Agency.

3. Amendment. Section 6 is amended in its entirety to read as follows:

“Section 6: Installation Verification/Inspection

- 6.1 Participant Agency shall be responsible for conducting installation verifications/inspections of items and devices installed, distributed, and/or rebated by Participant Agency under Participant Agency Administered Programs to ensure compliance with program requirements, and/or for paying all costs associated with this verification/inspection. Installation verification/inspection measures must be designed to ensure that materials, installation verifications/inspections of eligible program items and devices, and services meet requirements established by Metropolitan and MWDOC, which requirements will be provided to Participant Agency by MWDOC as Attachment A.
- 6.2 Participant Agency shall be responsible for conducting installation verifications/inspections of items or devices installed, distributed, and/or rebated by Participant Agency or MWDOC under MWDOC Administered Programs to ensure compliance with program requirements, and/or for paying all costs associated with this verification/inspection. Installation verification/inspection measures for program items and devices must be designed to ensure that materials, installation verifications/inspections of eligible program items and devices, and services meet requirements established by Metropolitan and MWDOC, which requirements will be provided to Participant Agency by MWDOC as Attachment A.
- 6.3 Participant Agency may elect to (1) conduct its own installation verifications/inspections by either utilizing its in-house staff or contracting with a third party vendor of its choice; or (2) utilize MWDOC’s installation verification/inspection contractor to conduct the installation verification/inspections. If Participant Agency elects to utilize MWDOC’s verification/inspection vendor, Participant Agency may elect to contract directly with MWDOC’s verification/inspection vendor. If Participant Agency elects not to enter into such contract, MWDOC, in MWDOC’s sole discretion, may require that Participant Agency contract directly with MWDOC’s verification/inspection vendor.
- 6.3.1 Notwithstanding any other provision in this Agreement, Participant Agency understands and agrees that if Participant Agency utilizes MWDOC’s verification/inspection vendor, Participant Agency must still comply with all of the requirements of this Agreement, including the refund requirements in Section 6.6, and MWDOC is in no way liable or responsible for the acts or omissions of such vendor and makes no

representations or warranties regarding the quality of such vendor's work. Participant's sole recourse as to any action, claims or damages arising out of the acts or omissions of MWDOC's verification/inspection vendor is with the vendor and not with MWDOC.

- 6.4 MWDOC reserves the right to conduct installation verification/inspection of items and devices within Participant Agency's service area.
- 6.5 Participant Agency acknowledges that any item or device receiving funding from Metropolitan may be subject to an installation verification/inspection to be performed by Metropolitan, or its agent(s), at Metropolitan's discretion.
- 6.6 Participant Agency shall promptly refund to MWDOC any amounts paid under any Participant Agency Administered Program or MWDOC Administered Program for installed or distributed items or devices, including any grant funds, in the event MWDOC or Metropolitan establishes via installation verification/inspection and/or audit that the program items or devices were not installed in compliance with the requirements established by Metropolitan and MWDOC pursuant to this Agreement. If such a refund is not provided to MWDOC within thirty (30) days of request, the requested amount may be debited by MWDOC on Participating Agency's next water service invoice.
- 6.7 "Items" and "devices" includes, but is not limited to, plumbing fixtures, irrigation devices, turf (removal and replacement), and any other items, devices or materials that are installed in connection with a program covered by this Agreement.

4. Authority to enter into First Amendment. Each Party represents to the other that the person executing this First Amendment has the requisite power and authority to execute the First Amendment and to bind each respective Party.


5. Continuing Effect of Agreement. Except as amended by this First Amendment, all other provisions of the Agreement remain in full force and effect. From and after the date of this First Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this First Amendment.


6. Execution in Counterparts. This First Amendment may be executed in duplicate counterparts, each of which shall be deemed an original.

MWDOC and Participating Agency have each caused this First Amendment to be executed by its duly authorized representative as of the date set forth below the authorized signature.

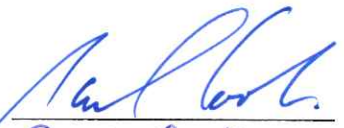
IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment.

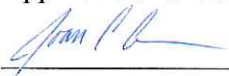
MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY

By: 
Robert Hunter
General Manager
Date: 10-31-16

Approved as to Form:

Joseph Byrne
General Counsel
Date: 10/28/16

PARTICIPANT AGENCY

By: 
Name Paul Cook
Title General Manager
Date: 18 OCTOBER 2016

Approved as to Form:

Joan C. Arneson
General Counsel
Date: September 8, 2016

MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY
INSPECTION AND VERIFICATION
PROCEDURES

Table of Contents

| | | |
|------|--|----|
| I. | Purpose of this document..... | 2 |
| II. | Program Implementation Process | 2 |
| | Application Package..... | 2 |
| | Invoice Submission..... | 3 |
| | Labor Costs..... | 3 |
| | Federal, State, and Local Laws and Ordinances..... | 3 |
| | Supplemental Inspections..... | 4 |
| | Inspection Confirmation Quality Control..... | 4 |
| III. | Device-Based Inspection Procedures..... | 4 |
| | Residential Devices | 4 |
| | Commercial Devices..... | 5 |
| | Spray to Drip - Residential | 9 |
| IV. | Area-Based Programs | 11 |
| | Turf Removal Participation Procedure..... | 11 |
| | General Inspection Procedures..... | 12 |
| | Pre-Inspection Procedures – Turf Removal | 12 |
| | On-Site Inspections for Area-Based Rebates | 13 |
| | Measuring Large Sites by GIS..... | 13 |
| | Condition of Turf at Pre-Inspection | 13 |
| | Multiple Applications under same Site..... | 14 |
| | Modifications to Initial Project Area | 14 |
| | Post-Inspection Procedures – Turf Removal..... | 14 |
| | Project Extensions..... | 15 |
| | Spray to Drip - Commercial..... | 15 |
| V. | Measurement Techniques | 17 |
| | Non-Uniform Rectangular..... | 18 |
| | Irregular Rhombus or Widening Rectangular | 18 |
| | Non-Uniform Round..... | 19 |
| | Non-Uniform Ellipses..... | 20 |
| | Non-Uniform Ellipses Alternate..... | 21 |

I. Purpose of this document

It is the practice of the Municipal Water District of Orange County (MWDOC) to ensure that public funds used to administer Rebate Programs are utilized for its intended purposes. Therefore, the purpose of this Inspection and Verification Procedures document (Inspection Procedures) is to establish a clear set of inspection procedures to be followed by MWDOC and/or its member agencies (hereafter “Participant Agency”) and inspection contractors when conducting pre- and/or post-installation verification inspections for all MWDOC-Administered and or Participant Agency-Administered Rebate Programs. These procedures are required regardless of the funding source (Grant funded, Metropolitan Water District of Southern California funded (Metropolitan), or fully funded by Participant Agency, etc.) and/or regardless of program administrator (MWDOC or Participant Agency). This Inspection Procedures document will be updated as needed to reflect new or modified inspection requirements, techniques, or procedures as they arise.

II. Program Implementation Process

For ease of explanation, this document categorizes the MWDOC Rebate Programs into the following rebate program types:

- Device-Based Rebate Programs
 - Residential
 - Commercial
 - Spray to Drip - Residential
- Area-Based Rebate Programs
 - Turf Removal
 - Spray to Drip - Commercial

The inspection procedures contained in this document have been developed in coordination with requirements from Metropolitan pursuant to its Residential and Commercial Water Conservation Funding Agreements and Addendums thereto, MWDOC, and/or supplemental grant funding agreements.

The following general rules apply for all programs types.

Application Package

When receiving an application package, **all** components should be examined before requesting an inspection. The application package currently requires, at a minimum, a fully completed application signed by the property owner and containing the following:

- Current water bill to determine
 - Participant Agency is participating in the program
 - Project site is located within Orange County
 - Payee name matches the application name
- Device eligibility, if a device-based program
- Site plan for area-based rebates
 - Indicate the project area, location, and project intent
- Pictures of the site for area-based and spray-to-drip rebates. Pictures to show

- Current site condition
- Complete area to be removed
- Area complies with eligibility criteria

It is recommended that the application, terms and conditions, and program guidelines each contain language stating that on-site inspections will be performed and are required for participation in any rebate programs.

Invoice Submission

Rebates may not exceed the total project/equipment costs nor the reserved rebate amount. For a receipt/invoice to be considered eligible it must include the following:

- Dated within the project period
- Scope of work performed
- Signed by the customer/applicant/property owner and references site location (if applicable)
- Itemized to include make, model, sku, quantity, price per item, total price
- If labor is to be considered, it must be listed on a separate line item and must be accompanied by the California State Contractor License Board (CSCLB) contractor license number

Once projects are completed, invoices and receipts are submitted to the program administrator and MWDOC, all invoices and receipts are to be carefully tabulated by program administrator and MWDOC to prevent payment for materials/costs not associated with the program; specific program eligible material/costs are based on program type.

Labor Costs

Due to California state law, all sites that are invoiced at \$500.00 or more require that work be performed by a contractor licensed by the California State Contractor License Board (CSCLB). If labor costs are invoiced by someone who is not licensed, those costs are not eligible. This labor cost provision is consistent with state law but, most importantly, protects Orange County consumers from unlicensed contractors. Materials utilized by the unlicensed contractor may be considered eligible costs. Additionally, there have been some instances where costs for landscape architectural drawings were submitted, but the drawings were not performed by a California State Licensed Landscape Architect. Those costs are also not rebate-eligible.

Federal, State, and Local Laws and Ordinances

All projects, including projects at historic sites, are subject to the terms of their local agency's ordinances and must comply with all applicable federal, state, and local laws, as well as applicable Covenants, Conditions & Restrictions (CC&R) and/or Homeowners Association (HOA) restrictions. Applicants should obtain any necessary approvals for their projects from their city's/county's code enforcement and/or HOA/CC&R board. It is the responsibility of the each applicant to ensure their project is in compliance. Customers must agree to adhere to their local rules and provisions in order to accept funding. Questions from program participants regarding compliance with any of

the above laws, ordinances, and/or restrictions will be directed to Participant Agency for guidance.

Supplemental Inspections

Some sites may need to be re-inspected by MWDOC and/or Metropolitan when unique circumstances arise. At these times, communication with the customer is vital in order to remain in adherence with the program intent while ensuring that projects are successfully completed. All inspection and verification procedures and invoice criteria described in this document must be adhered to.

Inspection Confirmation Quality Control

Each Participant Agency performing their own inspections/verifications will be required to adopt these Inspection Procedures as their own or, alternatively, to develop and submit for approval by Metropolitan and/or MWDOC Participant Agency's own inspection and verification procedures document in line with the requirements and procedures contained in this document. All projects that require inspection must be inspected prior to Participant Agency invoicing MWDOC. MWDOC/Metropolitan may request inspection reports from Participant Agency at any time. Installation vendors hired for project implementation cannot inspect their own installations.

Metropolitan and/or MWDOC reserve the right to verify and perform onsite inspections of any projects at any time. This can be before, during, and/or after project installation, and/or after the rebate payment, and results of these inspections may affect payment made to Participant Agency or require a refund to be paid by Participant Agency to MWDOC. If installation cannot be verified, Participant Agency must reimburse MWDOC and/or Metropolitan depending on the source of funds.

III. Device-Based Inspection Procedures

For residential and commercial devices rebated through Metropolitan's regional rebate program, device-based inspections will be conducted solely by Metropolitan, at its discretion. For devices rebated through a MWDOC and/or a Participant Agency-Administered Program (MAA Program), the inspection procedures are set forth below.

Residential Devices

Residential device inspections must satisfy both the Metropolitan and MWDOC inspection procedures in place at the time of the post-inspection or issuance of the rebate check. Currently, those inspection procedures are as follows:

In order for Participant Agency to be reimbursed for incentives from MWDOC/Metropolitan, Participant Agency must certify on each invoice that the terms and conditions within each project have been met, all devices have been installed, and all work has been performed. The party signing each invoice must have signing authority to certify the invoice.

For residential device-based MAA Programs, Participant Agency will utilize the sample size calculator provided by MWDOC to assist in determining the appropriate number of devices to

inspect to ensure a 98% installation rate given the overall quantity of devices. Participant Agency must report verification/inspection method employed on each invoice submitted.

Participant Agency must:

- a. Validate quantity of devices installed.
- b. Verify new device type, make, and model with Project information.
- c. Verify Installation address or specific locations within the address with Project documentation.
- d. With permission from the customer, take photographs relating to the devices installed to be included in Inspection report.
 - i. Indoor Inspection: Indoor inspection includes detailed fixture count of toilets and clothes washer(s). Access to fixture locations (such as bathrooms and laundry facilities) are required to perform the inspection, and property owner/applicant person should be made aware of this through the application.
 - ii. Outdoor Inspection: Outdoor inspection includes detailed fixture counts of installed and operating landscape devices such as rain barrels, cisterns, irrigation controllers, residential drip, and nozzles. For irrigation controllers, inspect the model to ensure it matches the rebate application, verify that it is operating as a “smart device” and is communicating with the onsite weather station or is receiving offsite/remote weather data and, if possible, have the contact person show the inspector how the controller has been programmed, and confirm quantity of stations of timer model.

Commercial Devices

Commercial MAA Program device inspections must satisfy both the Metropolitan and MWDOC inspection procedures in place at the time of the post-inspection or issuance of the rebate check. Metropolitan may require Participant Agency to submit inspection reports for specific projects, and Metropolitan/MWDOC reserves the right to perform onsite inspections of projects/sites prior to payment.

To determine the amount of inspections required for commercial devices, Participant Agency must apply the following criteria (a-e below) to the project(s):

- a. Automatic Inspection: Regardless of the 5% rule listed in Section d below, Participant Agency must first determine if any site within the MAA Program Project requires an Automatic Inspection. Automatic Inspections are triggered when any site within an MAA Program Project has been approved for Metropolitan’s funding in excess of \$10,000. All sites receiving \$10,000 or more in funding must be automatically inspected by Participant Agency. Participant Agency must also notify MWDOC/Metropolitan within 3 to 5 business days of upcoming inspection by Participant Agency for site(s) exceeding \$10,000. MWDOC, Metropolitan or a designated representative may attend inspection. Notification of upcoming inspection to be sent to bfahl@mwdoc.com and maconservation@mwdh2o.com

To determine how many devices need to be inspected at a \$10,000+ site, follow the next two points.

- i. If the site triggering an Automatic Inspection also meets the criteria for a Large Project, as described below, then Participant Agency must inspect a minimum of 10% of the devices installed.
 - ii. If the site triggering an Automatic Inspection does not meet the criteria for a Large Project, then the Participant Agency must inspect 100% of devices at the site.
- b. Large Project/Sites: Participant Agency must next determine if any of the sites meet the definition of a Large Project/Site. Regardless of the 5% rule listed in Section d below, any site with less than \$10,000 in funding but that receives the designation of Large Project/Site **must** be inspected. The total number of devices to be inspected for Large Projects/Sites will be a minimum of 10% of the total devices installed at each site. If any site within your overall MAA Program Project installs any combination of the following number of devices, you must conduct an inspection of a minimum 10% of any combination of the devices installed.

Large Projects/Sites are defined as:

- i. For plumbing devices – 50 device units or more at one installation address.
 - ii. For irrigation controllers – 20 controllers or more at one installation address. Note that irrigation controllers may be installed in different landscape areas inside a single complex.
 - iii. For sprinkler nozzles – 100 nozzles or more at one installation address.
- c. Regular Projects/Sites: For sites not meeting: (a) \$10,000+ in funding per site or (b) the Large Project/Site criteria above, Participant Agency must inspect 100% of devices at the site.
- d. For each MAA Program Project that Participant Agency submits a Request for, Participant Agency must physically inspect a minimum of 5% of the value of each device-based MAA Program Project approved by MWDOC/Metropolitan before invoicing. For example if the MAA Program Project is approved for \$100,000, then a minimum of \$5,000 worth of devices must be inspected per MAA Program Project.
- e. Inspections for Regular Projects/Sites, sites defined as Automatic Inspections (mandatory), as well as those defined as Large Projects/Sites (mandatory) count towards the 5% (section d above) minimum of the value of each device-based MAA Program Project to be inspected. Participant Agency will report progress toward the 5% inspection requirement on each invoice for all inspections required by MWDOC/Metropolitan. The party signing each invoice must have signing authority to certify the invoice.

Inspection Requirements

Participant Agency inspection at a minimum will:

- a. Validate quantity of devices installed.

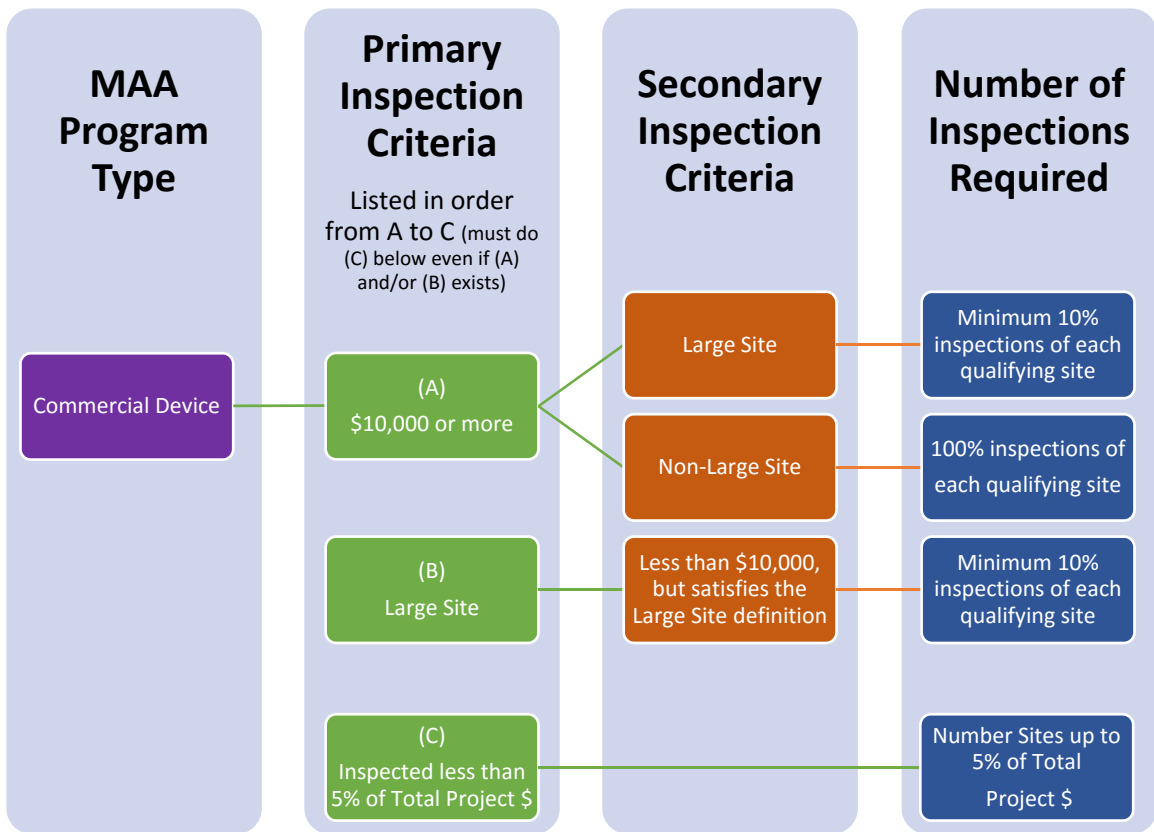
- b. Verify new device type, make, and model with Project information.
- c. Verify Installation address or specific locations within the address with Project documentation.
- d. With permission from the customer, take photographs relating to the devices installed to be included in Inspection report.
 - i. Indoor Inspection: Indoor inspection includes detailed fixture count of toilets, urinals, dry vacuum pumps, food steamers, ice machines. Access to bathrooms, kitchens, eating facilities, and medical facilities are required to perform the inspection and property owner/applicant should be made aware of this at the application stage.
 - ii. Outdoor Inspection: Outdoor inspection includes count of installed and operating landscape devices such as irrigation controllers and nozzles; and cooling tower controllers. Access to either landscape area or rooftop is required to perform the inspection. For irrigation controllers, inspect the model to ensure it matches the rebate application, verify that it is operating as a “smart device” and is communicating with the onsite weather station or is receiving offsite/remote weather data and, if possible, have the contact person show the inspector how the controller has been programmed, and confirm quantity of stations of timer model.

Potential Inspection Results

- a. Partial fail: Inspection completed with discrepancies between Project information and inspection process. Participant Agency to only bill MWDOC for verified quantity.
- b. Device(s) installed at a different location: the installation must be inspected prior to billing MWDOC. A substitute device cannot be included. If installation is verified at the different location, Project information must be revised to reflect new information.
- c. Device count is different from the application:
 - i. If the count is more, only the amount approved in the Project will be reimbursed.
 - ii. If the inspection count is less, only the verified count will be billed to MWDOC. For Large Projects where the inspection count is less, the Participant Agency inspector will increase the inspection from 10% to 20% of total installations. The percentage found to be installed for Large Projects will be applied against the total and the total quantity will be reduced by that percentage. For example, after inspecting 20% of the total installations of 100 toilets, 15 out of 20 toilets were verified installed (75% installed); then the final approved count would be 75 toilets (75% of the 100 = 75), rather than 100. If inspection reveals a discrepancy as described in the example, Participant Agency may choose to inspect 100% of the project, otherwise the extrapolation as shown on the example must be taken and the amount revised prior to billing MWDOC.

- d. The make/model is different from the application: verify that different make/model is a Metropolitan approved device. If so, inspect as usual and revise information on Project documentation prior to billing MWDOC.
- e. Failed inspections will not be billed to MWDOC. Reasons for failure:
- Device(s) not installed
 - Device(s) installed, but no working properly
 - For “smart” irrigation controllers, device(s) not operating as a “smart” device
 - Installed device(s) has been removed
 - Access to property not allowed
 - Device(s) installed at a different site.

MWDOC/Metropolitan reserves the right to verify and inspect any approved projects at any time. If installation cannot be verified, Participant Agency must reimburse MWDOC.



Spray to Drip - Residential

The residential portion of the Spray-to-Drip Rebate Program is a device-based program with different inspection requirements and criteria than other device-based inspections. The inspection requirements for residential Spray-to Drip Rebate projects are described below:

Pre-Inspection Procedure

Once an application is received, a project cannot be accepted and no funding is reserved until a “pre-inspection” is conducted, as follows:

MWDOC reviews the application to confirm:

- Program application is completed in full
- A copy of a current water bill is attached and confirms that
 - Participant agency is participating in the program
 - Project site is located within Orange County
 - Payee name matches the application name
- Applicant has attached 3 to 5 photos of the project area taken with the existing sprinkler system turned on. Photos must clearly show the sprinkler system in use and that the spray heads are functional. Photos must also contain identifying features (house in background, unique landscape/decorating features, etc.) to confirm that photos submitted are for the property/site listed in the application.
- The number of drip “kits” the applicant is applying/eligible for.
- A simple site plan has been attached indicating the proposed spray-to-drip conversion areas
- Any supplemental documents included have been reviewed.

Once MWDOC confirms that the application is complete and satisfies the above requirements, MWDOC forwards the application to the Participant Agency to conduct its own review and approval utilizing the steps listed above.

If the application has satisfied all of the above requirements, a Project Approval Notice is generated by MWDOC/Participant Agency and emailed to the applicant. The funding is reserved at this point and cannot increase. However, the funding amount may decrease if the applicant installs less drip equipment than was specified on the application or if the costs of the equipment are less than anticipated. Should the application fail the pre-inspection process, the application will be denied. MWDOC reserves the right to conduct, or to require Participant Agency to conduct, an on-site pre-inspection of any Spray-to Drip application should MWDOC, in its best judgment, deem it necessary to do so.

Post-Inspection Procedure

Once the Spray-to-Drip Project is complete, applicant completes the Spray to Drip Completion form to request an on-site post-inspection. Prior to scheduling the post-inspection, the Completion Form will be reviewed by MWDOC to confirm the following:

- Completion Form is completed in full.
- Payee Name and Mailing Address for Rebate Check is provided.
- Applicant has attached at least 3 completed conversion area pictures showing:

- Wide angle view of completed project area(s)
- Close-up(s) of installed pressure regulation/filtration component(s)
- Close-up(s) of installed drip tubing
- Applicant has attached copies of any project related receipts or invoices. For a receipt/invoice to be considered eligible it must include the following:
 - Dated within the project period.
 - Signed by the customer/applicant/property owner and includes the site location, scope of work, and costs.
 - Itemized to include make, model, sku, quantity, price per item, total price.
 - The actual quantity of drip “kits” purchased and the quantity of kits eligible for rebate.
 - Labor is not reimbursable and must be listed as a separate line item.

If the Completion Form is missing or does not comply with the requirements of any of the above, MWDOC/Participant Agency shall work with the applicant to obtain the information and or appropriate photos/documents prior to scheduling the post-inspection. If applicant is unable to provide receipts/invoices that meet the requirements set forth above, the post-inspection will be considered a fail, the application will be denied, no rebate will be issued, and no on-site post-inspection should be scheduled.

If the Completion Form has satisfied all of the above requirements, MWDOC/Participant Agency and/or its inspector will work with Applicant to schedule the mandatory on-site post-inspection. The purpose of the on-site post-inspection is to serve as an independent verification of the information contained in the Completion Form. As part of the on-site post-inspection, Participant Agency/inspector must verify the following:

- That drip irrigation equipment has been installed. For residential on-site post-inspection, if microspray, point-source emitters, or any other type of drip irrigation other than embedded emitter tubing has been installed, this must be noted and photographed. Only embedded emitter tubing installations are eligible for rebates in residential settings.
- That pressure regulation/filtration components have been installed as part of the drip conversion. Manufacturer/make, model, model number/sku, and quantity should be documented, and the equipment should be photographed.
- That drip tubing has been installed. The drip tubing should be photographed. If covered, a minimum of a 10-foot section must be uncovered for the photograph.
- That spray irrigation is no longer functional in the drip conversion area(s). Any remaining spray heads in the conversion area must be capped (no exceptions).

Once the on-site post inspection is complete, Participant Agency will complete the Rebate Check Authorization form, in full, and upload all photos and documentation. Once the Check Authorization form has been submitted, it will be reviewed by MWDOC, along with copies of all

receipts and invoices, and if the spray-to-drip project has satisfied all the terms, conditions, guidelines, and requirements of the program, the application will be processed for rebate. If all the terms, conditions, guidelines, and requirements of the program have not been satisfied, the post-inspection will be considered a fail, and the application will be denied and no rebate funds will be issued.

MWDOC reserves the right to conduct or attend any on-site post-inspection of any Spray-to Drip application should MWDOC, in its best judgment, deem it necessary to do so.

IV. Area-Based Programs

Area-based programs include any program where the rebate amount is determined by an area measurement. Such programs currently include, but are not limited to, residential and commercial Turf Removal and commercial Spray to Drip.

Turf Removal Participation Procedure

The Turf Removal Rebate Process, as it currently exists, is depicted in the following chart. The process flow is broken down into 11 distinct steps starting with the Customer Application Submittal and ending with Metropolitan and Participant Agency Invoicing. The 11 steps are as follows:

Step 1: On-line Application and Document Submittal Process

Performed by the Customer

Step 2: Application Review Process and Pre Inspection Distribution

Performed by MWDOC

Step 4: Pre-Installation Inspection Process

Performed by Participant Agency or Inspection Vendor and sent to MWDOC for review

Step 5: Notice to Proceed or Denial Letter to Customer Process

Performed by MWDOC

Step 6: Participant Project Installation and Project Completion Notification

Performed by Customer

Step 7: Initial Project review, Post-Work Order Generation and Distribution

Performed by MWDOC

Step 8: Post-Installation Inspection Process

Performed by Participant Agency, MWDOC, or Inspection Vendor and sent to MWDOC for review

Step 9: Application Approval or Denial and Invoice Review Process

Performed by MWDOC

Step 10: The Rebate Check Run and W-9 Request Process

Performed by MWDOC

Step 11: Metropolitan Water District and Participant Agency Invoicing Process

Performed by MWDOC

General Inspection Procedures

For all customer types, all sites will be measured by the Participant Agency and or its inspector for 100% of the sites for 100% of the project areas during both the pre- and post-inspections. Required minimum techniques for area measurements are described in Section V - Measurement Techniques. All inspection procedures/verifications must adhere to the following additional inspection and certification requirements:

- Residential Area-Based Inspections: For residential area-based customers with an approved Metropolitan rebate amount exceeding \$5,000, Participant Agency or inspection vendor must notify MWDOC/Metropolitan within 3 to 5 business days of upcoming post-inspection(s) by Agency. MWDOC, Metropolitan or a designated representative may attend inspection. Notification of upcoming inspection to be sent to turfremoval@mwdoc.com.
- Commercial Area-Based Inspections: For commercial area-based customers with an approved Metropolitan rebate amount exceeding \$10,000, Participant Agency must notify MWDOC/Metropolitan 3 to 5 business days prior to upcoming post-inspection(s) by Agency. MWDOC, Metropolitan or a designated representative may attend inspection. Notification of upcoming inspection to be sent to turfremoval@mwdoc.com.
- Participant Agency will only bill MWDOC/Metropolitan for the square footage measured.
- Participant Agency must adopt these Inspection Procedures as their own or, alternatively, to develop and submit for approval by Metropolitan and/or MWDOC Participant Agency's own inspection and verification procedures document in line with the requirements and procedures contained in this document. MWDOC/Metropolitan will require Participant Agency to submit them. MWDOC/Metropolitan may perform onsite inspections of projects prior to payment. Result of the inspection may affect payment made to Participant Agency
- All projects that require inspection must be inspected prior to Participant Agency invoicing MWDOC. MWDOC may request inspection reports from Participant Agency at any time.

Pre-Inspection Procedures – Turf Removal

After an application is received and the information has been verified, a project cannot be accepted and funding is not reserved until a “pre-inspection” is conducted by the Participant

Agency or by a vendor inspector. The pre-inspection on-site visit is a means to determine confirmation of eligibility. The pre-inspection process verifies that the project area contains live turf or sufficient evidence that live turf recently existed and that the requested square footage to be removed seems reasonable and consistent with the physical inspection. This requirement applies to both residential and commercial turf removal areas unless otherwise noted.

When establishing that areas are eligible, careful inspection with accurate, and precise measurements, as described in Section V, are always required. For Turf Removal, during the pre-inspection the total project area square footage is measured. Any non-eligible square footage is removed, such as non-turf areas including bare soil, trees, shrubs, mulch, paving, and utility box footprint, etc. Refer to specific program terms and conditions for eligibility criteria.

The square footage listed on the application is to be used as a reference, the initial project area is to be based on the square footage as measured during the pre-inspection. Once the initial project area square footage has been determined, that number is used to reserve funding, and a letter to proceed is generated and sent to the customer.

[On-Site Inspections for Area-Based Rebates](#)

Unless the program guidelines specifically state otherwise, on-site eligibility verification and area measurement for the pre-inspection is the method to be utilized by the inspection vendor as well as any Participant agency conducting its own inspection.

[Measuring Large Sites by GIS](#)

With extremely large sites (in excess of 50,000 sf) where physical measurements are difficult, aerial imagery is often employed to measure the site. In these circumstances a GIS measurement may only be used to measure the project area and a pre-inspection site visit is still required to ensure that the site meets all program conditions and requirements and is eligible to participate. This method is often referred to as a “spot-check” since the sites are checked for existing turf during the inspection, but measured separately using GIS.

If a site is measured by GIS, rather than through an on-site measurement technique, it must explicitly be noted on a work order or through an equivalent form for written communication from the Participant Agency/vendor inspector to MWDOC. Digital imagery must be saved and sent to MWDOC. There must still be confirmation that the site/area to be rebated contains live turf and that the requested footage to be removed seems reasonable and consistent with the aerial inspection

[Condition of Turf at Pre-Inspection](#)

If bare areas were included by the customer, the inspector must subtract those areas. In many cases, due to the drought or season, dormant or dead brown grass is present. Dormant or dead brown grass that appears to have been maintained in the recent past is still eligible. However sites where there is bare soil that appears compact and no turf was present in the recent past, are not eligible. In addition, moss areas where there is no turf or areas that have grown or mowed weeds would be ineligible. A lawn with weeds would still remain eligible. Photo documentation of the turf is required in order to approve the site. Photos of the entire area and detailed photos should

be taken showing turf and bare soil conditions. For large sites with multiple separated areas (or sub-areas), a map must be submitted identifying the area measured for each separate sub-area.

Multiple Applications under same Site

Residential sites have a lifetime maximum. Commercial sites have an annual maximum.

Modifications to Initial Project Area

In some instances a customer may want to swap turf removal areas/locations after a letter to proceed has already been sent and construction has begun. This is common in HOAs, Golf Courses, Parks, and other large sites, but occasionally occur with residential projects. There are many reasons for changes such as: HOA board decisions, public outcry, irrigation system delineation restrictions, or even finding out that some part of the property belongs to another entity (as is common in parkways along sidewalks, and around common area parks). When these changes occur, if the customer is simply removing an area to be renovated, no action is required. However, if a decision is made to swap an area with another, additional documentation and a second pre-inspection must occur and is required to ensure that the site is eligible and matches the area measurements. This documentation must include a new site plan and photos of the intended areas. At this point, because a letter to proceed has already been sent and construction has begun, the site eligible for a rebate may not increase in size. If construction has not begun, and the customer would like to increase the area of turf to be removed within program maximum square footage guidelines, a second pre-inspection must occur and is required to ensure that the site is eligible and matches the area measurements. If the swapping of one area for another occurs during the construction phase of the project and is not previously approved by MWDOC, the swapped area will not be eligible for rebate as it was not subject to the mandatory pre-inspection.

Post-Inspection Procedures – Turf Removal

For both residential and commercial projects, unless otherwise noted, once the letter to proceed has been issued, the initial project area square footage may not increase; however, it may decrease if the customer decides to remove less turf than what was measured.

After the customer has completed their project, a second on-site inspection (post-inspection) occurs to ensure that the renovated areas are in compliance with the program. Entire (100%) project re-measurement should occur during the post-inspection, utilizing the same techniques as employed during the pre-inspection measurement, with the exception of GIS. Negative deviations between the pre- and post-inspections area measurements, as well as swapped areas occurring without a proper pre-inspection and approval from MWDOC, will result in a reduction of the rebate eligible area (meaning the lesser area measurement will be the basis for the rebate). All projects must be inspected prior to Participant Agency invoicing MWDOC.

When establishing that areas are eligible, careful inspection with accurate, and precise measurements, as described in Section V, are always required. For Turf Removal, during the post-inspection the total converted area square footage must be measured. Any non-eligible square footage is removed, such as remaining-turf areas, bare soil, or non-permeable area including hardscape and pools. Refer to specific program terms and conditions for eligibility criteria.

The initial project area square footage established during the pre-inspection is to be used as a reference, the final project area is to be based on the square footage as measured during the post-inspection. Once the final project area square footage has been determined, that number is used to determine the actual potential rebate amount, so long as it does not exceed the total eligible project costs. Only that final project square footage measured by the Participant Agency/inspection vendor may be included in the payment request to MWDOC.

Project Extensions

In some instances, projects may experience delays. As all projects either have a 60 day deadline or 90 day deadline to complete their project, an extension may be requested. In all cases, extensions may only be granted to sites who are making progress to complete their project. Documentation or a site visit is often required for the purposes of verifying that progress is being made at a site. Examples of documentation are signed contracts with a landscape contractor, photos of the site with turf removed and work under way, or canceled checks to a contractor. This is an important step; if a site is not showing progress and there is no motivation to complete, it may be cancelled to allow the funding of other, more motivated, rebate customers.

Spray to Drip - Commercial

The commercial portion of the Spray-to-Drip Rebate Program is administered in a similar way to the residential portion, with the exception of the post-inspection requirements which are area-based. The inspection requirements for commercial Spray-to Drip Rebate projects are described below:

Pre-Inspection Procedure

Once an application is received, a project cannot be accepted and no funding is reserved until a “pre-inspection” is conducted, as follows:

MWDOC reviews the application to confirm:

- Program application is completed in full.
- A copy of a current water bill is attached and confirms that
 - Participant agency is participating in the program
 - Project site is located within Orange County
 - Payee name matches the application name
- Applicant has attached 5 to 10 photos of the project area taken with the existing sprinkler system turned on. Photos must clearly show the sprinkler system in use and that the spray heads are functional. Photos must also contain identifying features (buildings in the background, unique landscape/decorating features, etc.) to confirm that photos submitted are for the property/site listed in the application.
- Applicant has provided the square footage of the proposed spray-to-drip conversion area.
- A simple site plan has been attached indicating the proposed spray-to-drip conversion areas.
- Any supplemental documents included have been reviewed.

Once MWDOC confirms that the application is complete and satisfies the above requirements, MWDOC forwards the application to the Participant Agency to conduct its own review and approval utilizing the steps listed above.

If the application has satisfied all of the above requirements, a Project Approval Notice is generated by MWDOC/Participant Agency and emailed to the applicant. The funding is reserved at this point and cannot increase. However, the funding amount may decrease if the applicant installs less drip equipment than was specified on the application or if the costs of the equipment are less than anticipated. Should the application fail the pre-inspection process, the application will be denied. MWDOC reserves the right to conduct, or to require Participant Agency to conduct, an on-site pre-inspection of any Spray-to Drip application should MWDOC, in its best judgment, deem it necessary to do so.

Post-Inspection Procedure

Once the Spray-to-Drip Project is complete, applicant completes the Spray to Drip Completion form to request an on-site post-inspection. Prior to scheduling the post-inspection, the Completion Form will be reviewed by MWDOC to confirm the following:

- Completion Form is completed in full.
- Payee Name and Mailing Address for Rebate Check is provided.
- Applicant has attached at least 5 completed conversion area pictures showing:
 - Wide angle view of completed project area(s)
 - Close-up(s) of installed pressure regulation/filtration component(s)
 - Close-up(s) of installed drip tubing
- Applicant has attached copies of any project related receipts or invoices. For a receipt/invoice to be considered eligible it must include the following:
 - Dated within the project period
 - Signed by the customer/applicant/property owner and includes the site location, scope of work, and costs.
 - Itemized to include make, model, sku, quantity, price per item, total price. If microspray or point source emitters have been installed, the flow rate for each must be 2.5 gallons per hour or less, or per the terms and conditions of the Program.
 - Labor is not reimbursable and must be listed as a separate line item.

If the Completion Form is missing or does not comply with the requirements of any of the above, MWDOC/Participant Agency shall work with the applicant to obtain the information and or appropriate photos/documents/invoices prior to scheduling the post-inspection. If applicant is unable to provide photos/documents/invoices that meet the requirements set forth above, the post-inspection will be considered a fail, the application will be denied, no rebate will be issued, and no on-site post-inspection should be scheduled.

If the Completion Form has satisfied all of the above requirements, Participant Agency and/or its inspector will work with Applicant to schedule the mandatory on-site post-inspection. The purpose of the on-site post-inspection is to serve as an independent verification of the

information contained in the Completion Form. As part of the on-site post-inspection, Participant Agency/inspector must verify the following:

- The actual square footage of the conversion area. All commercial spray-to-drip sites will be measured by the Participant Agency and or its inspector for 100% of the sites for 100% of the spray-to-drip conversion areas during the post-inspections. The required minimum techniques for area measurements are described in Section V -Measurement Techniques.
- That drip irrigation equipment has been installed. The type of drip equipment (embedded emitter tubing/microspray/point source emitters must be noted and photographed.
- That pressure regulation/filtration components have been installed as part of the drip conversion. Manufacturer/make, model, model number/sku, and quantity should be documented, and the equipment should be photographed.
- That drip tubing has been installed. The drip tubing should be photographed. If covered, a minimum of a 20-foot section must be uncovered for the photograph.
- That spray irrigation is no longer functional in the drip conversion area(s). Any remaining spray heads in the conversion area must be capped (no exceptions).

Once the on-site post inspection is complete, Participant Agency will complete the Rebate Check Authorization form, in full, and upload all photos and documentation. Once the Check Authorization form has been submitted, it will be reviewed by MWDOC, along with copies of all receipts and invoices, and if the spray-to-drip project has satisfied all the terms, conditions, guidelines, and requirements of the program, the application will be processed for rebate. If all the terms, conditions, guidelines, and requirements of the program have not been satisfied, the post-inspection will be considered a fail, and the application will be denied and no rebate funds will be issued.

MWDOC reserves the right to conduct or attend any on-site post-inspection of any Spray-to Drip application should MWDOC, in its best judgment, deem it necessary to do so.

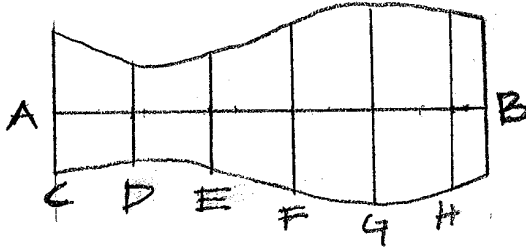
V. Measurement Techniques

When measuring sites, tape measurers remain the most accurate method of measurement. Measuring wheels are nearly as accurate when rolling on a flat surface such as concrete or asphalt. Measuring wheels on turf or shrub areas run the risk of being inaccurate. Tape measurers are recommended whenever uneven surfaces are encountered. For large sites, a map should be provided indicating all the turf areas intended for removal and all project areas should be measured and noted with square footage.

Odd shapes are often hard to measure accurately. A series of methods of measuring odd shapes have been reviewed and below are a listing of acceptable measurement techniques of odd shapes. Alternative measuring techniques must be submitted to MWDOC for review and approval prior to implementation and must be at least as accurate as the techniques listed here.

Non-Uniform Rectangular

First measure the length of the longest axis of the area (line AB). This is called the *length line*. Next, divide the length line into equal sections, for example 13 ft. At each of these points, measure the distance across the area in a line perpendicular to the length line at each point (lines C through G). These lines are called *offset lines*. Finally, average the lengths of all offset lines and multiply the result times line AB (65 ft. in this example). This is most notably different from the Non-Uniform Ellipse method in that exactly one of the left or right edges is measured, in this case line "C."



Example: Non-Uniform Rectangular

Length line (AB) = 65 ft

Distance between offset lines is 13 ft apart

Length of each offset line:

C = 20 ft F = 20 ft

D = 10 ft G = 25 ft

E = 15 ft H = 20 ft

Average length of offset lines = $\frac{(C + D + E + F + G + H)}{(\text{Number of offset lines})}$

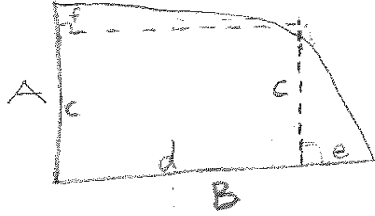
$$= \frac{(20 + 10 + 15 + 20 + 25 + 20)}{6}$$

$$= 18.3 \text{ ft}$$

Total Area = (Length line)
 x (Average length of offset lines)
 = 65 ft x 18.3 ft
 = 1192 ft²

Irregular Rhombus or Widening Rectangular

A fast way to measure irregular rhombi is shown in the example below. Stake one end of the measuring tape at point (A, B); measure line d and then line B. Without removing the stake measure line c and then line A. Using those four measurements you will be able to find line a and line b. The areas of triangle (ad), triangle (cb), and rectangle cd) can now be calculated.



**Example: Irregular Rhombus
or Widening Rectangular**

Length of each line:

$$A = 20 \text{ ft} \quad c = 18 \text{ ft}$$

$$B = 25 \text{ ft} \quad d = 21 \text{ ft}$$

$$\text{Line (f)} = A - c = 20 \text{ ft} - 18 \text{ ft} = 2 \text{ ft}$$

$$\text{Line (e)} = B - d = 25 \text{ ft} - 21 \text{ ft} = 4 \text{ ft}$$

$$\text{Area (cd)} = c \times d$$

$$= 18 \text{ ft} \times 21 \text{ ft}$$

$$= 378 \text{ ft}^2$$

$$\text{Area (cb)} = (c \times e) / 2$$

$$= (18 \text{ ft} \times 4 \text{ ft}) / 2$$

$$= 36 \text{ ft}^2$$

$$\text{Area (fd)} = (f \times d) / 2$$

$$= (2 \text{ ft} \times 21 \text{ ft}) / 2 = 21 \text{ ft}^2$$

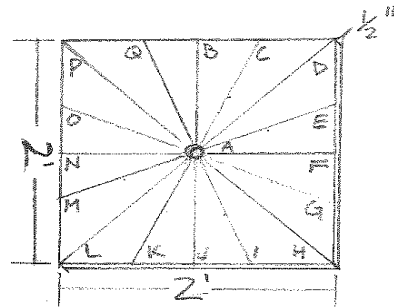
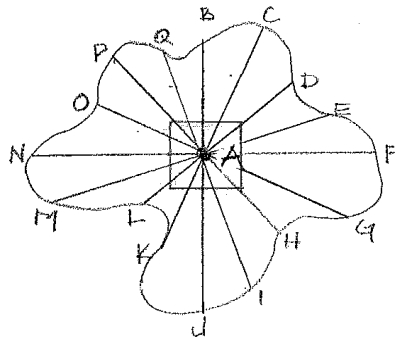
$$\text{Total Area} = \text{Area (cd)} + \text{Area (ce)} + \text{Area (fd)}$$

$$= 378 \text{ ft}^2 + 36 \text{ ft}^2 + 21 \text{ ft}^2$$

$$= 435 \text{ ft}^2$$

Non-Uniform Round

First measure 16 evenly spaced radii from the same center point (point A). This is called the *center point*. Next take the average of all the radii $(B + C + D + E + F + G + H + I + J + K + L + M + N + O + P + Q) / 16$. Use the average radii to calculate the area of a circle. (12.25 ft. in this example).

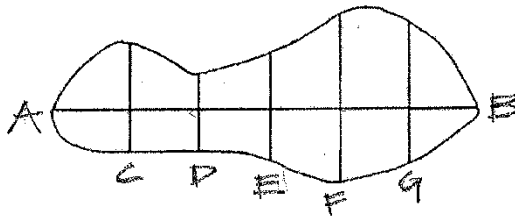


Board used for measuring

| Example: Non-Uniform Round | |
|--|---|
| Length of each offset line: | |
| B = 10 ft | E = 12 ft H = 10 ft K = 9 ft N = 16 ft Q = 9 ft C = 15 ft F = 15 ft |
| I = 15 ft | L = 8 ft O = 10 ft |
| D = 10 ft | G = 13 ft J = 17 ft M = 15 ft P = 12 ft |
| Number of radii = 16 | |
| Average length of offset lines | |
| = (B + C + D + E + F + G + H + I + J + K + L + M + N + O + P + Q) | |
| / (Number of radii) | |
| = (10 + 15 + 10 + 12 + 15 + 13 + 10 + 15 + 17 + 9 + 8 + 15 + 16 + 10 + 12 + 9) | |
| / 16 | |
| = 12.25 ft | |
| Total Area = $\pi \times 12.25^2$ ft | |
| = 3.14 x 12.25 ft x 12.25 ft | |
| = 471 ft ² | |

Non-Uniform Ellipses

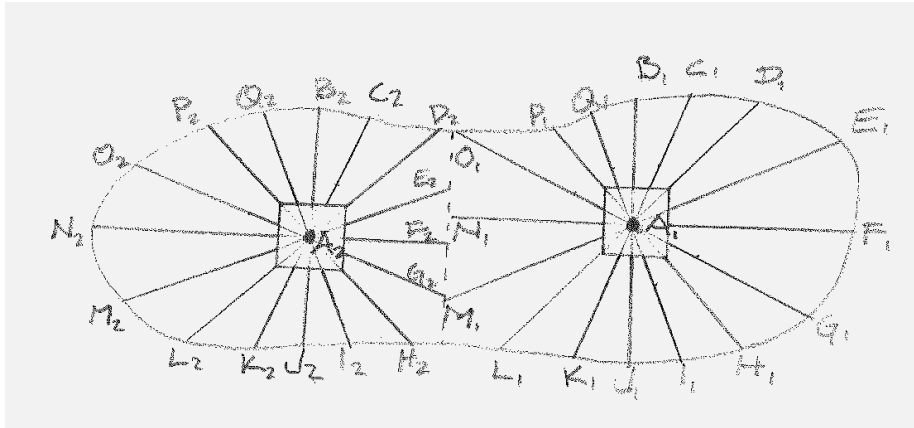
The method used for irregular shaped areas is called the "offset method". First measure the length of the longest axis of the area (line AB). This is called the *length line*. Next, divide the length line into equal sections, for example 10 ft. At each of these points, measure the distance across the area in a line perpendicular to the length line at each point (lines C through G). These lines are called *offset lines*. Finally, add the lengths of all offset lines and multiply the result times the distance that separates these lines (10 ft. in this example). This is most notably different from Non-Uniform Rectangular in that neither the left or right edges of the shape are measured in the ellipse.



| Example: Non-Uniform Ellipse | |
|--|-----------|
| Length line (AB) = 60 ft | |
| Distance between offset lines is 10 ft apart | |
| Length of each offset line | |
| C = 15 ft | F = 25 ft |
| D = 10 ft | G = 20 ft |
| E = 15 ft | |
| Total length | |
| of offset lines = C + D + E + F + G | |
| = 15 + 10 + 15 + 25 + 20 | |
| = 85 ft | |
| Total Area = (Distance between offset lines) | |
| x (sum of the length of offset lines) | |
| = 10 ft x 85 ft | |
| = 850 ft ² | |

Non-Uniform Ellipses Alternate

An alternate method of measuring non-uniform ellipses is by dividing the ellipses in uniform parts and utilizing the non-uniform round method as described above. An example is shown below.



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Exhibit "B"

Rebate Program Funding Allocation FY 2020-21

| Program | Maximum Funding | Devices | IRWD Rebate Funding Level per Device |
|---------------------------------------|-----------------|-------------------------|--------------------------------------|
| SoCal Water\$mart Residential Program | \$ 145,000.00 | Residential Smart Timer | Up to \$150 |
| | | Rotating Nozzle | \$2 per nozzle |

| Program | Maximum Funding | Devices | IRWD Rebate Funding Level per Device |
|--|----------------------|--|--------------------------------------|
| SoCal Water\$mart Commercial Program | \$ 40,000.00 | Connectionless Food Steamer | \$485 per compartment |
| | | Commercial Ice Making Machine (Tier III) | \$250 |
| | | Cooling Tower Conductivity Controller | \$700 |
| | | Cooling Tower pH Controller | \$400 |
| | | Rotating Nozzle | \$2 per nozzle |
| Water Savings Incentive Program | \$ 50,000.00 | Performance Based | \$3 per 1,000 gallons/one year |
| Turf Removal Program | \$ 50,000.00 | Turf Removal | Not to exceed \$2/SF |
| Spray to Drip Program | \$ 40,000.00 | Spray to Drip Conversion | Not to exceed \$0.20/SF |
| Total Funding for all Rebate Programs | \$ 325,000.00 | | |

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July 13, 2020
Prepared by: B. Beeman
Submitted by: P. Weghorst
Approved by: Paul A. Cook



ACTION CALENDAR

2020 WATER USE EFFICIENCY OUTREACH CAMPAIGN

SUMMARY:

Staff proposes a 2020 Water Use Efficiency Outreach Campaign comprised of several targeted customer outreach initiatives intended to promote existing and new programs described in the Fiscal Year 2020-21 Water Use Efficiency Implementation Plan (Water Efficiency Plan). The new outreach campaign is designed for the current environment by addressing customers' current needs and interests with compelling communication programs. Staff recommends the Board authorize the General Manager to execute a Professional Services Agreement with Sukle Advertising & Design in the amount of \$396,000 for implementation of the 2020 Water Use Efficiency Outreach Campaign.

BACKGROUND:

In December 2019, IRWD completed a comprehensive Future Potential Water Efficiency Study of past water conservation programs. The study documented water savings achieved through water use efficiency programs implemented over the past 10 years. The study concluded that use of indoor water use efficiency devices is highly saturated, and that outdoor water use provides the greatest remaining potential for additional water use efficiency. An overview of the key findings and recommendations from the study were presented to the Board on January 13, 2020. In May 2020, staff presented to the Water Resources Policy and Communications Committee a Water Efficiency Plan, which described existing and proposed new water use efficiency programs that are consistent with the findings of the study.

2020 Water Efficiency Outreach Campaign:

In support of the water use efficiency programs outlined in the Water Efficiency Plan, staff recommends a new suite of creative and targeted outreach initiatives to:

- Promote turf removal and weather-based controller incentives;
- Encourage RightScaping;
- Increase attendance at virtual Garden Workshops;
- Refresh the WaterStar Business Outreach Program materials; and
- Create digital outreach materials for targeting commercial, industrial and institutional (CII) customers.

The following tables illustrate how each of the new outreach initiatives will support the different programs in the Water Efficiency Plan.

CII Water Efficiency Programs - FY 2020-21

| Water Efficiency Program | Implementation Schedule | Outreach Initiative |
|--------------------------|-------------------------|--|
| WaterStar Recognition | On-going | WaterStar Refresh and CII Presentation Materials |

Single-Family Residential Water Efficiency Programs – FY 2020-21

| Water Efficiency Program | Implementation Schedule | Outreach Initiative |
|--|--|--|
| Turf Removal Rebate Incentives | On-going | Encourage RightScaping |
| Weather-Based Irrigation Controllers Incentives | On-going; Summer Direct Install Program for Single Family Residential Customers (launch July 2020) | Promote Smart Controller Installations |
| Spray-to-Drip Incentives | On-going | Encourage RightScaping |
| Rotating Sprinkler Nozzles Incentives | On-going | Encourage RightScaping |
| Pressure Regulating Sprinkler Spray Bodies Pilot | September 2020 | Encourage RightScaping |
| Gardening Workshops | On-going | Promote Virtual Garden Workshops |

Campaign Scope of Work

To assist with the development and implementation of the 2020 outreach campaign, staff recommends that IRWD execute a Professional Services Agreement with Sukle Advertising & Design, which will:

- Continue implementation of the existing “Don’t Waste a Good Thing” campaign;
- Facilitate the development of new targeted outreach efforts; and
- Result in the development of a 2021 outreach plan.

Sukle’s proposed scope of work is provided as Exhibit “A”. The scope of work includes the elements of the campaign along with a proposed implementation schedule through December 2020. The following table provides the negotiated not-to-exceed costs for tasks that will be billed by Sukle on a time and material basis.

Sukle Scope of Work Tasks and Costs

| Task | Cost |
|---|-----------|
| “Don’t Waste a Good Thing” Campaign | |
| • Promote Smart Controller Rebates | \$24,000 |
| • Encourage RightScaping | \$169,500 |
| • Promote Virtual Gardening Workshops | \$112,500 |
| CII & WaterStar Refresh | |
| • WaterStar Refresh | \$25,000 |
| • CII Presentation Materials | \$20,000 |
| Account Leadership and Planning | |
| • Account Leadership (August – December 2020) | \$20,000 |
| • 2020 Outreach Campaign Recap | \$10,000 |
| • 2021 WUE Outreach Planning | \$15,000 |
| Total: | \$396,000 |

FISCAL IMPACTS:

The cost of the 2020 Water Use Efficiency Outreach Campaign is \$396,000 paid out of the Conservation Fund. Funding for this effort is included in the FY 2020-21 Operating Budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on July 9, 2020.

RECOMMENDATION:

That the Board authorize the General Manager to execute a Professional Services Agreement with Sukle Advertising & Design in the amount of \$396,000 for the implementation of the 2020 Water Use Efficiency Outreach Campaign.

LIST OF EXHIBITS:

Exhibit “A” – Sukle Advertising & Design Scope of Work

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Exhibit "A"

IRVINE RANCH WATER DISTRICT

2020 SCOPE OF WORK

June 23, 2020

SITUATION

This scope of work was designed for the current environment that has been impacted by the COVID-19 virus. The recommendations presented, will help to increase positive brand perception and trust for IRWD by addressing customers' current needs and interests with compelling communications. The effort will leverage previous IRWD campaigns to create cost efficiencies.

This communications effort will focus on the following:

- Engaging more customers in the smart control rebate program
- Encouraging water-efficient behavior among customers by promoting RightScaping
- Increasing participation in the WaterStar program by providing the IRWD outreach team with better tools

2020 WATER USE EFFICIENCY EFFORTS

DON'T WASTE A GOOD THING CAMPAIGN

Encouraging water-efficient behavior

"Don't Waste a Good Thing" remains a relevant and impactful message that encourages efficient water use.

It will continue to be the umbrella message that speaks to water efficiency, money savings and specific programs. For 2020 those efforts are: promoting smart controller rebates and encouraging the adoption of water-efficient gardening.

Recommended Creative Approach:

The Dinosaur campaign will be used because:

- It utilizes existing assets and can be expanded upon in a cost-effective manner
- The lighthearted message is appropriate for these trying times

INITIATIVE #1 - Promote smart controller rebates

Smart Controllers represent a simple, straightforward way for IRWD customers to use water sustainably and save money. This campaign will drive participation in the direct install program from Rachio.

A targeted email sent out via MailChimp and bill stuffer campaign will be directed at customers and drive them to RightScapeNow.com where they can learn more and initiate the rebate process.

Audience:

IRWD customers who own a single-family residence with a large lot, are over allocation, and have not responded to a previous rebate.

Deliverables:

- HTML emails x 3

- Bill stuffer content x 3

Budget:

- Fees/production: \$24,000

Timing: 4-6 weeks

INITIATIVE #2 – Encourage RightScaping

Leveraging historically high levels of consumer interest in planting and gardening, these messages will encourage outdoor water-efficient behaviors. The campaign will encourage customers to “evolve their yard” and direct them to helpful resources.

A campaign will be created that raises awareness and directs customers to IRWD resources (RightScapeNow.com, RightScape Planting Guide as well as any available rebates). The campaign will use paid and owned media.

Audience:

IRWD customers who live in a single-family residence.

Tactics:

Paid and Organic Social Outreach

Social static posts and videos will be created to encourage customers to “evolve their yard” and promote IRWD resources that can help them do that. Assets will be distributed through both organic and paid social media.

The agency will translate up to two videos for IRWD to use and distribute.

Additional Owned Tactics

Content will be created for IRWD bill stuffers and website. The content will encourage and inform people to “evolve their yard.”

Paid Media

Behavioral and interest driven data will be used to create a profile of the ideal target audience to deliver messages via digital and social platforms. The agency will develop campaign goal metrics, traffic creative, execute the campaign, optimize based on in-platform signals and deliver reporting on a bi-weekly basis. Paid social will include both static and video units.

Deliverables:

- Paid and Organic Social Outreach
 - Social/digital videos x 3-4
 - Social static posts x 2
 - Translations x 2 videos (Spanish, Korean, Chinese)
- Owned Tactics
 - Bill stuffer content x 3
 - IRWD website content x 1 page
- Paid Media
 - Targeted media plan
 - Media channels: Facebook and Instagram
 - Newsfeed static and video units
 - Duration: 8-week campaign
 - Reporting: Bi-weekly reports

Budget:

- Fees, production and media: \$169,500

Timing: 10-12 weeks

INITIATIVE #3 - Promote gardening workshops

This initiative will improve the outreach and participation in IRWD workshops. The campaign will make more qualified people aware of the workshops. The outreach will include direct messaging to people who have attended past workshops and paid social and owned media directed to new participants.

Audience:

IRWD customers who have demonstrated interest in gardening and outdoor yard projects.

Tactics:

Direct Email Campaign

An HTML email will be created and sent to past workshop participants informing of new upcoming workshops either via MailChimp or the WaterSmart Platform. The emails will contain a link for registration and encourage customers to share it with others. At all workshops, contact information will be collected and added to the database for future promotion.

Paid and Organic Social Outreach

Social posts will be created to promote the workshops. They will be distributed through both organic and paid social media. The paid posts will target people who have demonstrated an interest in gardening and outdoor landscaping.

“The Dirt” Content & Design

“The Dirt” will be used to not only promote upcoming workshops but to distribute content from the workshops. The content in “The Dirt” could evolve to include video content captured in the workshops. Workshops conducted through Zoom could be tested and promoted in this publication.

To continue the momentum from the initial launch of “The Dirt,” the agency has accounted for 3-5 headlines and design time for the two remaining issues of 2020.

Additional Owned Tactics

Content will be created for IRWD bill stuffers and website. The content will inform and promote the workshops.

Paid Media

Behavioral and interest driven data will be used to create a profile of the ideal person for gardening workshops. The agency will develop campaign goal metrics, traffic creative, execute the campaign, optimize based on in-platform signals and deliver reporting after each workshop.

Deliverables:

- Direct Email Campaign
 - HTML emails x 3
- Paid and Organic Social Outreach
 - Social static posts x 6 (x 3 main posts and x 3 reminder posts)

- “The Dirt” Content & Design
 - “The Dirt” x 2: develop workshop content, x 3-5 headlines and design
- Owned Tactics
 - Bill stuffer content x 3
 - IRWD website content x 1 page
- Paid Media
 - Targeted media effort
 - Media channels: Facebook and Instagram
 - Newsfeed static units
 - Duration: Promoting monthly workshops
 - Reporting: Monthly reports (after each workshop)

Budget:

- Fees, production and media: \$112,500

Timing: 6-8 weeks

CII AND WATERSTAR REFRESH

Increase the effectiveness of materials and resources

IRWD has used personal outreach to convince local businesses to adopt water savings programs.

New materials will be created to help accelerate that effort and increase the enrollment rate in the WaterStar Program.

The campaign will include the creation of marketing materials for IRWD ambassadors.

Tactics:

WaterStar Refresh

The current WaterStar identity will be redesigned to reflect a modern feel and approach to water efficiency.

Messaging will be refreshed and applied to a redesign of this [webpage](#) currently on RightScapeNow.com.

A welcome kit will be created. It will consist of a welcome letter, a certified WaterStar logo that can promote the program on an organization’s website and a printed certificate of recognition for participating businesses will be designed.

Deliverables:

- WaterStar logo
- Webpage design and copy
- Welcome kit: welcome letter, a certified WaterStar logo, certificate design and copy

Budget: \$25,000

Timing: 4-6 weeks

Presentation and Electronic Leave Behind

Sukle will develop a presentation that will highlight IRWD's mission in water efficiency and the benefits of the WaterStar program. The presentation will be delivered as a PDF and PowerPoint file.

A one-page leave behind will be created and used as an electronic follow-up to encourage businesses to enroll.

Deliverables:

- PDF & PowerPoint presentation (approximately 15 slides)
- Electronic leave behind

Budget: \$20,000

Timing: 3-5 weeks

2020 ACCOUNT LEADERSHIP AND PLANNING

Account Leadership

Account leadership entails all ongoing management that ensures your account runs efficiently. This involves work that spans across multiple projects. This coordination is critical to the overall success. This includes regular status calls, budget/fiscal management and reconciliation, research, media and audience discussions and learnings.

Timing: Ongoing, August 2020-December 2020

Cost: \$20,000 (\$4,000/monthly)

2020 Campaign Recap

At the conclusion of the campaign, a presentation will be created recapping and evaluating the efforts. This presentation will include key metric reporting, analytics key takeaways and recommendations.

Deliverable: A campaign recap presentation

Timing: November/December 2020

Cost: \$10,000

2021 Planning

This budget includes time for Sukle to work with the IRWD communications team to evaluate previous campaigns, develop and align on objectives, and deliberate strategies. The agency will then write and present a communication plan for 2021.

Deliverables:

- Planning session (virtual or in-person)
- 2021 Marketing Plan

Timing: November/December 2020

Cost: \$15,000

2020 BUDGET

2020 WATER USE EFFICIENCY EFFORTS

| | |
|---|------------------|
| Don't Waste A Good Thing Campaign | \$306,000 |
| Initiative #1: Promote smart controller rebates | \$24,000 |
| Initiative #2: Encourage RightScaping | \$169,500 |
| Initiative #3: Promote gardening workshops | \$112,500 |
| CII & WaterStar Refresh | \$45,000 |
| WaterStar Refresh | \$25,000 |
| CII Presentation | \$20,000 |

2020 ACCOUNT LEADERSHIP AND PLANNING

| | |
|---|------------------|
| 2020 Account Leadership (Aug-Dec 2020) | \$20,000 |
| 2020 Campaign Recap | \$10,000 |
| 2021 Planning | \$15,000 |
| Total: | \$396,000 |

TIMING

Initial timing is based on contract, SOW and estimates being signed by Mon 7/20.

Please note: timing for Initiative #3 is tentative. Schedules will need to be updated accordingly once the dates for the workshops have been determined.

| Week of | Jul 20 | Jul 27 | Aug 3 | Aug 10 | Aug 17 | Aug 24 | Aug 31 | Sept 7 | Sept 14 | Sept 21 | Sept 28 | Oct 5 | Oct 12 | Oct 19 | Oct 26 | Nov 2 |
|--|--------|--------|-------|--------|--------|--------|--------|--------|---------|---------|---------|-------|--------|--------|--------|-------|
| | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF | MTWTF |
| Don't Waste A Good Thing Campaign | | | | | | | | | | | | | | | | |
| INITIATIVE #1 - Promote smart controller rebates | | | | | | | | | | | | | | | | |
| Creative Brief | █ | | | | | | | | | | | | | | | |
| Creative Concepts Presentation | | | | █ | | | | | | | | | | | | |
| Refinements & Client Approval | | | | | █ | | | | | | | | | | | |
| Release Assets (Emails) | | | | | | | | █ | | | | | | | | |
| Release Assets (Bill stuffers) | | | | | | | | | █ | | | | | | | |
| INITIATIVE #2 – Encourage RightScaping | | | | | | | | | | | | | | | | |
| Creative Brief | █ | | | | | | | | | | | | | | | |
| Creative Concepts & Media Plan Presentation | | | | █ | | | | | | | | | | | | |
| Refinements & Client Approval | | | | | █ | | | | | | | | | | | |
| RightScapeNow.com Updates Live | | | | | | | | █ | | | | | | | | |
| Paid Social Campaign Launches | | | | | | | | | █ | | | | | | | |
| INITIATIVE #3 - Promote gardening workshops | | | | | | | | | | | | | | | | |
| Creative Brief | █ | | | | | | | | | | | | | | | |
| Creative Concepts & Media Plan Presentation | | | | █ | | | | | | | | | | | | |
| Refinements & Client Approval | | | | | █ | | | | | | | | | | | |
| Release Assets (Bill stuffers + Emails) & RightScapeNow.com Updates Live | | | | | | | | █ | | | | | | | | |
| Paid Social Campaign Launches | | | | | | | | | █ | | | | | | | |
| CII AND WATERSTAR REFRESH | | | | | | | | | | | | | | | | |
| Creative Brief and Presentation Content Outline | | | | | █ | | | | | | | | | | | |
| Designs for WaterStar logo | | | | | | | | █ | | | | | | | | |
| Approval of WaterStar logo | | | | | | | | | █ | | | | | | | |
| Designs of welcome kit, welcome letter, certified WaterStar logo, certificate, website page | | | | | | | | | | | █ | | | | | |
| Design and content for presentation | | | | | | | | | | | | | | | █ | |
| Release Assets for WaterStar logo, welcome kit, welcome letter, certified WaterStar logo, certificate, webpage | | | | | | | | | | | | | | | | █ |



**IRWD 2020 PLAN
 COMPENSATION SCHEDULE - 6/23/20**

DON'T WASTE A GOOD THING
Initiative #1 - Promote smart controller rebates

| Email Campaign (3x HTML emails) | | | | |
|---|--|--------------------|------------------------|-----------------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| Account Supervisor | <i>Writes the creative brief, reviews and proofs content, manages development and client expectations.</i> | \$ 150.00 | 24 | \$ 3,600.00 |
| Account Planner/Strategist | <i>Collaborates with the account supervisor on messaging.</i> | \$ 160.00 | 4 | \$ 640.00 |
| Creative Director | <i>Reviews creative (copy and design).</i> | \$ 220.00 | 6 | \$ 1,320.00 |
| Senior Art Director | <i>Develops the look and feel for the email campaign and designs all three emails.</i> | \$ 150.00 | 36 | \$ 5,400.00 |
| Copywriter | <i>Writes copy for the three emails.</i> | \$ 140.00 | 18 | \$ 2,520.00 |
| Project Manager | <i>Manages internal workflow to ensure we meet deadlines.</i> | \$ 110.00 | 9.5 | \$ 1,045.00 |
| Miscellaneous Costs / Out of pocket costs | <i>This includes budget for any photography or retouching that may be needed as well as development for three HTML emails.</i> | | | \$ 3,480.00 |
| Subtotal | | | | \$ 18,005.00 |

| Bill Stuffers (3x - one per month for three months) | | | | |
|---|--|--------------------|------------------------|-----------------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| Account Supervisor | <i>Writes the creative brief, reviews content, manages client approvals.</i> | \$ 150.00 | 9 | \$ 1,350.00 |
| Creative Director | <i>Reviews creative (copy and design).</i> | \$ 220.00 | 2 | \$ 440.00 |
| Senior Art Director | <i>Designs bill stuffers (if necessary).</i> | \$ 150.00 | 6 | \$ 900.00 |
| Copywriter | <i>Writes copy for the three bill stuffers.</i> | \$ 140.00 | 18.5 | \$ 2,590.00 |
| Project Manager | <i>Manages internal workflow to ensure we meet deadlines.</i> | \$ 110.00 | 6.5 | \$ 715.00 |
| Subtotal | | | | \$ 5,995.00 |

Total Budget for Initiative #1 **\$ 24,000.00**

Initiative #2 - Encourage Rightscaping

| Social Static & Video Posts (3-4x social/digital videos + 2x static posts) | | | | |
|--|--|--------------------|------------------------|-----------------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| Account Supervisor | <i>Writes creative brief for the creative team. Participates in creative check-ins and manages client expectations.</i> | \$ 150.00 | 26 | \$ 3,900.00 |
| Account Planner/Strategist | <i>Develops creative brief and messaging with account supervisor. Participates in creative check-ins.</i> | \$ 160.00 | 8 | \$ 1,280.00 |
| Creative Director | <i>Works with the creatives on the creative concepts and executions of the video and static posts.</i> | \$ 220.00 | 13 | \$ 2,860.00 |
| Senior Art Director | <i>Selects footage from Dino shoot for the 3-4 video edits. Develops concepts and designs for the static posts and then produces them.</i> | \$ 150.00 | 68 | \$ 10,200.00 |
| Copywriter | <i>Works with the art director on concepts for static posts. Writes copy and CTAs for the 3-4 videos and 2-3 static posts.</i> | \$ 140.00 | 28 | \$ 3,920.00 |

| | | | | |
|--|--|-----------|----|--------------|
| <i>Project Manager</i> | <i>Manages internal workflow to ensure we meet presentation deadlines.</i> | \$ 110.00 | 11 | \$ 1,210.00 |
| <i>Production Management</i> | <i>Manages any production that necessary for the video and static posts.</i> | \$ 140.00 | 8 | \$ 1,120.00 |
| <i>Mechanical Artist</i> | <i>Mechanicalizes final files.</i> | \$ 95.00 | 6 | \$ 570.00 |
| <i>Miscellaneous Costs / Out of pocket costs</i> | <i>This includes budget for 3D renderings, possible animation, video editing and any photography, retouching or illustration that may be needed.</i> | | | \$ 33,880.00 |

Subtotal \$ 58,940.00

| Owned Media (Campaign page on RightScapeNow.com + 3x bill stuffers) | | | | |
|---|---|--------------------|------------------------|-----------------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| <i>Account Supervisor</i> | <i>Writes creative brief, reviews content and manages client approvals.</i> | \$ 150.00 | 18 | \$ 2,700.00 |
| <i>Account Planner/Strategist</i> | <i>Collaborates with the account supervisor on messaging. Reviews content on campaign page.</i> | \$ 160.00 | 6 | \$ 960.00 |
| <i>Creative Director</i> | <i>Reviews creative (copy and design).</i> | \$ 220.00 | 4 | \$ 880.00 |
| <i>Senior Art Director</i> | <i>Designs bill stuffers (if necessary).</i> | \$ 150.00 | 26 | \$ 3,900.00 |
| <i>Copywriter</i> | <i>Writes copy for the three bill stuffers.</i> | \$ 140.00 | 16 | \$ 2,240.00 |
| <i>Project Manager</i> | <i>Manages internal workflow to ensure we meet presentation deadlines.</i> | \$ 110.00 | 8 | \$ 880.00 |
| <i>Miscellaneous Costs / Out of pocket costs</i> | <i>This includes budget for 3D renderings, possible animation and any photography, retouching or illustration that may be needed.</i> | | | \$ 1,000.00 |
| <i>Subtotal</i> | | | | \$ 12,560.00 |

| Translations | | | | |
|--|---|--------------------|------------------------|-----------------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| <i>Miscellaneous Costs / Out of pocket costs</i> | <i>This includes budget for translations in Spanish, Chinese and Korean for up to two videos.</i> | | | \$ 8,000.00 |
| <i>Subtotal</i> | | | | \$ 8,000.00 |

| Media Buy | | | | |
|--|--|--------------------|------------------------|-----------------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| <i>Miscellaneous Costs / Out of pocket costs</i> | <i>This includes budget for planning, executing and reporting on an 8-week paid social campaign.</i> | | | \$ 90,000.00 |

Total for Initiative #2 \$ 169,500.00

Initiative #3 - Promote gardening workshops

| Email Campaign (3x HTML emails) | | | | |
|--|--|--------------------|------------------------|-----------------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| <i>Account Supervisor</i> | <i>Writes the creative brief, reviews and proofs content, manages development and client expectations.</i> | \$ 150.00 | 24 | \$ 3,600.00 |
| <i>Account Planner/Strategist</i> | <i>Collaborates with the account supervisor on messaging.</i> | \$ 160.00 | 4 | \$ 640.00 |
| <i>Creative Director</i> | <i>Reviews creative (copy and design).</i> | \$ 220.00 | 6 | \$ 1,320.00 |
| <i>Senior Art Director</i> | <i>Develops the look and feel for the email campaign and designs all three emails.</i> | \$ 150.00 | 36 | \$ 5,400.00 |
| <i>Copywriter</i> | <i>Writes copy for the three emails.</i> | \$ 140.00 | 18 | \$ 2,520.00 |
| <i>Project Manager</i> | <i>Manages internal workflow to ensure we meet deadlines.</i> | \$ 110.00 | 9.5 | \$ 1,045.00 |
| <i>Miscellaneous Costs / Out of pocket costs</i> | <i>This includes budget for any photography or retouching that may be needed as well as development for three HTML emails.</i> | | | \$ 3,475.00 |

Subtotal

\$ 18,000.00

| Social Static Posts (3x main posts promoting a workshop and 3x reminder posts) | | | | |
|---|---|-------------|-----------------|----------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| Account Supervisor | <i>Writes creative brief for the creative team. Participates in creative check-ins and manages client expectations.</i> | \$ 150.00 | 12 | \$ 1,800.00 |
| Account Planner/Strategist | <i>Develops messaging with account supervisor. Participates in creative check-ins.</i> | \$ 160.00 | 4 | \$ 640.00 |
| Creative Director | <i>Works with the creatives on the creative concepts for the static posts.</i> | \$ 220.00 | 6 | \$ 1,320.00 |
| Senior Art Director | <i>Develops concepts and designs for the static posts and then produces them.</i> | \$ 150.00 | 32 | \$ 4,800.00 |
| Copywriter | <i>Writes copy and CTAs for the 3 static posts and the 3 reminder posts.</i> | \$ 140.00 | 18 | \$ 2,520.00 |
| Project Manager | <i>Manages internal workflow to ensure we meet presentation deadlines.</i> | \$ 110.00 | 6 | \$ 660.00 |
| Production Management | <i>Manages any production that necessary for the static posts.</i> | \$ 140.00 | 6 | \$ 840.00 |
| Mechanical Artist | <i>Mechanicalizes final files.</i> | \$ 95.00 | 2 | \$ 190.00 |
| Miscellaneous Costs / Out of pocket costs | <i>This includes budget for 3D renderings, possible animation and any photography, retouching or illustration that may be needed.</i> | | | \$ 8,000.00 |

Subtotal

\$ 20,770.00

| "The Dirt" Content & Design | | | | |
|---|--|-------------|-----------------|----------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| Account Supervisor | <i>Kicks-off the job internally, reviews content and manages client approvals.</i> | \$ 150.00 | 8 | \$ 1,200.00 |
| Creative Director | <i>Reviews creative (copy and design).</i> | \$ 220.00 | 2 | \$ 440.00 |
| Senior Art Director | <i>Helps with any design needs for the remaining two issues of "The Dirt."</i> | \$ 150.00 | 11 | \$ 1,650.00 |
| Copywriter | <i>Helps with any headlines for the remaining two issues of "The Dirt."</i> | \$ 140.00 | 12 | \$ 1,680.00 |
| Project Manager | <i>Manages internal workflow to ensure we meet presentation deadlines.</i> | \$ 110.00 | 2 | \$ 220.00 |
| Miscellaneous Costs / Out of pocket costs | <i>This includes budget for 3D renderings, possible animation, video editing and any photography, retouching or illustration that may be needed.</i> | | | \$ 11,000.00 |

Subtotal

\$ 16,190.00

| Owned Media (Campaign page on RightScapeNow.com + 3x bill stuffers) | | | | |
|--|---|-------------|-----------------|----------------------|
| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
| Account Supervisor | <i>Writes creative brief, reviews content, manages client approvals.</i> | \$ 150.00 | 18 | \$ 2,700.00 |
| Account Planner/Strategist | <i>Collaborates on messaging with the account supervisor. Reviews content on campaign page.</i> | \$ 160.00 | 6 | \$ 960.00 |
| Creative Director | <i>Reviews creative (copy and design).</i> | \$ 220.00 | 4 | \$ 880.00 |
| Senior Art Director | <i>Designs campaign page and bill stuffers (if necessary).</i> | \$ 150.00 | 26 | \$ 3,900.00 |
| Copywriter | <i>Writes copy for campaign page and the three bill stuffers.</i> | \$ 140.00 | 16 | \$ 2,240.00 |
| Project Manager | <i>Manages internal workflow to ensure we meet presentation deadlines.</i> | \$ 110.00 | 8 | \$ 880.00 |

| | | | | |
|---|---|--|--|-----------|
| Miscellaneous Costs / Out of pocket costs | <i>This includes budget for 3D renderings, possible animation and any photography, retouching or illustration that may be needed.</i> | | | \$ 980.00 |
|---|---|--|--|-----------|

Subtotal \$ 12,540.00

Media Buy

| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
|---|--|-------------|-----------------|----------------------|
| Miscellaneous Costs / Out of pocket costs | <i>This includes budget for planning, executing and reporting on a paid campaign promoting garden workshops.</i> | | | \$ 45,000.00 |

Total for Initiative #3 \$ 112,500.00

CII & WATERSTAR CAMPAIGN

WaterStar Refresh
(WaterStar Identity Refresh, Webpage Design, Certificate, Welcome Kit, Certified WaterStar logo)

| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
|----------------------------|--|-------------|-----------------|----------------------|
| Account Supervisor | <i>Works with the account planner on the creative brief and messaging, participates in creative check-ins and manages client expectations.</i> | \$ 150.00 | 16 | \$ 2,400.00 |
| Account Planner/Strategist | <i>Collaborates with the account supervisor on messaging. Participates in creative check-ins and client meetings.</i> | \$ 160.00 | 6 | \$ 960.00 |
| Creative Director | <i>Works closely with the creatives on the various design/logo directions and what directions to present to IRWD.</i> | \$ 220.00 | 10 | \$ 2,200.00 |
| Senior Art Director | <i>Develops design/logo directions. Presents directions to the client, makes refinements and produces final assets.</i> | \$ 150.00 | 103 | \$ 15,450.00 |
| Copywriter | <i>Writes copy and headlines needed for the webpage and welcome letter.</i> | \$ 140.00 | 15 | \$ 2,100.00 |
| Project Manager | <i>Manages internal workflow to ensure we meet deadlines.</i> | \$ 110.00 | 12 | \$ 1,320.00 |
| Mechanical Artist | <i>Mechanicalizes final logo files.</i> | \$ 95.00 | 6 | \$ 570.00 |

Subtotal \$ 25,000.00

CII Presentation & Electronic Leave Behind

| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
|---|---|-------------|-----------------|----------------------|
| Account Supervisor | <i>Works with the account planner on the content outline, participates in check-ins and manages client expectations.</i> | \$ 150.00 | 14 | \$ 2,100.00 |
| Account Planner/Strategist | <i>Develops the content outline and writes the presentation.</i> | \$ 160.00 | 28.25 | \$ 4,520.00 |
| Creative Director | <i>Reviews content and design of the presentation.</i> | \$ 220.00 | 6 | \$ 1,320.00 |
| Senior Art Director | <i>Designs the presentation based on the approved content.</i> | \$ 150.00 | 56 | \$ 8,400.00 |
| Project Manager | <i>Manages internal workflow to ensure we meet presentation deadlines.</i> | \$ 110.00 | 6 | \$ 660.00 |
| Miscellaneous Costs / Out of pocket costs | <i>This includes budget for 3D renderings, possible animation and any photography, retouching or illustration that may be needed.</i> | | | \$ 3,000.00 |

Subtotal \$ 20,000.00

Total CII Budget \$ 45,000.00

Account Leadership (Aug-Dec)
(Includes time for administrative oversight, status meetings, budget management providing IRWD monthly billing summary reports)

| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
|-------|------|-------------|-----------------|----------------------|
|-------|------|-------------|-----------------|----------------------|

| | | | | |
|--------------------|--|-----------|----------|--------------|
| Account Supervisor | Account leadership ensures this scope is run as seamlessly and efficiently as possible. This breaks out to roughly 26 hours per month. | \$ 150.00 | 133.3333 | \$ 20,000.00 |
|--------------------|--|-----------|----------|--------------|

Subtotal \$ **20,000.00**

2020 Campaign Recap

| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
|----------------------------|--|-------------|-----------------|----------------------|
| Account Supervisor | Works with account planner on campaign analytics and a full campaign recap. | \$ 150.00 | 20 | \$ 3,000.00 |
| Account Planner/Strategist | Works with account supervisor on campaign analytics and a full campaign recap. | \$ 160.00 | 30 | \$ 4,800.00 |
| Creative Director | Review campaign report and participates in the client presentation. | \$ 220.00 | 10 | \$ 2,200.00 |

Subtotal \$ **10,000.00**

2021 Planning

| Title | Role | Hourly Rate | Projected Hours | Total Projected Cost |
|----------------------------|--|-------------|-----------------|----------------------|
| Account Supervisor | Discusses and aligns on IRWD objectives for 2021. Develops 2021 scope of work. | \$ 150.00 | 42 | \$ 6,300.00 |
| Account Planner/Strategist | Discusses and aligns on IRWD objectives for 2021. Develops 2021 scope of work. | \$ 160.00 | 31 | \$ 4,960.00 |
| Creative Director | Discusses and aligns on IRWD objectives for 2021. Develops 2021 scope of work. | \$ 220.00 | 17 | \$ 3,740.00 |

Subtotal \$ **15,000.00**

Total Scope of Work \$ **396,000.00**

July 13, 2020

Prepared by: A. Shinbashi

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook



ACTION CALENDAR

SECURITY SERVICES CONTRACT

SUMMARY:

In August 2017, IRWD entered into a three-year agreement with Securitas, Inc. to provide security services to the District. This agreement will expire on September 1, 2020. Securitas is proposing to continue providing security services to IRWD. The costs for the first and second years of this new contract will not increase for the services Securitas is currently providing to IRWD at an annual price of \$724,500. For additional services requested from Securitas, including new facilities (the Biosolids facilities) and added remote monitoring of other IRWD facilities, Securitas has proposed an additional \$67,782, resulting in a total annual cost for security services for Year One at \$792,282 and Year Two at \$792,282. Securitas has requested a 2% increase in its rate for Year Three, resulting in an annual cost of \$808,128 for Year Three. Staff recommends the Board approve a new agreement for security services with Securitas, Inc. for a period of three years for a total contract amount of \$2,392,692.

BACKGROUND:

In January 2017, IRWD retained a consultant, TelSec, Inc., to develop a security assessment for District facilities. This report summarized varying levels of security risks to IRWD facilities, several of which could be mitigated by retaining a security services firm. After participating in a competitive bidding process, Securitas, Inc. was selected and awarded a three-year contract.

IRWD staff has been very satisfied with the performance of Securitas and its officers. Over the course of this contract, staff has worked closely with Securitas to optimize its services by:

- Adding patrol services of District facilities located in Santa Ana, Newport Coast, Lake Forest and Orange;
- Incorporating technology (i.e., GPS and time stamp scans) to monitor and track security incidents;
- Providing security escort to staff for after hours; and
- Training its officers on how to interact with District customers and staff.

This contract is scheduled to expire on September 1, 2020. Because Securitas has provided excellent service to the District and has responded well to IRWD's changing security needs, staff approached Securitas to negotiate continuing its current business relationship with IRWD.

Securitas Proposal:

The current scope of security services provided by Securitas to IRWD consists primarily of patrolling major IRWD facilities such as the Michelson Operation Center and the surrounding

property (including the San Joaquin Marsh) and the Sand Canyon Headquarters Building. Securitas has also supported staff when responding to various security issues at other facilities, including vandalism, thefts, and trespassing. Securitas' current annual charge to IRWD for this scope of services is \$724,500. To continue to perform this scope of services, Securitas has proposed to hold its current pricing for two years, and then to increase its rate by 2% in the third year.

Staff also requested that Securitas provide pricing for additional services. These services include increased patrols at new IRWD facilities (such as the Biosolids and Energy Recovery Facilities) and increased remote monitoring of and response to incidents at other IRWD facilities such as the Rattlesnake and Syphon Reservoirs, the Deep Aquifer Treatment System Plant, and the Irvine Desalter Project Potable Treatment Plant. To perform this added scope of services, Securitas has proposed an additional charge of \$67,782 in Year One and Year Two, with a 2% increase in this rate in Year Three.

The agreement will also provide IRWD with a 30-day termination option.

FISCAL IMPACTS:

The proposed contract for the period beginning September 1, 2020 is \$792,282 including the additional services for Year One, \$792,282 for Year Two and \$808,128 Year Three. The total cost of the recommended three-year contract is \$2,392,692.

Funding for security services is included in the District's FY 2020-21 operating budget.

ENVIRONMENTAL COMPLIANCE:

This project is not subject to the California Environmental Quality Act (CEQA).

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on July 7, 2020.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH SECURITAS, INC. FOR SECURITY GUARD AND PATROL SERVICES FOR AN AMOUNT OF \$2,392,692.

LIST OF EXHIBITS:

Exhibit "A" – Securitas Proposal

VIA ELECTRONIC DELIVERY

Irvine Ranch Water District
15600 Sand Canyon Ave
Irvine, CA 92618



Integrity Vigilance Helpfulness

Dear Allen,

We appreciate and value our long-standing partnership with Irvine Ranch Water District and we are pleased to provide you a proposal that will allow us to continue our partnership for another 3 years. Through our experience we feel that we have a very clear understanding of your guard service needs and have developed a Security Management Plan that will us to meet both IRWD's current and expanding needs by leveraging the multiple services that Securitas Security Services USA, Inc. has to offer.

Securitas understands the need to manage costs without compromising security. That's why we've developed The New Guarding, a three-dimensional approach to security. This innovative solution, or any combination of On-site Guarding, Remote Guarding and Mobile Guarding provides the most efficient, cost-effective solution for your security requirements.

The current scope of security services provided by Securitas to IRWD consists primarily of patrolling major IRWD facilities such as the Michelson Operation Center and the surrounding property (including the San Joaquin Marsh) and the Sand Canyon Headquarters Building. Securitas has also supported staff when responding to various security issues at other facilities, including vandalism, thefts, and trespassing. Securitas' projected charge to IRWD for this scope of services is \$724,500. To continue to perform this scope of services, Securitas has proposed to hold its current pricing for two years, and then to increase its rate by 2% in the third year.

Securitas extension pricing includes additional services. These services include increased patrolling of new IRWD facilities (such as the Biosolids and Energy Recovery Facilities) and increased monitoring and response to incidents at other IRWD facilities such as the Rattlesnake and Syphon Reservoirs, the Deep Aquifer Treatment System Plant, and the Irvine Desalter Project Potable Treatment Plant utilizing Securitas' remote camera technology. To perform this added scope of services, Securitas has proposed an additional charge of \$67,782 per year, in Year One and Year Two, with a 2% increase to this rate in Year Three. The total Year Three projected service charge is \$808,128.

We look forward to hearing from you soon and are very excited to partner with IRWD for 3 more years.

Aaron Graham
Area Vice President
Securitas Security Services- OC


A handwritten signature in black ink, appearing to read "A. Graham", is written over the typed name and title.

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July 13, 2020

Prepared by: C. Smithson

Submitted by: C. Clary

Approved by: Paul A. Cook 

ACTION CALENDAR

SETTING CONNECTION FEES AND PROPERTY TAXES FOR FISCAL YEAR 2020-21

SUMMARY:

IRWD typically adjusts connection fees annually, with the most recent adjustment occurring in July 2019. The changes to connection fees proposed for Fiscal Year (FY) 2020-21 are based on updates to the IRWD capital budget, staff's understanding of the remaining balance of projected development units, and adjustments to the Engineering News Record (ENR) construction cost index. Staff recommends changes to the existing connection fees and property tax rates based on the updated data for the IRWD improvement districts (ID) as discussed below. Staff and legal counsel have prepared resolutions for Board adoption in support of the recommendations below.

BACKGROUND:

IRWD's Long-Term Capital Funding Plan (LTFP), completed in November 2013, established connection fees and formed new IDs for funding capital requirements and setting tax rates. A fundamental concept in the District's LTFP is that the costs of new capital facilities are shared equally between the connection fees paid by the developer and property taxes paid by property owners (a 50/50 split). IRWD uses a comprehensive financial model to incorporate capital costs, debt funding, future development, growth rates, inflation, and other variables to determine connection fees.

Connection fees were modeled along with a consolidated tax rate for both residential and commercial development. Staff updated the District's financial model for FY 2020-21 connection fees and tax rate setting to include the following:

- Updated capital improvement program including approved changes to the District's regional capital cost allocations;
- ENR estimated capital cost with no increase for this year (actual ENR was negative 0.4%);
- Fund balance adjustments through April 2020 with assumptions through fiscal year end;
- Updated assessed valuations; and
- Updated projections for development units.

Staff is proposing reductions to several property tax rates to ensure that property tax revenue is equivalent to or less than annual debt requirements. The proposed reduction is due primarily to significantly higher assessed property tax values.

Provided as Exhibit "A" is a summary of the proposed connection fees and property tax rates by ID. Provided as Exhibit "B" is an analysis of changes within each ID. Exhibit "C" provides a summary of the changes included in the regional capital cost allocations (regional splits) as of

October 2019. The resolutions in support of the recommendations below are attached as Exhibits “D”, “E” and “F”.

IDs 112/212:

There are three separate developments contributing to IDs 112/212: the City of Irvine / Great Park, the FivePoint Communities Great Park Neighborhoods, and the County of Orange’s 100-acre parcel. Connection fees for these developments will be set separately.

City of Irvine / Great Park

The recycled water connection fee of \$28.85 million for the Great Park, per agreement with the City, was approved at the June 12, 2017 Board meeting. The City made the first recycled water connection fee payment of \$9.9 million in September 2017. The remainder will be paid as the parcels are put into service. The Great Park will pay 100% of the planned recycled capital expenditures versus the previous assumption of a 50/50 cost sharing with the property owner. Staff recommends no change in connection fees.

FivePoint Communities – Great Park Neighborhoods

The Great Park Neighborhoods is the FivePoint Communities development within ID 112/212. Staff recommends increasing connection fees by 3.0% due primarily due to increases associated with the water and sewer regional splits. The consolidated water and sewer connection fee will increase from \$5,004 to \$5,155 per unit. Staff recommends reducing the current consolidated tax rate of \$0.7500 to \$0.6420 per \$100 of land assessed value in order to meet debt requirements and maintain the 50/50 split.

County of Orange 100-acre Parcel (ID 112/212a)

Staff recommends applying the same 3.0% increase to the connection fees for the reason discussed above for the 100-acre development site owned by the County of Orange, which has no tax base. The consolidated water and sewer connection fee will increase from \$9,208 to \$9,485 per unit. The property tax rate will remain at zero as long as the property is owned by the County.

| Improvement Districts | Connection Fees | | Property Tax | |
|------------------------------------|-----------------|----------|--------------|----------|
| | Current | Proposed | Current | Proposed |
| 112/212 (Great Park Neighborhood) | \$5,004 | \$5,155 | \$0.0750 | \$0.0642 |
| 112a/212a (County 100-acre Parcel) | \$9,208 | \$9,485 | \$0.0000 | \$0.0000 |

IDs 113/213 – Tustin Base:

Staff recommends increasing connection fees by 3.0% due to increases associated with the regional splits. This will increase the water and sewer connection fee by \$259, from \$8,629 to \$8,888 per unit. Staff recommends maintaining the current consolidated tax rate of \$0.09900 per \$100 of land assessed value in order to maintain the 50/50 split.

| Improvement Districts | Connection Fees | | Property Tax | |
|-----------------------|-----------------|----------|--------------|----------|
| | Current | Proposed | Current | Proposed |
| 113/213 | \$8,629 | \$8,888 | \$0.0990 | \$0.0990 |

IDs 185/285 – Lake Forest Opportunity Study Area, Excluding Portola:

Staff recommends no increase to connection fees, consistent with ENR. The consolidated water and sewer connection fee will remain at \$5,014 per unit. Staff recommends reducing the current consolidated tax rate of \$0.0535 to \$0.0218 per \$100 of land-assessed value in order to meet debt requirements and maintain the 50/50 split.

| Improvement Districts | Connection Fees | | Property Tax | |
|-----------------------------|-----------------|----------|--------------|----------|
| | Current | Proposed | Current | Proposed |
| 185/285 (Opportunity Study) | \$5,014 | \$5,014 | \$0.0535 | \$0.0218 |

IDs 188/288 – Portola – Portion of Opportunity Study Area:

Staff recommends a 0.5% increase in the current rates due to changes associated with the regional splits. The consolidated water and sewer connection fee will increase by \$22, increasing the water and sewer connection fee from \$4,396 to \$4,418 per residential unit. Staff also recommends reducing the current consolidated tax rate of \$0.0835 to \$0.0394 per \$100 of land assessed value in order to meet debt requirements and maintain the 50/50 split.

| Improvement Districts | Connection Fees | | Property Tax | |
|-----------------------------|-----------------|----------|--------------|----------|
| | Current | Proposed | Current | Proposed |
| 188/288 (Opportunity Study) | \$4,396 | \$4,418 | \$0.0835 | \$0.0394 |

IDs 153/253 – Developing IDs:

IRWD and the Irvine Company established future usage and related revenue from the sale of native water from Irvine Lake. A portion of the revenue produced by native water sales is applied to connection fees for the developing IDs 153/253. The amended Irvine Lake agreement, executed in July 2019, ensures that the Irvine Company pays its fair share of capital infrastructure (without overpaying), recognizing that future sales of native water will reduce the amount of connection fees. The native water assumption includes 3,800 acre-feet (AF) per year at a rate of \$327 per AF in FY 2020-21 with the cost of water escalating annually at 3% thereafter. The agreement will also provide for a reconciliation every five years between the assumed and the actual native water revenue. The final reconciliation will occur at the end of 20 years in 2038.

Staff recommends decreasing the consolidated water and sewer connection fee from \$3,213 to \$2,828 (a net reduction of \$385 or 12%) per residential unit. This is due primarily to decreases associated with the regional splits. Staff recommends reducing the current consolidated tax rate of \$0.0410 to \$0.220 per \$100 of land assessed value in order to meet debt requirements and maintain the 50/50 split.

| Improvement Districts | Connection Fees | | Property Tax | |
|--------------------------|-----------------|----------|--------------|----------|
| | Current | Proposed | Current | Proposed |
| 153/253 (Undeveloped ID) | \$3,213 | \$2,828 | \$0.0410 | \$0.0220 |

ID 256 – Orange Park Acres (OPA) Sewer:

Staff recommends a 0.5% increase in the current rates due to changes associated with the regional splits. The consolidated sewer connection fee will increase by \$31, increasing the connection fee from \$6,259 to \$6,290 per residential unit. There is no bonding authority for this ID so there are no property taxes.

| Improvement Districts | Connection Fees | | Property Tax | |
|--------------------------|-----------------|----------|--------------|----------|
| | Current | Proposed | Current | Proposed |
| 156/256 (Undeveloped ID) | \$6,259 | \$6,290 | \$0.0000 | \$0.0000 |

All Other IDs:

Other areas experienced no significant changes in funding requirements. The recommendation for these IDs is no change to connection fees or property taxes.

| Improvement Districts | Connection Fees | | Property Tax | |
|---|-----------------|----------|--------------|----------|
| | Current | Proposed | Current | Proposed |
| 125/225(Developed) | \$5,975 | \$5,975 | \$0.028 | \$0.028 |
| 125/240(Developed) | \$6,818 | \$6,818 | \$0.028 | \$0.028 |
| 111/222 (Developed, no GO Authority) ¹ | \$9,914 | \$9,914 | NA | NA |

¹ Identifies the consolidated connection fee for a density between 5.9 to 10.8 dwelling units (DU) per acre.

FISCAL IMPACTS:

Total connection fees discussed above are included in the FY 2020-21 Non-operating budget. Section 3 of the IRWD Rates and Charges for FY 2020-21 has been revised to reflect the recommended changes to connection fees, and this revised section is attached (in redline format) as Exhibit “G”.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on July 7, 2020.

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTIONS BY TITLE EFFECTIVE AUGUST 1, 2020:

RESOLUTION NO. 2020 –

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA ADOPTING CHANGES TO CONNECTION FEES AS SET FORTH IN THE SCHEDULE OF RATES AND CHARGES IN EXHIBIT “B” OF THE RULES AND REGULATIONS OF IRVINE RANCH WATER DISTRICT FOR WATER, SEWER, RECYCLED WATER, AND NATURAL TREATMENT SYSTEM SERVICE AND ADOPT THE FOLLOWING RESOLUTIONS BY TITLE:

RESOLUTION NO. 2020 –

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA ESTABLISHING *AD VALOREM* TAX REVENUES FOR FISCAL YEAR 2020-21

RESOLUTION NO. 2020 –

RESOLUTION OF THE BOARD OF DIRECTORS OF THE IRVINE RANCH WATER DISTRICT AMENDING ALLOCATION OF *AD VALOREM* PROPERTY TAXES TO DEBT SERVICE, SUBJECT TO PLEDGE

LIST OF EXHIBITS:

- Exhibit “A” – Proposed Connection Fees and Property Tax Rates
- Exhibit “B” – Analysis of Changes within IDs
- Exhibit “C” – Summary of the Regional Capital Cost Allocations Splits
- Exhibit “D” – Resolution Adopting Changes to Rates and Charges
- Exhibit “E” – Resolution Adopting Ad Valorem Property Tax Rates
- Exhibit “F” – Resolution Amending Allocation of Ad Valorem Property Taxes to Debt Service
- Exhibit “G” – Rates and Charges

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**Proposed Connection Fees and Property Tax Rates
Fiscal Year 2020-21**

CONNECTION FEES

| Improvement District | Current FY 2019-20 | | | Proposed FY 2020-21 | | | Change ⁽¹⁾ | |
|---|--------------------|---------|---------|---------------------|---------|---------|-----------------------|--------|
| | Water | Sewer | Total | Water | Sewer | Total | \$ | % |
| | 111/222 | \$3,551 | \$6,363 | \$9,914 | \$3,551 | \$6,363 | \$9,914 | \$0 |
| 112/212 | \$1,386 | \$3,618 | \$5,004 | \$1,428 | \$3,727 | \$5,155 | \$151 | 3.0% |
| 112a/212a No Tax Authority (100% Connection Fee) | \$2,551 | \$6,657 | \$9,208 | \$2,628 | \$6,857 | \$9,485 | \$277 | 3.0% |
| 113/213 | \$3,138 | \$5,491 | \$8,629 | \$3,232 | \$5,656 | \$8,888 | \$259 | 3.0% |
| 125/240 | \$2,873 | \$3,945 | \$6,818 | \$2,873 | \$3,945 | \$6,818 | \$0 | 0.0% |
| 125/225 | \$2,873 | \$3,102 | \$5,975 | \$2,873 | \$3,102 | \$5,975 | \$0 | 0.0% |
| 153/253 | \$1,486 | \$1,727 | \$3,213 | \$1,308 | \$1,520 | \$2,828 | (\$385) | -12.0% |
| 153/253 PA 30 | \$3,943 | \$4,115 | \$8,058 | \$3,943 | \$4,115 | \$8,058 | \$0 | 0.0% |
| 256 OPA | | \$6,259 | \$6,259 | | \$6,290 | \$6,290 | \$31 | 0.5% |
| 185/285 | \$1,800 | \$3,214 | \$5,014 | \$1,800 | \$3,214 | \$5,014 | \$0 | 0.0% |
| 188/288 | \$1,619 | \$2,777 | \$4,396 | \$1,627 | \$2,791 | \$4,418 | \$22 | 0.5% |

PROPERTY TAX RATES ⁽²⁾

| Improvement District | Current | | | Proposed | | |
|----------------------|----------|----------|----------|----------|----------|----------|
| | Water | Sewer | Total | Water | Sewer | Total |
| 112/212 | \$0.0300 | \$0.0450 | \$0.0750 | \$0.0156 | \$0.0486 | \$0.0642 |
| 113/213 | \$0.0400 | \$0.0590 | \$0.0990 | \$0.0400 | \$0.0590 | \$0.0990 |
| 125/225/240 | \$0.0130 | \$0.0150 | \$0.0280 | \$0.0130 | \$0.0150 | \$0.0280 |
| 153/253 | \$0.0200 | \$0.0210 | \$0.0410 | \$0.0090 | \$0.0130 | \$0.0220 |
| 185/285 | \$0.0230 | \$0.0305 | \$0.0535 | \$0.0081 | \$0.0137 | \$0.0218 |
| 188/288 | \$0.0735 | \$0.0100 | \$0.0835 | \$0.0309 | \$0.0085 | \$0.0394 |

(1) ENR for June 2019 through June 2020 is (0.4%).

(2) Based on \$100 of land assessed value.

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IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs

(in millions)

Improvement District:

| |
|----------------|
| 111/222 |
|----------------|

To Date:

| | Water | Sewer | Total |
|------------------------------------|--------------|--------------|--------------|
| Expenditures ⁽¹⁾ | \$ 2.5 | \$ (27.2) | \$ (24.7) |
| Fund Balance (4/30/2020) | \$ 2.5 | \$ (26.9) | \$ (24.4) |

Future Projection:**Revenue:**

| | | | |
|--------------------------------------|----------|-----------|-----------|
| Interest Income on Balance | \$ (1.1) | \$ (12.2) | \$ (13.4) |
| Other Revenues ⁽²⁾ | - | 2.3 | \$ 2.3 |
| 1% and Enhancement | 126.1 | 101.9 | \$ 227.9 |
| Bond Sales | 58.8 | 26.7 | 85.5 |
| Connection Fees | 2.7 | 4.9 | 7.7 |
| GO Property Taxes | - | - | - |
| Total Revenue | \$ 186.5 | \$ 123.5 | \$ 310.0 |

Expenditures:

| | | | |
|----------------------------------|------------|-----------|------------|
| Capital | \$ (94.2) | \$ (54.2) | \$ (148.4) |
| Debt | (90.6) | (39.0) | (129.6) |
| Total Expenditures | \$ (184.8) | \$ (93.2) | \$ (277.9) |
| Fund Balance (FY 2051-52) | \$ 4.2 | \$ 3.5 | \$ 7.7 |

(1) Expenditures includes both capital infrastructure and general plant

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District:

| |
|----------------|
| 112/212 |
|----------------|

To Date:

| | Water | Sewer | Total |
|---------------------------------|---------------|---------------|---------------|
| Expenditures ⁽¹⁾ | \$ (18.2) | \$ (59.8) | \$ (78.0) |
| Connection Fees | \$ 4.7 | \$ 20.9 | 25.5 |
| GO Property Taxes | 3.8 | 9.0 | 12.8 |
| Previous Bond Sales | 8.1 | 26.0 | 34.1 |
| Other ⁽²⁾ | 4.6 | 5.2 | 9.8 |
| Fund Balance (4/30/2020) | \$ 3.0 | \$ 1.3 | \$ 4.3 |

Future Projection:

Revenue:

| | | | |
|-------------------------------|----------------|-----------------|-----------------|
| Interest Income on Balance | \$ (0.3) | \$ 8.5 | \$ 8.1 |
| Other Revenues ⁽²⁾ | (1.7) | 2.3 | 0.7 |
| 1% and Enhancement | - | - | |
| Bond Sales | 8.9 | 16.6 | 25.5 |
| Connection Fees | 12.4 | 31.7 | 44.1 |
| GO Property Taxes | 15.2 | 42.8 | 58.1 |
| Total Revenue | \$ 34.5 | \$ 101.9 | \$ 136.4 |

Expenditures:

| | | | |
|---------------------------|------------------|------------------|-------------------|
| Capital | \$ (17.5) | \$ (32.7) | \$ (50.2) |
| Debt | (24.5) | (63.0) | (87.5) |
| Total Expenditures | \$ (42.0) | \$ (95.7) | \$ (137.7) |

Fund Balance (FY 2051-52)

| | | |
|----------|--------|--------|
| \$ (4.5) | \$ 7.4 | \$ 3.0 |
|----------|--------|--------|

| |
|---------------|
| Change |
|---------------|

Connection Fees:

| | | | |
|----------|-------|--------|--------|
| Previous | \$4.7 | \$20.9 | \$25.5 |
| Future | 12.4 | 31.7 | 44.1 |

| | | | | |
|------------------------------|--------|--------|--------|------------|
| Total Connection Fees | \$17.1 | \$52.5 | \$69.6 | 50% |
|------------------------------|--------|--------|--------|------------|

| Current | Propose | \$ | % |
|---------|---------|----|---|
|---------|---------|----|---|

| | | | |
|---------|---------|-------|------|
| \$5,004 | \$5,155 | \$151 | 3.0% |
|---------|---------|-------|------|

GO Property Taxes:

| | | | |
|-----------------------|-------|-------|--------|
| Previous | \$3.8 | \$9.0 | \$12.8 |
| Underlay (ID 125/225) | 0.0 | 0.0 | 0.0 |
| Future | 15.2 | 42.8 | 58.1 |

| | | | | |
|--------------------------------|--------|--------|--------|------------|
| Total GO Property Taxes | \$19.1 | \$51.8 | \$70.9 | 50% |
|--------------------------------|--------|--------|--------|------------|

| | | | |
|----------|----------|------------|--------|
| \$0.0750 | \$0.0642 | (\$0.0108) | -14.4% |
|----------|----------|------------|--------|

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District: **113/213**

| <u>To Date:</u> | Water | Sewer | Total |
|---------------------------------|---------------|---------------|---------------|
| Expenditures ⁽¹⁾ | \$ (20.0) | \$ (34.3) | \$ (54.3) |
| Connection Fees | 4.1 | 7.8 | 12.0 |
| GO Property Taxes | 1.7 | 2.6 | 4.3 |
| Previous Bond Sales | 16.3 | 28.6 | 44.9 |
| Other ⁽²⁾ | 1.2 | 0.1 | 1.4 |
| Fund Balance (4/30/2020) | \$ 3.4 | \$ 4.9 | \$ 8.3 |

Future Projection:

Revenue:

| | | | |
|-------------------------------|----------------|----------------|-----------------|
| Interest Income on Balance | \$ 13.5 | \$ 1.0 | \$ 14.5 |
| Other Revenues ⁽²⁾ | 1.3 | 1.0 | 2.4 |
| 1% and Enhancement | - | - | - |
| Bond Sales | 8.8 | 13.5 | 22.3 |
| Connection Fees | 10.9 | 16.5 | 27.4 |
| GO Property Taxes | 20.6 | 14.3 | 34.9 |
| Total Revenue | \$ 55.1 | \$ 46.4 | \$ 101.5 |

Expenditures:

| | | | |
|---------------------------|------------------|------------------|------------------|
| Capital | \$ (9.5) | \$ (12.8) | \$ (22.3) |
| Debt | (31.5) | (45.3) | (76.9) |
| Total Expenditures | \$ (41.1) | \$ (58.1) | \$ (99.2) |

| | | | |
|----------------------------------|----------------|-----------------|----------------|
| Fund Balance (FY 2051-52) | \$ 17.4 | \$ (6.9) | \$ 10.6 |
|----------------------------------|----------------|-----------------|----------------|

| |
|---------------|
| Change |
|---------------|

Connection Fees:

| | Current | Propose | \$ | % |
|------------------------------|---------------|---------------|---------------|------------|
| Previous | \$4.1 | \$7.8 | \$12.0 | |
| Future | 10.9 | 16.5 | 27.4 | |
| Total Connection Fees | \$15.0 | \$24.4 | \$39.4 | 50% |

| | | | |
|---------|---------|-------|------|
| \$8,629 | \$8,888 | \$259 | 3.0% |
|---------|---------|-------|------|

GO Property Taxes:

| | | | | |
|--------------------------------|---------------|---------------|---------------|------------|
| Previous | \$1.7 | \$2.6 | \$4.3 | |
| Underlay (ID 125/225) | 0.0 | 0.0 | 0.0 | |
| Future | 20.6 | 14.3 | 34.9 | |
| Total GO Property Taxes | \$22.3 | \$16.9 | \$39.2 | 50% |

| | | | |
|----------|----------|----------|------|
| \$0.0990 | \$0.0990 | \$0.0000 | 0.0% |
|----------|----------|----------|------|

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs

(in millions)

Improvement District:

| |
|----------------|
| 125/225 |
|----------------|

To Date:

| | Water | Sewer | Total |
|---------------------------------|-----------------|------------------|-----------------|
| Expenditures ⁽¹⁾ | \$ 153.4 | \$ (16.1) | \$ 137.2 |
| Fund Balance (4/30/2020) | \$ 153.4 | \$ (16.1) | \$ 137.2 |

Future Projection:

Revenue:

| | | | |
|-------------------------------|-----------------|-----------------|-----------------|
| Interest Income on Balance | \$ 144.5 | \$ (96.6) | \$ 47.9 |
| Other Revenues ⁽²⁾ | 33.2 | 17.9 | \$ 51.0 |
| 1% and Enhancement | 46.0 | 214.9 | \$ 260.9 |
| Bond Sales | 59.1 | 96.7 | 155.8 |
| Connection Fees | 1.1 | 1.2 | 2.3 |
| GO Property Taxes | 203.0 | 239.4 | 442.4 |
| Total Revenue | \$ 486.8 | \$ 473.5 | \$ 960.3 |

Expenditures:

| | | | |
|----------------------------------|-------------------|-------------------|---------------------|
| Capital | \$ (110.5) | \$ (108.2) | \$ (218.8) |
| Debt | (350.5) | (524.2) | (874.7) |
| Total Expenditures | \$ (461.1) | \$ (632.4) | \$ (1,093.5) |
| Fund Balance (FY 2051-52) | \$ 179.1 | \$ (175.0) | \$ 4.1 |

(1) Expenditures includes both capital infrastructure and general plant

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

| Improvement District | 153/253 (Undeveloped) | | | |
|----------------------------------|------------------------------|------------------|-------------------|------------|
| <u>To Date:</u> | Water | Sewer | Total | |
| Expenditures ⁽¹⁾ | \$ (8.0) | \$ (38.6) | \$ (46.6) | |
| Connection Fees | 14.74 | 17.39 | 32.13 | |
| GO Property Taxes | 2.10 | 2.39 | 4.49 | |
| Previous Bond Sales | 7.60 | 11.90 | 19.50 | |
| Other ⁽²⁾ | 7.31 | 7.50 | 14.81 | |
| Fund Balance (4/30/2020) | \$ 23.7 | \$ 0.6 | \$ 24.3 | |
| Underlay | \$ 5.0 | \$ 2.7 | \$7.7 | |
| <u>Future Projection:</u> | | | | |
| Revenue: | | | | |
| Interest Income on Balance | \$ 7.7 | \$ (11.6) | \$ (4.0) | |
| Other Revenues ⁽²⁾ | 31.9 | 60.5 | 92.4 | |
| 1% and Enhancement | - | - | | |
| Bond Sales | 9.2 | 7.3 | 16.5 | |
| Connection Fees | 6.6 | 7.7 | 14.3 | |
| GO Property Taxes | 1.6 | 2.2 | 3.8 | |
| Total Revenue | \$ 56.9 | \$ 66.1 | \$ 123.0 | |
| Expenditures: | | | | |
| Capital | \$ (40.4) | \$ (41.0) | \$ (81.4) | |
| Debt | (27.7) | (32.8) | (60.5) | |
| Total Expenditures | \$ (68.1) | \$ (73.8) | \$ (141.9) | |
| Fund Balance (FY 2051-52) | \$ 12.5 | \$ (7.1) | \$ 5.4 | |
| <u>Connection Fees:</u> | | | | |
| Previous | \$14.7 | \$17.4 | \$32.1 | |
| Future | \$6.6 | \$7.7 | \$14.3 | |
| Total Connection Fees | \$21 | \$25 | \$46.4 | 50% |
| | \$3,213 | \$2,828 | (\$385) | -12% |
| <u>GO Property Taxes:</u> | | | | |
| Previous | \$7.1 | \$5.1 | \$12.2 | |
| Underlay (ID 125/225) | \$14.2 | \$16.4 | \$30.6 | |
| Future | \$1.6 | \$2.2 | \$3.8 | |
| Total GO Property Taxes | \$23 | \$24 | \$46.6 | 50% |
| | \$0.0410 | \$0.0220 | (\$0.0190) | -46% |

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other Revenues include native water and golf course revenue for 153/253, buy-in costs, and estimated grant revenue.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District: **185/285**

| <u>To Date:</u> | Water | Sewer | Total |
|---------------------------------|---------------|---------------|---------------|
| Expenditures ⁽¹⁾ | \$ (1.1) | \$ (2.1) | \$ (3.2) |
| Connection Fees | \$ 2.0 | \$ 3.0 | 5.1 |
| GO Property Taxes | \$ 0.6 | \$ 0.9 | 1.5 |
| Previous Bond Sales | \$ 1.5 | \$ 1.8 | 3.3 |
| Other ⁽²⁾ | \$ 0.4 | \$ 2.8 | 3.2 |
| Fund Balance (4/30/2020) | \$ 3.5 | \$ 6.4 | \$ 9.9 |

Future Projection:

Revenue:

| | | | |
|-------------------------------|---------------|----------------|----------------|
| Interest Income on Balance | \$ 2.8 | \$ 6.9 | \$ 9.7 |
| Other Revenues ⁽²⁾ | 0.2 | 0.2 | 0.4 |
| 1% and Enhancement | - | - | |
| Bond Sales | 2.9 | 4.1 | 7.0 |
| Connection Fees | 0.9 | 1.6 | 2.5 |
| GO Property Taxes | 0.6 | 1.0 | 1.5 |
| Total Revenue | \$ 7.4 | \$ 13.8 | \$ 21.2 |

Expenditures:

| | | | |
|---------------------------|------------------|------------------|------------------|
| Capital | \$ (3.5) | \$ (5.7) | \$ (9.3) |
| Debt | (7.0) | (9.3) | (16.3) |
| Total Expenditures | \$ (10.6) | \$ (15.1) | \$ (25.6) |

| | | | |
|----------------------------------|---------------|---------------|---------------|
| Fund Balance (FY 2051-52) | \$ 0.4 | \$ 5.1 | \$ 5.5 |
|----------------------------------|---------------|---------------|---------------|

| |
|---------------|
| Change |
|---------------|

Connection Fees:

| | | | |
|----------|-------|-------|-------|
| Previous | \$2.0 | \$3.0 | \$5.1 |
| Future | \$0.9 | \$1.6 | \$2.5 |

| | | | | |
|------------------------------|------------|------------|--------------|------------|
| Total Connection Fees | \$3 | \$5 | \$7.6 | 50% |
|------------------------------|------------|------------|--------------|------------|

| <u>Current</u> | <u>Propose</u> | <u>\$</u> | <u>%</u> |
|----------------|----------------|-----------|----------|
|----------------|----------------|-----------|----------|

| | | | |
|---------|---------|-----|------|
| \$5,014 | \$5,014 | \$0 | 0.0% |
|---------|---------|-----|------|

GO Property Taxes:

| | | | |
|-----------------------|-------|-------|-------|
| Previous | \$0.6 | \$0.9 | \$1.5 |
| Underlay (ID 125/225) | \$4.7 | \$0.0 | \$4.7 |
| Future | \$0.6 | \$1.0 | \$1.5 |

| | | | | |
|--------------------------------|------------|------------|--------------|------------|
| Total GO Property Taxes | \$6 | \$2 | \$7.7 | 50% |
|--------------------------------|------------|------------|--------------|------------|

| | | | |
|----------|----------|------------|--------|
| \$0.0535 | \$0.0218 | (\$0.0318) | -59.3% |
|----------|----------|------------|--------|

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District:

| |
|----------------|
| 188/288 |
|----------------|

To Date:

| | Water | Sewer | Total |
|---------------------------------|---------------|---------------|---------------|
| Expenditures ⁽¹⁾ | \$ (9.5) | \$ (8.2) | \$ (17.7) |
| Connection Fees | 0.6 | 1.0 | 1.6 |
| GO Property Taxes | 2.4 | 0.3 | 2.7 |
| Previous Bond Sales | 4.6 | 0.4 | 5.0 |
| Other ⁽²⁾ | 2.6 | 6.7 | 9.3 |
| Fund Balance (4/30/2020) | \$ 0.7 | \$ 0.1 | \$ 0.9 |

Future Projection:

Revenue:

| | | | |
|-------------------------------|---------------|---------------|---------------|
| Interest Income on Balance | \$ 0.2 | \$ 2.7 | \$ 2.8 |
| Other Revenues ⁽²⁾ | 0.2 | 0.3 | 0.5 |
| 1% and Enhancement | - | - | |
| Bond Sales | 0.6 | 0.1 | 0.7 |
| Connection Fees | 0.8 | 1.4 | 2.3 |
| GO Property Taxes | 1.0 | 0.3 | 1.3 |
| Total Revenue | \$ 2.8 | \$ 4.8 | \$ 7.6 |

Expenditures:

| | | | |
|----------------------------------|-----------------|-----------------|-----------------|
| Capital | \$ (1.2) | \$ (0.4) | \$ (1.6) |
| Debt | (3.5) | (0.8) | (4.3) |
| Total Expenditures | \$ (4.7) | \$ (1.2) | \$ (5.8) |
| Fund Balance (FY 2051-52) | \$ (1.1) | \$ 3.7 | \$ 2.6 |

| |
|---------------|
| Change |
|---------------|

Connection Fees:

| | Current | Propose | \$ | % | | |
|------------------------------|--------------|--------------|--------------|------------|---------|---------|
| Previous | \$0.6 | \$1.0 | \$1.6 | | | |
| Future | \$0.8 | \$1.4 | \$2.3 | | | |
| Total Connection Fees | \$1.5 | \$2.4 | \$3.9 | 50% | \$4,396 | \$4,418 |
| | | | \$22 | 0.5% | | |

GO Property Taxes:

| | | | | | | |
|--------------------------------|--------------|--------------|--------------|------------|----------|---------------------|
| Previous | \$2.4 | \$0.3 | \$2.7 | | | |
| Underlay (ID 125/225) | \$0.0 | \$0.0 | \$0.0 | | | |
| Future | \$1.0 | \$0.3 | \$1.3 | | | |
| Total GO Property Taxes | \$3.4 | \$0.5 | \$3.9 | 50% | \$0.0835 | \$0.0394 (\$0.0441) |
| | | | | | | -52.8% |

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

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EXHIBIT "C"

IRVINE RANCH WATER DISTRICT
Summary of the Regional Capital Cost Allocation Splits
 Approved October 28, 2019

| Improvement District | Old Allocation | | New Allocation | |
|---------------------------|-----------------|---------------|-----------------|---------------|
| | Demand (cfs) | Splits | Demand (cfs) | Splits |
| Potable Water | | | | |
| 111 | 37.51 | 32.6% | 39.93 | 35.1% |
| 112 | 3.83 | 3.3% | 5.51 | 4.8% |
| 113 | 3.45 | 3.0% | 3.92 | 3.4% |
| 125 | 54.56 | 47.5% | 52.80 | 46.4% |
| 153 | 12.72 | 11.1% | 8.89 | 7.8% |
| 154 | 0.51 | 0.4% | 0.47 | 0.4% |
| 185 | 1.85 | 1.6% | 1.78 | 1.6% |
| 188 | 0.53 | 0.5% | 0.53 | 0.5% |
| Total for Water | 114.96 | 100.0% | 113.83 | 100.0% |
| Sewer | | | | |
| 212 | 1.55 | 3.4% | 2.42 | 5.4% |
| 213 | 1.55 | 3.4% | 1.66 | 3.7% |
| 222 | 15.08 | 33.1% | 15.76 | 35.3% |
| 225 | 22.08 | 48.6% | 20.09 | 45.1% |
| 240 | - | 0.0% | - | 0.0% |
| 253 | 4.38 | 9.6% | 3.53 | 7.9% |
| 256 | 0.15 | 0.3% | 0.17 | 0.4% |
| 285 | 0.60 | 1.3% | 0.80 | 1.8% |
| 288 | 0.15 | 0.3% | 0.18 | 0.4% |
| Total for Sewer | 45.54 | 100.0% | 44.61 | 100.0% |
| Recycled | | | | |
| 212 | 4.38 | 10.7% | 3.49 | 8.8% |
| 213 | 1.67 | 4.1% | 1.65 | 4.2% |
| 222 | 5.95 | 14.6% | 6.04 | 15.2% |
| 225 | 20.77 | 51.1% | 19.50 | 49.3% |
| 240 | 3.14 | 7.7% | 3.14 | 7.9% |
| 253 | 4.22 | 10.3% | 5.20 | 13.1% |
| 256 | - | 0.0% | - | 0.0% |
| 285 | 0.62 | 1.5% | 0.60 | 1.5% |
| 288 | - | 0.0% | - | 0.0% |
| Total for Recycled | 40.75 | 100.0% | 39.62 | 100.0% |

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EXHIBIT “D”

RESOLUTION NO. 2020-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
ADOPTING CHANGES TO CONNECTION FEES AS SET FORTH IN
THE SCHEDULE OF RATES AND CHARGES IN EXHIBIT “B” TO THE
RULES AND REGULATIONS OF IRVINE RANCH WATER DISTRICT
FOR WATER, SEWER, RECYCLED WATER, AND NATURAL
TREATMENT SYSTEM SERVICE
(EFFECTIVE AUGUST 1, 2020)

The Irvine Ranch Water District (“IRWD”) is a California Water District organized and existing under the California Water District Law, and all of the lands within the boundaries of said District are located in the County of Orange, State of California.

California Water Code Sections 35423, 35470, and 35501 empower the District to establish, print and distribute equitable rules and regulations and prescribe and collect rates or other charges for water and sewer service, which includes connection fees for connection and service capacity.

The Board of Directors of IRWD, by adoption of Resolution No. 2019-32 approved and adopted amended “Rules and Regulations of Irvine Ranch Water District for Water, Sewer, Recycled Water, and Natural Treatment System Service effective December 16, 2019 (“Rules and Regulations”).

Exhibit “B” of the Rules and Regulations sets forth rates and charges, which may be changed from time to time by adoption of changes to any of the rates and charges or establishing any new rates and charges.

Public Resources Code Section 21080(b) (8) provides that the establishment, modification, structuring, restructuring or approval of rates, tolls, fares, or other charges by public agencies are exempt from the requirements of the California Environmental Quality Act if certain findings are made specifying the basis for the claim of exemption.

Article XIII B of the Constitution of the State of California, limiting local agencies’ appropriations of proceeds of taxes, excludes user charges or fees or regulatory fees from the definition of proceeds of taxes, as long as such fees and charges do not produce revenue exceeding the costs reasonably borne in providing the regulation, product or service, and further excludes appropriations for debt service and appropriations for qualified capital outlay projects from appropriations subject to limitation.

The Board of Directors of IRWD deems it advisable and finds that it would be in the best interest of the District to amend or establish connection fees, consistent with applicable constitutional and statutory requirements.

The proposed revisions to the connection fees, as set forth in Exhibit “A” to this resolution, do not modify or establish any property-related fees or charges subject to the notice and hearing procedures of Article XIID of the Constitution of the State of California.

The Board of Directors of IRWD therefore resolves as follows:

Section 1. It is hereby found and determined that the proposed changes to the Schedule of Rates and Charges are within the purposes set forth in Section 21080(b) of the Public Resources Code including but not by way of limitation, the purposes of (1) obtaining funds for capital projects necessary to maintain service within existing areas, and (2) meeting financial reserve needs, and therefore, that such changes are exempt from CEQA.

Section 2. It is hereby found and determined that relative to Article XIII B of the Constitution of the State of California, the charges or fees or regulatory fees established or increased hereby do not produce revenues exceeding the costs reasonably borne in providing the regulation, product or service and/or are used for debt service or qualified capital outlay projects and accordingly do not constitute proceeds of taxes, the appropriation of which is limited under Article XIII B, and that the documentation used in making such determinations has been on file in the office of IRWD for not less than 15 days prior to the date hereof, pursuant to Section 7910 of the Government Code of the State of California. It is hereby further found and determined that relative to the requirements of Sections 66013 and 66016 of the Government Code of the State of California, the availability of such documentation also satisfies the requirement to make publicly available the data indicating the estimated cost and revenue sources to provide the service for which the fee is imposed at least 10 days prior to the meeting at which this resolution is adopted, and that the connection fees established or increased hereby do not exceed the estimated reasonable cost of providing the service for which they are imposed.

Section 3. The new and/or revised connection fees as set forth in Exhibit “A” attached to this resolution and by this reference incorporated herein are hereby adopted, and the corresponding rate(s), fee(s) or charge(s), if any, as set forth in Rules and Regulations Exhibit “B” currently in effect, are hereby superseded. Staff is directed to incorporate the hereby adopted new and/or revised connection fee(s) into Exhibit “B” to the Rules and Regulations.

Section 4. That the provisions of this Resolution shall be effective August 1, 2020.

Section 5. That the Secretary is hereby ordered and directed to post a certified copy of this Resolution in a public place within the Irvine Ranch Water District.

ADOPTED, SIGNED and APPROVED on July 13, 2020.

President, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

Secretary, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM:

Hanson Bridgett LLP

By: _____
District Counsel

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EXHIBIT "E"

RESOLUTION NO. 2020-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
ESTABLISHING AD VALOREM TAX REVENUES FOR
FISCAL YEAR 2020-

The Board of Directors of the Irvine Ranch Water District (IRWD) has duly considered the financial needs of IRWD and its Improvement District Nos. 112, 113, 125, 153, 185, 188, 212, 213, 225, 240, 253, 285, and 288, for the fiscal year 2020-21 and the funds available and established to become available for meeting said financial needs.

Pursuant to Water Code Section 37206, the Board of Directors annually shall furnish to the Board of Supervisors of Orange County and to the County Auditor, an estimate in writing of the amount of money needed to be raised by the District during the fiscal year for the payment of its proportion of the amount required for the purposes of the District.

Article XIII B of the Constitution of the State of California provides that the appropriations of local agencies will be limited each year to those of the previous year with specified adjustments permitted.

Section 9(a) of Article XIII B specifically excludes appropriations required to pay the cost of interest and redemption charges, including the funding of any reserve or sinking fund required in connection therewith, on indebtedness existing or legally authorized as of January 1, 1979, or on bonded indebtedness thereafter approved according to law by a vote of electors.

The ad valorem tax revenues established by IRWD are used entirely for debt service and are therefore exempt from the appropriations formula established by Article XIII B.

The ad valorem tax revenues received by IRWD pursuant to this Resolution will provide a portion of the funds needed to pay principal and interest with respect to the General Obligation Bonds referenced below, and this Board wishes to specify the sources of the remainder of the amounts needed therefor in the current year.

The Board of Directors of IRWD therefore resolves as follows:

Section 1. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 153 of IRWD for fiscal year 2020-21 is .00900 percent (.0000900) of full value.

Section 2. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 253 of IRWD for fiscal year 2020-21 is .01300 percent (.0001300) of full value.

Section 3. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 225 of IRWD for fiscal year 2020-21 is .01500 percent (.0001500) of full value.

Section 4. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 240 of IRWD for fiscal year 2020-21 is .01500 percent (.0001500) of full value.

Section 5. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 125 of IRWD for fiscal year 2020-21 is .01300 percent (.0001300) of full value.

Section 6. That the tax to be levied for servicing Improvement District No. 252's just proportion of liability determined pursuant to Resolution No. 2005-41, for the General Obligation Bonds of Improvement District No. 225 of IRWD for fiscal year 2020-21 is .00001 percent (.0000001) of full value.

Section 7. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 188 of IRWD for fiscal year 2020-21 is .03090 percent (.0003090) of full value.

Section 8. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 288 of IRWD for fiscal year 2020-21 is .00850 percent (.0000850) of full value.

Section 9. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 113 of IRWD for fiscal year 2020-21 is .04000 percent (.0004000) of full value.

Section 10. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 213 of IRWD for fiscal year 2020-21 is .05900 percent (.000590) of full value.

Section 11. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 112 of IRWD for fiscal year 2020-21 is .01560 percent (.00015600) of full value.

Section 12. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 212 of IRWD for fiscal year 2020-21 is .04860 percent (.0004860) of full value.

Section 13. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 185 of IRWD for fiscal year 2020-21 is .00810 percent (.0000810) of full value.

Section 14. That the tax to be levied for servicing the General Obligation Bonds of Improvement District No. 285 of IRWD for fiscal year 2020-21 is .01370 percent (.0001370) of full value.

Section 15. The taxes levied pursuant to Sections 1 and 2 of this Resolution are for bonds approved before January 1, 1989. The taxes levied pursuant to Sections 7 through 14 are for bonds approved after January 1, 1989. The taxes levied pursuant to Sections 3 through 6 are for bonds approved before January 1, 1989 and bonds approved after January 1, 1989.

Section 16. That the Secretary and Treasurer of the District are hereby directed to furnish a certified copy of this resolution to the Auditor of the County of Orange.

Section 17. That the ad valorem tax revenues established by IRWD hereby for the fiscal year 2020-21 are in compliance with the provisions of Article XIII B of the constitution of the State of California.

Section 18. That principal and interest with respect to the General Obligation Bonds of IRWD shall be paid from (1) the ad valorem assessments received by IRWD pursuant to this Resolution; (2) any amounts held in bona fide debt service funds; (3) other monies, if any, required to be applied to the payment of debt service by the applicable indenture or resolution of issuance; (4) tax revenues applied pursuant to Resolution No. 2002-10 and to certain parity obligations as described in the Indenture of Trust, dated April 1, 2011, as amended and supplemented, relating to the Bonds of Irvine Ranch Water District, Refunding Series 2011A-1 (pledge of the 1% levy), as such application may be modified by resolution amending the allocation of tax revenues; and (5) to the extent additional amounts are necessary for such purpose, revenues which are received by IRWD within twelve months of being applied to the payment of debt service and which are legally available therefor, including income from the investment of such revenues where both the investment income and the revenues on which it is earned are received by IRWD within twelve months of being applied to the payment of debt service.

ADOPTED, SIGNED and APPROVED on July 13, 2020.

President, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

Secretary, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM:
Hanson Bridgett LLP

By: _____
District Counsel

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EXHIBIT “F”

RESOLUTION NO. 2020-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
AMENDING ALLOCATION OF *AD VALOREM* PROPERTY
TAXES TO DEBT SERVICE, SUBJECT TO PLEDGE

The Board of Directors of the Irvine Ranch Water District (“IRWD”) has adopted Resolution Nos. 1992-48 and 2002-10, relating to IRWD’s appropriation and pledge of revenues from the general 1% *ad valorem* property tax.

Those resolutions authorized and directed the Treasurer to annually allocate the general 1% *ad valorem* property tax revenues received by IRWD among the debt service requirements of the issues of bonds specified in those resolutions (“Secured Bonds”) in accordance with a formula set forth therein, with the 2002 pledge formula to be applied in lieu of the 1992 pledge formula to the extent provided in Resolution No. 2002-10.

No Secured Bonds that received a pledge of general 1% *ad valorem* property tax revenues under Resolution Nos. 1992-48 or 2002-10 currently remain outstanding, except for the Series 1993 bonds.

IRWD’s revenues from the general 1% *ad valorem* property tax, to the extent not applied to pay principal and interest on the Secured Bonds, have been pledged by IRWD to certain parity obligations (the “Parity Obligations”) identified by the Indenture of Trust, dated April 1, 2011, as amended and supplemented (the “2011 Indenture”), relating to the Bonds of Irvine Ranch Water District, Refunding Series 2011A-1.

On November 11, 2013, pursuant to Water Code Section 36454 *et seq.*, the Board of Directors adopted Resolution No. 2013-43, ordering the consolidation of Improvement District Nos. 102, 105, 106, 121, 130, 135, 140, 161, 182, 184 and 186, as modified by certain annexations and detachments ordered by the Board, into a single improvement district designated “Improvement District No. 125” and the consolidation of Improvement District Nos. 2(202), 206, 221, 230, 235, 250, 261, 282, 284 and 286, as modified by certain annexations and detachments ordered by the Board, into a single improvement district designated “Improvement District No. 225”.

The consolidation is one of several actions taken by IRWD based upon its comprehensive evaluation and study of its long-term financial requirements, including: a detailed planning, engineering and financial assessment of the total costs of existing and future facilities in the water and wastewater systems; available bond authorization and other revenue sources to finance facilities to serve future development, system reliability necessary to meet upgraded regulatory requirements for both existing and future demands and replacement and refurbishment to the existing systems; debt service; simplification of the improvement district structure; and assurance of equitable and fair sharing of regional and local cost between existing and future users and among the areas that have comprised the various existing improvement districts and other geographic areas served by the system; and

Pursuant to Water Code Section 36454.1 , the included amounts and/or included percentages of each series of the Secured Bonds or Parity Obligations that constituted the general obligation of one or more of Improvement District Nos. 105, 121, 130, 135, 140, 161, 182, 184 and 186 were assumed by and became the liability of Improvement District No. 125, and the included amounts and/or included percentages of the respective series of the Secured Bonds or Parity Obligations that constituted the general obligation of one or more of Improvement District Nos. 221, 230, 235, 250, 261, 282, 284 and 286 were assumed by and became the liability of Improvement District No. 225.

The Board deems it to be appropriate, in the interest of IRWD and consistent with the pledges contained in Resolution No. 2002-10 and the 2011 Indenture (collectively, the “Pledges”), to modify the allocation of the revenues from the general 1% *ad valorem* property tax received during the 2020-21 fiscal year (the “Fiscal Year”), subject to the availability of other revenues for debt service on Secured Bonds and Parity Obligations in such year.

The proposed modifications consist of substitution of an allocation of 1% *ad valorem* tax revenues among debt service obligations that is different from the allocation that would be calculated under the formulas specified in the Pledges; in addition, by separate resolution adopting the capital budget, this Board has allocated a portion of the 1% *ad valorem* tax revenues for the Fiscal Year to one or both of IRWD’s Replacement Fund or Enhancement Fund.

Article XIII B of the Constitution of the State of California provides that the appropriations of local agencies will be limited each year to those of the previous year, adjusted for changes in population, cost of living and transfers in sources of funding.

Section 9 of Article XIII B excludes from the appropriations subject to limitation appropriations for debt service and appropriations for all qualified capital outlay projects; a qualified capital outlay project is defined by statute as an appropriation for a fixed asset (including land and construction) with a useful life of 10 or more years and a value which equals or exceeds one hundred thousand dollars (\$100,000).

The Board of Directors of the Irvine Ranch Water District therefore resolves as follows:

Section 1. Subject in all respects to the Pledges, the Treasurer is hereby authorized and directed to implement a modified allocation of the pledged amounts (as defined in the Pledges) of the general 1% *ad valorem* property tax revenues for the Fiscal Year 2020-21 in the manner set forth as follows:

- (a) the amount to be allocated to the Replacement Fund shall be as specified in the resolution adopting the capital budget for the Fiscal Year;
- (b) the amount to be allocated to the Enhancement Fund shall be as specified in the resolution adopting the capital budget for the Fiscal Year;
- (c) the amount to be allocated to the sharing of regional and local cost by existing and future users of the areas known as 111 and 222 shall be as set forth in Attachment “A,” which is attached to this resolution and by this reference made a part hereof;

- (d) the allocation among the Improvement Districts' debt service obligations shall be as set forth in Attachment "A," subject to adjustments as may be necessary to reflect actual tax revenues received by IRWD;
- (e) the amount allocated to each Improvement District or combination of Improvement Districts specified in Attachment "A" shall be further allocated by the Treasurer among the various outstanding bond issues based upon their debt service requirements and/or other criteria as he deems appropriate; and
- (f) the amounts to be allocated pursuant to paragraphs (d) and (e) from the pledged amount of the general 1% *ad valorem* property tax revenues received by IRWD shall be held unallocated until such allocations are made, and each such amount shall be deposited into the appropriate debt service fund or account for the respective bond issue as and when determined by the Treasurer.

The applications described in this section shall be made only if and to the extent there is not a deficiency at the time of application in the amounts available to pay debt service for any Secured Bonds or Parity Obligations.

Section 2. Nothing contained in this resolution is intended to impair or modify in any way the pledge of the general 1% *ad valorem* property tax revenues as stated in the Pledges. Nothing contained in this resolution is intended to create any entitlement with respect to the use of general 1% *ad valorem* property tax revenues for any particular purpose, it being intended that such revenues are unrestricted except by such Pledges and are subject to application as determined in the discretion of the Board of Directors from time to time.

Section 3. It is hereby found and determined that relative to appropriations subject to limitation under Article XIII B of the Constitution of the State of California, the applications of revenues described in this resolution are for debt service, and accordingly do not constitute proceeds of taxes the appropriation of which is limited under Article XIII B, and that the documentation used in making such determinations has been on file in the office of IRWD for not less than 15 days prior to the date hereof, pursuant to Section 7910 of the Government Code of the State of California

Section 4. The President, Secretary, Treasurer and each other officer of IRWD, acting singly, be and hereby is authorized and directed to execute and deliver any and all documents or instruments and to do and perform any and all acts and things necessary or proper for carrying out the transactions contemplated by this resolution.

ADOPTED, SIGNED AND APPROVED on July 13, 2020.

President/Vice President
IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

Secretary/Assistant Secretary
IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM:
Hanson Bridgett LLP

By _____
District Counsel

ATTACHMENT A

| ID or Area (Water) | 2002 Pledge Formula Allocation of 1% General Tax Revenue ^a | 2020-21 Allocation of 1% General Tax Revenue | ID or Area (Sewer) | 2002 Pledge Formula Allocation of 1% General Tax Revenue ^a | 2020-21 Allocation of 1% General Tax Revenue |
|--------------------|---|--|--------------------|---|--|
| 112 | 0 | 0 | 212 | 0 | 0 |
| 113 | 0 | 0 | 213 | 0 | 0 |
| 125 ^{b c} | 17% | 17% | 225 ^{d e} | 23% | 27% |
| 153 | 0 | 0 | 240 | 3% | 9% |
| 154 | 0 | 0 | 252 | 0 | 0 |
| 185 | 0 | 0 | 253 | 0 | 0 |
| 188 | 0 | 0 | 288 | 0 | 0 |
| 111 | 0 | 9% | 222 | 0 | 8% |

| Fund | Allocation of 1% Revenue, Per 2020-21 Capital Budget Resolution |
|------------------|---|
| Replacement Fund | 30% |
| Enhancement Fund | 0 |

^a No Secured Bonds that received a pledge of 1% general tax levy revenues under Resolution No. 1992-48 remain outstanding. The pledge made by Resolution No. 2002-10 secured the outstanding Consolidated Series 1993 Bonds (consisting of the included percentages of Improvement District Nos. 105 (14.67%), 140 (15.20%), 240 (43.73%) and 250 (26.40%)

^b Improvement District No. 125 assumed the liability for the included amounts and/or included percentages of debt service for each series of the Secured Bonds or Parity Obligations that constituted the general obligation of one or more of the improvement districts consolidated as Improvement District No. 125: Nos. 105, 121, 130, 135, 140, 161, 182, 184 and 186.

^c After the formation of Improvement District No. 125, with respect to the Series 1993 Bonds, the aggregated included percentages of Improvement District Nos. 105 and 140 (36.87%) were assumed by Improvement District No. 125.

^d Improvement District No. 225 assumed the liability for the included amounts and/or included percentages of debt service for each series of the Secured Bonds or Parity Obligations that constituted the general obligation of one or more of the improvement districts consolidated as Improvement District No. 225: Nos. 2(202), 206, 221, 230, 235, 250, 261, 282, 284 and 286.

^e After the formation of Improvement District No. 225, with respect to the Series 1993 Bonds, the included percentage of Improvement District No. 250 (26.40%) was assumed by Improvement District No. 225.

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Section 3: Developer Services

Water Connection Fees

1. Residential

| | Improvement District | 0-5.8 DU/acre | 5.9-10.8 DU/acre | 10.9-25.8 DU/acre | 25.9+ DU/acre |
|--|-------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Connection Fees Per Dwelling Unit | 111* | \$4,027 | \$3,551 | \$3,010 | \$2,541 |
| | 112 | \$1,428 \$1,386 | \$1,428 \$1,386 | \$1,428 \$1,386 | \$1,428 \$1,386 |
| | 112a (tax exempt) | \$2,628 \$2,554 | \$2,628 \$2,554 | \$2,628 \$2,554 | \$2,628 \$2,554 |
| | 113 | \$3,232 \$3,138 | \$3,232 \$3,138 | \$3,232 \$3,138 | \$3,232 \$3,138 |
| Development shall be gross acres excluding private parks. | 125 | \$2,873 | \$2,873 | \$2,873 | \$2,873 |
| | 153 | \$1,308 \$1,486 | \$1,308 \$1,486 | \$1,308 \$1,486 | \$1,308 \$1,486 |
| | 153 PA 30 | \$3,943 | \$3,943 | \$3,943 | \$3,943 |
| | 185 | \$1,800 | \$1,800 | \$1,800 | \$1,800 |
| | 188 | \$1,627 \$1,649 | \$1,627 \$1,649 | \$1,627 \$1,649 | \$1,627 \$1,649 |
| | *All others | | | | |

2. Commercial, industrial and public authority

| | Improvement District | Commercial | Industrial | Public Authority |
|--------------------------------|-------------------------|---|---|---|
| Connection Fees Per Gross Acre | 111* | \$22,345 | \$34,033 | \$22,345 |
| | 112 | \$9,279 \$9,009 | \$9,279 \$9,009 | \$9,279 \$9,009 |
| | 112a (tax exempt) | \$17,074 \$16,577 | \$17,074 \$16,577 | \$17,074 \$16,577 |
| | 113 | \$23,614 \$22,926 | \$0 \$0 | \$23,614 \$22,926 |
| | 125 | \$14,249 | \$20,227 | \$14,249 |
| | 153 | \$6,869 \$7,806 | \$9,750 \$11,079 | \$6,869 \$7,806 |
| | PA 30 | \$19,563 | \$27,770 | \$19,563 |
| | 185 | \$8,411 | \$8,411 | \$8,411 |
| | 188 | \$6,424 \$6,392 | \$6,424 \$6,392 | \$6,424 \$6,392 |
| | *All others | | | |

3. Parks and churches

| | Improvement District | Indoor Water Use | Outdoor ⁽¹⁾ Water Use |
|------------------------------------|-------------------------|---------------------------------------|---|
| Connection Fees Per Fixture Unit | 111* | \$69.98 | \$246.27 |
| | 125 | \$47.36 | \$165.99 |
| (1) Calculated per Uniform Code | 153 | \$22.86 \$25.98 | \$80.12 \$94.04 |
| | PA 30 | \$65.07 | \$228.05 |
| | 185 | \$48.39 | \$169.94 |
| | 188 | \$32.10 \$34.94 | \$112.92 \$112.35 |
| | *All others | | |

4. Schools (public and private)

| | Improvement District | Indoor Primary &/or Intermediate | Secondary | Outdoor Primary Intermediate & Secondary |
|---|-------------------------|--|---------------------------------------|--|
| Connection Fees Per 100 Students Based on Max Daily Attendance | 111* | \$5,515 | \$7,395 | \$237 |
| | 125 | \$3,724 | \$5,001 | \$167 |
| | 153 | \$1,798 \$2,043 | \$2,413 \$2,742 | \$80 \$94 |
| | PA 30 | \$5,117 | \$6,870 | \$229 |
| | 185 | \$3,648 | \$5,118 | \$165 |
| | 188 | \$2,936 \$2,924 | \$3,929 \$3,909 | \$127 \$126 |
| | *All others | | | |

Other Water Connection Charges

1. High volume user – Non-Residential

This section shall apply to all commercial, industrial, and public authority applicants in addition to standard connection fees in all improvement districts.

Connection Fee Formula Additional High Volume Water User Connection Fee =
$$\frac{[\text{Est. Gallons per Day use} - (\text{no. acres} \times \text{use factor}^*)] \times \$1,258,514/\text{cfs}}{646,320 \text{ gal/day/cfs}}$$

| *Non-Residential Water Use Factor | Land Use Category | Water Use Factors (Gal/Acre x /Day) |
|-----------------------------------|-------------------|-------------------------------------|
| | Commercial | 2,000.00 |
| | Industrial | 4,000.00 |
| | UCI | Special Contract |

Definitions Commercial: Commercial development includes but is not limited to the following uses: Hotels, retail and offices.
Industrial: Industrial development includes but is not limited to the following uses: Manufacturing, research and development, and distribution.

Methodology for calculating redevelopment connection fees

Redevelopment connection fees will be calculated using the following methodology, effective January 1, 2014:

- 1) Calculate water and sewer connection fee based on redevelopment plans utilizing current rates and charges;
- 2) Provide a credit based on the existing project (to be redeveloped) by calculating a connection fee using current rates and charges; and
- 3) The redevelopment connection fee calculation is the difference between the new development connection fee and the connection fee credit. No refunds will be given if the credit is greater than connection fee.

2. Service installations by District

Customers may request the District to install, relocate or abandon domestic water, recycled water and fire protection service lines. To request an action listed above, the customer must submit a Quote Request for Service or Meter Modifications which can be obtained by contacting Development Services. District staff will prepare a cost estimate for the requestor. When payment is received, a work order will be issued to District staff to begin coordination and installation.

The District reserves the right to decline a customer’s request for service installations by District for any reason. In the event the District declines to perform service installations, the requester will need to submit design plans for review and approval through Development Services. For further information, see Development Services Procedural Guidelines and General Design Requirements document which can be found at www.irwd.com.

3. Meter installations by District

Customers may request the District to install or replace (downsize or upsize) domestic water or recycled water meters. To request an action listed above, the customer must submit a Quote Request for Service or Meter Modifications which can be obtained by contacting the District’s Development Services. The District may require OCFA approval documents prior to the installation of certain meter sizes. District staff will prepare a cost estimate for the requestor. When payment is received, a work order will be issued to District staff to begin coordination and installation.

a. Meter Costs

| <u>Meter size</u> | <u>Cost</u> | <u>Meter size</u> | <u>Cost</u> |
|-------------------|-------------|-------------------|-------------|
| 5/8" | \$ 110.00 | 2" Disc | \$ 750.00 |
| 3/4" | 170.00 | 2" Turbo | 2,680.00 |
| 1" | 240.00 | 3" Turbo – H2 | 1,900.00 |
| 1 1/2" | 580.00 | 3" Turbo – T2 | 3,340.00 |
| | | 4" Turbo | 6,490.00 |

- b. The customer shall pay for the cost of additional parts and labor needed for the installation or replacement. For example, the cost to convert from 5/8" or 3/4" to a 1" meter is \$2,000. This price is in addition to the cost for a 1" meter.
- c. The customer will be responsible for any plumbing modifications downstream of the water meter.
- d. Costs for meters larger than 4-inches will be determined by the District’s Purchasing Department at the time of request.
- e. Meter cost includes strainer.

4. Upsizing and downsizing meter request requirements

- a. It is the customer’s responsibility to ensure that any upsizing or downsizing of the meter will not have any adverse effects to the customer’s system as it relates to water pressure, fire protection or ability to successfully serve the demand of the home or business. The District may require OCFA approval of any modifications and/or a signed Request & Authorization to Change Meter Size form.
- b. Any private-side (downstream of the water meter) modifications or repairs are the sole responsibility of the customer.
- c. If for any reason the customer chooses to change back to the original size meter, all installation costs would once again apply.

A quote request for service or meter modifications can be obtained at the District’s Development Services counter.

5. Domestic water, recycled water and Natural Treatment System (NTS) plan check and inspection fees

Plan check and inspection fees for water systems shall be calculated as 10% of the bondable cost for the off-site, public, potable or recycled water system or a fixed fee as described below. Plan check and inspection fees for Natural Treatment System (NTS) shall be calculated as 5% of the bondable cost or a minimum of \$30,000.00. Residential or Natural Treatment Systems plans require a non-refundable deposit of 5% of the estimated cost. Non-residential plans require a nonrefundable \$100 deposit. The deposit shall be submitted when submitting for first plan check. Any remaining fees shall be paid prior to final approval of the plans.

| | |
|---|------------|
| Installation of a 1" or 2 " service | \$1,000.00 |
| Removal of a 1" or 2" service | 1,000.00 |
| Installation of Fire DCBA or fire hydrants | 1,000.00 |
| Installation of recycled water hydrants or temporary construction connections | 1,000.00 |

The overtime inspection rate is \$175.00/hr.

6. Interim water service charge – new development

Builders and developers will be charged \$43.15 per connection for water service directly related to the vertical construction process of homes. The charge applies only in a new tract and/or development for the period of time after in-tract pipelines, service mains and sewer pipelines have been connected to the District's water system. Once connections to the District pipelines are made and housing phases are released for occupancy, water used through the occupants metered house connection will be billed to the developer or resident as appropriate. Connection methods and appropriate use of water is at the sole discretion of the District. Examples of permitted uses may include construction of living structures, lot soft-scape, exterior of the home stucco/ plaster, drywall, interior stonework, interior finishing work and clean-up. Examples of unpermitted uses may include, but are not limited to, connections to sales/construction trailers, flat work, hardscaping, retaining and other walls, lot or pad soaking, streetscape, water trucks/ buffaloes or any connection practice that could pose a risk to public health resulting from a backflow condition. Unpermitted connections require a temporary construction meter. Failure to properly connect to the District's Distribution System will subject the builder/developer to non-compliance charges.

Unmetered water service is not permitted for custom lots. Developers for custom lots will be required to apply for a domestic water construction meter prior to starting construction.

Sewer Connection Fees

1. Residential

| | Improvement District | 0-5.8 DUs/acre | 5.9-10.8 DUs/acre | 10.9-25.8 DUs/acre | 25.9+ DUs/acre |
|---|----------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Connection Fees Per Dwelling Unit | 1 (222)* | \$7,150 | \$6,363 | \$5,238 | \$4,132 |
| | 212 | \$3,727 \$3,618 | \$3,727 \$3,618 | \$3,727 \$3,618 | \$3,727 \$3,618 |
| | 212a (tax exempt) | \$6,857 \$6,657 | \$6,857 \$6,657 | \$6,857 \$6,657 | \$6,857 \$6,657 |
| | 213 | \$5,656 \$5,494 | \$5,656 \$5,494 | \$5,656 \$5,494 | \$5,656 \$5,494 |
| Total acreage for any given development shall be gross acres excluding private parks. | 240 | \$3,945 | \$3,945 | \$3,945 | \$3,945 |
| | 225 | \$3,102 | \$3,102 | \$3,102 | \$3,102 |
| | 253 | \$1,520 \$1,727 | \$1,520 \$1,727 | \$1,520 \$1,727 | \$1,520 \$1,727 |
| Parks. | 253 PA 30 | \$4,115 | \$4,115 | \$4,115 | \$4,115 |
| | 256 | \$6,290 \$6,259 | \$6,290 \$6,259 | \$6,290 \$6,259 | \$6,290 \$6,259 |
| | 285 | \$3,214 | \$3,214 | \$3,214 | \$3,214 |
| | 288 | \$2,791 \$2,777 | \$2,791 \$2,777 | \$2,791 \$2,777 | \$2,791 \$2,777 |
| | OPA1 (Ridgeline) | \$6,447 \$6,259 | \$6,447 \$6,259 | \$6,447 \$6,259 | \$6,447 \$6,259 |
| | *All others | | | | |

2. Commercial, industrial and public authority

| | Improvement District | Commercial | Industrial | Public Authority |
|--------------------------------|----------------------|---|---|---|
| Connection Fees Per Gross Acre | 1 (222)* | \$40,073 | \$69,916 | \$40,073 |
| | 212 | \$22,248 \$21,600 | \$22,248 \$21,600 | \$22,248 \$21,600 |
| | 212a (tax exempt) | \$40,938 \$39,746 | \$40,938 \$39,746 | \$40,938 \$39,746 |
| | 213 | \$33,699 \$32,717 | \$0 \$0 | \$33,699 \$32,717 |
| | 240 | \$18,015 | \$0 | \$18,015 |
| | 225 | \$15,168 | \$17,943 | \$15,168 |
| | 253 | \$6,972 \$7,923 | \$11,569 \$13,147 | \$6,972 \$7,923 |
| | 253 PA 30 | \$18,346 | \$30,443 | \$18,346 |
| | 285 | \$6,422 | \$6,422 | \$6,422 |
| | 288 | \$11,014 \$10,959 | \$11,014 \$10,959 | \$11,014 \$10,959 |
| | *All others | | | |

3. Parks and churches

| | Improvement District | Fee |
|----------------------------------|----------------------|---------------------------------------|
| Connection Fees Per Fixture Unit | 1 (222)* | \$443.37 |
| | 240 | \$268.02 |
| | 225 | \$237.73 |
| | 253 | \$124.18 109.28 |
| | 253 PA 30 | \$287.54 |
| | 288 | \$72.72 73.08 |
| | *All others | |

4. Schools (public and private)

| | Improvement District | Primary &/or Intermediate | Secondary |
|--|----------------------|---------------------------------------|---------------------------------------|
| Connection Fees Per 100 Students Based on Max Daily Attendance | 1 (222)* | \$21,009 | \$28,016 |
| | 240 | \$12,667 | \$16,892 |
| | 225 | \$11,169 | \$14,893 |
| | 253 | \$5,134 \$5,834 | \$6,846 \$7,779 |
| | 253 PA 30 | \$13,510 | \$18,013 |
| | 288 | \$3,518 \$3,504 | \$4,689 \$4,665 |
| | *All others | | |

Other Sewer Connection Charges

1. Sewer lateral installations by District

The District does not install sewer laterals.

2. Irvine Business Complex (IBC) – non-residential

-----Commercial/Industrial-----

| | | | |
|---------------------------------------|-------------------|-----------------------|--------------------|
| | <u>Low Demand</u> | <u>Average Demand</u> | <u>High Demand</u> |
| Connection Fees Per 1,000 Square Feet | \$276 | \$1,704 | \$4,039 |

- a. Low Demand connections are the following categories of users: Nurseries, Warehouses, Parking Structures, RV Storage, Churches, Truck Terminals, RV Parks, Lumber/Construction Yards, and other discharge whose flow is similar in volume to these listed categories.
- b. Average Demand connections other than listed in Low or High Demand categories.
- c. High Demand connections are the following categories of users: Restaurants, Supermarkets, Car Washes, Coin Laundries, Amusement Parks, Shopping Centers with Restaurants, Food Processing Facilities, Textile Manufacturers, and other discharges whose flow is similar in volume to these listed categories.

3. High volume user – Non-Residential

This section shall apply to commercial, industrial and public authority applicants in addition to standard connection fees in all improvement districts.

Connection Fee Formula Additional High Volume Sewer User Connection Fee =

* Sewer GPD = 90% of water GPD [Est. GPD use * – (no. acres x use factor**)] x \$18.29/Gal. of Sewer Flow

| **Non-Residential Sewage Flow Generators (Use Factors) | <u>Land Use Category</u> | <u>Average Flows</u> |
|--|--------------------------|----------------------|
| | Commercial | 1,300.00 |
| | Industrial | 2,600.00 |
| | UCI | Special Contract |

Definitions Commercial: Commercial development includes but is not limited to the following uses: Hotels, retail and offices.
Industrial: Industrial development includes but is not limited to the following uses: Manufacturing, research and development, and distribution.

Methodology for calculating redevelopment connection fees

Redevelopment connection fees will be calculated using the following methodology, effective January 1, 2014:

- 1) Calculate water and sewer connection fee based on redevelopment plans utilizing current rates and charges;
- 2) Provide a credit based on the existing project (to be redeveloped) by calculating a connection fee using current rates and charges; and
- 3) The redevelopment connection fee calculation is the difference between the new development connection fee and the connection fee credit. No refunds will be given if the credit is greater than connection fee.

4. Sanitary sewer plan check and inspection fees

The plan check and inspection fee for public sewer systems will be calculated as 10% of the bondable cost for the off-site public sewer system. Residential plans require a non-refundable deposit of 5% of the estimated cost. Non-residential plans require a non-refundable \$100 deposit. The deposit shall be submitted when submitting for first plan check. Any remaining fees shall be paid prior to final approval of the plans. The overtime inspection rate is \$175.00/hr.

District closed circuit television inspection charges

a. Initial TV inspection fee

A fee of \$0.85 per linear foot as measured from the center line of manholes will be charged for all 6-inch and larger sewer lines to be inspected by a closed circuit television camera. The District will furnish the special camera equipment and manpower to fulfill this inspection requirement. This fee is to be paid along with the other connection, meter, and inspection fees prior to the District signing developer's tract utility plans.

b. Reinspection

Fees will be assessed for reinspection by District TV Crew after corrective work is completed. Those portions of the pipeline system that have been corrected must be retelevised.

- 1) District fees for retelevising corrective work will be a flat set-up fee of two hundred fifty dollars (\$250.00) plus \$0.85 per linear foot of sewer line reinspected measured centerline to centerline of manholes.
- 2) Payment for retelevising estimated inspection fees must be received by the Development and Inspection Services prior to scheduling the reinspection. Retelevising will not be done until the fees are paid.

c. Cancellation of District's TV inspection

If it is determined by either the Contractor or Developer that the job site will not be ready or accessible for the television inspection on the scheduled date, as notified, the Contractor shall notify the District Inspection Division of the necessary cancellation at least 24 hours in advance of the scheduled inspection to avoid being charged a cancellation fee.

- 1) If the District's television crew arrives at the job site and the work is not ready or accessible, the Contractor and owner will be billed for the cancellation fee of two hundred fifty dollars (\$250.00), payable to the District prior to the date of the rescheduled television inspection.
- 2) A rescheduled inspection is to be made through the District's project inspection division.

d. Optional developer TV inspection

If the Contractor or Owner desires to have a portion of, or the entire job, TV inspected for convenience, they will be charged a fee of one hundred fifty dollars (\$150.00) plus \$0.85 per linear foot of sewer line inspected measured centerline to centerline of manholes.