

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

January 13, 2020

**PLEDGE OF ALLEGIANCE**

**CALL TO ORDER**

5:00 p.m., Board Room, District Office  
15600 Sand Canyon Avenue, Irvine, California

**ROLL CALL**

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

**NOTICE**

If you wish to address the Board on any item, including Consent Calendar items, please file your name with the Secretary. Forms are provided on the lobby table. Remarks are limited to three minutes per speaker on each subject. Consent Calendar items will be acted upon by one motion, without discussion, unless a request is made for specific items to be removed from the Calendar for separate action.

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**COMMUNICATIONS TO THE BOARD**

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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).

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**WORKSHOP**

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3. STUDY OF IRWD'S FUTURE POTENTIAL WATER EFFICIENCY

Recommendation: Staff will provide an overview of the key findings and recommendations from a study of IRWD's Future Potential Water Efficiency that was conducted to improve IRWD's understanding of the current extent and impacts of water use efficiency programs and device saturation, and to evaluate opportunities for future water savings and potential efficacy of programs.

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**CONSENT CALENDAR**

**Resolution No. 2020-1**

**Items 4-10**

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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, Peer Swan, Steven LaMar and John Withers, as described.

5. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the December 16, 2019 Regular Board meeting be approved as presented.

6. PELICAN HILL SEWER REHABILITATION CONSTRUCTION AWARD

Recommendation: That the Board authorize the General Manager to execute a construction contract with Sancon Technologies, Inc. in the amount of \$270,884.80 for the Pelican Hill Sewer Rehabilitation, Project 11121.

7. REHABILITATION OF DYER ROAD WELLFIELD WELLS 2 AND 17 AND LIMITED REDEVELOPMENT OF WELL 52 FINAL ACCEPTANCE

Recommendation: That the Board accept the Rehabilitation of Dyer Road Wellfield Wells 2 and 17 and limited redevelopment of Well 52, Projects 07090 and 10097, 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.

8. MEMORANDUM ON OFFICERS OF THE BOARD, COMMITTEE APPOINTMENTS AND OTHER ASSIGNMENTS

Recommendation: That the Board receive and file the memorandum dated January 13, 2020, titled Officers of the Board, Committee Appointments and Other Assignments and approve attendance for meetings and events for the Board's representation for calendar year 2020 as delineated.

9. 2020 GENERAL COUNSEL CONTRACT

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with Hanson Bridgett LLP for general counsel legal services focused on municipal law, transactional and non-complex issues, and rate setting with a term from January 1, 2020, to December 31, 2020, and a not-to-exceed value of \$1,000,000.

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**CONSENT CALENDAR**

**Resolution No. 2020-1**

**Items 4-10**

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10. VARIANCE TO IRWD'S LETTER OF ENGAGEMENT WITH ALSTON & BIRD

Recommendation: That the Board authorize the General Manager to execute a variance to IRWD's letter of engagement with Alston & Bird for legal services related to complex issues and litigation increasing the not-to-exceed value of the contract by \$3,600,000.

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**ACTION CALENDAR**

11. 2020 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: Receive and file.

12. POLICY REVISIONS AND ADDITIONS RELATED TO DISTRICT APPROVALS, AUTHORIZATIONS AND PROCEDURES

That the Board approve additions and revisions to the policies related to District approvals, authorizations and procedures, and adopt resolutions by title:  
1) adopting a real property policy and rescinding Resolution No. 2014-40;  
2) approving a policy for handling claims and lawsuits, conflict waivers and related agreements and rescinding Resolution No. 2014-41; 3) establishing revised policies with respect to purchasing and authorization of expenditures, competitive bidding and award of contracts, procurement of professional services, and approval and authorization of change orders and rescinding Resolution No. 2014-42, and 4) adopting a personal property disposal policy and rescinding Resolution No. 2014-43.

Reso. No. 2020-

Reso. No. 2020-

Reso. No. 2020-

Reso. No. 2020-

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**OTHER BUSINESS**

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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.

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**OTHER BUSINESS - Continued**

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13. General Manager's Report
14. Directors' Comments
15. Receive oral update(s) from District liaison(s) regarding communities within IRWD's service area and provide information on relevant community events.
16. Closed Session

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION -  
Significant exposure to litigation pursuant to Government Code Section  
54956.9(d)(2). (Two (2) potential cases; claims on file with the District.)

17. Open Session
  - a. Report of any action in Closed Session.
18. Adjourn

President Matheis to adjourn the meeting to Friday, January 17, 2020, at 8:00 a.m., in the District Office, Multi-purpose Room, first floor, 15600 Sand Canyon Avenue, Irvine to hold a Strategic Planning Workshop.

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 Irvine Ranch Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors 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 at the entrance to the Board of Directors Room of the District Office. The Irvine Ranch Water District Board Room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.), please contact the District Secretary at (949) 453-5300 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in alternative format upon written request to the District Secretary at least seventy-two (72) hours prior to the scheduled meeting.

January 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.

Events/Meetings

Steven LaMar

January 11, 2020	City of Lake Forest Civic Center Ceremony and Open House
February 19-21, 2020	Urban Water Institute 2020 Spring Conference, Palm Springs
February 24-27, 2020	ACWA 2020 Annual Washington, D.C. Conference
March 16-17, 2020	OCBC 2020 Annual Advocacy Trip, Sacramento

Mary Aileen Matheis

January 9, 2020	Greater Irvine Chamber Business Outlook
January 11, 2020	City of Lake Forest Civic Center Ceremony and Open House
February 6, 2020	Orange County Business Council Annual Dinner
February 18-21, 2020	Urban Water Institute 2020 Spring Conference, Palm Springs
February 24-27, 2020	ACWA 2020 Annual Washington, D.C. Conference

Douglas Reinhart

January 11, 2020	City of Lake Forest Civic Center Ceremony and Open House
December 10, 2019	Chapman University Economic Forecast
February 18-21, 2020	Urban Water Institute 2020 Spring Conference, Palm Springs

Peer Swan

January 11, 2020	City of Lake Forest Civic Center Ceremony and Open House
February 6, 2020	Orange County Business Council Annual Dinner
February 23-26, 2020	CASA 2020 Annual Washington, D.C. Conference
February 26-27, 2020	ACWA 2020 Annual Washington, D.C. Conference

John Withers

January 11, 2020	City of Lake Forest Civic Center Ceremony and Open House
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RECOMMENDATION:

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

LIST OF EXHIBITS:

None.

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



CONSENT CALENDAR

MINUTES OF BOARD MEETING

SUMMARY:

Provided are the minutes of the December 16, 2019 Regular Board meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE DECEMBER 16, 2019 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – December 16, 2019 Board Minutes

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EXHIBIT "A"

MINUTES OF REGULAR MEETING – DECEMBER 16, 2019

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 LaMar on December 16, 2019 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Reinhart, Matheis, Withers and LaMar.

Directors Absent: Swan.

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

WRITTEN AND ORAL COMMUNICATIONS: None.

ITEMS TOO LATE TO BE AGENDIZED: None.

PRESENTATIONS

RESOLUTION RECOGNIZING TONY MOSSBARGER FOR HIS 26 YEARS OF SERVICE

General Manager Cook presented Director of Administrative Services Mossbarger with a plaque commending him for his 26 years of service to the District. Mr. Mossbarger thanked the Board of Directors and the management team for all of their support over the years. On MOTION by Matheis, seconded by Withers, and unanimously carried, **THE FOLLOWING RESOLUTION WAS ADOPTED BY TITLE:**

RESOLUTION NO. 2019-31

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY,  
CALIFORNIA RECOGNIZING TONY MOSSBARGER FOR  
HIS 26 YEARS OF SERVICE TO THE DISTRICT

President LaMar further presented General Manager Cook with his 15 year service award.

PUBLIC HEARING

CHANGES TO IRWD RULES AND REGULATIONS

President LaMar declared this to be the time and place for the hearing on the Resolution. He asked the Secretary to report the manner by which the Notice of Hearing was given.

Secretary Bonkowski said that the Notice of this hearing was published in the Orange County Register on November 10, 2019 and December 1, 2019. The notice was also posted in the District office on December 2, 2019. She then presented an Affidavit of Posting and Proof of Publication for the Board to receive and file.

On MOTION by Matheis, seconded and unanimously carried, THE AFFIDAVITS OF POSTING AND THE PROOF OF PUBLICATION PRESENTED BY THE SECRETARY WAS RECEIVED AND FILED.

President LaMar asked the Secretary whether there have been any written communications. She said there were none.

President LaMar asked for a report from the Executive Director of Finance and Administration.

Executive Director of Finance and Administration Clary described the proposed revisions and indicated that the clarifications and revisions to the Rules and Regulations are summarized in Exhibit "B". She Clary described the proposed revisions saying they included: 1) updated definitions, responsibilities and requirements associated with the Fats, Oils and Grease Program; 2) updated monitoring and inspection requirements for the recycled water system; and 3) updated discontinuance of water service requirements consistent with new state law. She said they also included non-substantive changes consisting of expanded, clarified and updated definitions.

President LaMar asked if there was anyone present who wished to address the Board concerning the amended Resolution. There were none.

President LaMar inquired whether there are any comments or questions from members of the Board of Directors. There were none.

On MOTION by Withers, seconded by Matheis, seconded and unanimously carried, THE HEARING WAS CLOSED, THE SECOND READING OF THE RESOLUTION WAS READ BY TITLE ONLY, THE FURTHER READING OF THE RESOLUTION WAS WAIVED, AND THE FOLLOWING RESOLUTION WAS ADOPTED BY TITLE:

RESOLUTION NO. 2019-32

RESOLUTION RESCINDING RESOLUTION NO. 2018-14 AND ESTABLISHING REVISED RULES AND REGULATIONS OF THE IRVINE RANCH WATER DISTRICT FOR WATER, SEWER, RECYCLED WATER, AND NATURAL TREATMENT SYSTEM SERVICE AND EXHIBIT "A" THERETO.

## CONSENT CALENDAR

On MOTION by Reinhart, seconded by Matheis, and unanimously carried, CONSENT CALENDAR ITEMS 5 THROUGH 13 WERE APPROVED AS FOLLOWS:

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, Douglas Reinhart, Peer Swan, and Steven LaMar as described.

6. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the November 25, 2019 Regular Board meeting be approved as presented.

7. NOVEMBER 2019 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 November 2019 Summary of Payroll ACH payments in the total amount of \$2,358,411; and approve the November 2019 Accounts Payable Disbursement Summary of Warrants 403541 through 404224 Workers' Compensation Distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$19,202,582.

8. TRUCK-MOUNTED SEWER JETTER CONTRACT AWARD

Recommendation: That the Board authorize the General Manager to execute a contract with Nixon-Egli Equipment Company, Inc. in the amount of \$187,051.38 for the purchase of one 747-Tk Eco Truck Jet.

9. SAND CANYON PROFESSIONAL CENTER PHASE II CONTRACT CHANGE ORDER NO. 8

Recommendation: That the Board authorize the General Manager to execute Contract Change Order No. 8 in the amount of \$209,900.97 with KPRS Construction Services for the Sand Canyon Professional Center Phase II, Project 06210.

10. MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES LANDSCAPING FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the MWRP Biosolids and Energy Recovery Facilities Landscaping Project 04286, 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.

CONSENT CALENDAR (CONTINUED)

11. WATERSMART VARIANCE NO. 1

Recommendation: That the Board authorize the General Manager to execute Variance No. 1 to the Professional Services Agreement between IRWD and WaterSmart Software, Inc. in the amount of \$243,850.

12. FY 2018-19 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Recommendation: Receive and file.

13. ADOPTION OF A REVISED SCHEDULE OF POSITIONS AND SALARY RATE RANGES

Recommendation: That the Board adopt the following resolution by title:

RESOLUTION NO. 2019 -33

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE IRVINE RANCH WATER DISTRICT  
SUPERSEDING RESOLUTION NO. 2019-15 AND  
ADOPTING A REVISED SCHEDULE OF POSITIONS  
AND SALARY RATE RANGES

ACTION CALENDAR

IRWD POLICY ON DISCONTINUING RESIDENTIAL WATER SERVICE

Executive Director of Finance and Administration Clary reported that in September 2018, Senate Bill 998 (Dodd) was passed, providing new requirements for residential shutoffs due to delinquent payments or non-payments. Ms. Clary said that this bill requires compliance on or after February 1, 2020, and requires agencies to adopt a written policy and to also provide the policy to customers if their water service is subject to being discontinued due to nonpayment. She said that a summary of the policy is included in the District's Rules and Regulations, and is required to be posted on the District's website.

Mr. Clary said that with the passage of SB 998, water agencies are prohibited from discontinuing residential service for non-payment until payment by a customer has been delinquent for at least 60 days. This bill requires that a water agency notify the customer named on the account and provide the customer with the water agency's policy no less than seven business days before discontinuing service. Residential service may be discontinued no sooner than five business days after the agency posts a final Notice of Intent to Disconnect Service in a conspicuous location at the property. She said that the bill also prohibits residential service from being discontinued under special circumstances if certain conditions are met, including: 1) if discontinuing water service would pose a serious threat to the health and safety of a resident; 2) if the customer demonstrates that he / she is financially unable to pay for residential service within the normal billing cycle (to qualify, customer must participate in certain low income programs or certify that they are

below 200 percent of the federal poverty level); and 3) the customer agrees to a payment arrangement for past due amounts, generally not to exceed 12 months and must pay current charges. Additionally, service at the residence may not be discontinued if an adult residing at the residence appeals the water bill while it is pending.

The new requirements are in addition to provisions in the existing law. IRWD's proposed policy will be available in English and translated into any other language spoken by 10 percent or more of IRWD customers. IRWD will also be required to report the number of annual discontinuations of residential water service for inability to pay; reporting will be done by posting this information on the District's website and notifying the Board of Directors.

Following discussion, on MOTION by Matheis, seconded and unanimously carried, THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2019-34

RESOLUTION OF THE BOARD OF DIRECTORS  
OF IRVINE RANCH WATER DISTRICT  
APPROVING A POLICY ON DISCONTINUING  
RESIDENTIAL WATER SERVICE

REVIEW OF 2019 GOVERNMENT RELATIONS ACTIVITIES AND 2020 LEGISLATIVE  
AND REGULATORY ISSUES PLANNING

Government Relations Officer / Deputy General Counsel Compton highlighted IRWD's 2019 legislative and regulatory priorities and government relations activities, and also provided an overview of expected 2020 legislative and regulatory issues in Washington, D.C., Sacramento, and regionally.

Ms. Compton noted that the 2019 priorities authorized staff to oppose any statewide tax on water inconsistent with the Board's adopted policy, and to actively engage in the discussions related to implementation of the "Making Water Conservation a California Way of Life" legislation. Additionally, the priorities sought recognition of emergency water supplies, engagement in the discussions surrounding water and sewage rates, and other proposed charges, in order to protect IRWD's ability to design and use its water budget-based tiered rate structure, and engagement with the State Water Resources Control Board and Department of Water Resources (DWR) on policy, regulatory and permit issues of concern to IRWD.

Ms. Compton said that at the federal level, staff and IRWD's federal legislative advocate engaged on the Bureau of Reclamation's Title XVI Water Reclamation and Reuse Program, and advocated for the reauthorization of the federal water storage program. Additionally, staff and IRWD's federal legislative advocate began implementation of a multi-year strategy to obtain federal funding for the Kern Fan Groundwater Storage Project.

Ms. Compton said despite the challenging political environment for obtaining bicameral action on legislation before Congress, staff and the District's federal advocates will continue to seek progress on the key issues of interest to IRWD. She said that staff discussed the expected 2020 political environment and federal issues with the Water Resources Policy and Communications Committee, which included: 1) reauthorization of the Water Storage Program; 2) authorization and

appropriation of funding for a Bureau of Reclamation work plan; 3) federal funding for the Kern Fan Groundwater Storage Project; 4) authorization of a 2020 Water Resources Development Act (WRDA); and 5) possible creation of a federal dam safety program.

Ms. Compton said that it is expected that the California Legislature and State regulatory agencies will take up a number of issues of interest to the water and wastewater communities in 2020 and highlighted these issues as provided in the exhibits.

Director Matheis reported that this item was reviewed by the Water Resources Policy and Communications Committee on December 9, 2019. Directors Reinhart and LaMar thanked Ms. Compton for all of her hard work on these issues. On MOTION by Matheis, seconded and unanimously carried, THE BOARD RECEIVED AND FILED THE PROPOSED “INITIAL 2020 LEGISLATIVE AND REGULATORY RESOURCE ALLOCATION PLAN” AND THE “LEGISLATIVE / REGULATORY ISSUES AND ACTIVITIES OF HIGH CONCERN TO IRWD IN 2020.”

#### FLEMING ZONE 8 TANK AND ZONE 8 TO 9 BOOSTER PUMP STATION CONSULTANT SELECTION

General Manager Cook reported that staff is proceeding with the design of the enlarged Fleming Zone 8 Tank and upgraded Zone 8 to 9 Booster Pump Station as identified in the 2017 Santiago Area Distribution System Analysis.

Executive Director of Technical Services Burton reported that this project includes construction of a new 1.3 MG-storage tank, a reservoir management system building with sodium hypochlorite and ammonia storage and feed systems and in “in-tank” chemical injection and mixing system, a 2,000-gallon diesel fuel storage tank, and replacement of the existing pump station, which has reached the end of its service life. The project also includes a new office space that can be used as an IRWD Emergency Operations Center for emergencies in the canyon area, a new storage building for emergency equipment and supplies, and various site electrical, telemetry, and control improvements.

Mr. Burton said that staff received proposals for engineering design services from Dudek, Lee & Ro, Stantec, and Tetra Tech, and that each firm presented unique project approaches and creative engineering solutions for achieving the project objectives. He said that Tetra Tech presented the most comprehensive approach to completing the project, demonstrated an outstanding understanding of the project issues, provided an in-depth summary of how each issue will be resolved during the design, and presented conceptual facility layouts for the proposed facilities. Tetra Tech also demonstrated the most extensive, recent experience with the design and construction of prestressed concrete tanks.

Director Reinhart said that this item was reviewed by the Engineering and Operations Committee on December 10, 2019. The District’s consultant, Mr. Bruce Newell, said he was pleased that the District was moving forward with this project in the canyon area where he resides. On MOTION by Reinhart, seconded Matheis, and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH TETRA TECH IN THE AMOUNT OF \$878,000 FOR ENGINEERING DESIGN SERVICES

FOR THE FLEMING ZONE 8 TANK AND ZONE 8 TO 9 BOOSTER PUMP STATION, PROJECT 10101.

#### ANNUAL BOARD OF DIRECTORS' FEES

General Manager Cook reported that this item was reviewed by the Finance and Personnel Committee. He said that staff surveyed neighboring agencies and that the exhibit provides the results of other agency per diems. The current compensation for the Board of Directors is \$286 per meeting, not to exceed 10 meetings per calendar month. In accordance with Section 20202 et seq. of the California Water Code, the Board's meeting compensation increases on January 1 of each year by five (5%) percent subject to acceptance or rejection by the Board.

Director LaMar said that this item was reviewed by the Finance and Personnel Committee on November 5, 2019, and the Committee recommended an adjustment. Director Matheis said that increase is acceptable, and on MOTION by LaMar, seconded by Matheis and unanimously carried, **THE BOARD ACCEPTED THE FIVE (5%) PERCENT COMPENSATION INCREASE FOR CALENDAR YEAR 2020 FOR AN ADJUSTED MEETING FEE OF \$300 (ROUNDED TO THE NEAREST DOLLAR).**

#### ELECTION OF OFFICERS FOR 2019

General Manager Cook reported that the Bylaws of the District provide that the President and Vice President shall be elected by the Board from among its members. The term of office of the President and Vice President is one year, or until the election and qualification of their successors. On December 10, 2018, Director LaMar was elected to the office of President and Director Matheis was elected to the office of Vice President for calendar year 2019. General Manager Cook acted as temporary Chairman to conduct the election of President for calendar year 2020. Director Reinhart nominated Director Matheis as President. There being no further nominations, Director Reinhart made a motion for nominations to be closed. There being no further comments, on MOTION by Reinhart, seconded by Withers and unanimously carried on a roll call vote (4-0), (Matheis, Reinhart, LaMar, and Withers voting aye), **MARY AILEEN MATHEIS WAS ELECTED PRESIDENT FOR 2020.** President Matheis nominated Director Reinhart as Vice President. There being no further nominations, Director LaMar made a motion for nominations to be closed. On MOTION by Director LaMar, seconded, and unanimously carried on a roll call vote (4-0), (Matheis, Reinhart, LaMar, and Withers voting aye), **DOUGLAS REINHART WAS ELECTED VICE PRESIDENT FOR 2020.**

#### OTHER BUSINESS

##### GENERAL MANAGER'S REPORT

General Manager Cook presented to the Board an engraved glass vase from ACWA thanking the District for its sponsorship at the Diamond level for 2019.

Mr. Cook reported on a main line break at 2020 Main Street, and that Mr. Shinbashi is in communications with the building's representative. He further updated the Board on current status of the buildings affected. Director Reinhart asked for an informational item to be submitted to the Engineering and Operations Committee once a cause is found for this break.

Mr. Cook reported that Director LaMar and he met with OCWD Board Member (and City of Anaheim Council Member) Jordan Brandman this morning for an overview of the District.

Mr. Cook announced that Ms. Christine Compton was re-elected to the Bioenergy Association of California's Board of Directors for another two year-term, and was elected as its Secretary as well for 2020.

Mr. Cook further reported on the days the District will be closed for the holidays.

### DIRECTORS' COMMENTS

Director Reinhart reported that he attended all his regular meetings including a SOCWA Board meeting, an ACWA conference in San Diego, an OCWD Water Issues Committee, a MWDOC Administration and Finance Committee meeting, and a monthly WACO meeting. He said he was unable to attend the Colorado River Water Users Association conference.

Director Withers reported that he attended his regular meetings including an OCSD Board meeting, and an OCBC event where he met the City of Fullerton's City Council Member Amad Zaro, who also serves as Fullerton's representative on the OCWD Board of Directors.

Director LaMar reported on his attendance at an ACWA conference in San Diego which included an ACWA JPIA meeting, OCBC and ACC-OC receptions, and a WACO meeting. He presented to the Board a Certificate of Recognition from the City of Irvine for our support and participation at the 2019 Irvine Global Village Festival. He further thanked the Board for its support this year in his role as President.

Director Matheis reported on her attendance at an ACWA conference in San Diego and said she was pleased that Director LaMar was elected President of ACWA. She said that she also attended a Colorado River Water Users Association conference in Las Vegas. She further said that she was very pleased to be elected President of the District for 2020.

### COMMUNITY UPDATES

The District's consultant, Mr. Bruce Newell, reiterated his support of tonight's Board approval of the consultant selection item for the Fleming Zone 8 tank project along with other improvements, and said that he will provide an update to the community on this project.

### CLOSED SESSION

Legal Counsel Collins said that the following Closed Session would be held this evening.

1. Threat to Public Services or Facilities (Gov. Code § 54957(a)) – Consultation with legal counsel and IRWD's security assessment consultant Tevora
2. PUBLIC EMPLOYEE APPOINTMENT – Pursuant to Government Code Section 54956(b)  
Title: Legal Counsel



OPEN SESSION:

Following the Closed Session, the meeting was reconvened with Directors LaMar, Matheis, Withers, and Reinhart present. President Matheis said that there is no action to be reported on Item No. 1.

President Matheis said that relative to item No. 2, the Board appointed Hanson Bridgett as general counsel for the Irvine Ranch Water District, with Ms. Claire Hervey Collins continuing to serve in the role of General Counsel for the District, effective on the date Ms. Collins's employment with Hanson Bridgett begins.

ADJOURNMENT:

There being no further business, President Matheis adjourned the meeting.

APPROVED and SIGNED this 13th day of January, 2020.


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President, IRVINE RANCH WATER DISTRICT

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Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

\_\_\_\_\_  
Claire Hervey Collins, Legal Counsel  
Hanson Bridgett LLP

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January 13, 2020  
Prepared by: C. Kessler / M. Cortez  
Submitted by: K. Burton  
Approved by: Paul A. Cook 

CONSENT CALENDAR

PELICAN HILL SEWER REHABILITATION CONSTRUCTION AWARD

SUMMARY:

Three collection sewers traversing through the Pelican Hill Golf Club and one local sewer segment within a Pelican Hills residential community are experiencing pitting and/or liner failure at various locations. Staff recommends that the Board authorize the General Manager to execute a construction contract with Sancon Technologies, Inc. in the amount of \$270,884.80 for the Pelican Hill Sewer Rehabilitation.

BACKGROUND:

Three collection sewers traversing through the Pelican Hill Golf Club and one local sewer segment within a Pelican Hills residential community are experiencing pitting and/or liner failure. The locations of these failure are shown on the map attached as Exhibit "A". These four sewers, constructed of epoxy-lined ductile iron pipe, ultimately convey sewer flows to an Orange County Sanitation District trunk sewer in Pacific Coast Highway.

After noting the failure in the 20-year old epoxy lining, IRWD awarded Psomas a Professional Services Agreement in April 2019 for engineering services related to the assessment of the sewer pipelines and preparation of rehabilitation plans. The scope of work for the rehabilitation includes the removal of the failing epoxy lining from the existing ductile iron sewer pipeline segments and installation of approximately 1,850 feet of eight-inch diameter, 400 feet of 10-inch diameter, and 170 feet of 12-inch diameter cured-in-place pipeline. The design plans for the rehabilitation work were approved in October 2019.

Construction Award:

Staff advertised the project for construction bidding to a select list of six pipeline restoration contractors. The bid opening occurred on December 16, 2019, and two contractors submitted bids: Sancon Technologies and Insituform Technologies. The bids received are summarized below:

<b>Bidder</b>	<b>Bid Amount</b>
Sancon Technologies.	\$270,884.80
Insituform Technologies	\$272,894.00

Sancon Technologies was the apparent low bidder with a bid of \$270,884.80; the engineer's estimate was \$257,925. Sancon Technologies' bid information is attached as Exhibit "B". IRWD has utilized cured-in-place pipe to rehabilitate its sewers in the past, and has had good experience with Sancon Technologies. Staff recommends approval of this construction contract with Sancon Technologies.

FISCAL IMPACTS:

Project 11121 is included in the FY 2019-20 Capital Budget and has sufficient budget to complete the project. The project will be funded by sewer replacement funds.

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 County of Orange on October 8, 2019.

COMMITTEE STATUS:

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

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH SANCON TECHNOLOGIES, INC. IN THE AMOUNT OF \$270,884.80 FOR THE PELICAN HILL SEWER REHABILITATION, PROJECT 11121.

LIST OF EXHIBITS:

Exhibit "A" – Location Map

Exhibit "B" – Bid Results



# Exhibit "A" Location Map

HOA  
Segment



Fairway Point

Pelican Hill Cir

Sailcrest

Oceancrest

Skycrest

Pelican Hill Rd N

Shorridge

pelicans Dr

Skyridge

Surrey Dr

Worcester Rd

ne Rd

Cortland Dr

Garrett Dr

Pelican Hill  
Golf Club

S Pelican Hill Rd

Pacific Coast Highway

Pelican Hill Golf Club

Newport Coast

Shoreline

Point Dr



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**Bid Results****Bidder Details**

**Vendor Name** Sancon Technologies Inc.  
**Address** 5841 Engineer Dr.  
Huntington Beach, CA 92649  
United States

**Respondee** Chuck Parsons  
**Respondee Title** President  
**Phone** 714-891-2323 Ext.  
**Email** bids@sancon.com

**Vendor Type** CADIR  
**License #** 774055  
**CADIR** 1000008879

**Bid Detail**

**Bid Format** Electronic  
**Submitted** December 13, 2019 11:53:31 AM (Pacific)  
**Delivery Method**  
**Bid Responsive**  
**Bid Status** Submitted  
**Confirmation #** 197854  
**Ranking** 0

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

File Title	File Name	File Type
Sancon Bid	IRWD_Pelican Hill_Sancon.pdf	Bid Form

**Line Items**

Type	Item Code	UOM	Qty	Unit Price	Line Total	Comment
<b>BASE BID ITEMS</b>						
1	Mobilization and Demobilization	LS	1	\$2,700.00	\$2,700.00	
2	Spill Containment Plan and Controls for Environmental Protection	LS	1	\$1,000.00	\$1,000.00	
3	Temporary Bypass Pumping and Site Restorations	LS	1	\$3,000.00	\$3,000.00	
4	Audio-Video Documentation of Existing Conditions	LS	1	\$1,000.00	\$1,000.00	
5	Traffic Control	LS	1	\$2,500.00	\$2,500.00	

**Bid Results**

Type	Item Code	UOM	Qty	Unit Price	Line Total	Comment
6	Pre-Lining Cleaning and Removal of Existing Epoxy Liner Including Disposal of Waste	LF	2450	\$15.33	\$37,558.50	
7	Pre-Construction / Existing Sewer Condition CCTV Inspection	LF	2450	\$1.00	\$2,450.00	
8	Pre-CIPP Lining CCTV Inspection	LF	2410	\$1.00	\$2,410.00	
9	Post-Construction Lining CCTV Inspection	LF	2450	\$1.00	\$2,450.00	
10	Mechanical Root Removal	LF	5	\$100.00	\$500.00	
11	Calcium Removal	LF	35	\$100.00	\$3,500.00	
12	8" Diameter CIPP Rehabilitation (6 Segments)	LF	1850	\$67.87	\$125,559.50	
13	10" Diameter CIPP Rehabilitation (1 Segment)	LF	400	\$74.86	\$29,944.00	
14	12" Diameter CIPP Rehabilitation (1 Segment)	LF	170	\$171.84	\$29,212.80	
15	Re-Open Sewer Laterals After CIPP Installation	EA	2	\$50.00	\$100.00	
16	Final Record Drawings	LS	1	\$2,000.00	\$2,000.00	
17	Allowance - Restore PHGC Golf Course	LS	1	\$25,000.00	\$25,000.00	
				<b>Subtotal</b>	<b>\$270,884.80</b>	
18	<b>ADDITION OR DEDUCTION LINE ITEM</b>					
	ADDITION (+) OR DEDUCTION (-)	LS	1	0	0	
				<b>Subtotal</b>	<b>0</b>	
				<b>Total</b>	<b>\$270,884.80</b>	

**Subcontractors**

Name & Address	Description	License Num	CADIR	Amount	Type
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January 13, 2019  
Prepared by: C. Spangenberg / M. Cortez  
Submitted by: K. Burton  
Approved by: Paul A. Cook



CONSENT CALENDAR

REHABILITATION OF DYER ROAD WELLFIELD WELLS 2 AND 17 AND LIMITED REDEVELOPMENT OF WELL 52 – FINAL ACCEPTANCE

SUMMARY:

The rehabilitation of Dyer Road Wellfield (DRWF) Wells 2 and 17 and limited redevelopment of Well 52 project is complete. IRWD's contractor Best Drilling and Pump, Inc. has completed the required work and all punch list items. The project has received final inspection and acceptance of construction is recommended.

BACKGROUND:

Richard C. Slade and Associates completed the well rehabilitation design in December 2017. Best Drilling and Pump, Inc. was awarded the construction contract on January 23, 2018 and completed construction of the improvements on November 15, 2019. The following is a list of other details regarding this completed project:

Project Title:	Rehabilitation of Dyer Road Wellfield Wells 2 and 17 and Limited Redevelopment of Well 52
Project Numbers:	07090 and 10097
Design Engineer:	Richard C. Slade and Associates, LLC
Construction Management by:	IRWD staff
Contractor:	Best Drilling and Pump, Inc.
Original Contract Cost:	\$967,760.00
Final Contract Cost:	\$1,012,464.24
Original Contract Days:	135
Final Contract Days:	660
Final Change Order Approved On:	December 30, 2019

The unique pump and discharge head design requirements for DRWF Well 2, the fabrication, delivery, installation, testing and startup of these components, as well as the added installation of a stainless steel liner, resulted in a substantial non-compensatory time extension of the contract. Staff recommends that the Board accept the rehabilitation of DRWF Wells 2 and 17 and limited redevelopment of Well 52.

FISCAL IMPACTS:

Projects 07090 and 10097 are included in the FY 2019-20 Capital Budget. The existing budget is sufficient to fund the final payment for these projects.

ENVIRONMENTAL COMPLIANCE:

These projects are exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15301 which provides exemption for minor alterations 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 for the project was filed with the Orange County Clerk/Recorder on August 4, 2017.

COMMITTEE STATUS:

Final acceptance approvals are not routinely taken to a Committee prior to submittal to the Board.

RECOMMENDATION:

THAT THE BOARD ACCEPT THE REHABILITATION OF DYER ROAD WELLFIELD WELLS 2 AND 17 AND LIMITED REDEVELOPMENT OF WELL 52, PROJECTS 07090 AND 10097, 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.

LIST OF EXHIBITS:

None.

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



## CONSENT CALENDAR

### MEMORANDUM ON OFFICERS OF THE BOARD, COMMITTEE APPOINTMENTS AND OTHER ASSIGNMENTS

#### SUMMARY:

Each year, the President of the Board of Directors provides the Board with a memorandum on the upcoming year's officers of the Board, Committee appointments and other assignments. As a result of changes implemented by President Matheis on Committees and other assignments, the following actions are necessary:

- Receive and file the January 13, 2020, Memorandum on Officers of the Board, Committee Appointments and Other Assignments (Memorandum), and
- Approve attendance at meetings and events by Director for the 2020 calendar year.

#### BACKGROUND:

IRWD Directors serve on various standing committees and ad hoc committees when such a committee is created by the Board President, and serve the District in various other assignments. President Matheis has reviewed the current Committee appointments and other District assignments and has made changes to the Memorandum, provided as Exhibit "A". The changes from appointments and assignments memorandum for 2019 are highlighted in red text.

#### Approval of Attendance at Meetings and Events:

Pursuant to Resolution 2014-38 (Resolution), adopted on August 25, 2014, approval / ratification of attendance at events and meetings for non-IRWD Board or Committee meetings is required by the Board of Directors for certain meetings and events. For those meetings and events falling under Section 2(b) of Article II of Exhibit "A" to the Resolution, approval is requested to authorize attendance of the Board Members assigned as the District's representative/lead, and their alternates, as listed in the Memorandum, at meetings and events of the following governmental agencies and external organizations during the 2020 calendar year:

#### *Approved Organizations:*

- Association of CA Water Agencies (ACWA)
- ACWA/Joint Powers Insurance Authority
- CalDesal
- CA Association of San. Agencies (CASA)
- CA Council for Environmental and Economic Balance (CCEEB) / CA Environmental Dialogue (CED) & Water Quality Task Force (WQTF)
- CA Special Districts Association (CSDA)
- City of Costa Mesa
- City of Irvine

Consent Calendar: Memorandum on Officers of the Board, Committee Appointments and Other Assignments

January 13, 2020

Page 2

*Approved Organizations, continued:*

- City of Lake Forest
- City of Newport Beach
- City of Orange / OPA
- City of Tustin
- El Toro Restoration Advisory Board
- Independent Special Districts of OC (ISDOC)
- Greater Irvine Chamber of Commerce
- Municipal Water District of Orange County (MWDOC)
- National Water Research Institute (NWRI)
- Natural Communities Coalition (NCC)
- Newport Bay Watershed Executive Committee
- Newport Chamber of Commerce
- Orange County Business Council (OCBC)
- Orange County Council of Governments
- Orange County Sanitation District (OCSD), when the District's representative or alternative is not compensative for attendance at the OCSD meeting or event by OCSD.
- Orange County Water Association (OCWA)
- Orange County Water District (OCWD)
- Santiago Aqueduct Commission
- South Orange County Economic Coalition
- South Orange County Water Agencies Group
- South Orange County Watershed Management Area Executive Committee
- South Orange County Wastewater Authority (SOCWA), when the District's representative or alternative is not compensative for attendance at the SOCWA meeting or event by SOCWA.
- Southern California Water Dialogue Group
- Southern California Water Coalition (SCWC)
- Urban Water Institute (UWI)
- WaterReuse Association
- Water Advisory Committee of OC (WACO)
- Water Education Foundation (WEF)

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

Consent Calendar: Memorandum on Officers of the Board, Committee Appointments and Other Assignments

January 13, 2020

Page 3

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD RECEIVE AND FILE THE MEMORANDUM DATED JANUARY 13, 2020, TITLED OFFICERS OF THE BOARD, COMMITTEE APPOINTMENTS AND OTHER ASSIGNMENTS AND APPROVE ATTENDANCE FOR MEETINGS AND EVENTS FOR THE BOARD'S REPRESENTATION FOR CALENDAR YEAR 2020 AS DELINEATED.

LIST OF EXHIBITS:

Exhibit "A" – Memorandum from President Matheis dated January 13, 2020, titled Officers of the Board, Committee Appointments and Other Assignments

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**Exhibit "A"**  
**MEMORANDUM**

DATE: January 13, 2020  
TO: Board of Directors  
FROM: Mary Aileen Matheis, President  
SUBJECT: MEMORANDUM RELATIVE TO OFFICERS OF THE BOARD, COMMITTEE APPOINTMENTS, AND OTHER ASSIGNMENTS

---

District Board of Directors:

- President Mary Aileen Matheis
- Vice President Doug Reinhart
- Directors Steve LaMar, Peer Swan, and John Withers

Officers of the District, Staff:

- District Treasurer Rob Jacobson
- Assistant District Treasurers Cheryl Clary, Tanja Fournier
- District Secretary Leslie Bonkowski
- Assistant District Secretaries Kristine Swan, Christine Compton

Standing Committees Appointments\*:

- Finance and Personnel Swan, LaMar (Alt. Matheis)
- Engineering and Operations Reinhart, Withers (Alt. Matheis)
- Water Resources Policy & Communications LaMar, Matheis (Alt. Withers)
- Supply Reliability Programs Swan, Reinhart (Alt. Matheis)
- Serrano Water District / IRWD Reinhart, Swan (Alt. LaMar)

*\* Committee chair name shown first*

Governmental Agencies Representation and Assignments:

- City of Costa Mesa Swan (District Lead), Withers (Alternate)
- City of Irvine Matheis (District Lead), LaMar (Alternate)
- City of Lake Forest Withers (District Lead), Reinhart (Alternate)
- Municipal Water District of Orange County Swan (District Lead), Reinhart (Alternate)
- Natural Communities Coalition\*\* LaMar (Director), Cook (Alternate)
- City of Newport Beach Swan (District Lead), Reinhart (Alternate)
- Newport Bay Watershed Executive Comm.\*\* Swan (Representative),  
Matheis and Cook (Alternates)
- City of Orange / OPA Withers (District Lead), LaMar (Alternate)
- Orange County Sanitation District (OCSD)\*\* Withers (Director), Reinhart (Alternate)
- Orange County Water District (OCWD) Reinhart (District Lead), LaMar (Alternate)
- Santiago Aqueduct Commission (SAC)\*\* Matheis (Director) and Withers (Alternate)

- **Santiago Canyons Area** **Withers (Representative), LaMar (Alternate)**
- South Orange County Watershed Management Area Executive Committee\*\* Matheis (Representative), LaMar (Alternate)
- So OC Wastewater Authority (SOCWA)\*\* Reinhart (Director), Cook (First Alternate),  
Burton (Second Alternate)
- City of Tustin LaMar (District Lead), Matheis (Alternate)

\*\* Need to notify these agencies of any changes

External Organizations Assignments:

- Association of CA Water Agencies (ACWA) All Board Members
- ACWA/Joint Powers Insurance Authority Swan (District Lead), Matheis (Alternate)
- CalDesal LaMar (District Lead), Reinhart (Alternate)
- CA Association of San. Agencies (CASA) Swan (District Lead), Withers and Chambers (Alternates)
- CA Council for Environmental and Economic Balance (CCEEB) CED / WQ Task Force LaMar (District Lead); Compton and Colston (Alternate)
- CA Special Districts Association (CSDA) Matheis (District Lead)
- El Toro Restoration Advisory Board Matheis (District Lead), Cook (Alternate)
- Independent Special Districts of OC (ISDOC) Matheis (District Lead), Withers (Alternate)
- Greater Irvine Chamber of Commerce Matheis (District Lead), LaMar (Alternate)
- National Water Research Institute (NWRI) Withers (District Lead), Reinhart (Alternate)
- Newport Chamber of Commerce Swan (District Lead), **Reinhart** (Alternate)
- Orange County Business Council (OCBC) LaMar (District Lead), Withers (Alternate)
- Orange County Council of Governments Matheis (District Lead), LaMar (Alternate)
- Orange County Water Association Reinhart and Swan
- South Orange County Economic Coalition Matheis (District Lead), Reinhart (Alternate)
- South Orange County Water Agencies Group Reinhart (District Lead), LaMar (Alternate)
- Southern California Water Dialogue Group Swan (District Lead), LaMar (Alternate)
- So. California Water Coalition LaMar and Matheis (District Lead)
- Urban Water Institute Matheis (Representative), Swan (Alternate)
- WaterReuse Association Reinhart (District Lead), Cook (Alternate)
- Water Advisory Committee of OC (WACO) All Board Members
- Water Education Foundation Matheis (District Lead), Swan (Alternate)

IRWD-Associated Organizations Officers:

- Bardeen Partners, Inc. Withers, President; Swan, Vice President  
LaMar, Matheis, and Reinhart are Members  
Jacobson, Treasurer  
Clary and Fournier, Assistant Treasurer  
L. Bonkowski, Secretary
- IRWD Water Service Corporation Matheis, President; Reinhart, Vice President  
LaMar, Swan, and Withers are Members  
Jacobson, Treasurer  
Clary and Fournier, Assistant Treasurer  
L. Bonkowski, Secretary



- Post-employment Benefits Retirement Trust Board  
Swan, Chairman; LaMar, Vice Chair  
Cook, Member  
Jacobson, Treasurer  
Clary and Fournier, Assistant Treasurer  
L. Bonkowski, Secretary

IRWD-Supported Organizations Representation:

- San Joaquin Wildlife Sanctuary, Inc.  
Swan, President; Matheis, Director  
L. Bonkowski, Treasurer, Director and Secretary
- Shadetree Partnership, Inc.  
Matheis, President  
T. Bonkowski, Director and Treasurer  
L. Bonkowski, Director and Secretary  
Cook, Director  
Swift, Director

*NOTE:* Shadetree officers and directors are elected by the Shadetree Board of Directors, not by IRWD.

Organization / Committee Staff Representation and Support:

- Association of CA Cities – OC (ACC-OC)      Cook, Compton
- Association of CA Water Agencies (ACWA)      Cook, Compton
- **Bioenergy Association of CA**      **Compton**
- California Assoc. of Sanitation Agencies      Chambers, Zepeda
- California Municipal Utilities Assoc. (CMUA)      Cook, Compton
- California Special Districts Assoc. (CSDA)      Compton
- California Water Environmental Assoc.      Chambers, Zepeda
- National Water Research Institute (NWRI)      Colston, Clary (Treasurer)
- Newport Bay Watershed Mgmt. Comm.      Tetteimer (Representative), Cook (Alternate)
- Santiago Aqueduct Commission (SAC)      Cook (GM), Burton (Engineer)  
Clary (Treasurer)
- South Orange County Watershed Mgmt. Area Executive Committee      Tetteimer
- WateReuse California      Cook, Tetteimer, and Compton

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



## CONSENT CALENDAR

### 2020 GENERAL COUNSEL CONTRACT

#### SUMMARY:

In March 2018, the Board selected Lewis Brisbois & Smith LLP to provide general counsel services to the District, and named Claire Hervey Collins, an employee of this firm, to serve in the role of general counsel for IRWD. On December 11, 2019, the Board received notice that Ms. Collins would transition to a new firm in 2020, and appointed Hanson Bridgett LLP, Ms. Collins' new firm, as general counsel for IRWD. It also renamed Ms. Collins to serve in the role of general counsel for IRWD. Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Hanson Bridgett for general counsel legal services for a one-year term effective January 1, 2020, to December 31, 2020, and a not-to-exceed amount of \$1,000,000.

#### BACKGROUND:

IRWD has implemented a team approach that divides legal service responsibility for regular issues and matters among several law firms. The approach utilizes an outside general counsel who provides general counsel legal services related to municipal law, transactional and non-complex issues, rate setting, and other routine general counsel matters. The general counsel also coordinates between the District's various legal counsels. Additionally, the approach utilizes at least two different law firms to provide legal services related to complex issues, complex litigation, and legal matters related to water resources and policy issues.

In March 2018, the Board selected Lewis Brisbois to provide general counsel services to IRWD, and named Claire Hervey Collins, who was employed by this firm, to serve in the role of general counsel for IRWD. On January 1, 2020, Ms. Collins transitioned her employment to the firm of Hanson Bridgett.

At its meeting on December 16, 2019, the IRWD Board appointed Hanson Bridgett to provide general counsel services to IRWD concurrent with Ms. Collins' move to Hanson Bridgett. It also renamed Ms. Collins to serve in the role of general counsel for IRWD. Ms. Collins continues provides general counsel legal services for the District focused on municipal law, transactional and non-complex issues, and rate setting. While Ms. Collins provides the vast majority of the services required by IRWD, Mr. Paul Beck of Hanson Bridgett assists Ms. Collins and serves as an assistant general counsel for the District in order to ensure continuity of service should Ms. Collins become unavailable.

#### Proposed Contract with Hanson Bridgett LLP:

While Hanson Bridgett is currently serving in the role of general counsel for the District under a short-term agreement, staff recommends that IRWD to enter into a long-term agreement with the

firm for legal services. The total not-to-exceed value of the contract is proposed at \$1,000,000. The proposed not-to-exceed value is based on the hourly rates listed, which includes a summary of the scope of work provided in Exhibit "A". The number of billable hours estimated for this 12-month period includes the estimated amount of time required to represent, advise, and counsel IRWD with regard to matters related to municipal law, transactional and non-complex issues and rate setting, and the estimated amount of time required to coordinate with the District's other legal counsel. The proposed contract term would be last until December 31, 2020, at which time the Board will evaluate legal counsel's performance and may consider extending the term of the contract.

Staff recommends that the Board authorize the General Manager to enter into a Professional Services Agreement with Hanson Bridgett.

FISCAL IMPACTS:

The total not-to-exceed amount for the variance is \$1,000,000. If approved by the Board, costs associated with this agreement will be charged against the Fiscal Year 2019-2020 and Fiscal Year 2020-2021 Operating Budgets, as appropriate. Any legal services related to capital projects will be billed to the capital budgets, as appropriate.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH HANSON BRIDGETT LLP FOR GENERAL COUNSEL LEGAL SERVICES FOCUSED ON MUNICIPAL LAW, TRANSACTIONAL AND NON-COMPLEX ISSUES, AND RATE SETTING WITH A TERM FROM JANUARY 1, 2020, TO DECEMBER 31, 2020, AND A NOT-TO-EXCEED VALUE OF \$1,000,000.

LIST OF EXHIBITS:

Exhibit "A" – Summary of the Scope of Work and Current Hourly Rates of Hanson Bridgett

# **EXHIBIT “A”**

## **SUMMARY OF THE SCOPE OF WORK AND CURRENT HOURLY RATES OF HANSON BRIDGETT LLP**

### *Summary of Scope of Work:*

Hanson Bridgett LLP (Hanson Bridgett) will provide general counsel legal services and representation to IRWD and its subsidiaries, and other affiliates. The firm will perform the work, duties, and responsibilities consistent with the position of general counsel for IRWD and its subsidiaries and other affiliates understanding that the firm’s roles as general counsel will be to:

1. Provide expert legal advice to IRWD and its subsidiaries and other affiliates;
2. Independently represent IRWD and its subsidiaries and other affiliates in a variety of matters and forums; and
3. Develop and implement proactive legal strategies to position IRWD and its subsidiaries and other affiliates to best meet its legal, regulatory, and policy objectives.

The scope of the general counsel services provided by Hanson Bridgett to IRWD will consist of a broad range of legal services including regulatory and public policy tracking, interpretation, advice, counsel, legal representation and other services with respect to a variety of legal areas such as:

#### **A. TYPICAL AREAS OF MUNICIPAL LAW, INCLUDING:**

1. Agenda and Agenda Item Review;
2. Basic CEQA and Other Environmental Document Review;
3. Brown Act and Open Meeting Compliance;
4. Claims Processing;
5. Collections;
6. Cortese-Knox-Hertzberg Local Government Reorganization Act;
7. Election Procedures and Challenges;
8. Fair Political Practices Commission Regulations and Political Reform Act;
9. Joint Powers Authorities;
10. Non-complex Litigation;
11. Ordinance, Rule and Regulation Creation and Adoption;
12. Public Contracting and Prevailing Wage;
13. Public Records Act;
14. Public Works Bidding;
15. Real Property;

- 16. Records Retention and Destruction;
- 17. Review of Contracts and Other Legal Documents; and
- 18. Tort Claims.

B. LAWS AND REGULATIONS GOVERNING CALIFORNIA WATER DISTRICTS, INCLUDING:

- 1. California Government Code;
- 2. California Health and Safety Code;
- 3. California Water Code;
- 4. California Water District Code;
- 5. Clean Water Act;
- 6. Porter-Cologne Water Quality Control Act;
- 7. Sustainable Groundwater Management Act;
- 8. Safe Drinking Water Act;
- 9. Urban Water Management Planning Act; and
- 10. Other Water and Wastewater Laws and Regulations.

C. LAWS AND REGULATIONS RELATED TO WATER AND SEWER SERVICE RATE SETTING, INCLUDING:

- 1. Case law related to water and sewer service rates;
- 2. Proposition 26;
- 3. Proposition 218; and
- 4. Other statutes affecting water and sewer rates and charges.

D. COORDINATION AND MANAGEMENT OF SPECIAL COUNSEL

Hourly Rates through December 31, 2020:

Claire Hervey Collins:	\$365.00 per hour
Other Partners:	\$330.00 per hour
Associates:	\$295.00 per hour
Paralegals & Law Clerks:	\$155.00 per hour
Word Processing	\$35.00 per hour

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



## CONSENT CALENDAR

### VARIANCE TO IRWD'S LETTER OF ENGAGEMENT WITH ALSTON & BIRD

#### SUMMARY:

Alston & Bird currently provides legal services to IRWD for complex matters and complex litigation under a letter of engagement. Alston & Bird continues to provide a high level of service to IRWD, and continues to handle multiple complex litigation matters. To continue this relationship, staff recommends the Board authorize the General Manager to execute an additional variance to the letter of engagement with Alston & Bird for an amount not-to-exceed \$3,600,000.

#### BACKGROUND:

For its legal services needs, IRWD has implemented a team approach that divides legal services across multiple law firms. This approach utilizes an outside general counsel who provides legal services related to municipal law, transactional and non-complex issues, rate setting, and other routine general counsel matters. The general counsel also coordinates IRWD's various legal counsels. Under its approach to retaining legal services, IRWD also utilizes at least two different law firms to provide legal services related to complex issues, complex litigation, and legal matters related to water resources and policy issues.

Alston & Bird was retained by IRWD to provide legal services related to complex matters and complex litigation under a letter of engagement. The services, representation, and counsel provided by Alston & Bird have consistently been excellent.

#### Proposed Variance with Alston & Bird:

On March 26, 2018, the Board authorized the General Manager to execute a variance to the letter of engagement with Alston & Bird for legal services related to complex issues and litigation with a term of April 1, 2018, to June 30, 2019, and a not-to-exceed amount of \$1,500,000. Due to the number of complex matters and amount of complex litigation the District addressed in 2019, the Board authorized the General Manager to enter into a second and third variance to the Letter of Engagement with Alston & Bird increasing the not-to-exceed amount by \$1,500,000 and \$2,500,000, respectively.

Staff recommends the Board authorize the General Manager to execute an additional variance to the letter of engagement with Alston & Bird increasing the not-to-exceed amount by \$3,600,000.

#### FISCAL IMPACTS:

Legal services will be charged against the Fiscal Year 2019-2020 Operating Budgets, as appropriate. Legal services related to capital projects will be billed to the capital budgets, as appropriate.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A VARIANCE TO IRWD'S LETTER OF ENGAGEMENT WITH ALSTON & BIRD FOR LEGAL SERVICES RELATED TO COMPLEX ISSUES AND LITIGATION INCREASING THE NOT-TO-EXCEED VALUE OF THE CONTRACT BY \$3,600,000.

LIST OF EXHIBITS:

None.



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



## ACTION CALENDAR

### 2020 LEGISLATIVE AND REGULATORY UPDATE

#### SUMMARY:

Staff will provide an update on the 2020 state and federal legislative sessions and IRWD priorities. As legislation and regulations develop, staff will continue to provide updates and recommendations to the Water Resources Policy and Communications Committee and to the Board, as appropriate.

#### BACKGROUND:

##### 2020 State Legislative and Regulatory Update:

The 2019-2020 State Legislature reconvened on January 6, 2020, for the second year of the two-year session. As with the second year of any session, pending legislative business remaining from 2020 will be taken up quickly in order to meet legislative deadlines. The bills remaining at the close of the 2019 legislative year will need to meet the January 17 policy committee deadline if they are still in their house of origin. Other upcoming legislative deadlines include:

- Last day for the Governor to submit a budget proposal to the Legislature – January 10
- Last day for bills introduced in 2019 to be passed out of their house of origin – January 31
- Last day for bills to be introduced – February 21

At the end of the State 2019 legislative year, a number of bills became two-year bills and a number of large policy areas were left for 2020. IRWD's 2020 Legislative Matrix is attached as Exhibit "A." Additionally, a number of regulatory actions, studies, and reports of interest to IRWD continue to be developed by the State Water Resources Control Board, the Department of Water Resources (DWR), and other state agencies. At the meeting, staff will provide more detailed information regarding these items and will also discuss the following items:

- Governor's Water Resilience Portfolio – On January 3 the Administration released its draft of the Governor's [Water Resilience Portfolio](#). (IRWD's adopted policy position regarding the Water Resilience Portfolio is attached as Exhibit "B".) The Portfolio outlines the Administration's water priorities and will undoubtedly generate interest in the Legislature;
- 2020 Resilience Bond Proposals – There are currently three resilience bonds before the Legislature. Those proposals are [AB 352](#) (E. Garcia, D-Coachella), [AB 1298](#) (Mullin, D-San Mateo), and [SB 45](#) (Allen, D-Redondo Beach). It appears that there is political will to pass and place a resilience bond on the November 2020 ballot. Policy discussions in early 2020 will focus on the programs and level of funding contained in the bond. All three proposals currently contain some water funding. Staff is engaged with IRWD's

associations and other industry stakeholders interested in influencing the programmatic water funding and levels of water funding included in a resilience bond; and

- *Fees on Residential Housing Development, including connections fees – AB 1484* (Grayson, D-Vallejo) proposes a number of changes to the laws governing fees charged to new housing developments, including connection fees. Staff continues to engage with IRWD’s associations and industry partners to seek the removal of connections fees from the scope of AB 1484.

Staff will also be available to discuss other bills and policy areas of interest to IRWD including:

- DWR’s and the State Board’s efforts to implement the “Making Water Conservation a California Way of Life” legislation;
- State Board data and information requests included through the Electronic Annual Report and the State Board’s Proposed Reporting Regulation; and
- State Board’s Water Loss Performance Standards Regulations.

2020 Federal Legislative and Regulatory Update:

As compared to year’s past, in 2020 the District’s federal advocacy efforts will focus largely on seeking federal funding for the Kern Fan Groundwater Storage Project and advocating for increased funding authorization for the federal Water Storage Program. Staff will discuss the approach and strategy staff will be taking to best position the Kern Fan Groundwater Storage Project for federal funding this year.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

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

RECOMMENDATION:

RECEIVE AND FILE.

LIST OF EXHIBITS:

Exhibit “A” – IRWD Legislative Matrix

Exhibit “B” – IRWD Policy Paper on the California Water Resilience Portfolio

**EXHIBIT “A”**  
**IRWD 2020 LEGISLATIVE MATRIX**  
**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 11</u></b> Chiu (D)	Community Redevelopment Law		Requires the Director of Finance to adjust the percentage of General Fund revenues appropriated for school districts and community college districts for computing the minimum amount of revenues that the state is required to appropriate for the support thereto in a manner that ensures that the division of taxes authorized by the Community Redevelopment Law have no net fiscal impact upon the total amount of the General Fund revenue and local property tax revenue allocated to such.	04/24/2019 - From ASSEMBLY Committee on LOCAL GOVERNMENT: Do pass to Committee on APPROPRIATIONS.
<b><u>AB 64</u></b> Fong (R)	State Project Audits		Requires the California State Auditor to examine and audit a state contract involving the expenditure of public funds in excess of \$500,000,000 entered into by a state agency, board, commission, or department within one year of the date of final payment under the contract.	04/04/2019 - To ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW.;04/04/2019 - From ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW with author's amendments.;04/04/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW.
<b><u>AB 69</u></b> 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.
<b><u>AB 71</u></b> Melendez (R)	Independent Contractors and Employees		Requires a determination of whether a person is an employee or an independent contractor to be based on a specific multifactor test, including whether the person to whom the service is rendered has the right to control the manner and means of accomplishing the result desired.	02/25/2019 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT with author's amendments.;02/25/2019 - In ASSEMBLY. Read second time and

**IRWD 2020 LEGISLATIVE MATRIX**  
**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
				amended. Re-referred to Committee on LABOR AND EMPLOYMENT.
<b><u>AB 100</u></b> Budget Cmt	Drinking Water	WATCH	Establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms. Authorizes the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests and would continuously appropriate the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients.	09/13/2019 - Re-referred to SENATE Committee on BUDGET AND FISCAL REVIEW.
<b><u>AB 134</u></b> 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.
<b><u>AB 196</u></b> Gonzalez (D)	Paid Family Leave		Revises the formula for determining benefits available pursuant to the family temporary disability insurance program for periods of disability by redefining the weekly benefit amount.	06/06/2019 - To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.
<b><u>AB 202</u></b> 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.
<b><u>AB 223</u></b> Stone (D)	California Safe Drinking Water Act: Microplastics		Requires the State Water Resources Control Board, to the extent possible, and where feasible and cost effective, to work with the State Department of Public Health in complying with requirements to adopt a standard methodology to be used in the testing of	02/04/2019 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			drinking water for microplastics and requirements for 4 years of testing and reporting of microplastics in drinking water.	
<b><u>AB 231</u></b> Mathis (R)	Environmental Quality Act: Exemption: Recycled Water		Exempts from the California Environmental Quality Act a project to construct or expand a recycled water pipeline for the purpose of mitigating drought conditions for which a state of emergency was proclaimed by the Governor if the project meets specified criteria.	05/09/2019 - From ASSEMBLY Committee on NATURAL RESOURCES without further action pursuant to JR 62(a).
<b><u>AB 254</u></b> 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.
<b><u>AB 292</u></b> 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.
<b><u>AB 322</u></b> Gallagher (R)	Political Reform Act: Online Filing System		Requires a local government agency to post on its internet website a copy of any specified statement, report, or other document filed with that agency in paper format. Requires that the statement, report, or other document be made available for four years from the date of the election associated with the filing.	05/16/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Not heard.
<b><u>AB 352</u></b> Garcia E (D)	Wildfire Prevention, Safe Drinking Water		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.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 400</u></b> Lackey (R)	State Mandates		Amends existing law which authorizes a local agency or school district, by February 15, to file an annual reimbursement claim detailing state-mandated costs. Extends that date to March 1.	02/28/2019 - To ASSEMBLY Committee on LOCAL GOVERNMENT.
<b><u>AB 418</u></b> 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.
<b><u>AB 435</u></b> Fong (R)	High-speed Rail Bonds: Water		Provides that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-speed Passenger Train Bond Act for the 21st Century, except as specifically provided with respect to an existing appropriation for high-speed rail purposes for early improvement projects in the Phase I blended system.	03/19/2019 - From ASSEMBLY Committee on TRANSPORTATION with author's amendments.;03/19/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on TRANSPORTATION.
<b><u>AB 510</u></b> Cooley (D)	Local Government Records: Destruction of Records	SUPPORT	Exempts the head of a department of a county or city, or the head of a special district from recording retention requirements if the county, city, or special district adopts a records retention policy governing recordings of routine video monitoring and recordings of telephone and radio communications.	02/21/2019 - To ASSEMBLY Committee on LOCAL GOVERNMENT.
<b><u>AB 533</u></b> Holden (D)	Income Tax: Exclusion: Turf Removal Water Conservation	SUPPORT	Extends the operative date of the provisions excluding from gross income specified amounts received in a turf removal water conservation program to taxable years beginning before a specified date. Requires the Department of Finance to include an analysis of these exclusions in its annual tax expenditure report provided to the Legislature and further provides that taxpayer information collected pursuant to this requirement is subject to the limitation on the collection and use of that information.	05/16/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Not heard.
<b><u>AB 626</u></b> Quirk-Silva (D)	Conflicts of Interest		Prohibits an officer or employee from being deemed interested in a contract, as described above, if the interest is that of an engineer,	05/30/2019 - In ASSEMBLY. From third reading. To Inactive File.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			geologist, architect, landscape architect, land surveyor, or planner, performing specified services on a project, including preliminary design and preconstruction services, when proposing to perform services on a subsequent portion or phase of the project, if the work product for prior phases is publicly available.	
<b><u>AB 636</u></b> Gray (D)	State Water Resources Control Board: Objectives		Prohibits the State Water Resources Control Board from implementing water quality objectives for which the state board makes a certain finding relating to environmental quality until it has submitted the water quality objectives and a statement of that finding to the appropriate policy committees of the Legislature and each committee has held a hearing on these matters.	03/14/2019 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
<b><u>AB 654</u></b> Rubio (D)	Public Records: Utility Customers: Personal Information		Authorizes a local agency to disclose the name, utility usage data, and home address of utility customers to an officer or employee of another governmental agency when the disclosure is not necessary for the performance of the other governmental agency's official duties but is to be used for scientific, educational, or research purposes, and the requesting agency receiving the disclosed material agrees to maintain it as confidential in accordance with specified criteria.	02/28/2019 - To ASSEMBLY Committee on JUDICIARY.
<b><u>AB 841</u></b> Ting (D)	Drinking Water: Contaminants		Requires the Office of Environmental Health Hazard Assessment to adopt and complete a work plan within prescribed timeframes to assess which substances in the class of perfluoroalkyl and polyfluoroalkyl substances should be identified as a potential risk to human health.	06/19/2019 - In SENATE Committee on ENVIRONMENTAL QUALITY: Not heard.
<b><u>AB 937</u></b> Rivas R (D)	Waste Discharge Requirements: Produced Water		Authorizes a regional board to approve a waste discharge requirement for the use or reuse of produced water from an oil and gas operation for agricultural purpose or for groundwater recharge, only if, after a public hearing, it finds that the California Council on Science and Technology has reviewed the best available independent scientific evidence and has found the use will not pose	03/04/2019 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			a significant risk to the public from contaminants in the produced water.	
<b><u>AB 992</u></b> 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 o a specific nature that is within subject matter jurisdiction of the legislative body.	05/01/2019 - In ASSEMBLY Committee on LOCAL GOVERNMENT: Failed passage.;05/01/2019 - In ASSEMBLY Committee on LOCAL GOVERNMENT: Reconsideration granted.
<b><u>AB 1035</u></b> Mayes (R)	Personal Information: Data Breaches		Requires a person or business that owns or licenses computerized data that includes personal information to disclose any breach of the security of the system in the most expedient time possible and without unreasonable delay. Requires an agency that was the source of a security breach to offer, in the notice of the breach, appropriate identity theft prevention and mitigation services at no cost to potential or actual victims of the breach.	05/23/2019 - From SENATE Committee on JUDICIARY with author's amendments.;05/23/2019 - In SENATE. Read second time and amended. Re-referred to Committee on JUDICIARY.
<b><u>AB 1045</u></b> Chen (R)	Public Works: Prevailing Wages		Increase the threshold to require the payment of a prevailing rate of per diem wages.	03/19/2019 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT with author's amendments.;03/19/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LABOR AND EMPLOYMENT.
<b><u>AB 1151</u></b> Daly (D)	Fire Damages: Civil Actions: Pecuniary Damages		Provides that in a civil action seeking damages caused by a fire, pecuniary damages must be quantifiable and not unreasonable in relation to the prefire fair market value of the damaged property or the prefire market value of similar property. Provides that these provisions are not intended to limit or change the ability of a public agency to recover costs arising from a fire, as provided in other specified provisions of law.	03/28/2019 - To ASSEMBLY Committees on JUDICIARY and NATURAL RESOURCES.;03/28/2019 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;03/28/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.



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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 1194</u></b> Frazier (D)	Sacramento-San Joaquin Delta		Increases the membership of the Delta Stewardship Council to 13 members, including 11 voting members and 2 nonvoting members.	04/09/2019 - In ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Held in committee.
<b><u>AB 1204</u></b> Rubio (D)	Public Water Systems: Primary Water Standards	SUPPORT	Relates to the California Safe Drinking Water Act. Requires the adoption or amendment of a primary drinking water standard for a contaminant in drinking water not regulated by a federal primary drinking water standard or that is more stringent than a federal primary drinking water standard to take effect 3 years after the date on which the state board adopts or amends the primary drinking water standard.	03/11/2019 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
<b><u>AB 1241</u></b> Quirk-Silva (D)	Contracts Between Public and Private Entities		Requires an agency that contracts with a person or private entity that owns or licenses an electronic database that contains the personal information of individuals for the purpose of hiring and training specified individuals, to do so only if the contract requires the person or private entity to comply with the requirements for disclosure and maintenance of personal information that are applicable to an agency pursuant to the Information Practices Act.	03/11/2019 - To ASSEMBLY Committee on PRIVACY AND CONSUMER PROTECTION.
<b><u>AB 1298</u></b> Mullin (D)	Bond Act		Enact the Climate Resiliency, Fire Risk Reduction, Recycling, Groundwater and Drinking Water Supply, Clean Beaches, and Jobs Infrastructure Bond Act which would authorize the issuance of bonds in an unspecified amount pursuant to the State General Obligation Bond Law to finance a climate resiliency, fire risk reduction, recycling, groundwater and drinking water supply, clean beaches, and jobs infrastructure program.	09/06/2019 - Re-referred to ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.
<b><u>AB 1323</u></b> Stone (D)	Public Utilities Information: Confidentiality		Relates to the Public Utilities Act. Requires the information to be open to the public inspection unless federal or state law or an order of the commission based on a specified finding requires the information to be closed to inspection, or the withholding of that information is ordered by the commission, a commissioner, or an administrative law judge in the course of a hearing or proceeding.	04/02/2019 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;04/02/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 1347</u></b> Boerner Horvath (D)	Electricity: Renewable Energy		Establishes the policy of the state that eligible renewable energy resources and zero carbon resources supply a percentage of all retail sales of electricity to state and local government buildings by a certain date, and to all the State end use customers by a certain date.	03/11/2019 - To ASSEMBLY Committees on UTILITIES AND ENERGY and NATURAL RESOURCES.
<b><u>AB 1381</u></b> Salas (D)	Safe Drinking Water Plan		Requires the State Water Resources Control Board, in its Safe Drinking Water Plan, to identify public water systems that fail to deliver water that meets all applicable standards under the Safe Drinking Water Act, specified areas in which persons have limited access to, or ability to pay for, safe and affordable drinking water, and strategies to address the changing needs of current and future populations. Requires the plan to include a publicly accessible map that identifies such areas.	03/18/2019 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.;03/18/2019 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS with author's amendments.;03/18/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
<b><u>AB 1389</u></b> Eggman (D)	Special Districts: Organization: Revenue Loss		Authorizes the local agency formation commission to propose, as part of the review and approval of a proposal for the establishment of new or different functions or class of services, or the divestiture of the power to provide particular functions or class of services, that the special district, to mitigate any loss of property taxes, franchise fees, and other revenues to any other affected local agency, provide payments to the affected local agency.	03/14/2019 - To ASSEMBLY Committee on LOCAL GOVERNMENT.
<b><u>AB 1439</u></b> Melendez (R)	Policy for Water Quality Control		Makes nonsubstantive changes to the Porter-Cologne Water Quality Control Act.	02/22/2019 - INTRODUCED.
<b><u>AB 1445</u></b> Gloria (D)	Climate Change: Emergency Declaration and Policy		Declares that it is the policy of the State of California to restore an optimal safe climate and to provide maximum protection from climate change to all people and species, globally, including the most vulnerable.	02/22/2019 - INTRODUCED.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 1484</u></b> Grayson (D)	Mitigation Fee Act: Housing Developments		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.
<b><u>AB 1574</u></b> Mullin (D)	Lobbying Expenditures		Requires reports regarding lobbying expenditures to be filed on a monthly basis.	04/24/2019 - In ASSEMBLY Committee on APPROPRIATIONS: To Suspend File.
<b><u>AB 1640</u></b> Boerner Horvath (D)	Local Government Finance: Budget Reserves.		Requires a local government by September 1, 2020, and annually thereafter, to submit a written report to the State Controller's office on how it plans to spend any of its budget reserves, as defined, on specified priorities over a 5-year fiscal period, including, among others, mental and behavioral health services and affordable housing.	03/18/2019 - To ASSEMBLY Committee on LOCAL GOVERNMENT.
<b><u>AB 1672</u></b> Bloom (D)	Solid Waste: Flushable Products	SUPPORT	Prohibits a covered entity, as defined, from labeling a covered product as safe to flush, safe for sewer systems, or safe for septic systems, unless the product is a flushable wipe that meets certain performance standards. Requires nonflushable products to be labeled clearly and conspicuously to communicate that they should not be flushed.	05/16/2019 - In ASSEMBLY Committee on APPROPRIATIONS: Not heard.
<b><u>ACA 3</u></b> 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.
<b><u>SB 43</u></b> 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,	07/08/2019 - In ASSEMBLY Committee on REVENUE AND

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**Updated 01/03/2020**

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			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.	TAXATION: Failed passage.;07/08/2019 - In ASSEMBLY Committee on REVENUE AND TAXATION: Reconsideration granted.
<b>SB 45</b> Allen (D)	Wildfire Prevention, Drinking Water, Drought, and Flood		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.	09/10/2019 - From SENATE Committee on APPROPRIATIONS with author's amendments.;09/10/2019 - In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.
<b>SB 101</b> Budget and Fiscal Review Cmt	Drinking Water		Establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms. Prohibits a person from operating a public water system unless the person first submits an application to the state board and receives a permit to operate the system.	06/24/2019 - From ASSEMBLY Committee on BUDGET with author's amendments.;06/24/2019 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on BUDGET.
<b>SB 133</b> Galgiani (D)	Wildfires: Detection		States the intent of the Legislature to enact legislation to create and fund a program for installing remote infrared cameras that can help in detecting wildfires.	01/24/2019 - To SENATE Committee on RULES.
<b>SB 204</b> 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.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>SB 335</u></b> Hurtado (D)	Provision of Sewer Service: Onsite Treatment System		Authorizes the property owner of an affected residence to opt out of the provision of sewer service for a maximum of 5 years if the adequate onsite sewage treatment system was installed no more than 5 years prior to the issuance of the order.	02/28/2019 - To SENATE Committees on ENVIRONMENTAL QUALITY and GOVERNANCE AND FINANCE.
<b><u>SB 341</u></b> Morrell (R)	Public Employment and Retirement		Requires the Board of Administration of the Public Employees' Retirement System to report a calculation of liabilities based on a discount rate equal to the yield on a 10-year United States Treasury note in the year prior to the report. Requires the Teacher's Retirement Board to provide a description of the discount rate the board uses for reporting liabilities, a calculation of liabilities based on a discount rate that is 2% below the long-term rate of return.	03/27/2019 - In ASSEMBLY Committee on LABOR AND EMPLOYMENT: Failed passage.;03/27/2019 - In SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT: Reconsideration granted.
<b><u>SB 378</u></b> Wiener (D)	Electrical Corporations: Deenergization Events		Requires an electrical corporation to annually report to the commission, the Office of Emergency Services, the Department of Forestry and Fire Protection, the Independent System Operator, and county governments within its service territory on the age, useful life, and condition of the electrical corporation's equipment, including the date of most recent inspection and maintenance records.	09/06/2019 - From SENATE Committee on RULES with author's amendments.;09/06/2019 - In SENATE. Read second time and amended. Re-referred to Committee on RULES.
<b><u>SB 615</u></b> Hueso (D)	Public Records: Disclosure		Permits any person to institute proceedings for injunctive or declarative relief or a writ of mandate in any court of competent jurisdiction to enforce their right to inspect or to receive a copy of any public record or class of public records covered by the California Public Records Act. Requires a person to meet and confer in good faith with the agency in an attempt to informally resolve each issue.	03/14/2019 - To SENATE Committee on JUDICIARY.
<b><u>SB 629</u></b> McGuire (D)	Air Districts: Hearing Boards: Notice Requirements		Relates to the Ralph M. Brown Act. Requires a hearing board to send a notice of hearing not less than a specified number of hours before the hearing to any person who requests the notice.	05/30/2019 - To ASSEMBLY Committee on NATURAL RESOURCES.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>SB 668</u></b> 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.
<b><u>SB 732</u></b> Allen (D)	South Coast Air Quality Management District	WATCH	Authorizes the South Coast District Board to impose a transactions and use tax within the boundaries of the south coast district.	05/13/2019 - In SENATE Committee on APPROPRIATIONS: Not heard.
<b><u>SB 762</u></b> Jones (R)	Groundwater Storage		Makes a nonsubstantive change in provisions relating to groundwater storage.	03/14/2019 - To SENATE Committee on RULES.
<b><u>HR 535</u></b> 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.	11/20/2019 - In HOUSE Committee on ENERGY AND COMMERCE: Consideration and mark-up session held.;11/20/2019 - In HOUSE Committee on ENERGY AND COMMERCE: Ordered to be reported as amended.
<b><u>HR 1162</u></b> Napolitano (D)	Water Recycling and Reuse Projects Grant Program	SUPPORT	Establishes a grant program for the funding of water recycling and reuse projects.	06/13/2019 - Subcommittee on WATER, POWER AND OCEANS hearings held.
<b><u>HR 1417</u></b> 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.
<b><u>HR 1567</u></b> 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.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>HR 1764</u></b> 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.
<b><u>HR 1976</u></b> 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.
<b><u>HR 2377</u></b> 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.
<b><u>HR 2500</u></b> 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

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
				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 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



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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
				floor.;07/12/2019 - In HOUSE. Passed HOUSE. *****To SENATE.
<b><u>HR 2533</u></b> Pallone (D)	Community Water Systems Contamination		Assists community water systems affected by perfluoroalkyl substances (PFAS) contamination.	09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee.
<b><u>HR 2566</u></b> Soto (D)	Environmental Protection Agency Safer Choice Standard		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).	09/26/2019 - Subcommittee on ENVIRONMENT consideration and mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee.
<b><u>HR 2570</u></b> 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.
<b><u>HR 2577</u></b> 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.
<b><u>HR 2591</u></b> 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.
<b><u>HR 2596</u></b> 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.
<b><u>HR 2600</u></b> 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

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
				mark-up session held.;09/26/2019 - Forwarded by Subcommittee on ENVIRONMENT to full committee.
<b><u>HR 2605</u></b> 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.
<b><u>HR 2608</u></b> 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 - Forwarded by Subcommittee on ENVIRONMENT to full committee.
<b><u>HR 2626</u></b> 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.
<b><u>HR 2638</u></b> 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.
<b><u>HR 2800</u></b> 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.
<b><u>S 611</u></b> 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.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b>S 638</b> Carper (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, Liability Act of 1980.	02/28/2019 - INTRODUCED.;02/28/2019 - In SENATE. Read second time.;02/28/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS.
<b>S 675</b> 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.
<b>S 950</b> 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.
<b>S 1251</b> 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.
<b>S 1372</b> 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.

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**Updated 01/03/2020**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>S 1473</u></b> 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 time.;05/15/2019 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS.
<b><u>S 1507</u></b> 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.
<b><u>S 1932</u></b> Gardner (R)	Reclamation States Water Infrastructure Support	SUPPORT	Supports water infrastructure in Reclamation States.	07/18/2019 - Subcommittee on WATER AND POWER hearings held.

# Irvine Ranch Water District

August 26, 2019

## California's Water Resilience Portfolio

### Issue Summary

On April 29, 2019, Governor Gavin Newsom signed Executive Order N-10-19. The order directed three state agencies – the California Natural Resources Agency, the California Environmental Protection Agency, and the California Department of Food and Agriculture – to develop a comprehensive strategy to build a climate-resilient water system and ensure healthy waterways in light of climate change. The agencies are to develop a Water Resilience Portfolio that identifies the key priorities for the Administration's water portfolio moving forward.

As a state and federal leader in water resources public policy and governance, the Irvine Ranch Water District (IRWD) works to promote policy initiatives that allow IRWD, along with other water purveyors in California, to enhance the quality, reliability and resiliency of water supplies. IRWD also works to advance policies that would build resiliency into California's water systems and enhance the health of the state's waterways. As a means of providing input into the discussions surrounding the Water Resilience Portfolio, IRWD has compiled the following policy principles.

### Definition of Water Resilience

California has a climate that cycles between periods of large amounts of precipitation and times of drought. While the future impacts of climate change on California's weather cycles are not known with complete certainty, it appears that changes to weather cycles will result in more rainfall and less snow in the mountains, earlier snowmelt, more intense rain events, and increasingly frequent droughts.

Evidence suggests changes to California's weather cycles are already affecting water resources throughout the state, which in turn negatively impact ecosystems, economies, and communities. California can and should take action to build water resilience into its water resource management and planning that accounts for these changes.

A Water Resilience Portfolio must recognize the complex nature of California's water resource infrastructure and management which includes funding constraints and balancing the water needs of people, businesses, agriculture, and the environment. The portfolio must also recognize the diversity of communities across the state; the importance of flexible water resource management and diverse water supply development; and the need for actions that acknowledge, coordinate and work within the different roles, powers and limitations that exist among the various water resource managers.

The ultimate outcome of the portfolio should be a list of proposed actions that will ensure California manages water resources effectively and flexibly, thereby promoting healthy watersheds and water supplies for our communities and businesses in the 21<sup>st</sup> century.

#### ***A Definition of California Water Resilience***

*Water resilience for California means moving the state to better water resource management through cost-effective infrastructure investments, flexible systems operations, and changes in policy and regulations that result in water systems, communities, ecosystems, and economies adapting to and mitigating for the impacts of climate change to water supplies and watersheds.*

### Policy Principles

The California Water Resilience Portfolio should position California to obtain and consider the best science and data available to analyze, model, and then develop and implement the changes necessary to meet current and future water supply needs in an era of climate change. The following are issue areas and associated actions that should be included in the Water Resilience Portfolio to help ensure California builds water resilience due to climate change:

#### **1) Enhance Weather Forecasting and Optimize Storage through Integration:**

Improve California's ability to capitalize on and prepare for the impacts of climate change and greater variability in our weather.

### INITIAL ACTIONS NEEDED:

- Create and fund a California Atmospheric River Weather Center to improve weather modeling and forecasting to ensure California can predict with more lead time and accuracy the strength, frequency, duration and volumes of water anticipated from atmospheric rivers;
- Strengthen data collection of on-the-ground snowpack and runoff conditions in the Sierra Nevada and other snow-covered areas of the state to create more accurate runoff estimates and a more accurate water picture each year;
- Complete an analysis of how to optimize the state's existing conveyance and water storage facilities through enhanced surface and groundwater storage integration, and an analysis of what additional water storage and conveyance facilities and improvements are needed to ensure the state adapts to a climate with less snowpack and more extreme hydrologic volatility; and
- Change reservoir and conveyance operations while maintaining public safety, and amend regulatory rules to improve surface and groundwater storage integration, as indicated by the analysis, to optimize the capture and storage of wet-year water, which would otherwise be lost to the ocean, to maximize benefits to agricultural, urban communities, and the environment in drier times.



### **2) Focus on Climate Change-Driven Disaster and Its Environmental Impacts:**

Increased climate-driven wildfires and flooding are expected impacts of climate change in California. Mitigating and preparing for climate-driven wildfire and flooding can increase water resilience, enhance and protect watershed health, and prepare ecosystems and communities to better withstand climate change-driven disasters.

### INITIAL ACTIONS NEEDED:

- Provide state funding for a single, standardized fire camera system for each county, prioritizing high fire areas and the wildland-urban interface, to ensure fires are spotted and responded to more quickly, lessening the chance for wildfires, particularly wind-driven wildfires in Southern California, to become catastrophic wildfires;
- Improve forest health and resiliency to wildfires through active watershed and wide-scale fuels management that puts California on a path to obtaining and maintaining forest health statewide, as this will increase water supply, water quality, slow runoff, improve ecosystems, build forest resiliency to wildfires and reduce catastrophic wildfires; and
- Assess how California's flood plains can be restored, where it makes sense, and how floodwaters captured can be directed to surface storage and groundwater recharge.

### **3) Improve Water Transfers and Exchanges to Capture More Water in Wet Years:**

With climate change driving greater hydrologic volatility in California, it is essential that the state improve the ability of water rights holders, and state and federal project contractors, to transfer and exchange water for the benefit of urban communities, agriculture and the environment. Additionally, the state needs to modify its transfer and exchange approval process to ensure that more water that would otherwise be lost to the ocean (i.e., "new water") can be captured in the form of rain during wetter years, and moved to storage for use in dryer years.



### INITIAL ACTIONS NEEDED:

- Develop standardized Department of Water Resources-approved template agreements to expedite approval of short-term water transfers and exchanges to make short-term water transfers and exchanges easier to complete, thereby maximizing the beneficial use of water resources in the state;

- Prioritize and expedite agreements for transfers or exchanges that have a storage component to enable the state's storage network to capture more precipitation in the form of rainfall, or are designed to reduce losses to the ocean while providing drought protection, emergency supplies, and environment enhancements;
- Integrate the operations of surface and groundwater storage programs to provide opportunities for environmental enhancements while optimizing water supply benefits to agricultural and urban communities; and
- Encourage stakeholder discussion and state and federal action to expand water rights consolidated places of use. Optimizing the use of consolidated places of use should be done with stakeholder agreement to maximize water resource benefits to the environment and the state's agricultural and urban communities.



#### 4) **Evaluate and Build California's Water System Resilience:**

Actions should be undertaken to move all California water systems, with a combination of existing and future water supply projects and water efficiency measures, to be able to meet 80% of daily residential and business demands at build-out 95% of the time under the reasonably foreseeable climate change scenarios. System reliability targets should be set for water systems serving agricultural operations based on the composition of the agricultural operations they serve.

##### **INITIAL ACTIONS NEEDED:**

- Encourage regional evaluations and studies of water supply and system reliability under various climate change scenarios through regional collaborations between retail and wholesale water agencies utilizing existing planning documents such as Urban Water Management Plans, Agricultural Water Management Plans and Groundwater Sustainability Plans. Such collaborative studies should be conducted in a manner that is consistent with the roles, responsibilities and policies of participating agencies and should be used to inform supplier actions to improve resiliency;
- Implement "Making Water Conservation a California Way of Life" legislation to achieve reasonable *water use efficiency* statewide and in a manner that preserves *water conservation* as a tool water suppliers will use to respond to droughts;<sup>1</sup>
- Move forward with a long-term Delta solution that addresses enhanced conveyance and environmental protection in the Delta, supports a safe and secure water supply for the entire state, and mitigates climate impacts on the Delta's ecosystem. Within the next 10 years, construction on enhanced conveyance and environmental protection should be well underway; and
- Evaluate and reform regulatory frameworks and processes pertaining to water resources to avoid regulatory decisions being made in silos. Decision-making in a silo can exacerbate climate change impacts on urban and agricultural water systems and the environment without realizing needed improvements in water resiliency.



#### 5) **Incentivize the Investment in and Development of Emergency Water Supplies:**

With climate change likely bringing more frequent and intense droughts to California, the state needs to evaluate how it will ensure sufficient water supplies during times of shortage. Development of emergency water supplies will aid the state in mitigating the impacts of more frequent droughts. Unfortunately, few water suppliers have made these investments. The state needs to adjust policies and statutes to encourage the investment in emergency supply development and to provide assurances that water suppliers will have access emergency supplies they develop for this purpose.<sup>2</sup>

<sup>1</sup>Water use efficiency is the use of water more efficiently and reducing inefficiencies for a given set of beneficial uses, but not necessarily a reduction in the total volume used within a community. Water conservation is a temporary or permanent reduction in total amount of water used regardless of the use, typically in response to a shortage.

<sup>2</sup> An emergency water supply is a supply that has been developed by a water supplier to enhance its water supply reliability during times of shortage and is in addition to the water supplies that the supplier draws upon during non-shortage times to meet water demands within its service area (e.g., IRWD's Strand Ranch Water Banking Project.).



**INITIAL ACTIONS NEEDED:**

- Amend the Urban Water Management Planning Act to specifically recognize emergency water supplies as a category of supply a water supplier may discuss and assess in an Urban Water Management Plan, in addition to base load supplies and contingency supplies;
- As the Department of Water Resources develops the structure and reporting requirements for the Annual Water Supply and Demand Assessment, include emergency water supplies in the reporting structure, and in the calculation of water supply compared to water demand;
- Amend the Urban Water Management Planning Act to provide that an emergency water supply can be used in a Water Shortage Contingency Plan as part of the planned water supplier response to a water shortage; and
- Establish as state policy that state agencies shall allow a water supplier that develops and establishes an emergency supply to use that supply during a water shortage or drought consistent with its Water Shortage Contingency Plan.

**6) Expand Water Recycling, a Non-Hydrologically Dependent Supply:**

As a non-hydrologically-dependent water supply, expanding water recycling in the state would allow California to develop new water supplies without putting greater pressure on supplies stressed by climate change. The water community is prepared to expand reuse and use of water recycling as one means of adapting to and mitigating climate change, but regulatory certainty is needed from the state.

**INITIAL ACTIONS NEEDED:**

- Update the Title 22 Water Recycling Criteria (CCR, Title 22, Division 4, Chapter 3), which has not been updated in nearly 20 years, to remove outdated and overly prescriptive requirements for non-potable recycled water that are not needed to protect public health -or the environment;
- Fund and complete the research needed for the State Water Resources Control Board to develop regulations for raw water augmentation by 2023;
- Fund and complete the research needed for the State Water Resources Control Board to develop regulations for treated drinking water augmentation by 2025; and
- Modify existing regulatory structures to ensure that recycled water is regulated as a resource and not a waste, and take a “fit for purpose” regulatory approach for recycled water, appropriately balancing public health and safety with how the water is used.



**Conclusion**

Achieving water resilience in California requires that state and local agencies work together to adapt to and mitigate for the impacts of climate change. The water infrastructure and operational changes that we already know need to be made to adapt to and mitigate for the impacts of climate change on our water resources should be included in the Portfolio. The initial actions recommended above are actions needed to build water resilience due to climate change. They will place California on the path to achieving water resilience, but other actions, not related to climate change, are also needed (e.g., addressing safe drinking water in disadvantaged communities, cleaning up groundwater contamination, and fully implementing the Sustainable Groundwater Management Act).

  
Paul Cook, General Manger




Irvine Ranch  
WATER DISTRICT

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January 13, 2020  
Prepared by: A. Aguilar  
Submitted by: R. Jacobson / C. Clary  
Approved by: Paul A. Cook 

**ACTION CALENDAR:**

**POLICY REVISIONS AND ADDITIONS RELATED TO  
DISTRICT APPROVALS, AUTHORIZATIONS AND PROCEDURES**

**SUMMARY:**

In September 2014, the Board approved revisions to IRWD's policies related to delegations of authority for purchasing and procurement, acquisitions of real property interests, dispositions of real and personal property and settlement of administrative claims. Resolution 2014-42 requires that the policies be reviewed and updated at least every five years. Staff recommends the Board approve revisions and additions to the policies intended to comply with current law and maximize administrative efficiencies while preserving appropriate authority levels, accountability and Board governance, and adopt resolutions by title approving the revisions.

**BACKGROUND:**

In September 2014, the Board adopted Resolutions Nos. 2014-40, 2014-41, 2014-42, and 2014-43 which modified policies related to District delegations of authority for purchasing and procurement, accepting and consenting to deeds and dedications, disposal of District property, the settlement of administrative claims, and the acquisition of land and easements. After reviewing the current policies, staff recommends revisions and additions intended to comply with changes in the law and improve operational efficiencies while still maintaining appropriate internal controls and governance by the Board.

Recommended revisions to IRWD's purchasing and procurement policies are based on an analysis of the District's transactional data and are supported by benchmarking the proposals with similar agencies. Note that IRWD's policies apply to its affiliate organizations, such as Bardeen Partners. Staff is recommending Board approval of revisions to the following policies:

- Policy for Authorization of Expenditures, attached as Exhibit "A";
- Policy for Competitive Bidding, attached as Exhibit "B";
- Policy for Procurement of Professional Services, attached as Exhibit "C";
- Policy for Approval / Authorization of Change Orders and Variances to Existing Contracts, attached as Exhibit "D";
- Policy for Personal Property Disposal, attached as Exhibit "E";
- Policy for Handling Claims and Lawsuits, Legal Counsel Waivers and Related Agreements, attached as Exhibit "F"; and
- Policy for Real Property (currently the Policy for Acquisition of Lands and Easements), attached as Exhibit "G".

IRWD's legal counsel has also reviewed and provided input on the proposed policy changes. The resolutions required to modify these policies are included as Exhibits "H", "I", "J", and "K". Each of the referenced policies is discussed in more detail below. A draft PowerPoint presentation describing the recommended changes is included as Exhibit "L".

Authorization of Expenditures:

This policy details expenditure authority levels for contracts for Goods, Professional and Non-Professional services. Proposed revisions to the Policy include modifications to existing approval levels. The proposed revisions continue to align the approval levels for both professional and non-professional services and goods. Based on Fiscal Year (FY) information from the prior three fiscal years (FY 2016-17, FY 2017-18 and FY 2018-19), the proposal would provide that, on average, 74% of the total dollar value of IRWD purchase orders covering Goods and Professional and Non-Professional services will be approved by the Board. The recommended authorization levels were also benchmarked with similar public agencies.

Current and proposed authorization levels for District expenditures are outlined in Exhibit “A” (Policy Section 9 – Award and Execution of Contracts) and summarized in the table below:

<b>Authorized Approver</b>	<b>Current District Approval Levels</b>	<b>Proposed District Approval Levels</b>
Department Director	\$50,000 or less	\$75,000 or less
Executive Director	\$75,000 or less	\$150,000 or less
General Manager	\$100,000 or less	\$250,000 or less
Board of Directors	No Limit	No Limit

Another proposed change permits Capital Project expenditures less than or equal to \$100,000 of the approved budget to not require additional Board approval. This will improve operating efficiency and permits a capital project generally in the final stages of completion to be closed without additional Board approval. Any anticipated expenditures for a Capital Project exceeding \$100,000 of the approved budget requires Board approval.

Minor modifications referencing the District’s two-year operating and capital budgets are included in the updated policy. There is no change to the previously approved policy for urgent necessity contracts which permit the General Manager or designee to execute a contract provided that the Board be informed at its next regular meeting of the action taken.

Competitive Bidding:

The primary revision recommended in the proposed Policy for Competitive Bidding is an increase in the maximum contract amount to \$35,000, as an exception to the District’s competitive bidding requirements. The current exception level for contracts requiring competitive bidding is \$10,000 and was established in 1987. The recommended increase to \$35,000 reflects the increase in inflation / contract amounts since that time and is intended to maximize administrative efficiencies while preserving staff accountability. There are other exceptions permitted to the competitive bidding process consistent with the previously approved policy. No other significant changes to the current policy are being recommended.

Procurement of Professional Services:

The primary proposed modifications to the Policy for Procurement of Professional Services relates to a proposed increase in approval levels. The number of proposals required depends upon whether the consultants are selected from the approved standing list of pre-qualified firms. If the proposed consultants are from the approved pre-qualified list of firms, the required number of bids and amounts are as follows:

<b>Number of Bids required from Pre-Qualified Firms</b>	<b>Current Professional Services Contracts</b>	<b>Proposed Professional Services Contracts</b>
One Bid	\$50,000 or less	\$100,000 or less
Two Bids	\$75,000 or less	\$200,000 or less
Three or more Bids	Greater than \$75,000	Greater than \$200,000

If the proposed consultants are not on the approved standing list of pre-qualified firms, then a minimum of three proposals are required. Exceptions to the normal bidding and selection process are provided and there is no change from the current Board-approved policy.

Change Orders and Variances to District Contracts:

Proposed revisions to the Policy for Approval / Authorization of Change Orders to Existing Contracts mostly relate to modifications of approval levels for professional and non-professional service contract change orders and variances. The recommended approval levels are consistent with the above-discussed proposed policy revisions and are detailed in the table below:

<b>Authorization</b>	<b>Current Change Order and Variance Approval Levels*</b>	<b>Proposed Change Order and Variance Approval Levels*</b>
Department Director	\$50,000 or less (individual or cumulative)	\$75,000 or less (individual or cumulative)
Executive Director	Less than \$75,000 (individual or cumulative)	Less than \$150,000 (individual or cumulative)
General Manager	Less than \$100,000 (individual or cumulative)	Less than \$250,000 (individual or cumulative)
Board of Directors	Greater than \$100,000	Greater than \$250,000

\* Whether or not the amount of a Change Order falls within an individual amount or cumulative dollar level stated, if the individual or cumulative total of such Change Orders in a calendar month together with any change orders previously approved exceeds the higher of 30% of the original contract and \$250,000, approval by the Board shall be required prior to execution by the General Manager. For Professional Service contract variances, any single or cumulative variance request resulting in a total increase of \$250,000 from the original contract amount will require Board approval. Once the Board has approved a variance, the delegation levels reset to the cumulative variance requirement prior to requiring additional Board approval. These amounts shall not be further delegated.

Disposal of Personal Property:

The proposed Policy for Personal Property Disposal provides parameters for the disposal of District assets, typically due to obsolescence or end of useful life. By the definition in this policy, Personal Property includes vehicles, equipment, materials, supplies and similar items. Modifications to the Policy relate primarily to the removal of the disposition of real property interests, including water, water rights, and works (facilities) which are now included in the proposed Policy for Real Property. Approval of the Board for disposal of personal property estimated to be valued over \$100,000 remains unchanged from the current Board-approved policy.

Settlement of Claims and Lawsuits and Legal Representation Approvals:

The proposed Policy for Handling Claims and Lawsuits, Legal Counsel Waivers and Related Agreements modifies the previous policy to include approval levels for the General Manager and Board to settle lawsuits, in addition to the current Board-approved policy for settling administrative claims. Based on California Government Code 935.4, all claims and lawsuits over \$50,000 require Board approval.

The Policy also includes new authorization for the General Manager to approve attorney or law firm conflict waivers, joint defense or prosecution agreements, common interest agreements and similar agreements necessary to efficiently retain legal representation for the District or collaborate with similarly-situated parties engaged in legal matters.

Acquisition, Use and Disposition of Real Property:

The proposed Policy for Real Property consolidates several policies and related authorities and delegations for Real Property into a single policy. These include:

1. Acquisition of Lands and Easements and related Delegations of Authority (Resolution No. 2014-42);
2. Authorization to Accept and Consent to Deeds, Grants and Dedications (Resolution No. 2014-40); and
3. Rules and Regulations for the Disposition of Property of the District (Resolution No. 2014-43).

The Policy addresses methods of conveyance, use restrictions and general procedures for acquisitions of the property and easements required for construction, operation and maintenance of District facilities. Consistent with other proposed policies, the Policy would provide for General Manager approval for any negotiated transaction of \$250,000 or less, with Board approval required for negotiated transactions in excess of \$250,000.

The Policy includes new provisions for negotiating and approval of leases on District operating properties (e.g., agricultural, cell site and other uses). The Policy provides for the General Manager to approve lease agreements with gross annual revenue of \$250,000 or less. Lease agreements with gross annual revenues in excess of \$250,000 will require Board approval.

For the District's real estate investment properties, the Policy authorizes the General Manager to negotiate proposed lease terms with prospective commercial property tenants. Consistent with District operating properties, the Policy provides for the General Manager to approve lease agreements with gross annual revenue of \$250,000 or less, while lease agreements with gross annual revenue in excess of \$250,000 require Board approval. The Policy does not apply to IRWD's acquisition or sale of real estate for investment purposes, which is governed under a separate policy.

Additionally, the Policy provides new authorizations to execute entry permits, licenses, rights of way, joint use agreements and other forms for permitted uses of District real property, with approval levels for the General Manager and Board consistent with those stated above.

**FISCAL IMPACTS:**

Proposed policy revisions and new policies will increase operational efficiencies. No measurable fiscal impacts are anticipated.

**ENVIRONMENTAL COMPLIANCE:**

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

**COMMITTEE STATUS:**

This item was reviewed by the Finance and Personnel Committee on December 10, 2019.

**RECOMMENDATION:**

THAT THE BOARD APPROVE REVISIONS AND ADDITIONS TO THE POLICIES RELATED TO DISTRICT APPROVALS, AUTHORIZATIONS AND PROCEDURES, AND ADOPT THE FOLLOWING RESOLUTIONS BY TITLE:

**RESOLUTION NO. 2020 –**

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
ADOPTING A REAL PROPERTY POLICY  
AND RESCINDING RESOLUTION NO. 2014-40

**RESOLUTION NO. 2020 –**

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
APPROVING A POLICY FOR HANDLING CLAIMS AND LAWSUITS,  
CONFLICT WAIVERS AND RELATED AGREEMENTS,  
AND RESCINDING RESOLUTION NO. 2014-41

RESOLUTION NO. 2020 –

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
RESCINDING RESOLUTION NO. 2014-42, AND  
ESTABLISHING REVISED POLICIES WITH RESPECT TO  
PURCHASING AND AUTHORIZATION OF EXPENDITURES,  
COMPETITIVE BIDDING AND AWARD OF CONTRACTS,  
PROCUREMENT OF PROFESSIONAL SERVICES, AND  
APPROVAL AND AUTHORIZATION OF CHANGE ORDERS

RESOLUTION NO. 2020 –

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
ADOPTING A PERSONAL PROPERTY DISPOSAL POLICY  
AND RESCINDING RESOLUTION NO. 2014-43

LIST OF EXHIBITS:

- Exhibit “A” – Policy for Authorization of Expenditures
- Exhibit “B” – Policy for Competitive Bidding
- Exhibit “C” – Policy for Procurement of Professional Services
- Exhibit “D” – Policy for Approval/Authorization of Change Orders and Variances
- Exhibit “E” – Policy for Personal Property Disposal
- Exhibit “F” – Policy for Handling Claims and Lawsuits, Legal Counsel Waivers and Related Agreements
- Exhibit “G” – Policy for Real Property
- Exhibit “H” – Resolution Establishing Revised Purchasing Policies
- Exhibit “I” – Resolution for Personal Property Disposal Policy
- Exhibit “J” – Resolution for Claims and Lawsuits, Waivers and Agreements Policy
- Exhibit “K” – Resolution for Real Property Policy
- Exhibit “L” – Draft PowerPoint Presentation

Exhibit "A"

IRVINE RANCH WATER DISTRICT

POLICY FOR AUTHORIZATION OF EXPENDITURES

SECTION 1 - General

All purchases made by the District shall be made in accordance with this Policy established by the Board of Directors of Irvine Ranch Water District.

The following policies are also applicable to expenditures:

Policy for Competitive Bidding

Policy for Procurement of Professional Services

Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts

The Manager shall establish specific procedures for implementing this Policy and it is intended that this policy is to be liberally construed to effectuate the Board's intent behind the delegations of authority included in this policy.

SECTION 2 - Definitions

As used in this Policy, the following terms shall have the meanings indicated:

- a. Board - shall mean the Board of Directors of the District.
- b. Capital Expenditures - shall mean direct costs included in the capital projects budget approved by the Board, including, but not limited to, costs of lands and easements for capital facilities. Capital Expenditures shall not include G&A Costs or any expenditure related to the issuance or payment of debt service on any bonded indebtedness, which will be shown for information use only.
- c. Change Order - shall mean an amendment modifying the terms of an existing Contract other than a Contract for Professional Services.
- d. Committee - shall mean a standing or ad hoc committee of the Board.

- e. Construction -  
shall include erection, demolition, alteration, installation, repair and relocation, and, if such work constitutes a public work, maintenance, landscape maintenance, hauling of refuse from a construction site, and warranty work on any of the foregoing.
- f. Consultant -  
shall mean an individual, firm or entity who provides or offers to provide Professional Services.
- g. Contract -  
shall mean a written agreement for Goods, Utility Services, Professional or Non-Professional Services, and Purchase Orders.
- h. District -  
shall mean the Irvine Ranch Water District.
- i. Divided Contract -  
shall mean a Contract divided into separate Contracts for Construction and purchase of material, performance of a service or multiple services, or otherwise divided between components or portions of the work.
- j. Expenditure Authorization -  
shall mean an authorization form supporting a specific Capital Expenditure and the intended source of funding, obtained after budget approval but prior to any actual commitment of funds.
- k. G&A Costs -  
shall mean General and Administrative project costs consisting of indirect costs (e.g. building electrical and heating costs, office supplies), indirect labor costs (e.g. supervisory and administrative salaries), and employee benefits.
- l. Goods -  
shall mean supplies, materials, equipment, or any other product that is not considered to be a Professional, Non-Professional, or Utility Service.
- m. Manager -  
shall mean the General Manager of the District or a person appointed by the Board to act in the capacity of General Manager, or a person authorized by the General Manager to administer this Policy or any portion thereof on their behalf.
- n. Non-Professional Services -  
shall mean services other than Professional Services, and will include construction, repair, and maintenance services.



- o. Notice Inviting Bids -  
shall mean a notice inviting proposals or bids for entering into a Contract based on the terms of all Contract documents incorporated into said notice by reference.
- p. Operational Expenditures -  
shall mean those items included in the Operating Budget approved by the Board, including, but not limited to, any enterprise expenditure and any other expenditure that is not a Capital Expenditure.
- q. Professional Services -  
shall mean (1) services involving the provision of a report, study, plan, design, specification, document, program, advice, recommendation, analysis, review, opinion, inspection, investigation, audit, brokering or representation of the District before or in dealings with another party, or (2) any other services which require a special skill or expertise of a professional, scientific or technical nature. For purposes of this Policy, design-build Contracts shall not be considered to include Professional Services.
- r. Purchase Order -  
shall mean an authorization, of standard form, under which the party designated therein as “supplier” is to provide Goods and/or services for which the District agrees to pay.
- s. Request for Proposal(s) -  
shall mean a written request for the submission of a proposal(s) in accordance with specifications, conditions and other requirements included in the request.
- t. Solicitation -  
shall mean an oral request for the submission of a proposal in accordance with verbal conditions and other requirements included in the request.
- u. Utility Service -  
shall mean natural gas, electricity, telephone, water, sewage collection, trash collection, cable television, postage, or other products or services provided by a governmental agency or its franchise contractor, or an established company governed by the Public Utilities Commission. Utility service includes the purchase of water imported by The Metropolitan Water District of Southern California and normally sold to its member agencies on a utility basis for resale, but excludes water purchased or acquired by the District through other water transactions.
- v. Variance -  
shall mean an amendment modifying the terms of an existing Contract for Professional Services.

### SECTION 3 - Proposed Budgets

Every two years the Manager shall submit to the Board proposed budgets for the ensuing two fiscal years. The proposed budgets shall include all of the then-known proposed Operations Expenditures and Capital Expenditures that may be reasonably expected for the ensuing two fiscal years.

#### SECTION 4 - Adoption of the Budgets

In its review of the proposed budgets, it shall be the policy of the Board to ensure adequate opportunity for public involvement, which will include a public workshop relative to the operating budget including presentation and discussion of the operating and capital budgets. The Board may establish informal procedures from time to time for this purpose. After reviewing the proposed budgets and making such revisions as it may deem advisable, the Board shall, on or before April 30<sup>th</sup>, adopt by resolution, the District's operating budget for the ensuing two fiscal years, and on or before June 30<sup>th</sup>, adopt by resolution, the District's capital budget for the ensuing two fiscal years. The April 30<sup>th</sup> adoption date of the operating budget is intended to correspond with the timing of the Board's establishment of proposed maximum rates that are deemed property-related fees or charges in accordance with Article XIID of the California Constitution, and the ensuing notice and hearing process for setting the rates.

#### SECTION 5 - Authorization for Capital Expenditures (Except Professional Services)

The adoption of the capital projects budget by the Board shall constitute an approval of, and the authorization to make, the Capital Expenditures as set forth within the budget, subject to:

- (i) additional review as may be specified by the Board with respect to Capital Expenditures "flagged" by the Board, provided, the flagging shall be deemed removed upon Board approval of the first expenditure related to such Capital Expenditure unless otherwise specified by the Board in granting the approval;
- (ii) compliance with requirements respecting the award of Contracts set forth in Section 9;
- (iii) compliance with all applicable legal requirements, including but not limited to the California Environmental Quality Act of 1970 (CEQA) and the Guidelines for implementation thereof promulgated by the Secretary for Natural Resources of the State of California; and
- (iv) satisfaction of all provisions of the "Policy for Competitive Bidding."

The "approval" accomplished by this section shall not constitute a decision by the District within the meaning of CEQA which commits it to a definite course of action with regard to any particular project or projects included in such capital projects budget.

#### SECTION 6 - Authorization for Operational Expenditures (Except Professional Services)

The adoption of the operating budget by the Board shall constitute an approval of the acquisition and expenditures as noted in Section 3 above, contained within the budget, and the authorization to make the Operational Expenditures as set forth within the budget, subject to:

- (i) compliance with procedures comparable to those set for Capital Expenditures in Section 5(iv), if and to the extent an Operational Expenditure is subject to CEQA;
- (ii) compliance with requirements respecting the award of Contracts set forth in Section 9; and
- (iii) satisfaction of all provisions of the “Policy for Competitive Bidding.”

SECTION 7 - Authorization for Professional Services

The adoption of the budgets by the Board shall constitute an approval of fees for Professional Services included within any Capital Expenditures and Operational Expenditures and the authorization to contract for such Professional Services as set forth within the budgets, subject to:

- (i) compliance with requirements respecting the award of Contracts set forth in Section 9; and
- (ii) satisfaction of all provisions of the “Policy for Procurement of Professional Services.”

SECTION 8 - Authorization for Change Orders and Variances

The adoption of the budgets by the Board shall constitute an approval of Change Orders and Variances to existing Contracts within the amounts budgeted for the applicable Capital Expenditure or Operating Expenditure, subject to the satisfaction of all provisions of the “Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts.”

SECTION 9 - Award and Execution of Contracts

All procurement expenditures, except those for travel, personal expense, and those made using petty cash, require a Purchase Order.

Contracts for all expenditures, including Professional and Non-Professional Services, Goods (whether or not specifically identified in the operating budget) but excluding Utility Services, ~~shall~~ may be approved based upon the following levels:

APPROVAL LEVEL	AUTHORIZED APPROVER
Up to \$75,000	- Department Director
Up to \$150,000	- Executive Director
Up to \$250,000	- Manager
<del>More than \$250,000</del> <u>No Limit</u>	- the Board

Except as to Professional Services contracts, the authority provided to the Executive and Department Directors may be further delegated, subject to the discretion of, and in accordance with procedures established by the Manager. The foregoing notwithstanding, any appointment of an acting Director, Executive Director or Manager for a vacation or other leave may, subject to the Manager's discretion, include the full above-authorized authority amount for the respective position.

Contracts or other arrangements for Utility Services, including ~~utility-basis~~-imported water purchases for resale, require approval by the Manager.

On an annual basis, the Manager shall submit for Board approval; any contracts or contract renewals greater than \$250,000 resulting in recurring or continuing expenditures over a period of one year or greater.

Provision shall be made, either through the specifications or as otherwise prescribed in procedures established by the Manager, prior to contract award, ~~for~~ references and financial condition of the proposed vendor ~~shall to~~ be verified, except for Contracts with government agencies, utility companies, associations, or providers of expendables.

#### SECTION 10 - Urgent Necessity Contracts

When a Contract is determined by the Manager to be of urgent necessity for the public health, safety or welfare, or for the protection of District property, or as a result of a present, immediate and existing emergency which could not have been reasonably foreseen, the Manager may execute a Contract therefor, provided that the Board shall be informed at its next regular meeting of the action taken and the necessity therefor, if (a) the cost of the Contract necessitates Board approval under Section 9, or (b) sufficient funds for the Contract are not budgeted pursuant to Section 4 or are not available. If the contract is for Professional Services, formal requests for proposals are not required; however, the Manager shall make best efforts to use vendors from the pre-approved standing list.

During a Proclaimed Emergency or Disaster when the District's Emergency Operations Center (EOC) is activated, the acting EOC Director will assume authority to execute necessary contracts. For FEMA or other reimbursements, after stabilization of urgent work, all further work must follow the bid process outlined in the Policy for Competitive Bidding.

#### SECTION 11 - Departmental Appropriation

From the effective date of the operating budget, the amounts proposed for Operational Expenditures shall become appropriated to the expense codes specified within each department. However, an Executive Director/Department Director may transfer funds from one expense code to another within the department. The Manager may transfer funds from one department to another. ~~Any~~ increase in the total expenditures in the consolidated operating budget must be approved by the Board.

Where referred to herein, “Executive Director/Department Director” shall indicate that the Department Director may take the referenced action for a department assigned to them, and if the department is not assigned to a Department Director, the Executive Director may take the referenced action.

#### SECTION 12 - Authorized Changes by Manager

The Manager may, at their discretion, reduce, eliminate or postpone any proposed expenditure authorized in the budgets, unless otherwise directed by the Board.

#### SECTION 13 - Expenditure Authorization

An Expenditure Authorization shall be required for Capital Expenditures. The authority to approve Expenditure Authorizations on behalf of the District, including any increases, decreases or other amendments thereto, and, where applicable, the adoption of official intention to reimburse authorized expenditures from the proceeds of bonds to be sold, is hereby delegated to the ~~General~~ Manager. The ~~General~~ Manager shall execute Expenditure Authorizations on a standard form(s) to be specified in the Manager’s procedures for implementation of this Policy.

#### SECTION 14 - Termination of Appropriation

All Operational Expenditure appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered. Capital Expenditure appropriations shall continue in effect until depleted or until modified by a subsequent capital projects budget.

#### SECTION 15 - Amended Budgets and Conditioned Approval

The Board may, at any time it deems advisable, amend or supplement the budgets or may condition any previously approved proposed expenditure.

#### SECTION 16 - Availability of Funds

Availability of funds for Contracts are established with the two-year annual budget approved by the Board. For Capital Project expenditures exceeding \$100,000 of the approved budget amount, approval by the Board shall be required prior to expenditure by the Manager. Change Orders and Variances to contracts can be made following the approval process outlined in Section 3 of the Policy for Approval/Authorization of Change Orders and Variances to ~~existing~~ Existing Contracts, or approved by the Manager as provided for in Section 10 above.

#### SECTION 17 - Controls

The Manager shall establish procedures to implement a system of internal controls, which segregate responsibilities in the processing of expenditures. The procedures shall include defined responsibilities and shall include segregation of duties between the responsibility for

inspecting or reviewing Goods, work or services and the responsibility for authorizing the related payment.

The Policy for Authorization of Expenditures shall be reviewed by staff periodically, at least every five years, to determine whether it is necessary or appropriate for the Board to adopt any changes to the Policy.

#### SECTION 18 - Exceptions

The Manager shall establish procedures for the following expenditures:

- a. Credit card expenditures, except to the extent covered by the Board's adopted policies on allowance of expenses;
- b. Expenditures for work performed under a reimbursement agreement; and
- c. Petty cash expenditures.

Exhibit “B”

IRVINE RANCH WATER DISTRICT

POLICY FOR COMPETITIVE BIDDING

SECTION 1 - General

All Contracts entered into by the District shall be made in accordance with this Policy established by the Board of Directors of Irvine Ranch Water District.

All Contracts shall be made upon competitive bidding except as provided in Section 3 – Competitive Bids – Exceptions, below.

In addition to this Policy for Competitive Bidding, the following policies are applicable to Contracts:

Policy for Authorization of Expenditures

Policy for Procurement of Professional Services

Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts

The Manager shall establish specific procedures for implementing this Policy and it is intended that this policy is to be liberally construed to effectuate the Board’s intent behind the delegations of authority included in this policy.

SECTION 2 - Definitions

The definitions set forth in the “Policy for Authorization of Expenditures” are hereby incorporated into this Policy.

SECTION 3 - Competitive Bids – Exceptions

- a. Contracts with an estimated amount of less than \$35,000.
- b. Contracts deemed to be of urgent necessity, approved as provided in Section 10 of the “Policy for Authorization of Expenditures.”
- c. Contracts for articles which are patented, copyrighted or otherwise unique and not for sale by dealers generally, but are available only at a fixed and uniform price from the manufacturer or their agents or assigns, or for unique or specialized services for banking, depository, lobbying, legal, insurance coverage and benefits.

- d. Contracts wherein competitive bidding could not produce an advantage or where it is impracticable to comply with the competitive bidding provisions because of the unique, exploratory, or experimental nature of the work, or where a competitive process is conducted by another contracting party and is passed through a cooperative purchasing agreement to the District.
- e. Contracts where, within twelve months previous to the date of execution, advertising for identical articles or articles of the same general character has failed to secure responsive proposals and, in the opinion of the Manager, further advertising will not alter this result.
- f. Contracts with any governmental agency or association, including memberships and sponsorships, or Contracts for Utility Service.
- g. Contracts for the acquisition and disposition of lands, easements, and permits, or agreements with a property owner for reimbursement of the cost to construct District facilities.
- h. Contracts for water transactions.
- i. Change Orders and Variances. (See “Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts.”)
- j. Contracts for Professional Services for suppliers on the standing list. (See [Section 5.b. of the “Policy for -Procurement Procedures of Professional Services”](#))
- k. Contracts to purchase standard specification items for inventory.
- l. Sole Source Justification Form exceeding \$35,000.

The use of any of the exceptions in sub-paragraphs a through e above shall require approval by an Executive Director/Department Director. The Manager shall establish procedures for the exceptions noted above.

#### SECTION 4 - Divided Contracts

Divided Contracts shall not be utilized for the purpose of bringing the cost of one or more of the component Contracts below any specified sum to avoid a requirement in any of the Sections of this Policy or of any Policy incorporated herein. Contracts may be divided only to meet unique scheduling or other needs of a project such as purchase of an item of equipment with a long lead time or spacing of phases of work to accommodate necessary time windows.

#### SECTION 5 - Contract Documents

The Contract documents shall consist of standard form documents approved by the Board, where applicable, and otherwise as the Manager may deem desirable, in addition to those provisions required by law.



## SECTION 6 - Specifications and Drawings

Specifications, including drawings, if any, shall be sufficient to clearly describe the work required to be done or services required to be performed, the quality and properties of materials, supplies and equipment to be furnished, the results and performance required, and the method of payment.

## SECTION 7 - Notice Inviting Bids

The Notice Inviting Bids shall provide the District's right to reject any and all proposals.

## SECTION 8 - Advertising and Posting

No Notice Inviting Bids for any Contract required to be let upon competitive bidding shall be given or posted or advertised unless there is first prepared a complete set of Contract documents detailing the terms of the agreement, the work or services to be performed and the materials, supplies and equipment to be furnished.

a. Non-Professional Services Contracts for Construction:

Competitive bids shall be requested from pre-qualified bidders identified in the manner prescribed in procedures established by the Manager.

b. Non-Professional Services Contracts for Repair, Maintenance or Services, Other Than Construction Services, Estimated To Cost More Than \$35,000, and all Goods Contracts:

Competitive bids shall be requested from three (3) or more firms in the manner prescribed in procedures established by the Manager. If fewer than three (3) qualified firms submit bids, the Manager may, at their discretion, seek additional bids or proceed with evaluation of the bid(s) submitted if he determines that further inquiries would not be fruitful.

## SECTION 9 - Evaluation

a. Capital Expenditures for Construction:

Unless otherwise directed by the Board, the Manager shall compare all bids received, pursuant to any Notice Inviting Bids or Solicitation, for compliance with the terms set forth therein and shall determine the lowest responsible bid of all those received. When award of Contract is to be made by the Board pursuant to Section 9 of the "Policy For Authorization of Expenditures," the Manager shall make ~~their~~a recommendation as to such award in writing to the Board.

b. Other Contracts Subject to this Policy:

~~The following criteria shall be used to evaluate bids; provided, that except for those criteria bearing upon responsibility of the bid, the following criteria shall not apply to Contracts, including Contracts described in Section 9 (a), which stipulate that the evaluation and award shall be based solely on the determination of the lowest responsive bid:~~

Except for Contracts requiring award to the lowest responsible responsive bidder, the District shall use the following criteria, as applicable, to evaluate bids:

1. Specialized experience and technical competence of the bidder and its personnel considering the type of services required and the complexity of the project.
2. Suitability of the bidder's proposed Goods and/or services to meet the District's needs.
3. The bidder's familiarity with types of issues applicable to the project.
4. Past record of performance on Contracts with the District, other government agencies or public bodies, and with private industry, including such responsibility factors as control of costs, quality of work, and ability to meet schedules.
5. The bidder's capacity to perform the work (including any specialized services) within the time limitations and with proposed staff, considering the bidder's current and planned workload.
6. The bidder's financial condition, as indicated by review of the bidder's financial statements.
7. The bidder's documentation of the absence of personal or organizational conflicts of interest prohibited under State or local law.
8. Types of insurance and guarantees or warranties offered by the bidder.
9. Levels of effort and prices.

#### SECTION 10 - Award

Award of any Contract made upon competitive bidding or made pursuant to an exception described in Section 3 shall be made as prescribed in Section 9 of the "Policy for Authorization of Expenditures."

Exhibit "C"

IRVINE RANCH WATER DISTRICT

POLICY FOR PROCUREMENT OF PROFESSIONAL SERVICES

SECTION 1 - General

All Contracts for Professional Services entered into by the District shall be made in accordance with this Policy.

In addition to this Policy for Procurement of Professional Services, the following policies are applicable to Contracts for Professional Services:

Policy for Authorization of Expenditures

       Policy for Competitive Bidding

Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts

The Manager shall establish specific procedures for implementing this Policy and it is intended that this policy is to be liberally construed to effectuate the Board's intent behind the delegations of authority included in this policy.

The procedures shall (i) specifically prohibit District employees from participating in the selection process when those employees have a relationship with a person or business entity seeking a Contract under this section which would subject those employees to Government Code Section 87100's restrictions on making, participating in, or in any way attempting to use the employee's official position to influence a District decision in which the employee knows or has reason to know they have a financial interest, as set forth in the Political Reform Act, unless an express exception applies, and (ii) specifically prohibit the making of a Government Code Section 1090-prohibited Contract resulting from the District's contracting with a person or business entity with which an employee has a relationship or financial interest.

SECTION 2 - Definitions

The definitions set forth in the "Policy for Authorization of Expenditures" are hereby incorporated into this Policy.

SECTION 3 - Authorization of Professional Fees and Services

Authorization for commitment of funds for Professional Services shall be in accordance with Section 9 of the "Policy for Authorization of Expenditures."

#### SECTION 4 - Consideration Guidelines

The following criteria may be used to consider Consultants as candidates to provide Professional Services:

- a. Specialized experience and technical competence of the Consultant and its personnel considering the type of services required and the complexity of the project.
- b. The Consultant's familiarity with types of potential issues applicable to the project.
- c. Past record of performance on Contracts with the District, other government agencies or public bodies, and with private industry, including such factors as control of costs, quality of work, and ability to meet schedules.
- d. The Consultant's capacity to perform the work (including any specialized services) within the time limitations and with proposed staff, considering the Consultant's current and planned workload.
- e. The Consultant's financial condition, as indicated by review of Consultant's financial statements.
- f. The Consultant's documentation of the absence of personal or organizational conflicts of interest prohibited under State or local law.
- g. Amount and types of insurance and guarantees or warranties offered by the Consultant while meeting the minimum criteria.
- h. Estimate of the range of proposed levels of effort and costs.

The District maintains a Standing List of pre-qualified Consultants for certain services. Specific criteria for adding and removing Consultant to/from the Standing List is included in the District's Procurement Procedures.

#### SECTION 5 - Selection of Consultants

Selection shall be carried out in the following sequence:

a. Project Definition:

A description of the proposed project, its purpose, location, and other pertinent facts as required shall be prepared and provided to interested Consultants. The Consultants may be requested to reply with a statement of qualifications.

b. Request for Proposals (RFP):

A list of qualified Consultants shall be prepared, based on statements of qualifications.

A Request for Proposals shall be submitted to the selected Consultants. The Request for Proposals may request more detailed information as outlined in the criteria set forth in Section 4 above. Specific information shall request, but not be limited to, the Consultant's actual and projected workload for the duration of the District's project, the Consultant's project team, the Consultant's proposed use of subcontractors, the Consultant's proposed scope of work, level of effort and estimated cost. The Request for Proposals shall also include the District's standard form agreement for Professional Services.

Upon approval of the Executive Director/Department Director, a Solicitation may be used in lieu of a Request for Proposal; however, the Consultant's Solicitation must contain all the terms and conditions customarily included in a written Proposal.

Proposed Use of Consultants from the Standing List:

(1) For Professional Services estimated to cost \$75100,000 or less, the Manager may request a proposal from one (1) qualified Consultant selected from a standing list of pre-qualified Consultants on file with the District. (See Procurement Procedures - Standing List).

(2) For Professional Services estimated to cost more than \$75100,000 and up to \$150200,000, the Manager shall request proposals from not fewer than two (2) qualified Consultants selected from a standing list of pre-qualified Consultants on file with the District

(3) For Professional Services estimated to cost more than \$150200,000, the Manager shall request proposals from not fewer than three (3) qualified Consultants selected from a standing list of pre-qualified Consultants on file with the District. If fewer than three (3) qualified Consultants respond with a statement of qualifications, or express interest in the event a statement of qualifications is not requested, the Manager may, at their discretion, seek additional interested Consultants or proceed with negotiation with the remaining Consultants who responded with interest if they determine that further inquiries would not be fruitful. The selection process set forth in subparagraphs c, d and e of this Section will then be followed, as applicable.

Proposed Use of Consultants Not on the Standing List:

(1) A list of qualified Consultants shall be prepared, based on ~~statements~~ of qualifications if requested.

      (2) The number of Consultants to request bid proposals based on the Policy for Competitive Bidding, (not fewer than three (3)) determined to be qualified for the project shall be selected using the criteria set forth in Section 4 above. If fewer than three

(3) qualified Consultants respond with a statement of qualifications, or express interest in the event a statement of qualifications is not requested, and f(1) or f(2) below is not applicable, the Manager may, at his discretion, seek additional interested Consultants or proceed with selection among those that responded with interest if he determines that further inquiries would not be fruitful.

c. Interviews:

Interviews may be conducted with each candidate Consultant's proposed project team to assure a mutual understanding and to obtain additional details related to the Consultant's capabilities. The Manager may visit one or more projects completed by each Consultant considered and contact recent clients of each Consultant.

d. Ranking:

After evaluating the written proposals and considering the results of the interviews, recently completed project visits and recent client contacts (if conducted) with respect to the prospective Consultants, the Manager shall rank them in order of preference, taking into account all of the information obtained. In the case of Contracts for architectural, landscape architectural, professional engineering, environmental, land surveying and Construction project management services, services shall be engaged on the basis of demonstrated competence and qualifications for the types of services to be performed and at fair and reasonable prices as required by applicable law.

e. Negotiations:

The Manager may attempt to negotiate a Contract with the best qualified Consultant using the proposal as a basis for the Formal Contract. Should the Manager be unable to negotiate a satisfactory Contract with the Consultant ranked as the most qualified, at a price determined to be fair and reasonable, negotiations with that Consultant shall be formally terminated. The Manager shall then undertake negotiations with the remaining qualified Consultants as needed in order of their ranking established under sub-paragraph d above, until the Manager is able to negotiate a satisfactory Contract.

If the Manager is unable to negotiate a satisfactory Contract with any of the Consultants thus far selected, the Manager shall select additional Consultants in order of their competency and qualification and shall continue negotiations in accordance with this Policy until a satisfactory Contract is reached or until the Board directs that all negotiations shall terminate.

f. Exceptions:

The following are exceptions to the normal bidding and selection process (See Policy for Competitive Bidding).

- (1) Major capital projects where the design is scheduled in phases. Professional Services falling within this exception may be negotiated with the Consultant who performed work for a prior phase with the approval of the Manager, if:
  - (a) The Consultant performed satisfactory work on the prior phase(s) in terms of quality, schedule and estimated costs; and
  - (b) A satisfactory Contract can be negotiated.
- (2) Professional Services deemed to be of urgent necessity, as provided in Section 10 of “Policy for Authorization of Expenditures.”
- (3) Professional Services where it is impracticable to comply with the selection provisions because of the unique, exploratory, or experimental nature of the Professional Services.
- (4) Variances. (See “Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts.”)

The Manager shall establish procedures for contracting for the exceptions noted above.

#### SECTION 6 - Contract Documents

The Contract documents shall consist of such documents as the Manager may deem desirable in addition to those required by law. The District’s standard form agreement for Professional Services and approved by the Board shall be used to the extent practicable, and subject to revisions approved by counsel.

#### SECTION 7 - Divided Contracts

Divided Contracts shall not be utilized for the purpose of bringing the cost of one or more of the component Contracts below any specified sum to avoid a requirement in any of the Sections of this Policy. Contracts may be divided only to meet unique scheduling or other needs of a project such as purchase of an item of equipment with a long lead-time or spacing of phases of work to accommodate necessary time windows.

#### SECTION 8 - Award

Award of any Contract made pursuant to the selection process described in Section 5 shall be made based on authority levels as prescribed in Section 9 of the “Policy for Authorization of Expenditures.”

## SECTION 9 - Confidentiality

To the extent permitted by law, the Manager shall maintain a confidential file of written evaluations made in the Consultant selection process and evaluation of subsequent performance. Except to the extent required by law, such files shall be available only to District employees whose official duties involve development of Contracts for Professional Services.



Exhibit "D"

IRVINE RANCH WATER DISTRICT

POLICY FOR APPROVAL/AUTHORIZATION OF CHANGE ORDERS AND VARIANCES TO EXISTING CONTRACTS

SECTION 1 - General

All Change Orders and Variances to existing Contracts entered into by the District, except those for Utility Services, shall be made in accordance with this Policy.

In addition to this Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts, the following policies are applicable to Change Orders and Variances:

Policy for Authorization of Expenditures

Policy for Competitive Bidding

Policy for Procurement of Professional Services

The Manager shall establish specific procedures for implementing this Policy and it is intended that this policy is to be liberally construed to effectuate the Board's intent behind the delegations of authority included in this policy.

SECTION 2 - Definitions

The definitions set forth in the "Policy for Authorization of Expenditures" are hereby incorporated into this Policy.

SECTION 3 - Approval of Change Orders and Variances

For the purposes of this Policy, the value of any Change Order or Variance is the sum total of the absolute value of all line items, including additions and deductions, on the Change Order or Variance.

a. Contracts Other Than Professional Services:

- (1) A Department Director shall be authorized to approve a Change Order which does not exceed \$75,000 individually or a cumulative total of \$75,000 in any one calendar month.
- (2) An Executive Director shall be authorized to approve any Change Order which does not exceed \$150,000 individually or a cumulative total of \$150,000 in any one calendar month.

- (3) The Manager shall be authorized to approve any Change Order which does not exceed \$250,000 individually or a cumulative total of \$250,000 in any one calendar month.
- (4) In the event the cost or estimated cost of any single Change Order exceeds \$250,000, or exceeds a cumulative total of \$250,000 in any one calendar month, approval by the Board shall be required prior to execution by the Manager.
- (5) Whether or not the amount of a Change Order to be approved falls within an individual amount or cumulative dollar level stated in paragraph (1), (2) or (3), above, if the individual or cumulative total of such Change Orders in a calendar month together with any Change Orders previously approved exceeds 30% of the original Contract and the cumulative total of such Change Orders exceeds \$250,000, approval by the Board shall be required prior to execution by the Manager

b. Contracts for Procurement of Professional Services:

- (1) A Department Director shall be authorized to approve any Variance which does not exceed a cumulative total of \$75,000.
- (2) An Executive Director shall be authorized to approve any Variance which does not exceed \$150,000 individually or a cumulative total of \$150,000.
- (3) The Manager shall be authorized to approve any Variance which does not exceed \$250,000 individually or a cumulative total of \$250,000.
- (4) In the event the cost or estimated cost of any single Variance exceeds \$250,000 individually or exceeds a cumulative total of \$250,000, approval by the Board shall be required prior to the execution by the Manager.

Once the Board has approved a Variance, the delegation levels reset to the cumulative Variance requirement prior to requiring additional Board approval.

c. Delegation of Authority:

The authority provided in subparagraphs a. and b. above shall not be further delegated. The foregoing sentence notwithstanding, any appointment of an acting Director, Executive Director or Manager for a vacation or other leave may, subject to the Manager's discretion, include the full above-authorized authority amounts for the respective position provided in subparagraphs a. and b. above.

## Exhibit “E”

### Irvine Ranch Water District Personal Property Disposal Policy

#### Section 1. General

1.1. Background. The Irvine Ranch Water District (“**District**”) periodically disposes of personal property due to obsolescence, end of useful life, changing facility requirements or other reasons. This Personal Property Disposal Policy (“**Policy**”) sets forth the rules and regulations applicable to disposal of personal property, and all dispositions of the District’s personal property must be made pursuant to this Policy.

1.2. Applicability. This Policy applies to “**Personal Property**,” which means all materials, supplies, equipment, furnishings, intellectual property, and other personal property of the District. Personal Property does not include real property or related rights in land, including water, water rights, works, easements or rights of way.

1.3. Limitation. This Policy does not apply to the disposal of real property interests, which are governed by other policies of the District.

1.4. Administration. This Policy will be administered by the General Manager of the District or his designee (“**Manager**”) and it is intended that this policy is to be liberally construed to effectuate the Board’s intent behind the delegations of authority included in this policy.

#### Section 2. Determination of Surplus and Delegation.

2.1. Designation of Surplus Personal Property. From time to time, the Manager may determine that certain Personal Property of the District is no longer needed to carry out the powers and purposes of the District to meet present or future needs (“**surplus**”).

2.2. Delegation to Manager. The Manager is hereby delegated the authority to dispose of any individual item of surplus Personal Property valued at \$100,000 or less, pursuant to the procedures set forth in Section 4 below.

2.3. Board Action Required. For any individual item of surplus Personal Property valued at over \$100,000, the Manager shall present the disposal of that item to the Board of Directors (“**Board**”) for approval.

#### Section 3. Valuation.

The value of the Personal Property for the purpose of Section 2 will be deemed to be the larger of the following:

3.1. The estimated salvage value as determined by the Manager; or

- 3.2. The depreciated value as indicated by the District's financial records.

Section 4. Disposition by Manager.

For disposal of surplus Personal Property by the Manager as authorized under Section 2.2, the Manager shall proceed as follows:

4.1. Bids shall be solicited by invitations given to known prospective purchasers and/or by posting of a notice inviting bids on a governmental surplus auction website accessible from a link on the District's website. Other publication of notice will not be required.

4.2. All invitations for bids must include a description of the Personal Property, specify the date and time when the bids will be considered, and the date and time when an award will be made or all quotations rejected.

4.3. Bids shall be considered on the date and time specified and the details of each bid recorded.

- (i) The Manager shall evaluate all bids and determine if the disposition of the Personal Property at the highest price quoted is in the best interest of the District.
- (ii) If the Manager so determines, they may dispose of the subject Personal Property and if a bill of sale is required, then the necessary officers of the District are hereby authorized to execute the appropriate documentation.

Section 5. Board-Approved Disposition.

If the Board determines that it is in the best interest of the District to dispose of certain Personal Property in accordance with Section 2.3, then the Manager will obtain bids as follows:

5.1. Bids shall be solicited by invitations given to known prospective purchasers and by posting of a notice inviting bids on a governmental surplus auction website accessible from a link on the District's website.

5.2. Publication of notice shall not be necessary unless specifically required by the Board.

5.3. All invitations to bid shall include detailed specifications of the Property (or indicate where they can be obtained); shall specify the date and time when the bids will be received, and the date and time when an award will be made or all bids rejected.

5.4. Bids shall be opened on the date and time specified and the full detail of each bid shall be recorded.

5.5. The Manager shall evaluate all bids and make an award or reject all bids and if a bill of sale is required, then the necessary officers of the District are hereby authorized to execute the appropriate documentation.

Section 6.     Application of Sums Received

All sums received from the disposal of Personal Property of the District must be applied to the proper account of the fund of the District in which the subject asset was previously carried.

Section 7.     Effective Date

This Policy is effective upon adoption and copies may be available for public information.

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**Exhibit “F”**  
**Irvine Ranch Water District**  
**Policy for Handling Claims and Lawsuits,**  
**Legal Counsel Waivers and Related Agreements**

Section 1. Claims and Lawsuits.

1.1. Claims Handling. The Board of Directors hereby authorizes the General Manager or his designee (“**Manager**”) to perform the following functions of the Board with respect to handling administrative claims presented to the District: ascertaining sufficiency of claims with respect to the required contents of a claim, notifying claimants of insufficiency, notifying claimants of failure to present claims within the time allowed by law, allowing or denying applications for leave to file late claims, rejecting claims, and allowing claims in whole or in part or compromising and settling claims and lawsuits to the extent provided in Section 1.2.

1.2. Settling Claims and Lawsuits. The Manager may allow, compromise, or settle any administrative claim or lawsuit against the District up to \$50,000. For any administrative claim or lawsuit against the District in which the amount demanded exceeds \$50,000, the Manager may negotiate for resolution with the claimant or litigant, but if any proposed settlement of the claim or litigation exceeds \$50,000, then that proposed settlement must be presented to the Board of Directors for approval, rejection, or direction to negotiate further.

Section 2. Workers Compensation Matters. The Manager may perform the functions of the Board of Directors with respect to workers’ compensation claims presented to the District. Those functions include those set forth in Labor Code Sections 5000 *et seq.* for compromise and settlement of the claims. Workers’ compensation claims may be settled as follows:

2.1. The Director of Human Resources (or designee) may allow, compromise or settle any worker’s compensation claim against the District if the amount to be paid by the District pursuant to the allowance, compromise or settlement does not exceed \$25,000.

2.2. The Manager may allow, compromise or settle any worker’s compensation claim against the District if the amount to be paid by the District pursuant to the allowance, compromise, or settlement does not exceed \$50,000.

2.3. For any worker’s compensation claim against the District that exceeds \$50,000, the Manager may negotiate for resolution with the claimant, but if any proposed settlement of the of the claim exceeds \$50,000, then that proposed settlement must be presented to the Board for approval, rejection, or direction to negotiate further.

Section 3. Payment of Claims or Settlements. Upon the Manager’s written order, the District shall cause a payment to be issued in the amount for which any claim (including a worker’s compensation claim) or lawsuit has been allowed, compromised or settled pursuant to Section 1 or Section 2, in exchange for appropriate releases approved by legal counsel.

Section 4. Conflict Waivers, Common Interest Agreements. In connection with any claims, litigation, transactional, regulatory and other legal matters, the Manager may approve any and all attorney or law firm conflict waivers, joint defense or prosecution agreements, common interest agreements and similar agreements necessary to efficiently retain legal representation for the District or collaborate with similarly-situated parties engaged in legal matters.

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## Exhibit “G”

### Irvine Ranch Water District Real Property Policy

#### Section 1. General

1.1. Administration. This Real Property Policy sets out the policy of the Irvine Ranch Water District (“**District**”) with respect to the acquisition, use and disposal of real property and with respect to the District’s interests in real property, including water, water rights, and works (facilities). This Policy will be administered by the General Manager of the District or his designee (“**Manager**”) and is intended to be liberally construed to effectuate the Board’s intent behind the delegations of authority included in this policy.

1.2. Acquisitions. The District will acquire rights in real property for the construction, operation and maintenance of District facilities (“**Operational Property**”) in accordance with Section 2 of this policy. Acquisitions of real property for the purpose of investments (“**Investment Property**”) is governed by the Real Estate Investment Policy, Resolution No. 2019-8, and as it may be amended from time to time.

1.3. Uses. The District may enter into agreements to lease certain real properties, when appropriate. The District may also enter into entry permits, licenses, rights of way, joint use and similar agreements for District purposes and for approved uses of District real properties. The District’s policy with respect to uses of property are described in Section 3.

1.4. Dispositions. The District’s Board of Directors (“**Board**”) shall authorize all dispositions (sales) of real property, pursuant to Section 4.

1.5. California Environmental Quality Act. The District shall at all times comply with the California Environmental Quality Act (“**CEQA**”) in entering into any real property transaction. The District shall require all third party users of the District’s real property to pay all costs relating to CEQA compliance, and to indemnify, defend, and hold the District harmless from any and all claims arising out of or relating to CEQA compliance for that third party’s use or proposed use unless there is a justifiable business reason, in the opinion of the Manager, for the District to waive such requirements.

#### Section 2. Acquisition of Operational Property

2.1. The District may acquire real property and real property rights for Operational Properties through donations by land developers, negotiated purchase agreements, and eminent domain. The form of acquisition of these rights will generally depend on the type of facilities being acquired or constructed, as follows:

(i) Non-Capital Facilities. Applicant-provided or donated facilities and related property rights are known as “**Non-Capital Facilities**” and will be acquired as set forth in Section 2.2.

(ii) Capital Facilities. “**Capital Facilities**” are facilities that are acquired or to be provided by the District to extend services to an applicant’s development or facilities acquired or constructed by the District that serve regional needs. Capital facilities shall also include real property donated to the District for the construction of Capital Facilities. Real property rights for Capital Facilities will be acquired as set forth in Section 2.3.

2.2. Non-Capital Facilities. The District’s Rules and Regulations (at Sections 5.2 and 5.4) and its standard application for service/service agreement require applicants for service to provide the District with Non-Capital Facilities, which consists of all facilities and related easements necessary to connect the applicant’s property with the District’s water or recycled water distribution, sewage collection, or natural treatment system facilities. For all Non-Capital Facilities, a bill of sale and conveyance instrument must be provided to the District at no cost unless there is a justifiable business reason for the District, in the opinion Manger, to waive such requirements.

(i) Conveyance and Bill of Sale. As a condition of connection to the District’s system or the District’s acceptance of a Non-Capital Facility, the District will require the applicant to provide:

(A) An easement, or conveyance of a higher property right as may be required by the Manager, for construction, installation, maintenance of and access to applicant’s non-capital facilities, in a form (separate instrument or final map dedication), condition of title, and location mutually acceptable to District and applicant, together with

(B) A bill of sale for any associated facilities such as pipelines, vaults, or pump stations.

(ii) Review and Approval. Upon the Manager’s review and approval of the conveyance and bill of sale, the Secretary shall certify acceptance of those instruments as set forth below.

(iii) Form of Conveyance

(A) Dedication By Final Map. Final map easement dedications must include in the ownership certificate on the title sheet of the map:

(1) The District’s standard dedication statement in a form substantially similar to Exhibit 1, signed by a properly licensed engineer or surveyor; and

(2) A certificate of acceptance to be signed by the District Secretary in a form substantially similar to Exhibit 1.

(B) Easement Conveyed by Deed or Agreement

(1) In general, easements conveyed by separate grant or quitclaim instrument or agreement must use the District’s standard forms. The applicant must furnish a legal description and any depiction, each signed by a licensed land surveyor, which will

be attached as exhibits. The District shall prepare and attach a certificate of acceptance signed by the District Secretary in a form substantially similar to Exhibit 2.

(2) From time to time, the District's standard form easement may not be the suitable conveyance instrument for transferring Non-Capital Facility related easements to the District (e.g. acquisition of an easement or right of way from a railroad or electric utility). The Manager may, as he deems appropriate, accept another form or type of conveyance.

(C) Deed. A fee simple interest in the property conveyed using the District's uniform form of grant deed. The applicant must furnish a legal description and any depiction, which shall be attached as exhibit. Quitclaim deeds may also be accepted at the District's discretion.

2.3. District Acquisition of Capital Facilities and Real Property; Manager's Authority. This section governs acquisition of real property and property rights for all District Capital Facilities and other operational uses. The Manager is hereby authorized to acquire real property or real property rights for a negotiated price or other consideration to be provided by the District valued at \$250,000 or less. Any acquisition of real property or real property right that will result in the District providing consideration in excess of \$250,000, or that is made under threat of eminent domain where the property owner has not requested that the property be acquired under such as threat, will require Board approval.

(i) Property Interest. The District shall acquire the highest property interest normally acquired or appropriate for the type of District use or Capital Facility intended to be placed on the property unless there is a justifiable business reason, in the opinion of the Manager, for the District to acquire a different property interest. The type of property interest acquired should be guided by the following:

(A) Fee Simple Preferred. The District shall acquire a fee simple interest in property if the District requires the full use of the surface of the land or the control of access (generally, reservoirs, pumping or lift stations, treatment facilities, wells).

(B) Exclusive Easement Alternative. The District may acquire an exclusive easement in lieu of a fee simple interest at the District's discretion on a case by case basis, based on the anticipated surface and subsurface uses by the District and the property owner and/or other considerations.

(C) Non-Exclusive Easement. A non-exclusive easement will be acquired only where compatible surface or subsurface uses can be accommodated or tolerated (generally, pipelines, pressure reducing valves, meters, slope maintenance, drainage, access).

(D) Temporary Easement or Right-of-Way. The District may acquire a temporary easement or right-of-way. Temporary easements will usually be acquired for the construction of Capital Facilities where a work area larger than the project site is needed during construction, or for a temporary facility needed while a permanent Capital Facility is being constructed. Temporary easements acquired by the District shall be for a limited term.

(E) License. The District may acquire a license to use property if acquiring the license is not inconsistent with the District's long-term Operational Uses and Capital Facilities. A license involving the site of a Capital Facility may be acquired if the granting party is a public utility or another public agency.

(ii) Time of Acquisition; Procedure

(A) Capital Facilities

(1) All sites and easements for Capital Facilities, except for natural treatment system sites, must be conveyed to the District prior to commencement of construction of the facilities by the District. If District Capital Facilities are to be constructed by the applicant or other party under a reimbursement agreement with the District, the District shall not pay any reimbursements until conveyance is complete.

(2) Easements or fee interests required by the District for a Capital Facility may be acquired by negotiation between the District and the property owner to establish monetary or other consideration on a case-by-case basis. This may require an appraisal of the value of the site or easement. The negotiation for a site shall take into consideration the requirements of this section.

(B) Natural Treatment Systems. Natural treatment system sites will be acquired at the time determined by the District.

(C) Estimated Boundary Acquisitions. A site or easement that is not fully definable prior to commencement of construction of the facilities because of the stage of surrounding parcel definition will be acquired with an estimated boundary subject to an agreement by the District to quitclaim excess area, or quitclaim the site or easement upon acquisition of a substitute deed with legal description of final site or easement boundary.

(iii) Form of Conveyance

(A) The District shall generally use uniform forms of grant deed and easement grants or agreements, including but not limited to the reference deed used in final map dedications. A formal contract shall be used, except for easements by final map dedication; the service agreement shall serve as the formal contract in the case of a separate instrument for non-capital facilities. Quitclaim deeds may also be accepted at the District's discretion. The District shall prepare the legal description and any depiction, which shall be attached as exhibits. The grant deed shall contain standard reservations of mineral interests and perimeter utility easements. Changes to this Policy shall not affect instruments incorporating reference to a prior version of this Policy.

(B) Easement purposes shall be indicated by general type, e.g., water, sewer, recycled water and/or access, and shall include the right to construct, reconstruct, remove and replace, renew, inspect, maintain, repair, improve, upsize, and otherwise use parallel or any other facilities or appurtenances of the same general type and purpose as or functionally related to the originally installed facilities, and shall include restrictions on the planting of trees.

(C) In unique circumstances, the District's standard forms may not be a suitable conveyance instrument (e.g. when property rights are acquired on lands owned by a public agency or public utility) for the real property conveyance sought by the District. The Manager may, as he deems appropriate, use a modified version of the District's standard forms or use another conveyance instrument provided the instrument adequately convey the property interest being acquired by the District and protects the District's short-term and long-term interests.

2.4. Due Diligence The District may require that, at a minimum, a satisfactory Phase I Environmental Site Assessment, or comparable evaluation, be completed prior to acquiring a Capital Facility, Non-Capital Facility or other real property interest and will request legal counsel review when deemed appropriate.

### Section 3. Use of District's Real Property

#### 3.1. Uses of Operational and Investment Property

(i) Primary Uses of Operational Property. Fee-owned Operational Property will be primarily used for, or reserved for future, District operational facilities and appurtenances including the headquarters and other offices, water and wastewater treatment plants, buffer properties, and other works including transmission pipelines, conduits, vaults and valve structures, telemetry, retaining walls, parking areas, drains, culverts, access roads and driveways, control panels and boxes, operator residences, and facilities functionally related to any of the foregoing, except as provided for in this section.

(ii) Primary Uses of Investment Property. District Investment Property, which includes District-owned real property that is designated as an investment by the Board, will be held by the District for the purposes of investment and used by the District to earn an acceptable annual return on the investment to support the District's replacement fund.

(iii) Interim or Ancillary Uses. The Manager is hereby authorized to allow temporary or ancillary third-party uses of the District's real property, including both Operational Property and Investment Property, if he determines that those uses are compatible with and will not unduly interfere with the District's primary use and/or future uses of the property, and may include but are not limited to the following:

(A) Communications towers, poles, or other telecommunications equipment, subject to a lease or license;

(B) Filming or photography, by permit or license;

(C) Storage, by permit;

(D) Construction staging and laydown, by permit;

(E) Testing, surveying, or appraisals, by permit;

(F) Emergency access or emergency preparedness drills.

### 3.2. Leases

(i) Lease Agreement Negotiation and Approval – Operational Property. The Manager is hereby authorized to negotiate proposed lease terms with prospective tenant(s) to lease District Operating Property. The Manager is hereby authorized to execute a lease agreement, approved as to form by District’s legal counsel, to lease District Operational Property for agricultural, commercial, residential or other permitted uses, if the gross annual lease revenue is less than, or equal to, \$250,000. Lease agreements with gross annual lease revenue greater than \$250,000 require Board approval.

(ii) Lease Agreement Negotiations and Approval – Investment Property. The Manager is hereby authorized to negotiate proposed lease terms with prospective tenant(s) to lease District Investment Property. The Manager is hereby authorized to execute a lease agreement, approved as to form by District’s legal counsel, to lease District Investment Property for commercial, residential or other permitted uses, if the gross annual lease revenue is less than, or equal to, \$250,000. Lease agreements with gross annual lease revenue greater than \$250,000 require Board approval.

3.3. Granting of Easements and Other Non-Temporary Rights-of-Way Rights. The Manager is hereby delegated the authority to execute an easement or other lesser property right to a third party on an Operational Property or Investment Property if the value of the right being given to the third party is not greater than \$250,000 and if the granting of the easement or other non-temporary right is required for another utility provider to provide a service requested by IRWD to that property.

3.4. Other Permits, Licenses, Temporary Rights of Way, Joint Use and Other Agreements. The Manager is hereby delegated the authority to execute any and all necessary agreements pertaining to the use of the District’s Operating or Investment Property by third parties and not otherwise described above, including, but not limited to, permits, licenses, entry permits, joint use agreements and other forms for permitted uses of District real property if he determines that those additional uses are compatible with and will not interfere with the District’s primary and/or future operational or investment use, and where the total consideration for the term is less than, or equal to, \$250,000. All agreements with a total consideration greater than \$250,000 for the term of the agreement will require Board approval.

## Section 4. Dispositions (Sales) of Real Property Interests

4.1. Designation of Land Prior to Disposition (Sale). Except as provided in Section 3.3, prior to any action being taken to dispose (sell) of all or a portion of a parcel of land owned by the District, the Board shall designate the land as either “**Surplus Land**” or “**Exempt Surplus Land**” consistent with the Surplus Land Act.

4.2. Disposition of Real Property. After the Board designates a parcel of land owned by the District in fee simple as either Surplus Land or Exempt Surplus Land, the District may use or dispose of the real property for valuable consideration in accordance with the Surplus Land Act and any other applicable law.

4.3. Easements Replaced Or No Longer Needed. If an easement is no longer necessary for the District's purposes or is replaced by a substitute easement, then the District will quitclaim that easement to the owner of record upon request or the District's initiative. The Manager is hereby authorized to execute a quitclaim deed or equivalent instrument to the owner of record for the purposes of this section, including, without limitation, for the purpose of quitclaiming any portion of an easement to reconfigure areas not fully definable at the time of conveyance.

Section 5. IRWD Water Banks and Water Rights Acquisition and Sale of Water Rights. All acquisitions and ~~sales~~ ~~sales~~ of ~~water associated with the IRWD Water Banks~~ ~~water rights~~ require Board approval. In addition, all acquisitions and dispositions of water rights require Board approval.

Exhibit 1  
Final Map Easement Dedications  
Form of Dedication Statement and Form of Acceptance

**Subdivision map dedication statement  
to be added to ownership certificate:**

(All maps except those for Heritage Fields)

We also grant by dedication to the Irvine Ranch Water District those pipeline easements for [\_\_\_\_\_] and access purposes shown on this map, which easements shall be subject to the same terms and conditions as are shown in that certain easement recorded May 15, 2013 as inst. No. 2013000293969 of Official Records of Orange County.

(Heritage Fields Maps Only)

We also grant by dedication to the Irvine Ranch Water District those pipeline easements for [\_\_\_\_\_] and access purposes shown on this map, which easements shall be subject to the same terms and conditions as are shown in that certain easement recorded March 25, 2013 as Inst. No. 2013000177032 of Official Records of Orange County.

**Secretary's Certificate of Acceptance,  
in a form substantially similar to the following:**

IRVINE RANCH WATER DISTRICT  
Certificate of Acceptance

This is to certify that the interests in real property conveyed by dedication and shown on this final map to IRVINE RANCH WATER DISTRICT, a California Water District, are hereby accepted by the undersigned officer on behalf of the Board of Directors pursuant to authority conferred by Resolution No. 2019-\_\_\_ of the Board of Directors, adopted on December 16, 2019, and the grantee consents to recordation thereof by its duly authorized officer.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary



Exhibit 2  
Form of Acceptance for Grants, Deeds, and Agreements

IRVINE RANCH WATER DISTRICT  
Certificate of Acceptance

This is to certify that the interest in real property conveyed by the deed or grant dated \_\_\_\_\_ from \_\_\_\_\_ to IRVINE RANCH WATER DISTRICT, a California Water District, is hereby accepted by the undersigned officer on behalf of the Board of Directors pursuant to authority conferred by Resolution No. 2019- \_\_\_\_ of the Board of Directors, adopted on \_\_\_\_\_, 2019, and the grantee consents to recordation thereof by its duly authorized officer.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary

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RESOLUTION NO. 2020-\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
RESCINDING RESOLUTION NO. 2014-42, AND  
ESTABLISHING REVISED POLICIES WITH RESPECT TO  
PURCHASING AND AUTHORIZATION OF EXPENDITURES,  
COMPETITIVE BIDDING AND AWARD OF CONTRACTS,  
PROCUREMENT OF PROFESSIONAL SERVICES, AND  
APPROVAL AND AUTHORIZATION OF CHANGE ORDERS.

Irvine Ranch Water District (the "District") is a California Water District formed pursuant to Division 13 of the Water Code of the State of California.

The District is required to adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the District pursuant to Government Code Section 54202.

The District may adopt procedures to assure engagement of private architectural, landscape architectural, engineering, environmental, land surveying or construction project management firms on the basis of demonstrated competence and professional qualifications necessary for satisfactory performance and at fair and reasonable prices, as required pursuant to Government Code Section 4526, and such procedures shall specifically prohibit government agency employees from participating in the selection process when those employees have a relationship with a person or business entity seeking a contract under this section which would subject those employees to the prohibition of Section 87100.

The District has previously adopted Resolution No. 2014-42 establishing policies with respect to authorization of expenditures, competitive bidding and award of contracts, procurement of professional services, and approval and authorization of change orders to existing purchase orders and contracts, and the Board of Directors believes it to be in the best interest of the District to revise those policies.

For other policies related to the policies adopted or revised by this Resolution, reference is hereby made to: Resolution No. 2014-39 [checks on general account and electronic funds transfers]; Resolution No. 2014-41 [claims processing and settlement]; Resolution No. 2014-38 [Board member and employee expense reimbursement]; and Resolution No. 2013-4 [approval of standard contract forms].

NOW, THEREFORE, THE BOARD OF DIRECTORS OF IRVINE RANCH WATER DISTRICT HEREBY RESOLVES AS FOLLOWS:

Section 1. That resolution No. 2014-42 be and hereby is rescinded in its entirety.

Section 2. That the policy of the District with respect to capital, operating and other expenditures and the budgetary procedures in connection therewith shall be as more particularly set forth in the attached Exhibit “A,” entitled “Purchasing Policy.”

Section 3. That the policy of the District with respect to contracts required to be let through competitive bidding shall be as more particularly set forth in the attached Exhibit “B,” entitled “Policy for Competitive Bidding.”

Section 4. That the policy of the District with respect to procurement of contracts for professional services shall be as more particularly set forth in the attached Exhibit “C,” entitled “Policy for Procurement of Professional Services.”

Section 5. That the policy of the District with respect to change orders and variances to existing purchase orders or contracts shall be as more particularly set forth in Exhibit “D,” entitled “Policy for Approval/Authorization of Change Orders and Variances to Existing Contracts.”

Section 6. The policies adopted herein shall be reviewed by staff periodically, at least every five years, to determine whether it is necessary or appropriate for the Board to adopt any changes to the policies.

ADOPTED, SIGNED and APPROVED on January 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

Exhibit "I"

RESOLUTION NO. 2020 - \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
ADOPTING A PERSONAL PROPERTY DISPOSAL POLICY  
AND RESCINDING RESOLUTION NO. 2014-43

Irvine Ranch Water District ("District") is a California Water District formed pursuant to the California Water District Law, Water Code Section 34000, *et seq.*

Water Code Section 35604 provides that "A district may for a valuable consideration lease, sell, or contract for the sale of any property of the district whenever it may be necessary, advisable, or for the best interests of the district." Water Code Section 34031 defines "property" as "all real and personal property, including water, water rights, works, easements, and rights of way."

The Board of Directors previously adopted Resolution No. 2014-43, which provided for the disposal of both personal and real property. The Board intends by this Resolution to establish the policy of the District with respect to the disposal of its personal property only, and to authorize the General Manager to dispose of certain personal property.

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

Section 1. Resolution No. 2014-43 is hereby rescinded.

Section 2. The District hereby adopts the Personal Property Disposal Policy attached as Exhibit "A."

ADOPTED, SIGNED AND APPROVED on January 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

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Exhibit "J"

RESOLUTION NO. 2020 - \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
APPROVING A POLICY FOR HANDLING CLAIMS AND LAWSUITS,  
CONFLICT WAIVERS AND RELATED AGREEMENTS,  
AND RESCINDING RESOLUTION NO. 2014-41

Government Code Section 935.4 permits a local public entity by resolution to authorize an employee to perform any of the functions of the governing body with respect to administrative claims, including allowing, compromising, or settling a claims up to \$50,000.

The Board of Directors of the Irvine Ranch Water District (“**District**”) adopted Resolution No. 2014-41 to promote efficient handling of administrative claims against the District by authorizing the General Manager or his designee to handle those claims, and intends by this Resolution to revise that authorization to include lawsuits.

Labor Code Section 5000 *et seq.* permits an employer to compromise workers’ compensation claims in accordance with certain procedures and requirements, including approval by the Workers’ Compensation Appeals Board or referee. The Board intends by this Resolution to promote efficient handling of workers’ compensation claims against the District by authorizing the General Manager or his designee to compromise those claims.

The Board recognizes that approval of law firm conflict waivers, joint defense agreements, common interest agreements and similar agreements regarding legal representation are often required to retain legal counsel best suited to handle a given matter.

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

Section 1. Resolution No. 2014-41 is hereby rescinded in its entirety.

Section 2. The District hereby adopts the Policy for Handling Claims and Lawsuits, Conflict Waivers and Related Agreements attached as Exhibit “A.”

ADOPTED, SIGNED AND APPROVED on January 13, 2020.

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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



RESOLUTION NO. 2020 - \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF  
IRVINE RANCH WATER DISTRICT  
ADOPTING A REAL PROPERTY POLICY  
AND RESCINDING RESOLUTION NO. 2014-40

Irvine Ranch Water District ("District") is a California Water District formed pursuant to the California Water District Law, Water Code Section 34000, *et seq.*

Water Code Section 34031 defines "property" as "all real and personal property, including water, water rights, works, easements, and rights of way."

The Water Code, including Sections 35401, 35405, 35600, and 35604, authorize the District to accept, acquire, and dispose of property or rights in property necessary or proper for the District's works, which includes facilities to supply, drain, reclaim, distribute and store water, including dams and reservoirs. Pursuant to that authority, the District acquires various interests in property for the construction, operation, and maintenance of its facilities, including lands and easements required to be dedicated to the District by an applicant for service under the District's Rules and Regulations for Water, Sewer, Recycled Water, and Natural Treatment System Service.

The District sells, leases, licenses, and grants easements over its real property for operational and investment purposes.

The District engages in water transfers and exchanges, and seeks to maximize its water rights and access to reliable water for the benefit of its customers.

The Board of Directors intends by this Resolution to establish the policy of the District with respect to acquisition and disposition of real property only (including lands, easements, water, water rights, and other rights in real property) and to authorize the General Manager to approve certain real property agreements, permits, licenses, and leases.

The Board previously adopted Resolution No. 2014-40, authorizing the Secretary of the District to accept and consent to deeds, grants, or dedications on final maps conveying any interest in or easement upon real estate to the District, and approving the form of a certificate of acceptance to be used for those purposes pursuant to Government Code Section 27281. The Board intends to renew that authority in connection with the uniform policies for real property described above.

The Board previously adopted Resolution No. 2014-43, which provided for the disposal of both personal and real property. The Board intends by this Resolution to supersede that resolution with respect to real property matters.

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

Section 1. Resolution No. 2014-40 is hereby rescinded.

Section 2. The District hereby adopts the Real Property Policy attached as Exhibit "A."

ADOPTED, SIGNED AND APPROVED on January 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

Exhibit “L”

# Policy Additions and Revisions Related to District Approvals, Authorizations, and Procedures

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January 13, 2020

**DRAFT**



# Agenda

1. Objectives of the recommended changes.
2. Changes in policies to:
  - Comply with current law
  - Improve procurement efficiencies
3. Procurement efficiencies:
  - Maintaining Board's financial oversight
  - Alignment with industry standards
  - Summary of proposed changes
4. Staff recommendation.

# What are the objectives of recommended changes?

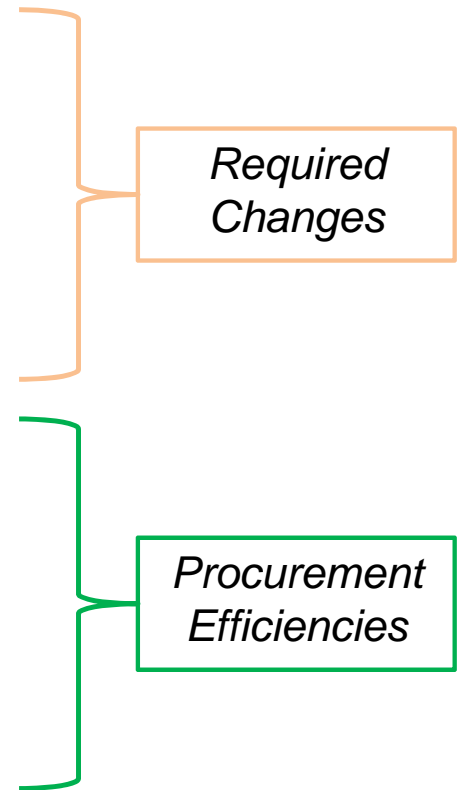
## *Objectives:*

1. Comply with current law.
2. Maintain an appropriate level of Board oversight.
3. Improve procurement efficiencies and provide for specific authorities not previously identified.
4. Clarifications of language (non-substantive).

# Policies Recommended for Modification

## *Policy for:*

- Handling Claims and Lawsuits, Legal Counsel Waivers and Related Agreements;
- Real Property (currently the Policy for Acquisition of Lands and Easements);
- Personal Property Disposal;
- Authorization of Expenditures;
- Competitive Bidding;
- Procurement of Professional Services; and
- Approval / Authorization of Change Orders and Variances to Existing Contracts.



# Policies Requiring Changes for Compliance

## Policy for Handling Claims and Lawsuits, Legal Counsel Waivers and Related Agreements

### *Current Policy:*

Board must approve all associated activities; settlement of claims over \$50,000.

### *Proposed Policy:*

- Adds settlement of lawsuits (in addition to claims).
- Authorizes General Manager to sign conflict waivers, joint defense and common interest agreements.
- Retains approval with a state cap at \$50,000 for settling claims and lawsuits.

# Policies Requiring Changes for Compliance

## Policy for Real Property

### *Current Policy:*

Requires Board approval for acquisition and disposition of Real Property in excess of \$100,000.

### *Proposed Policy:*

- Provides specific authority to the General Manager for licenses, permits, temporary rights of way, and joint use agreements less than \$250,000.
- Adds language to be compliant with new legislation SB 1486 for surplus land related to disposal of real property.
- Adds water rights and water associated with IRWD water banks for acquisitions and dispositions to require Board approval.
- Adds clarifying language and reorganizes policy.
- Separates disposition of personal property into a separate policy.



# Policies Requiring Changes for Compliance

## Policy for Personal Property Disposal

### *Current Policy:*

Board must approve disposal of personal property over \$100,000.

### *Proposed Policy:*

Separates personal property from real property; no change to Board approval level.

# Improvements to Procurement Efficiencies

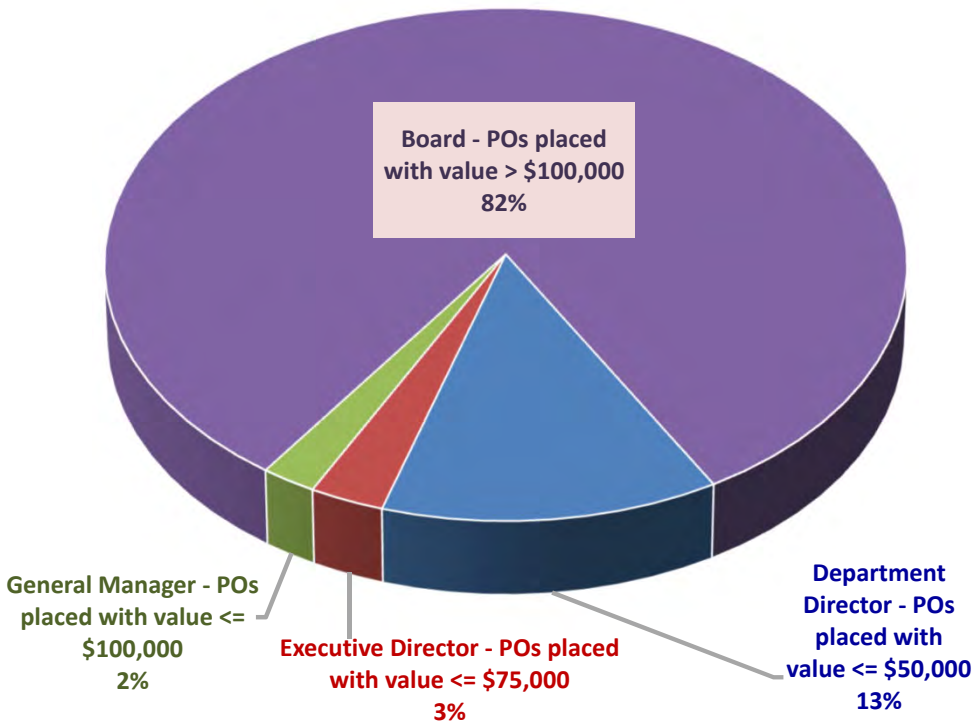
**Improve procurement efficiencies at IRWD while maintaining appropriate level of Board oversight and aligning with industry procurement standards.**

## *Policies impacted:*

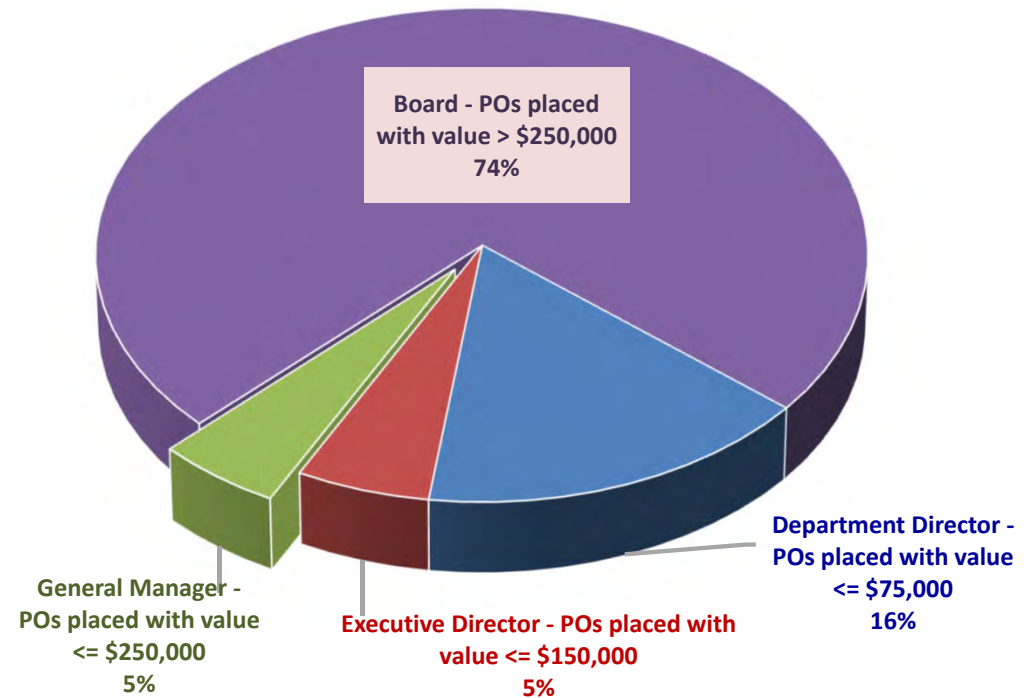
- Authorization of Expenditures;
- Competitive Bidding;
- Procurement of Professional Services; and
- Approval of Change Orders and Variances.

# Board Oversight: Purchase Order Approval Dollars

## Three Year Average of Purchase Order \$'s with Current Authorization

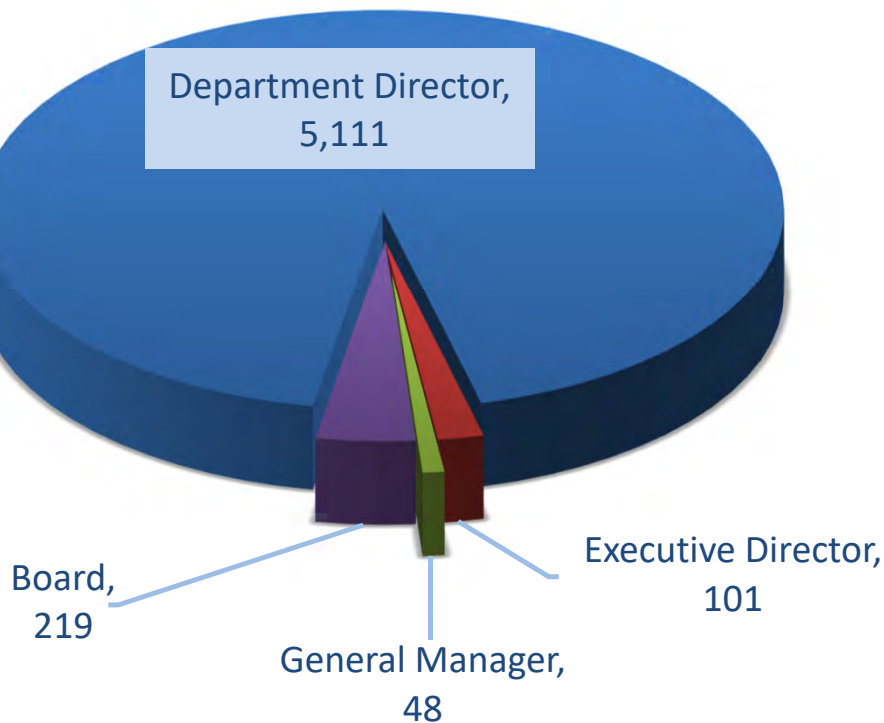


## Three Year Average of Purchase Order \$'s With Proposed Authorization

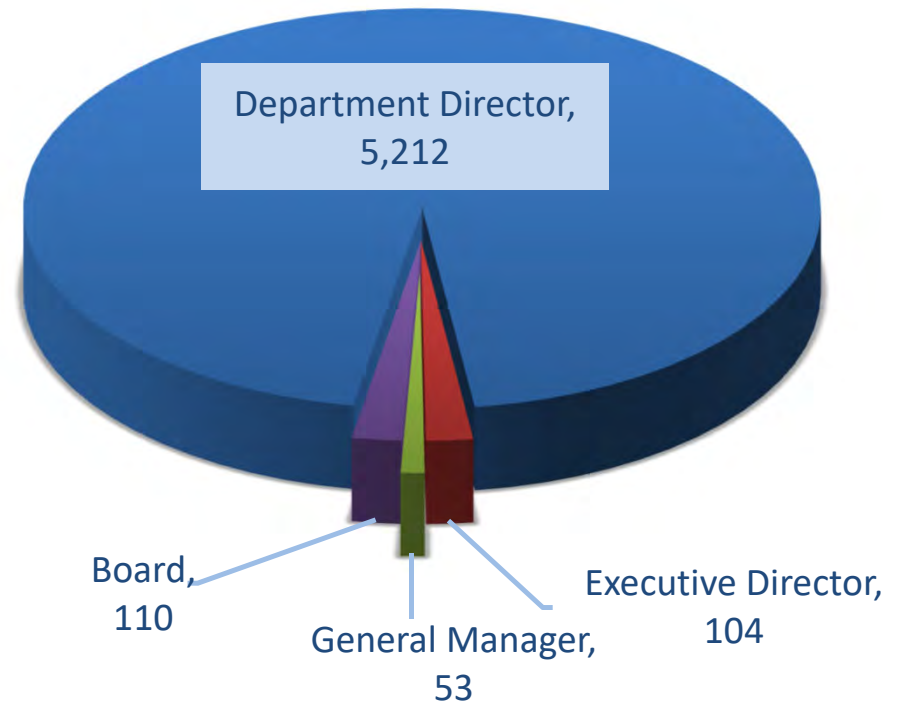


# Board Oversight: Purchase Orders Approval Counts

Two Year Average Purchase Orders/Change Orders/Variances Based on Current Approval Tiers

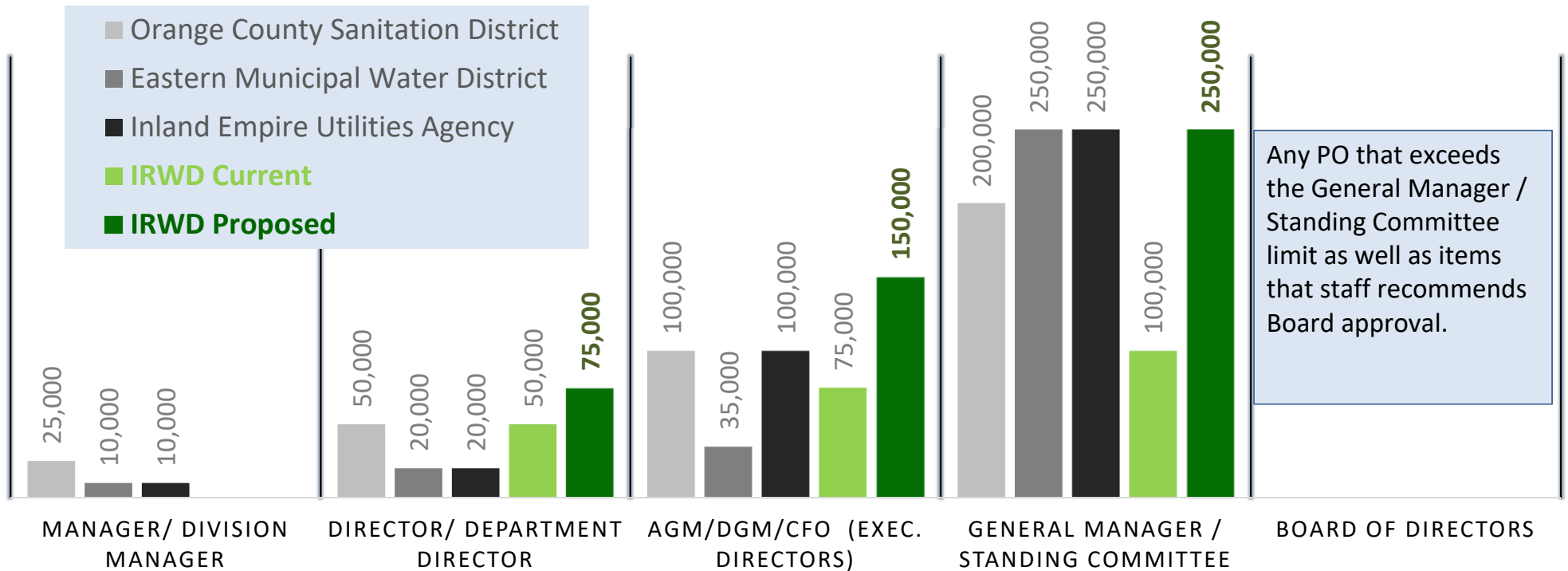


Two Year Average Purchase Orders/Change Orders/Variances Based on Proposed Approval Tiers



# Board Oversight: Aligning with Industry Standards

## COMPARISON BY POSITION



# Expenditure Authorizations

## Expenditure Authorization Limits

Approver	Current	Proposed
Board of Directors	No Limit	No Limit
General Manager	\$0 - \$100,000	\$0 - \$250,000
Executive Director	\$0 - \$75,000	\$0 - \$150,000
Department Director	\$0 - \$50,000	\$0- \$75,000

# Procurement of Professional Services

## Bid Criteria

# of Bids from Pre-qualified Firms	Current	Proposed
One Bid	\$50,000 or less	\$100,000 or less
Two Bids	\$75,000 or less	\$200,000 or less
Three or more Bids	\$100,000 or less	Greater than \$200,000
Sole Source	\$10,000	\$35,000

# Change Orders and Variances

## Change Orders and Variances

Approver	Current	Proposed
Board of Directors	\$100,000 +	\$250,000 +
General Manager	Less than \$100,000 (individual or cumulative)	Less than \$250,000 (individual or cumulative)
Executive Director	Less than \$75,000 (individual or cumulative)	Less than \$150,000 (individual or cumulative)
Department Director	\$0 - \$50,000 (individual or cumulative)	\$0- \$75,000 (individual or cumulative)



## Staff Recommendation

That the Board adopt a resolution rescinding Resolution Nos. 2014-40, 2014-41, 2014-42 and 2014-43 and adopt resolutions by title approving policy revisions and additions related to IRWD approvals, authorizations and procedures.