

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

November 10, 2014

PLEDGE OF ALLEGIANCE

CALL TO ORDER 5:00 P.M., Board Room, District Office
15600 Sand Canyon Avenue, Irvine, California

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

Director Swan attendance via teleconferencing
Agenda posted at: 11639 Spur Road, Monterey, CA.
All votes taken shall be by roll call vote.

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 five 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.

COMMUNICATIONS TO THE BOARD

1. A. Written:
- B. Oral:
2. ITEMS RECEIVED TOO LATE TO BE AGENDIZED
 Recommendation: Determine that the need to discuss and/or take immediate action on item(s)

PRESENTATION

3. CALAFCO GOVERNMENT LEADERSHIP AWARD

 Ms. Carolyn Emery, Executive Officer of the Orange County Local Agency Formation Commission (LAFCO), will present the Board with the CALAFCO Government Leadership Award given to the Orange County Water District, the City of Anaheim, Yorba Linda Water District and IRWD for their contribution to the Orange County Water District annexation process.

CONSENT CALENDAR

Resolution No. 2014-48

Items 4-12

4. MINUTES OF REGULAR BOARD MEETING

 Recommendation: That the minutes of the October 27, 2014 Regular Board meeting be approved as presented.

CONSENT CALENDAR – Continued

Items 4-12

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

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

6. RESOLUTIONS COMMENDING MWDOC'S DIRECTOR WAYNE CLARK AND OCWD'S DIRECTOR KATHRYN BARR FOR THEIR LONG-STANDING SERVICE TO THEIR RESPECTIVE AGENCIES

Recommendation: That the Board adopt two resolutions: 1) commending Mr. Wayne Clark for 35 years of dedicated service to the Municipal Water District of Orange County, and 2) commending Ms. Kathryn Barr for 35 years of dedicated service to the Orange County Water District.

Reso. No. 2014-

Reso. No. 2014-

7. EAST ORANGE COUNTY WATER DISTRICT INTERCONNECTION REHABILITATION CONSTRUCTION AWARD

Recommendation: That the Board authorize a budget increase in the amount of \$103,700, from \$158,700 to \$262,400, and authorize the General Manager to execute a construction contract with Paulus Engineering, Inc. in the amount of \$163,950 for the East Orange County Water District Interconnection Rehabilitation, project 11799 (5401).

8. STRAND RANCH RECOVERY FACILITIES PROJECT SREX-4 WELL REPLACEMENT FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Strand Ranch Recovery Facilities Project SREX-4 Well Replacement (11289-A), and authorize the General Manager to file a Notice of Completion.

9. STRAND RANCH WELL OPTIMIZATION AND MONITORING PROJECT FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Strand Ranch Well Optimization and Monitoring Project 11794 (5272); authorize the General Manager to file a Notice of Completion; and authorize the payment of retention 35 days after the date of recording the Notice of Completion.

10. ANNUAL FISERV ELECTRONIC COMMERCE SERVICES AGREEMENT EXTENSION

Recommendation: That the Board approve renewal of the Fiserve Electronic Commerce Service Agreement effective October 14, 2014 through October 13, 2015 in the amount of \$162,000.

CONSENT CALENDAR – Continued **Items 4-12**

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| <p>11. <u>REVISIONS TO DISTRICT RULES AND REGULATIONS</u></p> <p>Recommendation: That the Board adopt two resolutions: 1) rescinding Resolution No. 2012-1 and establishing revised Rules and Regulations of IRWD for Water, Sewer, Recycled Water, and Natural Treatment System Service, and 2) adopting changes to the schedule of rates and charges to the Rules and Regulations for Water, Sewer, Recycled Water, and Natural Treatment System Service.</p> | <p>Reso. No. 2014-
Reso. No. 2014-</p> |
| <p>12. <u>PROPOSED CONSUMER PRICE INDEX CHANGES TO SALARY GRADE SCHEDULE AND EMPLOYEE COST OF LIVING ADJUSTMENTS</u></p> <p>Recommendation: That the Board approve a 2.0% increase to the salary grade ranges for all eligible represented and unrepresented positions and a 2.0% Cost of Living Adjustment for each eligible represented and unrepresented employee, both effective December 1, 2014; and adopt a resolution rescinding Resolution No. 2014-25 and establishing a revised schedule of positions and salary rate changes.</p> | <p>Reso. No. 2014-</p> |
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ACTION CALENDAR

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| <p>13. <u>PROPOSED REVISIONS TO THE IRWD POTABLE WATER SUPPLY RELIABILITY POLICY PRINCIPLES</u></p> <p>Recommendation: That the Board adopt the revised policy principles paper on Potable Water Supply Reliability.</p> | |
| <p>14. <u>PROPOSED REVISIONS TO THE IRWD DESALINATION POLICY PRINCIPLES</u></p> <p>Recommendation: That the Board adopt the revised IRWD Desalination Policy Principles.</p> | |
| <p>15. <u>LOS ALISOS WATER RECYCLING PLANT PONDS BIOSOLIDS REMOVAL AND DISPOSAL BUDGET INCREASE, EXPENDITURE AUTHORIZATION, AND CONTRACT AWARD</u></p> <p>Recommendation: That the Board authorize a budget increase in the amount of \$2,052,700, from \$1,779,900 to \$3,832,600, to the Los Alisos Water Recycling Plant (LAWRP) Biosolids Removal project; find that the irregularity in the bid of Synagro-WWT, Inc. did not affect the bid amount or give the bidder a competitive advantage over other bidders and waive the irregularity; and authorize the General Manager to execute a construction contract with Synagro-WWT, Inc. in the amount of \$3,485,431 for the LAWRP Ponds Biosolids Removal and Disposal, project 20219 (5521).</p> | |

ACTION CALENDAR - Continued

16. REVIEW OF 2014 LEGISLATIVE ACTIVITIES AND 2015 LEGISLATIVE PLANNING

Recommendation: That the Board provide input on the proposed 2015 Regional, State and Federal legislative issues of interest to IRWD, potential concepts for sponsored legislation and adopt the preliminary list of IRWD planned projects for Prop. 1 funding, the proposed Initial 2015 Legislative and Regulatory Resource Allocation Plan and the Legislative/Regulatory Issues and Activities of High Concern to IRWD in 2015.

OTHER BUSINESS

Pursuant to Government Code Section 54954.2, members of the Board of Directors or staff may ask questions for clarification, make brief announcements, 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.

17. A. General Manager's Report

B. Directors' Comments

C. CLOSED SESSION CONFERENCE WITH REAL PROPERTY NEGOTIATOR

RELATIVE TO Government Code Section 54956.8

Property: OCSD Service Area 7 Sewer Infrastructure

Agency Negotiator: Paul Cook, General Manager

Purpose of Negotiations: Proposed Acquisition of Property - Price and terms;

CLOSED SESSION CONFERENCE WITH REAL PROPERTY NEGOTIATOR RELATIVE TO Government Code Section 54956.8

Property: Water assets appurtenant to or associated with APNs - 042-340-023, 042-340-025, 042-340-039, 042-230-043, 042-340-034, 042-340-035, 042-340-037, 048-010-016, 048-010-018, 048-020-030 (Utica Ranch located in Kings County California near Utica Avenue and Interstate 5)

Negotiating Parties: Steven Jackson and Ernest Conant

Agency Negotiator: Paul Cook, General Manager

Purpose of Negotiations: Price and Terms of Payment

OTHER BUSINESS - Continued

17. D. Open Session

E. Adjourn

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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.

November 10, 2014
Prepared and
Submitted by: L. Bonkowski
Approved by: P. Cook

FB
P. Cook

CONSENT CALENDAR

MINUTES OF REGULAR BOARD MEETING

SUMMARY:

Provided are the minutes of the October 27, 2014 Regular Board Meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE OCTOBER 27, 2014 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – Minutes of October 27, 2014 Regular Board Meeting

EXHIBIT "A"

MINUTES OF REGULAR MEETING – OCTOBER 27, 2014

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 October 27, 2014 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Engineering and Water Quality Burton, Executive Director of Finance Clary, Executive Director of Operations Sheilds, Executive Director of Water Policy Weghorst, Director of Treasury and Risk Management Jacobson, Director of Administration Mossbarger, Director of Public Affairs Beeman, Director of Human Resources Roney, Assistant Director of Water Operations Roberts, Legal Counsel Arneson, Secretary Bonkowski, Ms. Christine Compton, Mr. Greg Springman, Mr. Steve Malloy, Mr. Joe Constantino, Mr. Erik Akiyoshi, Mr. Ken Pfister, Ms. Kelly Radvansky, Mr. Jim Reed, and other members of the public and staff.

WRITTEN COMMUNICATION: None.

ORAL COMMUNICATION

Mrs. Joan Irvine Smith's assistant addressed the Board of Directors with respect to the Dyer Road Wellfield. She said it was her understanding that currently wells 1, 2, 7, C-8, C-9, 10, 11, 14, 15, and 17 will operate in accordance with the District's annual pumping plan and that wells 3, 4, 5, 6, 12, 13, 16 and 18 will be off. This was confirmed by Mr. Cook, General Manager of the District.

ITEMS TOO LATE TO BE AGENDIZED: None.

WORKSHOP

GROUNDWATER WORK PLAN UPDATE

Using a PowerPoint presentation, Principle Engineer Hoolihan explained the methodology and specific assumptions used for analyzing groundwater requirements, and the effects of the various options of the Basin Production Percentage (BPP). Mr. Hoolihan said in the September 2012 update various scenarios were presented using assumptions with and without IRWD's proposed annexation and including or excluding recycled water in the BPP calculation. He said since that time a number of changes have occurred that will have an impact on the groundwater work plan which include both the OCWD annexation with approximately 5,300 acres of developed land included into OCWD as well as the completion of the Wells 21 and 22 project which allows IRWD to produce groundwater and has an exemption from the BPP until 2032.

Mr. Hoolihan reviewed IRWD's water reliability requirements noting that the 2008 IRWD Reliability Study recommended developing sufficient local water production capacity for a reliable water supply mix in the most critical supply outage scenario, which would be a Diemer outage for six months or more. He said that enough local water supplies would need to be developed to meet a full maximum day water demand scenario minus 20% in emergency conservation. He also said that an updated reliability study is being completed and any changes to the current reliability requirements will be incorporated into future GWPPs.

Mr. Hoolihan said the GWPP was a document that staff prepares and updates internally, including information obtained from OCWD. Following discussion, President LaMar said that staff will broaden the groundwater work plan range of scenarios based on comments received tonight from the Board as well as submit it for Committee review

CONSENT CALENDAR

Director Swan asked that Item No. 10, Fats, Oils, and Grease Program Services Contract Award with Environmental Engineering and Contracting, Inc. be moved to the Action Calendar for discussion. There being no objection, this item was moved accordingly. There being no further comments, on MOTION by Withers, seconded and unanimously carried, CONSENT CALENDAR ITEMS 4 THROUGH 9 WERE APPROVED AS FOLLOWS:

4. RESOLUTION OF COMMENDATION FOR LESTER BUSALD

Recommendation: That the Board adopt the following resolution by title commending Lester Busald for his dedicated service to the District.

RESOLUTION NO. 2014 – 47

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT COMMENDING
LESTER BUSALD FOR HIS DEDICATED AND
LOYAL SERVICE TO THE DISTRICT

5. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the October 13, 2014 Regular Board Meeting be approved as presented.

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

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.

CONSENT CALENDAR

7. SEPTEMBER 2014 TREASURY REPORTS

Recommendation: That the Board receive and file the Treasurer's Investment Summary report, the Monthly Interest Rate Swap Summary for September 2014, and Disclosure Report of Reimbursements to Board members and staff; approve the September 2014 Summary of Payroll Ach Payments in the total amount of \$1,479,395 and approve the September 2014 Accounts Payable Disbursement Summary of Warrants 351648 through 352356, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$18,794,711.

8. MANNING AND PORTOLA ZONE 9 BOOSTER PUMP STATION GENERATOR FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Manning and Portola Zone 9 Booster Pump Station Generator, projects 11667 (4146) and 11675 (4277); 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.

9. PLANNING AREA 51 HERITAGE FIELDS DISTRICT 1 CAPITAL FACILITIES

Recommendation: That the Board authorize a budget increase for project 11673 (4268) in the amount of \$62,200, from \$424,000 to \$486,200, and for project 30394 (4278) in the amount of \$66,000, from \$398,200 to \$464,200 for the construction of streets, storm drains, domestic water, sewer and recycled water improvements under an existing Supplemental Reimbursement Agreement with Heritage Fields El Toro, LLC for Planning Area 51 (Great Park) in Heritage Fields District 1.

ACTION CALENDAR

FATS, OILS, AND GREASE PROGRAM SERVICES CONTRACTOR AWARD WITH ENVIRONMENTAL ENGINEERING AND CONTRACTING

General Manager Cook reported that the District has utilized contract services from Environmental Engineering and Contracting, Inc. (EEC) to administer the Fats, Oils, and Grease (FOG) program. He said that as the contract with EEC is set to expire on October 31, 2014, staff solicited proposals from six firms to provide this service. Mr. Cook said that staff received proposals from Charles Abbott Associates, Inc., CWE, and EEC. EEC has provided FOG program management services to over 30 cities and sewer districts and is nationally recognized as a FOG control expert. He said that when staff analyzed the proposals from the other two firms, it was determined that they did not meet the minimum experience requirements and have not managed similar size FOG programs as outlined in the RFP.

Director Swan encouraged staff to investigate a full service in-house business plan and also asked staff to investigate financing options for those establishments that do not have a program in place. On MOTION by Swan, seconded and unanimously carried, THE BOARD AUTHORIZED THE

GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH ENVIRONMENTAL ENGINEERING AND CONTRACTING, INCORPORATED OF \$176,760 FOR THE PERIOD NOVEMBER 1, 2014 TO OCTOBER 31, 2015

MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES CONSULTANT VARIANCES

General Manager Cook said that staff has identified a need for additional air permitting engineering services to support the Biosolids project. Additionally, the approval of variances is required because of a change of consultant personnel on the IRWD construction management team.

Director Reinhart reported that this item was reviewed and approved by the Engineering and Operations Committee on October 21, 2014. On MOTION by Swan, seconded and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 7 IN THE AMOUNT OF \$21,000 WITH ENVIRON INTERNATIONAL CORP. FOR ADDITIONAL AIR PERMIT APPLICATION PREPARATION; AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 1 IN THE CREDIT AMOUNT OF <\$890,000> WITH HDR ENGINEERING, INC. TO REDUCE CONSTRUCTION MANAGEMENT STAFF; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 3 IN THE AMOUNT OF \$899,000 WITH BLACK & VEATCH FOR REPLACEMENT CONSTRUCTION MANAGEMENT STAFF FOR THE MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES, PROJECT 21146 (4286).

MICHELSON WATER RECYCLING PLANT PHASE 2 EXPANSION CONTRACT CHANGE ORDER

General Manager Cook reported that unforeseen conflicts were discovered during construction that required modifications to the original design of the site work at the Michelson Water Recycling Plant (MWRP). Contract Change Order 115 includes 1) raising grades in the areas of the plant due to drainage issues which occurred due to unforeseen natural occurrences; 2) changes to allow better accessibility to work areas for MWRP Operations including forklift access and vehicular access to certain areas, such as the membrane bioreactors and the high rate clarifier; 3) installing decomposed granite for worker and equipment access; 4) demolition of sidewalks, abandoned piping, and other site features; and 5) decomposed granite paths.

Following discussion, on MOTION by Reinhart, seconded and unanimously carried, THE BOARD APPROVED CONTRACT CHANGE ORDER NO. 115 IN THE AMOUNT OF \$655,000, WITH J. R. FILANC CONSTRUCTION COMPANY FOR MODIFICATIONS TO THE CURB, PAVING, AND HARDSCAPE FOR THE MICHELSON WATER RECYCLING PLANT PHASE 2 EXPANSION, PROJECT 30214 (1706).

GENERAL MANAGER'S REPORT

General Manager Cook reported on the resolutions being prepared for OCWD's Director Barr and MWDOC's Director Clark who will be retiring with their respective events on November 19th.

Mr. Cook said that tomorrow he and President LaMar will be attending the City of Irvine's presentation by Orange County Water District (OCWD). He also noted that Governor Brown will be at OCWD tomorrow at 2:30 p.m. speaking at its Joint OCWD/OCSD/MWD event relative to Propositions 1 and 2 on the November ballot.

He said that he will be attending a State Water Board workshop tomorrow on recycled water research and speaking on managing water demands relative to rate structures, and on November 6th, at a joint UCI/IRWD meeting.

He further announced the promotion of Mr. Ken Pfister as the new Water Operations Manager.

DIRECTORS' COMMENTS

Director Matheis reported on her attendance at the Santa Ana Regional Watershed conference and Southern California Water Committee's annual meeting. She further noted the thank you letter she received from the Irvine Historical Society for IRWD's assistance in providing repairs to their facility.

Director Withers reported on tomorrow's event with Governor Brown at OCWD which he may attend. In response to his inquiry about the installation of artificial turf in his homeowners association, Mrs. Sanchez advised him that Conservation will be holding a workshop on the pros and cons in a few months.

Director Reinhart reported that he attended a MWDOC Board meeting, a South County meeting, an EOCWD/IRWD meeting, a LAFCO MSR meeting, and an ACC-OC reception.

Director Swan reported on his attendance at an ACC-OC elected leadership event and suggested conservation displays be included at the next year's event; an ACWA Region 5 conference in Livermore; an ACWA Regions 8, 9, and 10 event relative to what works in conservation and asked staff to obtain a copy of this PowerPoint presentation; a WACO meeting; a Southern California Dialogue meeting on groundwater water; and a Sea and Sage breakfast. He thanked Mr. Richard Brown and his staff for all of their efforts in assisting them with setting up this event.

Director LaMar reported on his attendance at an ACC-OC event; a South Orange County agency meeting; an NROC meeting; a Southern California Water Committee meeting; a Solar Decathlon Kick-off event and said he will speak with staff to determine how IRWD will be able to assist in this effort; and Sea and Sage Audubon's breakfast.

CLOSED SESSION

President LaMar said that the following Closed Sessions would be held:

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL RELATIVE TO ANTICIPATED LITIGATION - Government Code Section 54956.9(d)(4) – initiation of litigation (one potential case)

CLOSED SESSION CONFERENCE WITH REAL PROPERTY NEGOTIATOR RELATIVE TO (Government Code Section 54956.8)
Property: OCSD Service Area 7 Sewer Infrastructure
Agency Negotiator: Paul Cook, General Manager
Purpose of Negotiations: Proposed Acquisition of Property - Price and terms

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors La Mar, Matheis, Reinhart, Swan, Withers present. No action was reported on the first and second closed session items.

ADJOURNMENT

There being no further business, President LaMar adjourned the meeting at 8:45 p.m..

APPROVED and SIGNED this 10th day of November, 2014.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:
Bowie, Arneson, Wiles & Giannone


Legal Counsel

November 10, 2014

Prepared and

Submitted by: N. Savedra

Approved by: P. Cook



CONSENT CALENDAR

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

SUMMARY:

Pursuant to Resolution 2006-29 adopted on August 28, 2006, approval of attendance of the following events and meetings are required by the Board of Directors.

Events/Meetings

Steven LaMar

10/01/14	IRWD Business Outreach Event
11/06/14	Monthly meeting w/General Manager Paul Cook regarding District activities
11/07/14	NWRI Clarke Prize Conference & Awards Ceremony

Mary Aileen Matheis

11/04/14	OCBC Election Day Luncheon Meeting
11/12/14	Irvine Global Village Festival Sponsor Recognition @Irvine City Council meeting
11/13/14	ACC-OC Election Results Analysis w/Dan Walters
11/14/14	Water Source for Woodbridge Lake Discussion Meeting

Peer Swan

11.06/14	Ocean Desalination Ad Hoc Committee Meeting
11/07/14	Meeting with Supervisor Todd Spitzer
11/13/14	ACC-OC Election Results Analysis w/Dan Walters

John Withers

10/01/14	IRWD Business Outreach Event
10/08/14	CleanTech OC 2014
11/07/14	NWRI Clarke Prize Conference & Awards Ceremony
11/13/14	ACC-OC Election Results Analysis w/Dan Walters

RECOMMENDATION:

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

LIST OF EXHIBITS:

None.

November 10, 2014

Prepared and

Submitted by: L. Bonkowski *LB*

Approved by: Paul A. Cook *PC*

CONSENT CALENDAR

RESOLUTIONS COMMENDING MWDOC'S DIRECTOR WAYNE CLARK
AND OCWD'S DIRECTOR KATHRYN BARR FOR THEIR
LONG-STANDING SERVICE TO THEIR RESPECTIVE AGENCIES

SUMMARY:

Resolutions have been prepared for retiring MWDOC Director Wayne Clark and OCWD's Director Kathryn Barr for their long-standing service to their respective agencies. Staff and the Board will be presenting resolutions to each director at their respective celebrations on November 19, 2014. Resolutions are provided as Exhibits "A" and "B".

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTIONS BY TITLE:

RESOLUTION NO. 2014-48

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT COMMENDING
MR. WAYNE CLARK FOR 35 YEARS OF DEDICATED SERVICE TO MUNICIPAL
WATER DISTRICT OF ORANGE COUNTY

RESOLUTION NO. 2014-49

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT COMMENDING
MS. KATHRYN BARR FOR 35 YEARS OF DEDICATED SERVICE TO THE
ORANGE COUNTY WATER DISTRICT

LIST OF EXHIBITS:

Exhibit "A" – Resolution – Wayne Clark
Exhibit "B" – Resolution – Kathryn Barr

EXHIBIT "A"

RESOLUTION NO. 2014-49

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
COMMENDING MR. WAYNE CLARK FOR 35 YEARS OF DEDICATED SERVICE
TO MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

WHEREAS, Mr. Wayne Clark is retiring from the Municipal Water District of Orange County (MWDOC) Board of Directors after 35 years of service on December 5, 2014; and

WHEREAS, Mr. Clark served as an elected member of the MWDOC Board from 1979 and represented areas served by El Toro Water District, portions of Irvine Ranch Water District, and Newport Beach; and

WHEREAS, in 1991, during Mr. Clark's tenure, MWDOC, along with the Orange County Water District, created a successful partnership with the National Water Resources Institute to address national water supply and water quality challenges through cooperative research efforts. Its mission is to create new sources of water through research and technology and to protect the freshwater and marine environments; and

WHEREAS, Mr. Clark served as a Director of the Irvine Ranch Water District Board from 1977 until 1981. In 1977 Mr. Clark was elected as one of the two Directors in the Inhabited Divisions serving with five Uninhabited Division Directors; in 1980 the divisions were abolished, and he served on the restructured Board with four other Directors until his resignation on December 31, 1981. During his tenure, he served as President from 1979 to 1981 during which time the construction of the Diemer Filtration Plant occurred along with the acquisition of 64 acres of property from the Irvine Company for the expansion of the Michelson Water Recycling Plant. Additionally, Mr. Clark has continued to attend IRWD Board meetings in the capacity as MWDOC Director and provided valuable insight on water issues; and

WHEREAS, in 1992, Mr. Clark co-founded of the Urban Water Institute, a nonprofit corporation devoted to providing information on the economies and management of water resources and with his efforts, and has reached out to areas as far as Northern California. He also served as its Executive Director until his retirement in 2006; and

WHEREAS, Mr. Clark is a leader in the water industry and a member of ACWA since 1979. He serves as alternate representative of ACWA to the National Water Resources Association (NWRA) Board of Directors. He is a member of the NWRA Municipal Caucus, the NWRA subcommittee on climate change as well as the Colorado River Water Users Association; and

WHEREAS, Mr. Clark's dedication to his community is exemplified by his service as founding chairman of the City of Irvine's Planning Commission, and also led the citizen's committee that founded the Irvine Unified School District.

NOW, THEREFORE, BE IT RESOLVED: The Board of Directors of Irvine Ranch Water District wishes to commend and express its sincere appreciation to Mr. Wayne Clark for his exemplary leadership and outstanding service to his community during his tenure at MWDOC.

ADOPTED, SIGNED AND APPROVED this 10th day of November, 2014.

President, Irvine Ranch Water District
and of the Board of Directors thereof

Secretary, Irvine Ranch Water District and
of the Board of Directors thereof

EXHIBIT "B"

RESOLUTION NO. 2014-47

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
COMMENDING KATHRYN BARR FOR HER 35 YEARS OF DEDICATED
SERVICE TO THE ORANGE COUNTY WATER DISTRICT

WHEREAS, Ms. Kathryn Barr is retiring from the Orange County Water District (OCWD) Board of Directors following 35 years of distinguished service; and

WHEREAS, Ms. Barr is to be recognized as the longest standing Board member in the history of OCWD. She was appointed on the OCWD Board in August 1979 and served nine consecutive terms representing the cities of Garden Grove, Stanton and Westminster. During her time on the Board she served as its President in 1995 and 2010, first Vice President from 1988 to 1995 and 2000 to 2002, and second Vice President from 1985 to 1988 and 2005 to 2007; and

WHEREAS, Ms. Barr's extensive knowledge of complex groundwater management, creating new water supplies and sustaining local and state water supplies, helped pave the way for the implementation of innovative water resources projects; and

WHEREAS, during Ms. Barr's tenure, the Irvine Ranch Water District successfully entered into many agreements with OCWD beginning with the 1980 in-lieu replenishment program, the 1991 Well Construction Program (conjunctive use); the 1993 Irvine Desalter Project for the recovery and utilization of contaminated groundwater; the 1996 alternative to the Wetlands Water Supply Project (Green Acres); the 2006 Groundwater Emergency service program connecting IRWD's system to improve emergency water service; the 2010 Basin Equity Assessment Exemption Program for impaired groundwater production; and the 2013 annexation agreement to OCWD; and

WHEREAS, during Mrs. Barr's tenure, OCWD along with IRWD and the Municipal Water District of Orange County and Orange County Sanitation District created the successful partnership with the National Water Research Institute addressing water supply and quality challenges through cooperative research efforts; and


WHEREAS, Ms. Barr is to be recognized for her life-long commitment to public service which includes serving on the Garden Grove City Council; Garden Grove Chamber of Commerce, the Business and Professional Women's Organization, the Executive's Secretaries; and

NOW, THEREFORE, BE IT RESOLVED: The Board of Directors, General Manager and staff of Irvine Ranch Water District wishes to commend and express its sincere appreciation to Ms. Kathryn for his many years of exemplary leadership and outstanding service to his community and the water industry during his tenure at OCWD.

ADOPTED, SIGNED AND APPROVED this 10th day of November, 2014.

President, Irvine Ranch Water District
and of the Board of Directors thereof

Secretary, Irvine Ranch Water District and
of the Board of Directors thereof

November 10, 2014
Prepared by: H. Cho/M. Cortez
Submitted by: K. Burton
Approved by: Paul Cook 

CONSENT CALENDAR

EAST ORANGE COUNTY WATER DISTRICT INTERCONNECTION REHABILITATION CONSTRUCTION AWARD

SUMMARY:

The East Orange County Water District (EOCWD) Interconnection Rehabilitation project will rehabilitate the interconnection between IRWD and EOCWD on Jamboree Road. Staff recommends that the Board:

- Authorize a budget increase in the amount of \$103,700, from \$158,700 to \$262,400, and
- Authorize the General Manager to execute a construction contract with Paulus Engineering, Inc. in the amount of \$163,950 for the EOCWD Interconnection Rehabilitation, project 11799.

BACKGROUND:

The EOCWD Interconnection consists of a pressure reducing station and flow meter located in the City of Orange on Jamboree Road, south of Handy Creek Road. A location map is attached as Exhibit "A". The interconnection was originally built in 1989, but has not been in operation since 1997 when it was damaged by a traffic accident. Though the facility can be operated manually, this project will allow staff to operate and monitor the facility remotely by replacing the flow meter, programmable logic control cabinet, electrical meter pedestal, all electrical wiring, and two vault lids.

In June 2014, IRWD retained Linkture Consulting Engineers to provide design services. Linkture completed the design in October 2014 and the project was advertised for construction to a select list of 20 contractors. The bid opening was held on October 28, 2014, with bids received from six contractors. The apparent low bidder was Paulus Engineering, Inc. with a bid amount of \$163,950. The engineer's estimate was \$125,000. The second and third lowest bids were \$168,200 and \$169,085, respectively which represent the true cost of the work. The apparent low bidder was higher than the engineer's estimate due to the higher costs for the programmable logic control cabinet and electrical conduit. The bid summary is attached as Exhibit "B".

FISCAL IMPACTS:

Project 11799 (5401) is included in the FY 2014-15 Capital Budget. Staff requests a budget increase as shown in the table below.

Project No.	Current Budget	Addition <Reduction>	Total Budget
11799 (5401)	\$158,700	\$103,700	\$262,400

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(B), which provides exemption for minor alterations of existing public or private structures, facilities, used to provide electric power, natural gas, sewerage or other public utility services. A Notice of Exemption for the project was filed with the County of Orange on October 30, 2014.

COMMITTEE STATUS:

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

RECOMMENDATION:

THAT THE BOARD AUTHORIZE A BUDGET INCREASE IN THE AMOUNT OF \$103,700, FROM \$158,700 TO \$262,400, AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH PAULUS ENGINEERING, INC. IN THE AMOUNT OF \$163,950 FOR THE EAST ORANGE COUNTY WATER DISTRICT INTERCONNECTION REHABILITATION, PROJECT 11799 (5401).

LIST OF EXHIBITS:

Exhibit "A" – Location Map
Exhibit "B" – Bid Summary

EXHIBIT "A"

EOCWD Interconnection Rehabilitation

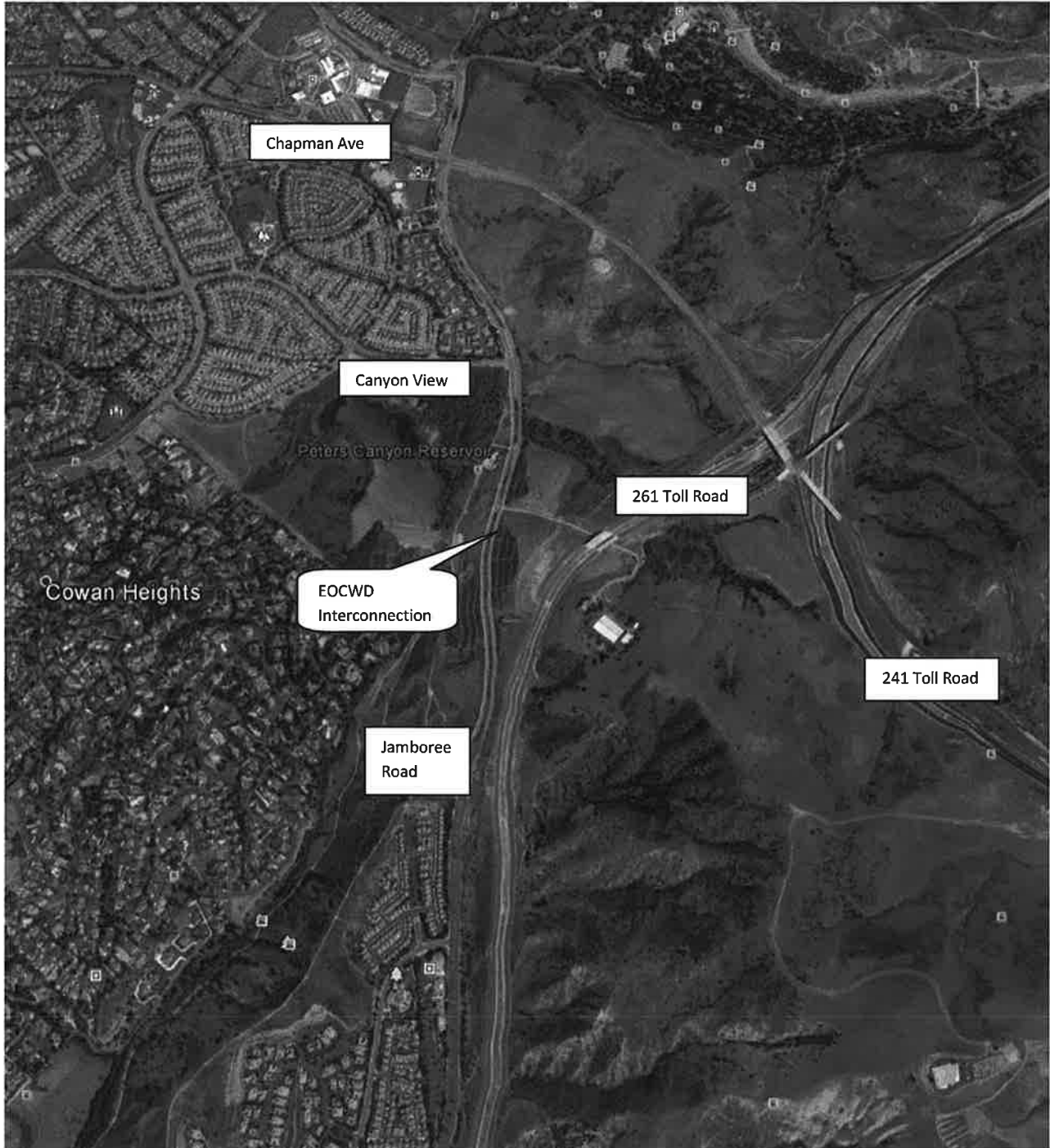


EXHIBIT "B"

Bid Opening: Tuesday, October 28, 2014 @ 2:00 P M

Irvine Ranch Water District Bid Summary For
EOCWD Interconnection Rehabilitation
PR 11799 (5401)

Entered By: J.K. Irej / Cody Cook

Item No	Description	Qty	Unit	Engineer's Estimate		1 Paulus Engineering Inc. Anaheim, CA		2 GCI Construction Inc. San Clemente, CA		3 S.S. Mechanical Corp. Huntington Beach, CA		4 R C Foster Corporation Corona, CA		5 T.E. Roberts, Inc. Orange, CA		6 Schuler Engineering Corona, CA	
				Price	Total Amount	Price	Total Amount	Price	Total Amount	Price	Total Amount	Price	Total Amount	Price	Total Amount	Price	Total Amount
				Unit	Unit	Unit	Unit	Unit	Unit	Unit	Unit	Unit	Unit	Unit	Unit	Unit	Unit
1	Mobilization, Demobilization, and Cleanup	1	LS	\$4,000.00	\$4,000.00	\$11,000.00	\$11,000.00	\$14,000.00	\$14,000.00	\$5,000.00	\$5,000.00	\$4,600.00	\$4,600.00	\$6,500.00	\$6,500.00	\$11,300.00	\$11,300.00
2	Civil and Mechanical Work - Materials and labor required for the replacement of two vault lids and the vault shafts, provide bollards in front of new control panel, paint piping and at grade vents, replace sump and sump grating, replace existing turbo-meter with owner provided magnetic meter and piping.	1	LS	\$40,000.00	\$40,000.00	\$56,650.00	\$56,650.00	\$43,000.00	\$43,000.00	\$65,085.00	\$65,085.00	\$64,500.00	\$64,500.00	\$47,000.00	\$47,000.00	\$116,000.00	\$116,000.00
3	Electrical Work - Materials and labor required to provide new PLC control panel with antenna, flow transmitter control panel with UPS, replace the existing service pedestal; clean interior circuit breakers; replace all wiring from control panel to vault and from PCE pedestal to new control panel; mandrel and reuse existing conduits and junction boxes; lighting, receptacles, two pressure transmitters, two solenoids on the valves, pressure gauges, intrusion switches and level switches.	1	LS	\$80,000.00	\$80,000.00	\$96,000.00	\$96,000.00	\$110,000.00	\$110,000.00	\$98,000.00	\$98,000.00	\$101,800.00	\$101,800.00	\$160,000.00	\$160,000.00	\$165,000.00	\$165,000.00
4	Record Drawings	1	LS	\$1,000.00	\$1,000.00	\$300.00	\$300.00	\$1,200.00	\$1,200.00	\$1,000.00	\$1,000.00	\$700.00	\$700.00	\$800.00	\$800.00	\$500.00	\$500.00
	Subtotal				\$125,000.00		\$163,950.00		\$168,200.00		\$169,085.00		\$171,600.00		\$214,300.00		\$292,800.00
	Adjustment (+ or -)				\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		-\$63,500.00
	TOTAL AMOUNT OF BID				\$125,000.00		\$163,950.00		\$168,200.00		\$169,085.00		\$171,600.00		\$214,300.00		\$229,300.00
	*Notes					Item Delivery Dates: 70 days - PLC Cabinet		Item Delivery Dates: 60-90 days - PLC Cabinet		Item Delivery Dates: 80 days - PLC Cabinet		Item Delivery Dates: 84 days - PLC Cabinet		Item Delivery Dates: 2 weeks (84 days) - PLC Cabinet		Item Delivery Dates: 77 days - PLC Cabinet	
	Paulus (apparent low bidder) Summary Total and Subtotal is \$1000.00 more than the Subtotal stated in their bid document. This does not impact the outcome of the bid - Paulus remains the apparent low bidder.					Manufacturers:		Manufacturers:		Manufacturers:		Manufacturers:		Manufacturers:		Manufacturers:	
						Soffa Electric		Square D Modicon - PLC Soffa Electric - Cabinet		Control Technologies		Square D Modicon		Control Technologies		Control Technologies	
						Subcontractors:		Subcontractors:		Subcontractors:		Subcontractors:		Subcontractors:		Subcontractors:	
						Leed Electric - Electrical		Leed Electric - Electrical		West & Sylvester Electrical - Electrical		National Coating & Lining - Painting		Beard Electric - Electrical		West & Sylvester Electric - Electrical	
								Oldeastle Precast - Vault, Shafts & Lids				Leed Electric - Electrical				National Coating & Lining - Painting	

November 10, 2014

Prepared by: R. Bennett/K. Welch *KW*

Submitted by: F. Sanchez/P. Weghorst *pmw*

Approved by: Paul Cook *Paul Cook*

CONSENT CALENDAR

STRAND RANCH RECOVERY FACILITIES PROJECT SREX-4 WELL REPLACEMENT FINAL ACCEPTANCE

SUMMARY:

Contractor Bakersfield Well and Pump (BWP) has completed the replacement of the defective SREX-4 well at the Strand Ranch Integrated Banking Project (Strand Ranch) and all associated corrective work. The project has received final inspection and acceptance of construction is recommended.

BACKGROUND:

In March 2014, the Board approved the Compromise and Release Agreement (Agreement) between IRWD and BWP for the replacement of the defective SREX-4 well at the Strand Ranch. BWP has completed the corrective work which included constructing and developing a new well adjacent to the existing site, relocation and installation of discharge piping, equipping the well and destruction of the defective well. Construction is complete and the project is ready for final acceptance by the Board.

Project Title:	Strand Ranch Recovery Facilities Project SREX-4 Well Replacement
Project No.:	11289-A (2812)
Design Engineer:	Kennedy Jenks
Construction Management by:	Dee Jaspar and Associates
Well Drilling Oversight:	Wildermuth Environmental
Contractor:	Bakersfield Well and Pump
Original Agreement Cost:	\$0
Final Agreement Cost:	\$0
Original Contract Days:	120
Final Contract Days:	165

FISCAL IMPACTS:

Per the Agreement, BWP accepted the costs of the corrective work related to the well replacement, relocation of discharge piping, equipping the well and destruction of the defective

well. Sufficient budget and expenditure authorization existed within Project 11289 (2812) to fund IRWD's share of the cost of design, well drilling oversight and construction management.

ENVIRONMENTAL COMPLIANCE:

A Final Environmental Impact Report (EIR) for the Strand Ranch Integrated Water Banking Project has been prepared, certified and the project approved in compliance with the California Environmental Quality Act (CEQA) of 1970 (as amended), codified at California Public Resources Code Sections 21000 et. seq., and the State CEQA Guidelines in the Code of Regulations, Title 14, Division 6, Chapter 3.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD ACCEPT CONSTRUCTION OF THE STRAND RANCH RECOVERY FACILITIES PROJECT SREX-4 WELL REPLACEMENT (11289-A), AND AUTHORIZE THE GENERAL MANAGER TO FILE A NOTICE OF COMPLETION.

LIST OF EXHIBITS:

None.

November 10, 2014

Prepared by: R. Bennett/K. Welch

Submitted by: F. Sanchez/P. Weghorst *PAW*

Approved by: Paul Cook *Paul Cook*

CONSENT CALENDAR

STRAND RANCH WELL OPTIMIZATION AND MONITORING PROJECT FINAL ACCEPTANCE

SUMMARY:

The Strand Ranch Well Optimization and Monitoring Project which included lowering the pumps and installing wellhead monitoring and remote telemetry equipment on seven Strand Ranch wells is complete. The contractor, Bakersfield Well and Pump (BWP) has completed the required work and all punch list items. The project has received final inspection and staff recommends acceptance of construction.

BACKGROUND:

In March 2014, the Board approved the Strand Ranch Well Optimization and Monitoring Project to lower the pumps and install wellhead monitoring and remote telemetry equipment at six of the Strand Ranch wells. In June 2014, the Board approved a change order to perform the work related to lowering the pump and installation of the wellhead telemetry equipment on the replacement Strand Ranch well SREX-4 which was being constructed under a separate agreement. BWP has completed the Strand Ranch Well Optimization and Monitoring Project as described below:

- Removed and installed existing vertical turbine pumps at lower pump settings and performing pump tests at the lower settings in Strand Ranch recovery wells SREX-1, SREX-2, SREX-3, SREX-4, SREX-5, SREX-6 and SREX-7;
- Constructed and installed perforated drop tubes on the pump suction in wells SREX-1 and SREX-2;
- Conducted a plumbness and alignment survey, initial and final video surveys and final disinfection for well SREX-6;
- Conducted brushing, bailing and pumping of well SREX-6; and
- Installed telemetry and instrumentation improvements at Strand Ranch recovery wells SREX-1, SREX-2, SREX-3, SREX-4, SREX-5, SREX-6 and SREX-7; and
- Completed the work related to the reconnection and start-up of well SREX-4.

Construction is complete and the project is ready for final acceptance by the Board.

Project Title: Strand Ranch Well Optimization and Monitoring Project

Project No.: 11794 (5272)

Design Engineer:	Kennedy Jenks
Construction Management by:	Dee Jaspar and Associates
Contractor:	Bakersfield Well and Pump
Original Contract Cost:	\$425,000.00
Final Contract Cost:	\$563,919.05
Original Contract Days:	140
Final Contract Days:	219

FISCAL IMPACTS:

Project 11794 (5272) was included in the FY 2014-15 Capital Budget. The existing budget and Expenditure Authorization are sufficient to fund the final payment for the project.

ENVIRONMENTAL COMPLIANCE:

This project is exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations Title 14, Chapter 3, Article 19, Section 15302 which provides exemption for replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity. A Notice of Exemption for the project was prepared and filed with the County of Orange and the County of Kern on March 11, 2014.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD ACCEPT CONSTRUCTION OF THE STRAND RANCH WELL OPTIMIZATION AND MONITORING PROJECT, PROJECT 11794 (5272); AUTHORIZE THE GENERAL MANAGER TO FILE A NOTICE OF COMPLETION; AND AUTHORIZE THE PAYMENT OF RETENTION 35 DAYS AFTER THE DATE OF RECORDING THE NOTICE OF COMPLETION.

LIST OF EXHIBITS:

None.

November 10, 2014

Prepared by: Tony Mossbarger

Submitted by: Cheryl Clary

Approved by: Paul Cook

CONSENT CALENDAR

ANNUAL FISERV ELECTRONIC COMMERCE SERVICES AGREEMENT EXTENSION

SUMMARY:

The District's Electronic Commerce Service Agreement with Fiserv (CheckFree) expired October 13, 2014. The agreement provides for distribution of customer bills in electronic format (eBills) and also provides services for on-line and on-demand electronic payments. Staff recommends renewal of the Fiserve Electronic Commerce Service Agreement for the period beginning October 14, 2014 and ending October 13, 2015. The renewal amount for this period is \$162,000.

BACKGROUND:

The District entered into an Electronic Commerce Services agreement with CheckFree Services Corporation, a subsidiary of Fiserv, in October, 2009. The initial term of the agreement was five years, with a clause that allows for subsequent one year extensions. The agreement covers electronic commerce services provided by Fiserv that include eBill distribution and archiving, on-line and on-demand payments, and customer use of the Biller Direct Hosted Version (BDHV) web portal. This portal is used by IRWD customers to access e-Bills, as well as schedule and make electronic payments.

The District currently has approximately 41,000 customers receiving eBills. Based on the District's total number of accounts, approximately 107,000, the number of customers participating in eBill is 38%. Compared to overall eBill customer participation in the utility industry, IRWD's participation rate is very favorable. The current customer eBill participation rate also contributes to approximately \$40,000 in annual savings on postage expense.

Staff does not recommend requesting proposals from an alternative service provider for electronic commerce services at this time due to the recent implementation of the Customer Care and Billing System (CC&B) which required extensive integration with Fiserv. Staff anticipates requesting proposals for electronic commerce services at a later date.

Staff recommends renewal of the Fiserve Electronic Commerce Service Agreement for the period beginning October 14, 2014 and ending October 13, 2015. The renewal amount for this period is \$162,000. The rate has not changed since the original contract was signed in 2009. The renewal amount is based on an estimate of the number of customers receiving ebills.

FISCAL IMPACTS:

The Fiserve Electronic Commerce Service Agreement is included in the approved FY 2014-15 operating budget.

Consent Calendar: Annual Fiserve Electronic Commerce Services
Agreement Extension
November 10, 2014
Page 2

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:


This item was reviewed by the Finance and Personnel Committee on November 4, 2014.

RECOMMENDATION:

THAT THE BOARD APPROVE RENEWAL OF THE FISERVE ELECTRONIC
COMMERCE SERVICE AGREEMENT EFFECTIVE OCTOBER 14, 2014 THROUGH
OCTOBER 13, 2015 IN THE AMOUNT OF \$162,000.

LIST OF EXHIBITS:

None.

November 10, 2014
Prepared by: T. Mossbarger/M. Tettermer/
F. Sanchez/C. Smithson
Submitted by: Cheryl Clary
Approved by: Paul Cook 

CONSENT CALENDAR

REVISIONS TO DISTRICT RULES AND REGULATIONS AND RATES AND CHARGES

SUMMARY:

Staff has compiled proposed changes to the District's Rules and Regulations for Water, Sewer, Recycled Water, and Natural Treatment System Service along with the Schedule of Rates and Charges. Staff recommends that the Board adopt resolutions making changes to water conservation and management practices, recycled water and courtesy billing adjustments as well as a change clarifying the schedule of sewer service charges for residential customers without changing any rate or charges.

BACKGROUND:

From time to time, staff proposes changes to its Rules and Regulations including its Rates and Charges. The proposed changes are included in the attached redlined document provided in Exhibits "A" and "B" and will be adopted by resolutions as provided in Exhibits "C" and "D", respectively.

Water Conservation and Management Practices:

The recommended changes to Section 4.16 removes references to outdated specific water efficiency codes and standards, and replaces them with references for compliance with the applicable codes and standards in effect at the time of service application. Additionally, the changes clarify the requirements for separate landscape meters for potable water service to ensure consistency with legal statute. Section 4.5.1, Water Service Connections, is updated to reference Section 4.16 regarding specific conditions requiring separate irrigation meters.

Recycled Water:

Several recommended changes related to the use of recycled water include:

- The need to periodically inspect/evaluate recycled water use sites for compliance with State and District requirements. These changes can be found in Sections 4.10.1, 5.3 and 8.2, and
- Removal of specific references to the types of on-site piping to be used. Instead of including these in the District's Rules and Regulations, staff provides direction in the District "Procedural Guidelines and General Design Requirements" which considers dual-plumbing requirements found in the California Plumbing Code. Changes to the Rules and Regulations can be found in Sections 4.10.5 and 4.10.

Courtesy Adjustments:

Changes are recommended for Section 12 as follows:

- Nonresidential Landscape Adjustments – removes the limitation on non-residential landscape adjustments to leak repairs only and allows other non-leak related landscape adjustments to be made at the District’s discretion, based on the request and supporting documentation provided by the customer. Changes to the Rules and Regulations can be found in Section 12.7.6, and
- Courtesy Adjustments – updates and simplifies the definition of courtesy adjustments for residential and non-residential customers and allows up to six months for application of retroactive adjustments. Changes to the Rules and Regulations can be found in Section 12.7.7.

Minor changes have also been included in the Rates and Charges schedule on page 21 which do not impact rates. The purpose of the recommended changes is to clarify the District’s sewer service charge schedule for residential customers and will be adopted by resolution.

Legal counsel has reviewed the proposed changes.

FISCAL IMPACTS:

None.

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 November 4, 2014.

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTIONS BY TITLE:

RESOLUTION NO. 2014-

RESOLUTION RESCINDING RESOLUTION NO. 2012-1
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.

RESOLUTION NO. 2014-

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE
RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
ADOPTING REVISIONS NOT MODIFYING SERVICE DELIVERY
CHARGES IN THE SCHEDULE OF RATES AND CHARGES
IN EXHIBIT "B" TO THE RULES AND REGULATIONS
OF IRVINE RANCH WATER DISTRICT FOR WATER,
SEWER, RECYCLED WATER, AND NATURAL
TREATMENT SYSTEM SERVICE

LIST OF EXHIBITS:

- Exhibit "A" - Redlined Proposed Rules and Regulations – Sept. 2014
- Exhibit "B" - Redlined Rates and Charges
- Exhibit "C" - Resolution Establishing Revised Rules and Regulations
- Exhibit "D" - Resolution Adopting Revisions Not Modifying Service Delivery
Charges in the Rates and Charges

RULES AND REGULATIONS
FOR WATER, SEWER,
RECYCLED WATER,
AND NATURAL TREATMENT SYSTEM SERVICE

Irvine Ranch Water District
Orange County, California

IRVINE RANCH WATER DISTRICT

RULES AND REGULATIONS FOR WATER, SEWER, RECYCLED WATER AND NATURAL TREATMENT SYSTEM SERVICE

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Exhibits

- A. Maps
 - A.1 Water Improvement Districts
 - A.2 Sewer Improvement Districts
 - A.3 Cities within IRWD Boundaries

- B. Rates and Charges for Water, Sewer, and Recycled Water Service (Separate Document)

IRVINE RANCH WATER DISTRICT

Section 1: GENERAL

Water, sewer, recycled water, and natural treatment system service by the Irvine Ranch Water District, subject to the availability of facilities, adequate capacity in facilities, or funds or financing for the construction thereof, or all of the foregoing, is available on the following terms and conditions including all charges hereinafter established and provided for. Service on the basis herein set forth is intended to be available to each member of the public or each segment of the public on the same basis to the extent applicants, owners, or customers are similarly situated and desire to be served and may be served in an equal and comparable manner.

The general areas presently included within the boundaries of the District and the existing Improvement Districts are as established by the Board from time to time and depicted on Exhibits A-1 and A-2 to these Rules and Regulations. Exhibits A-1 and A-2 hereto are by this reference incorporated herein and may be changed by the District from time to time. In such instances, revised Exhibits A-1 and A-2 or portions thereof will be substituted to these Rules and Regulations. Such Improvement Districts have been formed for the purpose of funding the construction and acquisition of facilities and capacities to provide water, sewer, and recycled water service. It is contemplated that additional Improvement Districts will be formed, as deemed proper by the Board, at a later date or that additional areas may be annexed, as determined by the Board, to the existing Improvement Districts or any Improvement Districts subsequently established within the District. Contracts with the District may also provide for the funding of construction and acquisition of facilities for water, sewer, recycled water or natural treatment system service. Such contracts require the construction of necessary facilities or the payment of the capital cost and annual cost of operating and maintaining such facilities.

The plans for facilities to be constructed within the District and each of the existing and future Improvement Districts are intended to be an integrated part of the District's Water Resources Master Plan, Sewer Master Plan, Natural Treatment System Master Plan, Sub-Area Master Plans; and addenda thereto, which are approved from time to time, hereinafter in some instances referred collectively to as "the Plan."

As it is the mandate of the State of California to effect conservation of water resources whenever possible, the Plan is also directed toward collecting, treating, and reclaiming sewage and wastewater and beneficially reusing the resulting recycled water.

It is the intent of the District that such recycled water be used in a manner that is in compliance with any and all applicable Federal, State, and local statutes, ordinances, regulations, and other requirements

If recycled water service is determined by the District to be feasible in accordance with Section 4.12, the applicant, owner or customer will be required to utilize recycled water service.

It is also the intent of the District, in cooperation with the County and Cities, to provide service in the treatment of urban runoff through the operation, maintenance and monitoring of constructed water quality wetlands and ~~bioretention~~bio retention cells, known as Natural Treatment Systems. Natural treatment systems shall be sited in various locations in the District, as outlined in the Natural Treatment System Master Plan or as determined by the District. Use of the natural treatment system for urban runoff treatment shall be subject to the requirements of these Rules and Regulations. The level of treatment provided shall be at the discretion of the District. Property owners and

IRVINE RANCH WATER DISTRICT

developers will be responsible for any urban runoff minimization or other best management practices that may be required by the County or Cities, notwithstanding the operation of the District's natural treatment systems.

The District constructs the facilities needed in concert with environmental and land use decisions. The District neither determines nor intends to determine or precipitate land use decisions or the accomplishment of any plans of development of various owners of undeveloped property within the District.

In most instances, the sewer service is available as herein provided only where the District is assured to its satisfaction that in perpetuity it will also be providing water service to the applicant, customer, or property owner or the successor thereto for which sewer service is desired.

Requirements set forth in these Rules and Regulations, including but not limited to applicable rates and charges, may be modified by special contract where, in the opinion of the district, unique circumstances exist.

Section 2: DEFINITIONS

For the purpose of these Rules and Regulations, the following terms, phrases, words, and their derivations shall have the meaning given below. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular number, and words in the singular include the plural number. The word "shall" is always mandatory and not merely directory.

- (1) AIR-GAP SEPARATION shall mean a physical break between a supply pipe and a receiving vessel. The air gap shall be at least double the diameter of the supply pipe, measured vertically above the top rim of the vessel, and in no case less than one inch.
- (2) APPLICANT shall mean any person, firm, corporation, association, or agency who desires to obtain water, sewer, recycled water or natural treatment system service from the District.
- (3) APPLICATION RATE shall mean the rate at which irrigation water, expressed in inches per hour, is applied to a DESIGN AREA.
- (4) APPROVED CHECK VALVE shall mean a check valve that seats readily and completely. It must be carefully machined to have free moving parts and assured water tightness. The face of the closure element and valve seat must be bronze, composition, or other non-corrodible material that will seat tightly under all prevailing conditions of field use. Pins and bushings shall be of bronze or other non-corrodible, non-sticking material, machined for easy, dependable operation. The closure element (e.g., clapper) shall be internally weighted or otherwise internally equipped to promote rapid and positive closure in all sizes where this feature is obtainable. *
- (5) APPROVED DOUBLE CHECK VALVE ASSEMBLY shall mean an assembly of at least two independently acting approved check valves including tightly closing shut-off valves on each side of the check valve assembly and suitable leak-detector drains plus connections available for testing the water tightness of each check valve. *
- (6) APPROVED REDUCED PRESSURE PRINCIPLE BACKFLOW PREVENTION DEVICE shall mean a device incorporating two or more check valves and an automatically operating differential relief valve located between the two checks, two shut-off valves, and equipped with necessary appurtenances for testing. The device shall operate to maintain the pressure in the zone between two check valves, less than the pressure on the District's water supply side of the device. At cessation of normal flow, the pressure between the check valves shall be less than the supply pressure. In case of leakage of either check valve, the differential relief valve shall operate to maintain this reduced pressure by

<p>* Devices used within the District shall be included on the list of devices approved by the Foundation for Cross-Connection Control and Hydraulic Research, University of Southern California.</p>

- discharging to the atmosphere. When the inlet pressure is two pounds per square inch or less, the relief valve shall be open to the atmosphere thereby providing an air gap in the device. To be approved, these devices must be readily accessible for maintenance and testing, and installed in a location where no part of the valve will be submerged. *
- (7) AUTOMATIC SYSTEM shall mean with reference to landscape irrigation systems; automatic controllers, valves, and associated equipment required for the programming of effective water application rates when using recycled water.
 - (8) AUXILIARY WATER SUPPLY shall mean any water supply on or available to the premises other than the District's potable water and recycled water supplies.
 - (9) BACKWATER DEVICE shall mean a unit that permits flow in lines normally under open channel flow conditions, such as sewers, to occur in one direction only by mechanically blocking the flow or by providing a pressure relief opening such that flow may not occur in the uphill direction, as approved by the District and local governing agencies.
 - (10) BUILDING SEWER - see "UPPER LATERAL."
 - (11) BOARD shall mean the Board of Directors of the District.
 - (12) COMMODITY CHARGE shall mean a charge imposed by the District for all water used by general metered, temporary, and agricultural customers; whether such water used is actually metered or only estimated.
 - (13) CONNECTION FEE shall mean a charge imposed by the District for obtaining water, sewer, recycled water or natural treatment system service from the District, including charges for capacity. The charge in no event shall be less than or on conditions other than as specified by the District or as required by any and all applicable Federal, State, or local statutes, regulations, ordinances, contracts, or other requirements. Connection fees are set forth in Exhibit B to these Rules and Regulations.
 - (14) CONSTRUCTION MANUAL shall mean the District's "Construction Manual for the Construction of Water, Sewer, and Recycled Water Facilities," as amended from time to time.
 - (15) CONTINGENCY PLAN is the Water Shortage Contingency Plan adopted by the District, as amended from time to time.
 - (16) CROSS CONNECTION shall mean any unprotected connection between any part of a water system used or intended to supply water for drinking purposes and any source or system containing water or substance that is

IRVINE RANCH WATER DISTRICT

not or cannot be approved as safe, wholesome, and potable for human consumption.

* Devices used within the District shall be included on the list of devices approved by the Foundation for Cross-Connection Control and Hydraulic Research, University of Southern California.
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- (17) CUSTOMER shall mean any person, firm, corporation, association, or agency who uses or desires to obtain water, sewer, recycled water and/or natural treatment system service from the District.
- (18) DESIGN AREA shall mean the specific land area or facilities designated to be served through on-site facilities when used in reference to recycled water systems.
- (19) DISTRICT shall mean the Irvine Ranch Water District.
- (20) IMPROVEMENT DISTRICT shall mean any of the Improvement Districts of the District existing or hereafter established.
- (21) INFILTRATION RATE shall mean the rate at which the soil will accept water, expressed in inches per hour, during the irrigation period.
- (22) IRRIGATION SYSTEM shall mean all equipment and materials required for applying irrigation water to the design area from the service connection including all piping, valves, sprinkler heads, and appurtenances.
- (23) LATERAL CONNECTION shall mean the point of connection of the customer's upper lateral with the lower lateral of the District.
- (24) LOWER LATERAL shall mean the District's facility between its collection system and the lateral connection, which shall normally be the exterior boundary of the easement or the street or access road right-of-way.
- (25) LOWER LATERAL CHARGE shall mean a charge imposed by the District for installation by the District of a lower lateral.
- (26) MANAGER or General Manager shall mean the General Manager of the District or the person authorized by the Board or the General Manager to act for him.
- (27) NATURAL TREATMENT SYSTEM shall mean the network of constructed water quality wetlands and ~~bioretention~~ bio retention cells providing treatment of urban runoff. Natural treatment systems are not flood control facilities.
- (28) NON-POTABLE WATER shall mean that water that has not been treated for human consumption in conformance with the standards referred to in the definition of POTABLE WATER, below, such as untreated imported water received from the Metropolitan Water District of Southern

IRVINE RANCH WATER DISTRICT

California, non-potable well water, and water collected in the District's reservoirs from natural runoff.

- (29) NON-RECYCLABLE SEWAGE shall mean any and all liquid or solid waste substance other than recyclable sewage emanating from within the District, including but not limited to liquid or solid waste substance from any production, manufacturing, or processing operation. Non-recyclable sewage shall include any liquid or solid substance that cannot be treated or disposed of by the then-existing facilities of the District's Reclamation Plant for the treatment or disposal of sewage by reason of the design thereof, applicable waste discharge or other requirements, actual or possible increased operation and maintenance costs, or possible damage to the District's facilities.
- (30) NON-RECYCLABLE WASTEWATER SEWERAGE FACILITIES shall mean facilities used in the collection of wastewater that is not to be treated for direct beneficial use or a controlled use that otherwise would not occur. Such non-recyclable wastewater sewerage facilities shall generally be limited to industrial and commercial wastes that would have a detrimental effect on the treatment processes of the reclamation plant and the resultant recycled water.
- (31) NTS DESIGN GUIDELINES shall mean the District's "Natural Treatment System Design Guidelines," as amended from time to time
- (32) OFFSITE FACILITIES shall mean facilities under the control of the District including but not limited to water, sewer, and recycled water pipelines, reservoirs, pumping stations, fire hydrants, manholes, valves, connections, supply interties, treatment facilities, natural treatment systems and other appurtenances and property up to the point of connection with the customer's facilities.
- (33) ONSITE FACILITIES shall mean facilities under the control of the applicant, owner, or customer including but not limited to residential, commercial, and industrial building water and sewerage systems, landscape irrigation systems, and agricultural irrigation systems. For water and recycled water service, the onsite facilities shall be those downstream of the service connection, which shall normally be the downstream end of the meter tailpiece.
- (34) ONSITE RECYCLED WATER SUPERVISOR shall mean a qualified person designated by a recycled water user and approved by the District. This person shall be knowledgeable in the construction and operation of onsite recycled water and irrigation systems and in the application of the guidelines, criteria, standards, and rules and regulations for recycled water.
- (35) PERMIT shall mean processed and approved application to and agreement with the District for service.
- (36) PERSON is any individual, firm, partnership, association, company, or organization of any kind.

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- (37) PLAN shall refer to the plans for facilities to be constructed within the District and each of the existing and future Improvement Districts are intended to be an integrated part of the District's Water Resources Master Plan, Sewer Master Plan, Natural Treatment System Master Plan, Sub-Area Master Plans; and addenda thereto, which are approved from time to time.
- (38) POTABLE WATER shall mean that water furnished to the customer which meets applicable local, state and federal standards for drinking water.
- (39) PRETREATMENT shall mean treatment that the district may require prior to permitting discharge of sewage into any District sewerage facility if necessary to insure compliance by the District with these Rules and Regulations and any and all applicable Federal, State, or local statutes, ordinances, regulations, contracts, or all of the foregoing, individually or collectively, or if determined by the District to be necessary to protect the facilities of the District from any possible present or future damage.
- (40) PROCEDURES GUIDE shall mean the District's "Procedural Guidelines and General Design Requirements," as amended from time to time.
- (41) PROPERTY OWNER or OWNER shall mean the holder of legal title, contract purchaser, or lessee under a lease with an unexpired term of more than one (1) year jointly with the holder of title.
- (42) RECLAMATION PLANT shall mean District treatment facilities that receive and treat wastewater for beneficial uses.
- (43) RECYCLABLE SEWAGE shall mean wastewater that can be treated and recycled by the District's facilities so as to be usable for beneficial purposes.
- (44) RECYCLED WATER shall mean disinfected tertiary recycled water which is produced by the treatment of wastewater by a District reclamation plant and is suitable for direct beneficial uses in accordance with California Administrative Regulations Title 22, Division 4, Chapter 3.
- (45) RECYCLED WATER DISTRIBUTION SYSTEM shall mean individually or collectively any recycled water facility or facilities which are installed by the District or financed, constructed, and dedicated to the District by an applicant, owner, or customer or which are the result of local initiative and financing in tracts and subdivisions, as well as commercial or industrial developments, and which are typically less than 6" in diameter. The District shall determine what facilities are part of a distribution system from time to time as necessary. The District's determination in this regard shall be final and conclusive.
- (46) RECYCLED WATER FACILITIES shall mean facilities used in the storage, pumping, and conveyance of recycled water. The term recycled water facilities may be used synonymously with the term irrigation water facilities in the context of references to the District's irrigation water system master plan.

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- (47) RECYCLED WATER SERVICE CONNECTION shall mean the point of connection of the customer's recycled water line with the recycled water service line of the District, which shall normally be the downstream end of the recycled water meter tailpiece.
- (48) RECYCLED WATER SERVICE LINE shall mean the District's facility between its recycled water distribution system and the recycled water service connection.
- (49) RECYCLED WATER SERVICE LINE CHARGE shall mean a charge imposed by the District for installation by the District of recycled water meters and service lines.
- (50) RECYCLED WATER TRANSMISSION MAINS shall mean recycled water lines and appurtenances typically 6" and larger purchased or constructed by the District with bond proceeds and/or capacity charges or those constructed by an applicant, owner, or customer subject in whole or in part to reimbursement. The District shall determine what facilities are recycled water transmission mains from time to time as necessary based on the currently adopted master plan and the terms and provisions of any reimbursement agreements. The District's determination in regard to these matters shall be final and conclusive.
- (51) RECORD DRAWINGS shall mean drawings that correctly show the completed facilities as constructed or modified (as-built).
- (52) RULES AND REGULATIONS shall mean these "Rules and Regulations for Water, Sewer, Recycled Water and Natural Treatment System Service," as amended from time to time.
- (53) SECURITY DEPOSIT shall mean monies required to be deposited with the District for the purpose of guaranteeing payment of monthly or bimonthly utility bills rendered for water, sewer, recycled water or natural treatment system service.
- (54) SELF-REGENERATIVE WATER SOFTENER shall mean a unit that in removing minerals from water produces a waste containing minerals in greater amounts than those in the influent water.
- (55) SEWER COLLECTION SYSTEM shall mean individually or collectively any sewer facilities which are financed, constructed, and dedicated to the District by an applicant, owner, or customer or which are the result of local initiative and financing in tracts and subdivisions, as well as commercial or industrial developments, and which are typically less than 12" in diameter. Sewer collection systems shall include dry sewers installed by developers prior to construction of trunk sewers. The District shall determine what facilities are part of a collection system from time to time as necessary. The District's determination in this regard shall be final and conclusive.
- (56) SEWER [SEWERAGE] FACILITIES shall mean any facilities used in the conveyance, pumping, and treatment of wastewater.

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- (57) SERVICE CHARGE shall mean a monthly or bimonthly charge established by the District from time to time for water, sewer, recycled water or natural treatment system service. This charge does not include the commodity charge for the consumption of water or recycled water.
- (58) SURCHARGE shall mean a charge imposed by the District for the provision of a special service not normally provided by the District, such as situations involving unusual quantity or quality requirements. This surcharge may include, but is not necessarily limited to, pumping surcharges.
- (59) TRUNK SEWERS shall mean sewer lines and appurtenances purchased or constructed by the District with bond proceeds and/or capacity charges or those constructed by an applicant, owner, or customer subject in whole or in part to reimbursement typically larger than 12" in diameter. The District shall determine what facilities are trunk sewers from time to time as necessary based on the currently adopted master plan and the terms and provisions of any reimbursement agreements. The District's determination in regard to these matters shall be final and conclusive.
- (60) UNAUTHORIZED DISCHARGE shall mean any release of recycled water that violates the Rules and Regulations or any applicable federal, state, or local statute, regulation, ordinance, contract, or other requirement.
- (61) UPPER LATERAL shall mean the line from the lateral connection to the building or improvements of the applicant, owner, or customer
- (62) URBAN RUNOFF shall mean dry and wet weather low flow runoff from urban spaces and small storm flow.
- (63) WASTEWATER shall mean waste and water, whether treated or untreated, discharged into or permitted to enter a District sewer.
- (64) WASTEWATER CONSTITUENTS AND CHARACTERISTICS shall mean the individual chemical, physical, bacteriological, and radiological parameters, including volume and flow rate and such other parameters that serve to define, classify, or measure the quality and quantity of wastewater.
- (65) WATER shall mean, in the general usage of these Rules and Regulations, potable water.
- (66) WATER DISTRIBUTION SYSTEM shall mean individually or collectively any water facilities which are financed, constructed, and dedicated to the District by an applicant, owner or customer or which are the result of local initiative and financing in tracts and subdivisions, as well as commercial or industrial developments. and which are typically less than 12" in diameter. Water distribution systems shall include all fire hydrants. The District shall determine what facilities are part of a distribution system from time to time as necessary. The District's determination in this regard shall be final and conclusive.
- (67) WATER FACILITIES shall mean any facilities used in the treatment, storage, pumping, and conveyance of water.

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- (68) WATER SERVICE CONNECTION shall mean the point of connection of the customer's building water line with the water service line of the District, which shall normally be the downstream end of the water meter tailpiece.
- (69) WATER SERVICE LINE shall mean the District's facility between its distribution system and the water service connection.
- (70) WATER SERVICE LINE CHARGE shall mean a charge imposed by the District for installation by the District of water meters, service lines, and connections for private fire protection facilities.
- (71) WATER TRANSMISSION MAINS shall mean water lines and appurtenances purchased or constructed by the District with bond proceeds and/or capacity charges or those constructed by an applicant, owner, or customer subject in whole or in part to reimbursement typically larger than 12" in diameter. The District shall determine what facilities are water transmission mains from time to time as necessary based on the currently adopted master plan and the terms and provisions of any reimbursement agreements. The District's determination in regard to these matters shall be final and conclusive.

Section 3: AREA SERVED

The Rules and Regulations pertain to water, sewer, recycled water and natural treatment system service to land or improvements, or both, lying within the boundaries of the District, unless specific provision is made by agreement with the District for service outside of such boundaries. If water, sewer, recycled water or natural treatment system facilities and/or capacity do not exist in the immediate area, the applicant, owner, or customer shall provide or finance such facilities and/or capacity. The owner of property outside of a then-existing Improvement District, which property has adequate water, sewer, recycled water and/or natural treatment system facilities and/or capacity or funds therefore, must cause all such facilities and/or capacity or funds to be transferred to the District.

Property not within the District and/or not within an Improvement District, and which is to be provided with service by the District, is subject to annexation to the District and/or Improvement District(s). Annexation to the District and/or Improvement Districts may, in turn, be subject to annexation to other agencies, such as Metropolitan Water District of Southern California, Municipal Water District of Orange County, Orange County Water District and/or Orange County Sanitation District, except as otherwise provided by agreement.

The District, at its discretion, may from time to time contract with an applicant, owner, or customer to initiate and pursue to completion the establishment of an Improvement District and the sale of bonds to provide the funds to construct the District facilities or capacity necessary for service to distribution or collection facilities that are required to be provided by the applicant, owner or customer as a condition of obtaining service from the District.

Section 4: GENERAL REQUIREMENTS

4.1 SERVICE CONDITIONS

Water, sewer and natural treatment system service shall be provided by the District only if a permit for such water, sewer and natural treatment system service is obtained in the manner hereinafter provided, unless otherwise determined by the Board. Furthermore, if the District has determined that recycled water shall be provided in accordance with the provisions of Section 4.12, such service shall be provided only if a permit for such recycled water service is obtained in the manner hereinafter provided, unless otherwise provided by the Board.

Water, sewer, recycled water and natural treatment system service shall be available only in accordance with the Rules and Regulations, as well as applicable federal, state, and local statutes, ordinances, regulations, and contracts, and other requirements including, but not by way of limitation, the California Water Code, and other state statutes and regulations imposed by the California Regional Water Quality Control Board - Santa Ana Region, and State and local health departments, as well as the terms of any service agreement and permit issued by the District. Any such permit may be revoked by the District and thereupon all such water, sewer, recycled water and natural treatment system service shall cease in the manner provided for in these Rules and Regulations (see Sections 7 and 14).

4.1.1 WATER SUPPLY SUFFICIENCY

In 2001, the California State Legislature enacted legislation to improve coordination between the water supplier and the city or county during the land use entitlement process for certain large-scale developments, to ensure that projected water supplies will meet the proposed project's water demands in addition to the water supplier's planned demands.

The California statutes enacted by this legislation include Water Code Section 10910 et seq. (the "Assessment Law"), which requires a water supply assessment in conjunction with the California Environmental Quality Act (CEQA) process, and Government Code Section 66473.7 (the "Verification Law"), which requires a water supply verification in conjunction with the tentative map approval process. The Assessment Law applies to subdivisions of more than 500 units and certain other categories of projects defined by the Assessment Law. The Verification Law applies to subdivisions of more than 500 units, subject to specified exemptions. The assessment and verification require a determination to be made by the District, based on the record, whether the District's currently available and under-development water supplies are sufficient to meet the demands of the project and the District's existing and planned uses over a 20-year projection during normal, single-dry and multiple-dry years. The applicant is responsible for completing the process established by the city or county, including required application submittals, to secure a water supply assessment and/ or water supply verification from the District if required for the applicant's project. A water supply assessment or verification does not entitle the project to water service or to any right, priority or allocation in any supply, capacity or facility, or affect the District's obligation to provide service to its customers or potential

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future customers. In order to receive service, the applicant must meet all of the applicable requirements of these Rules and Regulations.

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4.2 APPLICATION PROCEDURE

- (1) An application for water, sewer, recycled water and natural treatment system service must be made in writing, signed by the applicant, and the owner or customer, if they are not one and the same. The Manager in his discretion may provide an abbreviated form of application for permits when no unusual facts are determined in his discretion to exist. Other than specified above, the form of application shall be furnished by the District.
- (2) An applicant for sewer service may be required to obtain a discharge permit for use of the District's sewerage facilities in addition to the permit required for all applicants for sewer service. The conditions under which the above mentioned additional permit is required are based on quantities and constituents of wastewater discharged into the District's sewerage facilities. Section 7 herein sets forth these requirements. The applicant shall comply with all Federal and State requirements including, but not by way of limitation, any and all requirements of the Environmental Protection Agency and any commitments for reimbursements required by the Environmental Protection Agency in excess of the charges of the District. These requirements are set forth in the Federal Water Pollution Control Act and the Code of Federal Regulations, which by this reference are herein incorporated as though set forth in full.
- (3) The applicant for a water, sewer, recycled water or natural treatment system service permit under these Rules and Regulations must state thereon that he agrees to comply with the requirements of any and all applicable Federal, State, and local statutes, ordinances, regulations and other requirements.

The District may, at its discretion, require specific prior approval of any permit by any Federal, State, or local agency having jurisdiction over or an interest in the operation of the District's facilities.

- (4) Upon receipt of an application, the Manager shall review the application and make such investigation relating thereto as he deems necessary. The Manager may prescribe requirements in writing to the applicant as to the facilities necessary to be constructed, the manner of connection, the financial requirements, and the use of service including the availability of adequate water, sewerage, recycled water and natural treatment system facilities, and in cases of sewer service pretreatment facilities, if necessary, to insure initial and future continued compliance with the District's Rules and Regulations and any other applicable requirements.

Permits for water, sewer, recycled water and natural treatment system service and any connection for service made as provided in the permit issued under these Rules and Regulations pursuant to receipt of an application for such service shall be subject to the following conditions:

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4.3 PERMITS

- (1) The applicant shall adhere to requirements prescribed by these Rules and Regulations and to any additional requirements prescribed by the Manager or by the Board, or both, to insure compliance with the District's Rules and Regulations as to obtaining water, sewer, recycled water and natural treatment system service and as to characteristics, quality, and quantity of recyclable and non-recyclable sewage that the District is willing to receive into its facilities.
- (2) The applicant shall pay the specified fees and charges prior to the issuance of a permit. These charges are as set forth in Exhibit B and the respective portions thereof, which set forth applicable rates and charges of the District. Exhibit B hereto and the rates and charges provided for therein are by this reference incorporated herein and may be changed by the District from time to time. In such instances, a revised Exhibit B or a portion thereof will be substituted to these Rules and Regulations.

In instances where assessment bond proceedings provide facilities normally funded by connection fees or by a developer subject to reimbursement, such assessments shall be paid concurrent with the payment of such connection fees. The Board may defer in its discretion such payment of any such assessment bonds in instances when an interim nonresidential use is to occur.

- (3) By reason of circumstances beyond the control of the District, or in order to protect the facilities of the District, or for the protection of the public health, safety, and welfare of the residents or property owners of the District, service may be terminated under the conditions set forth below:
 - [a] Water, sewer, recycled water and/or natural treatment system service may be terminated on a temporary or permanent basis in the manner provided for in Section 7 or Section 14 herein at any time the applicant's, owner's, or customer's operations do not conform to the applicable requirements, as provided for herein.
 - [b] The District may terminate recycled water service on a temporary basis at any time recycled water at the terminal point of the District's reclamation plant does not meet the requirements of regulatory agencies, including those prescribed by the State of California, Administrative Code, Title 22, Chapter 4. Recycled water service will, in such case, be restored at such time that recycled water at the terminal point of the reclamation plant again meets the requirements of regulatory agencies or at such time that the District supplements the recycled water system from sources other than the reclamation plant.
- (4) The District shall not be liable for any damage by water or recycled water or otherwise resulting from defective plumbing, broken or faulty services, or water or recycled water mains; or resulting from any condition of the water or recycled water itself, or any substance that may be mixed with or be in the water or recycled water as delivered to any customer. All applicants for service connections or water or recycled water service shall be required to accept such conditions of pressure and service as are

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provided by the distribution system at the location of the proposed service connection and to hold the District harmless from all damage arising from low pressure or high pressure conditions or from interruptions of service.

- (5) The District shall not be liable for any damage by sewage or inadequate capacity, from defective plumbing, broken or faulty upper or lower laterals, sewers, or collection systems resulting from any conditions beyond the control of the District or otherwise.

4.4 SIZE, LOCATION, AND INSTALLATION OF SERVICE LINE OR LOWER LATERAL

4.4.1 Water and Recycled Water Service Lines

The District reserves the right to determine the size of the water and recycled water service lines, the service connections, and the meters and shall also have the right to determine the kind and size of backflow protection devices for potable water service, in accordance with Section 4.10, and any and all other appurtenances to the service. The water or recycled water service lines shall be installed to a curb line or property line of the customer's property, abutting upon a public street, highway, alley, easement, lane, or road (other than a freeway) in which are installed water and/or recycled water mains of the District.

4.4.2 Lower Lateral and Lateral Connections

The District shall determine and specify in the permit the size, location, and manner of installing the lower lateral. -Such design shall be in accordance with the District's Procedures Guide and Construction Manual. If a lower lateral is installed by the applicant, owner, or customer, the lower lateral joints shall remain exposed until they have been inspected and approved by the District. The size, slope, alignment, and materials of construction of the lower lateral and the methods to be used in excavating, placing of the pipe, jointing, testing, and backfilling of the trench shall conform to the District's Procedures Guide and Construction Manual. The size, slope, alignment, and materials of construction of the upper lateral and the methods to be used in excavating, placing of the pipe, jointing, testing, and backfilling of the trench shall conform to the applicable plumbing code(s) enacted and enforced by the cities of Irvine, Laguna Beach, Lake Forest, Newport Beach, Orange, Santa Ana, and Tustin, as well as by the County of Orange or its successor.

4.4.3 Natural Treatment System Design

The District reserves the right to give final approval of the design of natural treatment systems by developers. Such design shall be in accordance with the District's Procedures Guide, Construction Manual and NTS Design Guidelines.

4.5 LIMITATIONS ON SERVICE CONNECTIONS:

No permit shall be issued except on the following conditions:

4.5.1 Water Service Connections

- (1) Each residence and/or building under separate ownership must be provided with a single and separate water service connection and water meter except under special conditions as determined by the District. Except as provided below, two or more buildings under one ownership and on the same lot or parcel of land shall be supplied by a single water meter. A separate landscape irrigation meter shall be required for a property under certain conditions described in Section 4.16.
- (2) The District reserves the right to limit the number of buildings, such as apartments or the area of land under one ownership to be supplied by one water service connection and water meter.
- (3) Except for a condominium building, not more than one water meter for domestic or commercial supply shall be installed for one building, except under special conditions as determined by the District.
- (4) A water service connection and water meter shall not be used to supply adjoining property of a different owner, or to supply property of the same owner across a street or alley.
- (5) When property provided with a water service connection and water meter is subdivided, such connection and meter shall be considered as serving the lot or parcel of land that it directly or first enters. Additional water mains and/or service lines will be required for all subdivided areas in accordance with these Rules and Regulations.
- (6) All water used on any premises where a meter is installed must pass through the meter. Customers shall be held responsible and charged for all water passing through their meters.
- (7) Every water service shall be equipped with an angle curb stop or wheel valve on the inlet side of the meter; such valve or angle curb stop being intended exclusively for the use of the District in controlling the water supply through the water service line. If the curb stop or wheel valve is damaged by the customer's use to an extent requiring replacement, such replacement shall be at the customer's expense.
- (8) If the customer's rate of consumption results in excessive wear of the meter, or is such that the meter is unable to measure the flow of water accurately, the District may increase the size of the meter and require payment of the actual cost of installing the new meter.

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4.5.2 Lower Laterals

- (1) For single family detached unit residential development a separate and independent lower lateral shall be provided for every individual parcel or building under individual ownership.
- (2) For condominium developments the following minimum number of lower laterals shall be provided:
 - [a] Non Stacked: 1 lower lateral per every two units - 4" size
 - [b] 2 Story Stacked: 1 lower lateral per every four units - 6" size
 - [c] Multi-Story: 2 lower laterals per building - 6" size
- (3) For apartment developments the following minimum number of lower laterals shall be provided:

1 lower lateral per building - 6" size
- (4) The District reserves the right to limit the number of buildings or the area of land under one ownership to be connected to one lower lateral.
- (5) When property provided with a lower lateral is subdivided, such lower lateral shall be considered as serving the lot or parcel of land that it directly or first enters. Additional sewers and/or lower laterals may/will be required for all subdivided areas in accordance with these Rules and Regulations.

4.5.3 Recycled Water Service Connections

- (1) The District reserves the right to limit the area of land under one ownership to be supplied by one recycled water service connection and recycled water meter.
- (2) A recycled water service connection and recycled water meter shall not be used to supply adjoining property of a different owner.
- (3) When property provided with a recycled water service connection and recycled water meter is subdivided, such connection and meter shall be considered as serving the lot or parcel of land that it directly or first enters. Additional recycled water mains and/or recycled water service lines will be required for all subdivided areas in accordance with these Rules and Regulations.
- (4) All recycled water used on any premises where a meter is installed must pass through the meter. Customers shall be held responsible and charged for all recycled water passing through their meters.
- (5) Every recycled water service line shall be equipped with an angle curb stop or wheel valve on the inlet side of the meter; such valve or angle curb stop being intended exclusively for the use of the

District in controlling the recycled water supply through the recycled water service line. If the curb stop or wheel valve is damaged by the customer's use to an extent requiring replacement, such replacement shall be at the customer's expense.

4.6 RELOCATION OF WATER SERVICE LINE, LOWER LATERAL, OR RECYCLED WATER SERVICE LINE OR FIRE HYDRANT

Should a water service line, lower lateral, or recycled water service line or fire hydrant installed pursuant to the request of the applicant, owner, or customer be of the wrong size or installed at a wrong location; the cost of all changes required shall be paid by the applicant, owner, or customer. All water services, lower laterals, and recycled water services and fire hydrants provided prior to final street improvements shall be considered temporary and the costs for all repairs or changes required to be performed by the District shall be paid by the applicant, owner, or customer.

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4.7 ILLEGAL CONNECTIONS

No person shall make connection to the District's water, sewer, recycled water or natural treatment system facilities without a permit or except as provided in the permit issued by the District. Specifically, but not by way of limitation as to any connection to the District's sewerage facilities; no roof downspouts, exterior foundation drains, areaway drains, car wash pads not covered by a roof, or other sources of surface runoff or ground water shall be connected to a District sewer facility or to a building sewer or building drain that in turn is connected directly or indirectly to a District sewer facility.

4.8 METER TESTING

If a water or recycled water meter fails to register during any period or is known to register inaccurately, the customer shall be charged with an average daily consumption during the same month shown by the reading of the meter when in use and registering accurately. Any customer may demand that the meter through which water or recycled water is being furnished be examined and tested by the District for the purpose of ascertaining whether or not it is correctly registering the amount of water or recycled water being delivered through it. Such demand shall be in writing and shall be accompanied by a deposit equal to the charge for testing as determined by the District.

Upon receipt of such demand and deposit, the District will have the meter examined and tested and, if upon such test the meter shall be found to register over two percent (2%) more water than actually passes through it, the meter shall be properly adjusted or another meter substituted therefore, the deposit shall be returned, and the water or recycled water bill for the current month will be adjusted proportionately. If the meter should be found to register not more than two percent (2%) more water than actually passes through it, the deposit shall be retained by the District as the expense of making the test.

4.9 FIRE HYDRANTS

Fire hydrants connected to the District's mains are provided for the sole purpose of furnishing water to fight fires and shall be opened and used only by persons authorized by the District. In the event that the District authorizes the use of such hydrants for purposes other than extinguishing fire, such authorization shall be granted only through the procedures and provisions contained in Section 4.1 of these Rules and Regulations. Rates to be charged for water extracted from such hydrant for temporary construction use or other purposes shall be in accordance with the applicable schedule contained in Exhibit B to these Rules and Regulations.

| 4.10 WATER BACKFLOW PREVENTION

4.10.1 General

The purpose of these provisions is to protect the District's potable water supply against actual or potential cross-connections by isolating, within the premises, contamination or pollution that may occur because of undiscovered or unauthorized cross-connection on the premises. These provisions are in accordance with the California Administrative Code,

Title 17 (Public Health), entitled "Regulations Relating to Cross-Connections."

These provisions shall be in addition to and not in lieu of the controls and requirements of other regulatory agencies, such as local governmental agencies and local and State Health Departments. These regulations are intended to protect the District's potable water supply and are not intended to provide regulatory measures for protection of users from the hazards of cross-connections within their own premises. Notwithstanding these provisions, the District accepts no responsibility for cross-connections or resulting hazards or contamination.

The District has developed an active cross-connection control program with a Cross-Connection Control Inspector to administer the program. Any questions or notifications regarding these provisions or the program should be directed to the Inspector.

Backflow prevention devices, as required in these provisions, shall be provided installed, tested, and maintained by the applicant, owner, or customer at his expense. For specific materials and installation requirements, see the District's Procedures Guide and Construction Manual. The devices shall be located on the premises served and shall not be on the District's portion of the system. All devices shall be readily accessible for testing and maintenance and no device shall be submerged at any time.

When water service is initiated, the applicant must provide sufficient information, including plumbing and building plans, to enable the District to determine the level of backflow protection required. The proper backflow protection, as determined by the District, shall then be installed and inspected before water service is provided.

Each time there is a change of customer (either owner or tenant) on any commercial or industrial premise, the new or previous owner or customer shall notify the District immediately. The District will then reassess the level of protection required. Also, any alterations to existing onsite facilities that may affect the level of protection required must be reported immediately to the District.

From time to time, representatives of any health agency having jurisdiction and/or the District may conduct surveys-~~evaluations~~ of any premises where water service is provided by the District. The purpose of such surveys-~~evaluations~~ is to determine if any actual or potential cross-connections exist, if there are any unapproved uses, and to assess compliance with applicable laws and regulations. The applicant owner or customer shall provide reasonable cooperation in facilitating such survey~~evaluations~~.

Additional information concerning backflow prevention may be obtained from the "Manual of Cross-Connection Control," Foundation for Cross-Connection Control and Hydraulic Research, University of Southern California, School of Engineering.

4.10.2 Where Protection is Required

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Backflow protection for the District's potable water supply shall be provided on each water service connection to:

- (1) premises having an auxiliary water supply such as recycled or non-potable water. If the auxiliary water supply is approved for potable use by the public health agency having jurisdiction, backflow protection will not be required.
- (2) premises on which any substance is handled in such fashion that could permit entry into the water system. This shall include the handling of process waters and waters originating from the District's system that have been subject to deterioration in sanitary quality.
- (3) premises that have internal cross-connections, unless such cross-connections are abated to the satisfaction of the District and approved by the state or local health agency.
- (4) premises having intricate plumbing and piping arrangements or where not all portions of the premises are readily accessible for inspection purposes.
- (5) premises having a repeated history of cross-connections being established or re-established.

4.10.3 Type of Protection

The type of protection required is related to the degree of hazard that exists on the premises served. The type of protective device that may be required (listed in increasing level of protection) includes: Double Check Valve (DC), Reduced Pressure Principle Backflow Prevention Device (RPPD), and an Air Gap Separation (AG). The water user may choose a higher level of protection than required by the District. The minimum types required, relative to various situations shall be as required by California Administrative Regulations, Title 17, or to the extent not covered thereby, as determined by the District and/or health agency.

4.10.4 Inspection and Maintenance of Protective Devices

It shall be the duty of the water user on any premises on which backflow prevention devices are installed to have competent inspections made at least once a year, or more often in those instances where successive inspections indicate repeated failure. All inspections and testing shall be performed by a tester certified by the local health department. The devices shall also be tested immediately after they are installed, relocated or repaired and shall not be placed in service unless they are functioning as required.

The District will notify the applicant, owner or customers when routine testing is needed and also supply them with the necessary forms that must be filled out each time a device is tested or repaired. The notice will include the date when the test must be completed, generally 30 days after the date of the notice. The completed, original forms shall be returned to the District. Copies of the completed forms shall also be sent to the local health department. The applicant, owner or customer shall notify the District any time the device is repaired, replaced or relocated. A device shall be repaired or replaced by, and at the expense of the water user, whenever it is found to be defective. Records of all such tests and repairs shall be maintained by the water user. The District may request records regarding any backflow prevention device on the premises.

A device may be removed for repair or replacement, provided that (a) water use is discontinued until repair or replacement is completed and the device is returned to service, or (b) the service connection is equipped with other backflow protection approved by the District. A retest will be required following the repair or replacement of the device.

A device may be relocated following confirmation by the District that the relocation will continue to provide the required protection and satisfy installation requirements. A retest will be required following the relocation of the device.

4.10.5 Marking Safe and Unsafe Water Lines

Where the premises other than single-family residences contain dual or multiple water systems and piping, the exposed portions of pipelines shall be painted, banded, or marked at sufficient intervals to distinguish clearly which water is safe for drinking purposes and which is not safe. All outlets intended for drinking purposes shall be plainly marked to indicate that fact.

For single-family residences which have recycled water services provided, only those water outlets which serve non-potable water shall be marked with the words "Recycled Water - Do Not Drink."

For single-family residences which contain water systems, all potable water service piping shall all be ~~copper pipe and identified with tape as a potable waterline. All recycled waterlines shall be purple PVC pipe per district~~ designed and constructed in compliance with IRWD's Procedural Procedures Guidelines and General Design Requirements Guide.

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4.10.6 Reporting of Pollution or Contamination

In the event of contamination or pollution of the potable water system due to a cross-connection on the premises, the local health officer and District shall be promptly advised by the person responsible for the water system so that appropriate measures may be taken to mitigate the contamination or pollution.

4.10.7 Water Service Termination

When the District determines that water uses or conditions encountered by the District represent a clear and immediate hazard to the District's water supply that cannot be immediately abated, the District shall institute the procedure for discontinuing water use.

Conditions or water uses that create a basis for water service termination shall include, but are not limited to, the following:

- (1) Refusal to install a required backflow prevention device.
- (2) Refusal to test a backflow prevention device.
- (3) Refusal to repair a faulty backflow prevention device.
- (4) Refusal to replace a faulty backflow prevention device.
- (5) Direct or indirect connection between the District's water system and a sewer.
- (6) Unprotected direct or indirect connection between the District's water system and a system or equipment containing contaminants.
- (7) Unprotected direct or indirect connection between the District's water system and an auxiliary water system.
- (8) A situation which presents an immediate health hazard to the District's water system, as determined by the health agency or the District.
- (9) At single-family residences which contain water systems, the installation of any piping shall be in conformance with IRWD's Procedures Guide. ~~with recycled water service, the installation of any piping other than copper pipe for potable water service and/or purple PVC pipe for recycled water service, or any piping otherwise not in conformance with the requirements of the Procedures Guide and Construction Manual~~

For conditions 1, 2, 3, 4, or 9 above, the District will terminate service to a customer's premise as follows:

The District will notify the applicant, owner or customers when routine testing or corrective action is needed and also supply them with the necessary forms that must be filled out each time a device is tested or repaired. The notice will include the date when the test or corrective

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action must be completed, generally 30 days after the date of the notice. The completed, original forms shall be returned to the District. Copies of the completed forms shall also be sent to the local health department.

The applicant, owner or customer shall notify the District any time the device is repaired, replaced or relocated.

A second notice shall be sent to each water user who does not have their backflow prevention device tested or take other corrective action as prescribed in the first notice within the time allowed. The second notice will give the water user a 15-day period to have their backflow prevention device tested or take other corrective action.

If no action is taken within the 15-day period, then a third notice will be sent to the water user giving the water user a final 10-day period to have the device tested or take other corrective action.

If no action is taken within the 10-day period, then the District will notify the user that water service will be terminated and proceed to turn off the water until the device is tested and passes the test or other corrective action is taken and approved.

If no action is taken within the allowed time period, water service may be terminated in accordance with Section 14, ENFORCEMENT AND PENALTIES.

For conditions 5, 6, 7 or 8 above, the District will make reasonable effort to advise the water user of intent to terminate water service. Then, the District will terminate the water service and lock the service valve in the closed position. Water service will not be reinstated until correction of all violations has been approved by the District. Failure to correct the violations may result in permanent termination of water service in accordance with Section 14, ENFORCEMENT AND PENALTIES.

4.11 SEWER BACKFLOW PREVENTION

Residences and other buildings served by the District's sewerage facilities shall be protected from the backflow of wastewater in the lower laterals as herein provided. Drainage piping serving fixtures, the flood level rims of which are located below the rim elevation of the uphill manhole of the District sewer and above the crown level of the District main sewer, shall drain by gravity into the District main sewer and shall be protected from backflow of sewage by installing an approved type backwater device, and each such backwater device shall be installed only in that branch or section of the drainage system that receives the discharge from fixtures located below the elevation of the curb or property line.

Backwater devices required by this section shall be located where they will be readily and easily accessible for inspection and repair at all times and, unless continuously exposed, shall be enclosed in a watertight masonry pit fitted with an adequately sized removable cover.

The applicant, owner, or customer shall provide and maintain, at his expense, backwater devices and appurtenances as required in this section. Each such

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device shall be located on the property it protects and shall not be allowed in the public right of way.

4.12 USE OF RECYCLED WATER

4.12.1 Determination of Feasible and Authorized Uses

In accordance with the provisions of Section 1, the uses of recycled water may include, but not by way of limitation, landscape irrigation, agricultural irrigation, natural treatment system irrigation, construction water, industrial process water, cooling tower makeup water, water for flushing toilets and urinals, trap primers in dual-plumbed buildings, and public and private recreational impoundment. Each such use must be considered for approval by the District on a case-by-case basis, and the District may determine in its discretion whether it is feasible to furnish recycled water for the specific use involved. Prior to approving such uses, the District may, in its discretion, set forth specific requirements as conditions to providing such services and/or require specific prior approval from the appropriate regulatory agencies. The District's determination of feasibility will be based on the following factors:

- (1) Whether recycled water may be furnished for the intended use at a reasonable cost to the customer and the District;
- (2) Whether recycled water use is in accordance with the standards of treatment and water quality requirements set forth in Title 22, Chapter 4, of the Code of California Regulations and all other applicable federal, state and local laws and regulations;
- (3) Whether the use of recycled water can be made in a manner not detrimental to public health.

4.12.2 Requirement To Use Recycled Water

The District will identify customers who are located within the District's service area and within an area identified in the Plan as an area capable of receiving service from the District's recycled water system and will determine the feasibility of providing recycled water service to these customers. The District will also review applications for new permits to determine the feasibility of providing recycled water service to these applicants. If recycled water service is determined by the District to be feasible, applicants for new water service shall be required to install onsite facilities to accommodate both potable water and recycled water service in accordance with these Rules and Regulations. The District may also require existing customers to retrofit existing onsite water service facilities to accommodate recycled water service. Potential recycled water customers identified by the District that elect not to use recycled water that is available but can use recycled water in compliance with State and County regulatory requirements, these Rules and Regulations and can meet the criteria identified in Section 13550 of the California Code of Regulations, may be subject to the provisions in Section 4.12.5 of this document. Potential recycled water customers that believe recycled water cannot be used at their site shall provide written justification to support

their position. The District assumes identified customers meeting the above referenced criteria can use recycled water until or unless the potential recycled water customer can provide documentation otherwise. If the District's recycled water distribution system has not yet been extended to the vicinity of the customer's property, the District may require a written commitment from the customer to use recycled water when the extension has been made. A customer that does not provide a written commitment may be subject to the provisions in Section 4.12.6. If the District does not require the use of recycled water service, the customer may obtain recycled water service upon request but only if the District has determined that recycled water service to the customer is feasible and authorizes such use.

4.12.3 Installation Costs

Except as otherwise provided herein, when an existing customer is required by the District to convert to recycled water service, the customer will pay the reasonable capital costs of retrofitting the onsite water service facilities (as defined in Section 4.12.4.1) and the District will provide the offsite facilities necessary to deliver recycled water to the meter. Applicants for new or expanded water service shall be responsible for the full capital cost of onsite recycled water facilities and applicant-furnished offsite distribution facilities required as a condition of service pursuant to Section 5.

4.12.4 Process of Determination

The following describes the process by which the District will determine which potential recycled water customers may be served, contact by District, response by potential recycled water customers and appeal provision to the District's Board of Directors:

4.12.4.1 District staff will identify potential sites at which it believes recycled water may be used. Identified potential recycled water use sites must meet the following criteria:

- (1) Recycled water is served to an available location. "Available location" shall mean (1) the District's recycled water distribution system is in a street adjacent to the subject property, or (2) the District has notified a customer that if a written commitment to use recycled water has been received from the customer, the District will complete an extension of the distribution system to a street adjacent to the customer's property, and the customer has failed or refused to provide the written commitment, and any determination sought by the customer pursuant to 4.12.4.3 through 4.12.4.6 has become a final and non-appealable determination that recycled water use is feasible;
- (2) The District can provide recycled water in the needed volume, quality, pressure and flow rate;
- (3) The anticipated use(s) at the subject site are allowed for in Title 22 of the California Code of Regulations;

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- (4) The construction/retrofit can be accomplished in compliance with Federal, State, County and District requirements;
- (5) The anticipated use(s) will not negatively impact public health;
- (6) The use of recycled water will not diminish water rights; and
- (7) Recycled water is available at a reasonable cost, meaning:
 - [a] The commodity cost for recycled water is less than the commodity cost for a like quantity of non-interruptible potable water; and
 - [b] The net customer cost of facilities and appurtenances required to be installed can be amortized by the difference in potable and recycled water rates over a period of not more than one-hundred and twenty (120) months.

4.12.4.2 District will contact potential recycled water use site representative to discuss the use of recycled water.

4.12.4.3 Potential recycled water customers shall respond to District inquiries as to its ability to use recycled water. Customer and IRWD shall engage in dialogue to determine if recycled water can be used. At the completion of dialogue, the potential recycled water customer shall have ninety (90) calendar days to indicate its intent regarding the use of recycled water. If recycled water can be used, the customer shall work with the District toward the successful introduction and use of recycled water including obtaining regulatory approvals. If, according to the customer, recycled water cannot be used, customer shall provide written documentation to the General Manager to support their position.

4.12.4.4 District staff will review documentation provided by customer supporting why recycled water cannot be used.

- (1) In the case of potential customers that provide sufficient evidence as to why recycled water cannot be used, District shall consider the matter closed; or
- (2) In the case of potential customers that elect not to respond to District inquiries or do not provide documentation as to why recycled water cannot be used, the General Manager or designee shall report those occurrences to the Water Resources Policy and Communications Committee. With Water Resources Policy and Communications Committee approval, the General Manager or designee shall send a certified letter to the potential recycled water customer urging contact with the District to continue meaningful dialogue regarding the potential use of recycled water. The potential recycled water customer shall have thirty (30) calendar days in which to contact the District. If the potential recycled water customer does not respond within thirty (30) calendar days, a second certified letter will be sent notifying the potential recycled

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water customer that the billed per Section 4.12.5 of this document beginning sixty (60) calendar days after notification.

4.12.4.5 The potential recycled water customer who contends recycled water is not feasible based on criteria described in Sections 4.12.4.1 may appeal to the General Manager by filing a written appeal within thirty (30) calendar days of the date of the notice described in Section 4.12.4.4. The General Manager shall consider the information provided and respond within thirty (30) calendar days to the potential recycled water customer.

4.12.4.6 The decision of the General Manager may be appealed to the Board of Directors in writing filed with the District Secretary within thirty (30) calendar days of the General Managers decision. The Board of Directors will conduct a hearing to consider the appeal at the next regularly scheduled Board meeting. The decision of the Board of Directors shall be transmitted in writing to the potential recycled water customer within thirty (30) calendar days of the hearing. The decision of the Board of Directors is final.

4.12.5 Recycled Water Non-Conforming Use Billing Rate

For potential recycled water customers that elect not to comply with section 4.12.2 of this document (“Requirement to Use Recycled Water”) and fail to provide reason(s) why recycled water cannot be used, all metered potable water use at the site that could otherwise be served with recycled water shall be billed at the applicable potable water rate plus the “non-conforming use” rate until the site is converted or acceptable justification as to why the recycled water cannot be used is provided. No refunds will be provided unless a justification is accepted by the District.

4.12.6 Potential Recycled Water Customer Non-Participation/Non-Cooperation

Potential recycled water customers identified and contacted by the District that elect not to use recycled water or are not cooperating with the District as defined in Section 4.12.4 of this document, will be billed as defined in Section 4.12.5 of this document. In cases where the potential recycled water customer elects not to pay their bill, that customer will be subject to the provisions in Section 1.20 (“Delinquency and Service Restoration Charges”) of the District’s prevailing “Schedule of Rates and Charges.”

4.12.7 Termination of Prior Recycled Water Service

If an end user that was previously accepting recycled water elects to suspend or terminate delivery of recycled water and use potable water for reasons other than those identified in Section 4.12.4 of this document, that end user may be subject to the provisions in Section 4.12.6.

4.13 SCHEDULING RECYCLED WATER; SUPPLY OF OTHER WATER TO RECYCLED WATER DISTRIBUTION SYSTEM

Recycled water shall be used in compliance with District’s “Procedural Guidelines and General Design Requirements.” The District reserves the right to control and schedule the use of recycled water if, in the opinion of the Manager or

his designated representative, scheduling is necessary for purposes including, but not limited to, the maintenance of an acceptable working pressure in the recycled water system and providing for reasonable safeguards in relation to public health. Guidelines for such scheduling shall be as deemed appropriate by the Manager or his designated representative. The District reserves the right to supply potable or non-potable water to the District's recycled water distribution system from time to time, as the Manager or his designated representative determines to be necessary or useful to augment the recycled water supply to such system. The supply of such other water to the system shall be at the District's discretion and shall not change the rates or charges billed for recycled water service nor relieve any recycled water customer of the applicable requirements of the Rules and Regulations, including but not limited to Section 6.2.2.

4.14 EMERGENCY CONNECTIONS TO RECYCLED WATER SYSTEM

If in the opinion of the District, an emergency exists whereby in all or a portion of the recycled water system recycled water is not available, the Manager may approve a temporary connection to the potable water system. Before such temporary connection is made, the portion without recycled water shall be isolated by an air gap separation from the remainder of the recycled water system either at individual services or on the offsite system, as determined by the District and an approved backflow prevention device or devices of the type determined in accordance with Section 4.10 herein, shall be installed on the potable water line or lines in accordance with these Rules and Regulations and any and all applicable rules and regulations of the State and local health departments. Before the emergency connection or connections shall be removed, whether onsite or offsite, the customer shall notify the District's cross-connection department. This emergency connection or connections shall be removed before connection is re-established to the remainder of the recycled water system.

4.15 RESPONSIBILITY FOR MAINTENANCE

4.15.1 Water and Recycled Water

The applicant, owner, or customer is responsible for maintaining all onsite facilities that are under the ownership of parties other than the District.

4.15.2 Sewer - Single Family Units

The applicant, owner, or customer is responsible for maintenance of the upper lateral and lower lateral. Any upper lateral or lower lateral shall be cleared and cleaned by the applicant, owner, or customer at his own expense. The upper lateral is the responsibility of the owner to repair or reconstruct. The lower lateral is the responsibility of the District to repair or reconstruct.

4.15.3 Sewer - Multi-Dwelling Units (Condominium Complexes and Townhomes)

Maintenance of onsite sewer main lines shall be the responsibility of the District up to the main line cleanout or last manhole. In order to qualify for such maintenance, these facilities must be fully dedicated to the District, including proper easements, and approved by the Manager or his

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designee. All laterals upstream of the main line are the responsibility of the applicant, owner or customer to maintain, repair, or reconstruct

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4.15.4 Sewer – Commercial and Industrial Properties

If the property has a single sewer lateral connection, the applicant, owner, or customer is responsible for maintenance of the upper lateral and lower lateral. Any upper lateral and lower lateral shall be cleared and cleaned by the applicant, owner, or customer at his own expense. The upper lateral is the responsibility of the owner to repair or reconstruct. The lower lateral is the responsibility of the District to repair or reconstruct.

If the property has an onsite sewer collection system, the maintenance of onsite sewer main lines shall be the responsibility of the District up to the main line cleanout or last manhole. In order to qualify for such maintenance, these facilities must be fully dedicated to the District, including proper easements, and approved by the Manager or his designee. All laterals upstream of the main line are the responsibility of the applicant, owner, or customer to maintain, repair, or reconstruct.

4.15.5 Obstruction of or Deposit of Material in Meter Boxes or Hydrants

No person shall place, dispose, or deposit or permit the placement, disposal or deposit of oil, toxic, hazardous or contaminated liquid or waste, trash, dirt, building materials or other substances, objects or obstructions in, on or around meter boxes, and it shall be the responsibility of each applicant, owner, or customer to prevent meter boxes, District hydrants or other District facilities from becoming obstructed or obscured by such applicant, owner, or customer's trees, shrubs, plants or in any other manner so as to impede their use or access to them or make their location difficult to determine.

If such substances, objects or obstructions are not cleaned and removed or are permitted to obscure or impede such facilities, the District may, after providing reasonable notice to the applicant, owner or customer, accomplish the cleaning and removal and charge the applicant, owner or customer for the cost of doing so.

4.15.6 Natural Treatment Systems

The developer shall be responsible for the establishment and maintenance of the natural treatment system as specified in the Procedures Guide and the NTS Design Guidelines .

4.16 WATER CONSERVATION AND MANAGEMENT PRACTICES

As stated in Section 1 herein, it is the desire of the District to effect conservation of water resources whenever possible, such measures being consistent with legal responsibilities to utilize the water resources of the State of California and the District. Without limiting standards that may otherwise apply pursuant to Section 4.1, facilities and fixtures shall meet the applicable water efficiency standards referenced in this section.

Facilities for irrigation of new or existing parks, median strips, landscaped public areas or landscaped areas, lawns, or gardens surrounding single-family homes, condominiums, townhouses, apartments, and industrial parks shall be designed

and installed in such a way as to conserve water, and meet or exceed the water efficiency requirements of any applicable local or State standards.

After January 1, 2008 a separate landscape meters shall be required to provide new water service to serve a propertyies with more than 5,000 square feet of landscape irrigated with potable water. This provision does not apply to single family residential connections, agricultural crops or landscape, or where water service has previously been provided.

Recycled water is considered a water resource by the District, therefore, the same restrictions shall apply for all uses of recycled water as for potable water.

Rate and extent of application of water shall be controlled by the user so as to minimize run-off from the irrigated areas.

All plumbing fixtures installed shall meet or exceed the applicable standards in effect at the time of service application.

~~All water closets installed after January 1, 1994 must flush with 1.6 gallons of water or less.~~

4.17 INTERIM WATER SERVICES

4.17.1 General

The District's potable water system has been master planned to serve the ultimate needs of residential, commercial, and industrial developments in the District's service area. Design and construction of facilities are phased in unison with the above mentioned developments. However, the District will provide service for interim uses whenever possible, although such uses shall be subject to the conditions set forth herein.

4.17.2 Temporary Service Connections

- (1) Temporary service connections are primarily installed for the convenience and use of individuals, contractors, and companies during construction work. However, they are not limited to construction purposes but may be installed for any use.
- (2) The Contractor or other person applying for a meter or meters shall be held responsible for loss or damage to the meter from the time it is installed until it is removed, or until 48 hours after notice in writing has been given the District that the contractor or other person is finished using the meter.
- (3) Flows through a 2 1/2 inch or larger temporary service fire hydrant meter shall be limited to a maximum of 250 gallons per minute, unless otherwise authorized in writing at the time of application. Any deliberate attempt on the part of the applicant or user to increase the flow is just cause for the District to discontinue service.
- (4) The District reserves the right to interrupt service without notice if such usage is causing pressure in the system to drop below an acceptable range.
- (5) Each temporary service customer shall make every attempt to maintain a constant flow through the meter. To achieve this requirement, the customer may be required to provide and install a storage facility (construction tank, small interim reservoir, etc.), approved by the District, in conjunction with the meter.
- (6) When using fire hydrants for temporary service connections, no more than one outlet per hydrant shall be used for this purpose; however, the use of siamese fittings approved by the District is acceptable provided that the additional flow does not significantly impair pressures in the distribution system.
- (7) The maximum duration of time a temporary service may be applied for is six months. At the conclusion of six months, the customer may reapply for service, subject to approval from the District.

4.17.3 Agricultural Service Connections

- (1) The District reserves the right to regulate agricultural users without notice if pressures in the distribution system drop below the minimum acceptable range. The District reserves the right to interrupt agricultural service at any time without notice if such usage is causing pressures in the system to drop below a minimum acceptable range. When pressure is resumed to an acceptable range for a reasonable period of time, all regulated agricultural services will be returned to their requested flows. Repeated occurrences of pressures dropping below a minimum acceptable

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range may result in permanent discontinuation by the District of the agricultural user's service upon 30 days, notice.

- (2) All requests for water and recycled water for agricultural purposes must be made 24 hours in advance of the intended use. Only authorized District personnel will set and adjust flows from all agricultural service connections.
- (3) Water and recycled water for agricultural use shall be delivered at a constant rate.
- (4) All changes in flows will be made between the hours of 7:00 a.m. and 3:00 p.m. All changes in flow shall be requested prior to 10:00 a.m. the day prior to the intended change.

Section 5: FACILITIES DESIGN AND CONSTRUCTION

5.1 GENERAL

All offsite water, sewer, recycled water and natural treatment system facilities and all onsite recycled water facilities shall be designed and constructed according to the requirements, conditions, and standards set forth in the Procedures Guide and Construction Manual which document is on file at the office of the District, and by this reference is incorporated herein.

The recycled water system, including both offsite and onsite facilities, shall be separate and independent of any potable water system.

Any required backflow prevention devices on potable water services and flow or pressure control devices shall be downstream of the meter and provided by the applicant, owner, or customer at his expense.

5.2 OFFSITE WATER, SEWER, RECYCLED WATER FACILITIES

Any water distribution, sewage collection, recycled water distribution system facilities determined by the District to be required to provide service within developments of the property within the District shall be provided by the applicant, owner, or customer at his expense.

Plans and specifications for all water distribution, sewer collection, recycled water distribution facilities shall be submitted to and approved by the District in advance of construction.

The District will assume responsibility for providing water, sewer, and recycled water service to the point of connection (individual lots for residential water and sewer service and residential yard recycled water irrigation service) of such development upon transfer to the District of title to all facilities in the required systems and any necessary easements therefore. All easements shall be in a form acceptable to the District and not subject to outstanding obligations to relocate such facilities or any deeds of trust, except in instances where such is determined by the Board or the Manager to be in the best interests of the District.

Modification or relocation of the meter or other facility which results in nonconformance with applicable provisions of these Rules and Regulations, the Procedures Guide or the Construction Manual is prohibited and shall be corrected at the expense of the applicant, owner, or customer. Upon failure or refusal of the applicant, owner or customer to make such correction, the District may, after providing reasonable notice to the applicant, owner or customer, make the correction and charge the applicant, owner or customer for the cost of doing so.

5.3 ONSITE RECYCLED WATER FACILITIES

Any onsite recycled water facility shall be provided by the applicant, owner, or customer at his expense. The applicant, owner, or customer shall retain title to all such onsite facilities.

Onsite recycled water facilities, in addition to conforming to the Procedures Guide and Construction Manual shall conform to local governing codes, rules, and regulations. The Cities of Costa Mesa, Irvine, ~~Laguna Beach~~Lake Forest, Newport Beach, Orange, Santa Ana, and Tustin, and the County of Orange shall have authority over materials, equipment, design, and construction methods used for onsite recycled water facilities within their jurisdiction, provided that when the District's Procedures Guide and Construction Manual require a higher quality material, equipment, design or construction method than that required by the above local governing codes, rules, and regulations, the District's Procedures Guide and Construction Manual shall be controlling.

Plans and specifications and record drawings shall be prepared and submitted to the District in accordance with the Procedures Guide and Construction Manual. Plans and specifications must be approved by the District prior to commencing construction. Prior to commencement of service to any onsite system using recycled water, record drawings shall be provided and approved and the installed system shall be tested under active conditions to ensure that the operation is in accordance with the intent of these Rules and Regulations.

In accordance with Section 1 herein, in those areas where recycled water is not immediately available for use when the design area is ready for construction, and if the District has determined that recycled water will be supplied in the future, the onsite facilities shall nevertheless be designed to use recycled water. Provisions shall be made and these Rules and Regulations followed to allow for connection to the recycled water facilities when they become available. In the interim, potable domestic water will be supplied to the recycled water facilities through a temporary potable meter connection. A backflow preventer of the type determined in accordance with Section 4.10 herein will be required as long as the onsite facilities are using potable water. The backflow preventer shall be downstream of the meter and shall be a part of the onsite facilities. The District will remove the backflow preventer and will make the connection to the onsite facilities when recycled water becomes available.

5.4 NATURAL TREATMENT SYSTEM FACILITIES

Natural treatment systems that are designated as capital facilities shall be designed and constructed by the District. All other natural treatment systems shall be designed, constructed and established by the developer in accordance with the District's Procedures Guide and the NTS Design Guidelines.

Plans and specifications for developer-constructed natural treatment systems shall be submitted to and approved by the District in advance of construction.

5.5 CONVERSIONS OF EXISTING FACILITIES FOR RECYCLED WATER

Where it is required pursuant to Section 4.12.2 that any existing water system be converted to a recycled water facility, a comprehensive investigation shall be performed by or for the District. The facilities to be converted to recycled water use shall be investigated in detail, including review of any record drawings, preparation of required reports, and determinations by the District of measures necessary to bring the system into full compliance with these Rules and Regulations for recycled water service including, but not limited to Section 5.3 thereof and the District's Procedures Guide and Construction Manual. No potable

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water facilities shall be connected to or incorporated in the recycled water system that have not been approved for recycled water service by the District.

5.6 ALTERNATE FINANCING FOR AFFORDABLE AND/OR LOW INCOME HOUSING PROJECTS

5.6.1 Request for Public Financing

If property within the District for which water, sewer and/or recycled water service is requested will include not less than ten percent of the units as affordable and/or low income housing units as herein defined or has been designated by the City of Irvine, County of Orange, or other such entity for land use which requires that a portion of the units being developed shall be affordable and/or low income housing units as herein defined, any such applicant, owner or customer when requesting water, sewer and/or recycled water service for such property may request the District to initiate proceedings pursuant to applicable laws to form a special assessment district for the purpose of publicly financing the offsite and onsite water, sewer and/or recycled water facilities necessary to serve said development as well as any assessable portion of the future capital costs which will be incurred by or benefit the initial property owners at the time of connection to said facilities. The proposed assessment district shall include all of the area eligible for alternate financing as provided for in this Section 5.5.1 and such other area logically served by the facilities as determined by the District in its discretion. This proviso is intended to include the affordable and/or low-income housing units as well as the market rate units for which service is requested pursuant to this Section 5.5.1.

5.6.2 Initiation of Public Financing

Upon receiving a request pursuant to Section 5.5.1, the District shall, unless it makes the findings set forth in Section 5.5.3, initiate proceedings pursuant to applicable laws to form a special assessment District for the purpose of publicly financing the offsite and onsite water, sewer and/or recycled water facilities necessary to serve said development as well as any assessable portion of the future capital costs which will be incurred by or benefit the initial property owners at the time of connection to said facilities.

5.6.3 Refusal to Initiate Public Financing

The District may deny a request made pursuant to Section 5.5.1 only after notice and a public hearing and only if it finds that such assessment district financing is no longer consistent with sound municipal financing practices or is not economically feasible for the particular project. If other means of such alternate financing are available and are consistent with sound municipal financing practices, such other means of financing shall be implemented by the District. In making a finding under this Section 5.5.3, the District shall render a written decision which identifies the evidence it relied upon and the reasons supporting its decision.

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5.6.4 Time for Acting on Request

The District shall act upon a request made pursuant to Section 5.5.1 within 60 days of the receipt of the request.

5.6.5 Affordable and/or Low Income Housing

"Affordable and/or Low Income Housing" as used herein shall have the same meaning as used in the housing element adopted pursuant to Government Code Section 65580 of the governmental agency having jurisdiction over the zoning of any given development.

5.6.6 Off-Site Facilities

"Off-Site Facilities" as used herein shall mean other than in-tract facilities which are not paid for by the District pursuant to its Rules and Regulations from general obligation bonds or otherwise.

5.6.7 Coordination with Other Agencies

When possible, in the event that District agrees to initiate proceedings pursuant to Section 5.5.1, the District will attempt to coordinate such proceedings with similar proceedings initiated by another agency or other agencies having jurisdiction over other aspects of the infrastructure required for the development such as, but not by way of limitation, streets, lighting, open space, sidewalks, and curbs.

Section 6: FACILITIES OPERATION

6.1 OFFSITE WATER, SEWER, RECYCLED WATER AND NATURAL TREATMENT FACILITIES

Operation and surveillance of all of the District's offsite water, sewer, recycled water and natural treatment system facilities, including, but not limited to, water, sewer, and recycled water pipelines, reservoirs, pumping stations, fire hydrants, manholes, valves, connections, supply interties, treatment facilities, and other appurtenances and property up to and including the District's meter, shall be under the management and control of the District. No other persons except authorized employees and/or representatives of the District shall have any right to enter upon, inspect, operate, adjust, change, alter, move, or relocate any portion of the foregoing or any of the District's property. In the event that such should occur, all charges and penalties shall be applicable and collected. Such action shall also be in violation of any and all applicable federal, state, and local statutes, ordinances, regulations, and other requirements.

6.2 ONSITE FACILITIES

6.2.1 General

The operation and surveillance of onsite water distribution, sewer collection, and recycled water distribution facilities are the responsibility of the applicant, owner, or customer.

6.2.2 Onsite Recycled Water Facilities

The operation and surveillance of all onsite recycled water system facilities using the District's recycled water, shall be under the management of an "Onsite Recycled Water Supervisor" designated by the applicant, owner, or customer and approved by the District.

If there is a non-resident owner, a local Onsite Recycled Water Supervisor shall be appointed. For single-family residences which have a recycled water service connection, the owner shall be considered to be the designated "Onsite Recycled Water Supervisor" unless otherwise indicated on the application for the service connection request. In the event that someone other than the owner is designated as the "Onsite Recycled Water Supervisor" and this person is no longer associated with the property, the owner shall again be considered the "Onsite Recycled Water Supervisor" until written notification is made to the District. The District shall furnish the name of the Onsite Recycled Water Supervisor to the Regional Water Quality Control Board and State and County Health Departments at least 30 days prior to commencing service.

However, pursuant to Section 8.2 of these Rules and Regulations, the Manager or authorized representatives of the District shall monitor and inspect the entire recycled water system, including onsite and offsite facilities, and for these purposes shall have the right to enter upon the customer's premises during reasonable hours.

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The Onsite Recycled Water Supervisor shall be responsible for the installation, operation, and maintenance of the onsite recycled water system, enforcing applicable requirements of the District's permits, preventing potential hazards related to such system, maintenance of the system plans in "as-built" form, and distribution of recycled water in accordance with applicable laws and permits held by the District.

In particular, but not by way of limitation, the Onsite Recycled Water Supervisor shall have the following responsibilities in relation to operation of onsite facilities:

- (1) To make sure that all operations personnel are trained and familiarized with the use of recycled water.
- (2) To furnish their operations personnel with maintenance instructions, controller charts, and record drawings to ensure proper operation in accordance with the onsite facilities design and these Rules and Regulations.
- (3) To prepare and submit to the District one (1) set of record drawings.
- (4) To notify the District of any and all updates or proposed changes, modifications, or additions to the onsite facilities, which changes shall require approval by the District and shall be designed and constructed according to the requirements, conditions, and standards set forth in the District's and set forth in these Rules and Regulations, including but not limited to Section 5.3 thereof. In accordance with the above referenced requirements, conditions, and standards changes must be submitted to the District for plan check and approval prior to construction. The construction shall be inspected by the District, and revised record drawings and controller charts shall be approved by the District. The District may, if it deems such to be in the best interest of the District, waive or modify any of the foregoing.
- (5) To ensure that the recycled water facilities remain in accordance with these Rules and Regulations including the District's Procedures Guide and Construction Manual. For example, but not by way of limitation, as stated in the design criteria section of the above referenced specifications:
 - [a] Cross-connections between potable water facilities and onsite recycled water facilities are forbidden.
 - [b] Hose bibs on recycled water facilities are forbidden.
 - [c] Drinking fountains shall be protected from the spray of recycled water.

- [d] The District shall provide special labels for any backflow preventer and house pressure regulator, and homeowner agrees to inform plumbing or landscaping contractors of the presence of recycled water on the site.
- (6) To operate and control the system in order to prevent direct human consumption of recycled water and to control and limit runoff. The applicant, owner, or customer shall be responsible for any and all subsequent uses of the recycled water. Operation and control measures to be utilized in the regard shall include, where appropriate, but not be limited to the following:
- [a] Onsite recycled water facilities shall be operated to prevent or minimize discharge onto areas not under control of the customer. Full circle sprinklers shall not be used adjacent to sidewalks, roadways, and property lines and sprinkler types shall be selected so as to confine the discharge from sprinklers to the design area.
 - [b] The operation of the onsite recycled water facilities shall be during the periods of minimal use of the service area. Consideration shall be given to allowing a maximum dry-out time before the design area will be used by the public.
 - [c] Recycled water shall be applied at a rate that does not exceed the infiltration rate of the soil. Where varying soil types are present, the design and operation of the recycled water facilities shall be compatible with the lowest infiltration rate of the soil present.
 - [d] When the application rate exceeds the infiltration rate of the soil, automatic systems shall be utilized and programmed to prevent or minimize the ponding and runoff of recycled water. The sprinkler shall not be allowed to operate for a time longer than the landscape's water requirement. If runoff occurs before the landscape's water requirements are met, the automatic controls shall be reprogrammed with additional watering cycles of shorter duration to meet the requirements. This method of operation is intended to control and limit runoff.
- (7) To orally report any failure in the onsite recycled water system that causes an unauthorized discharge of recycled water, or other non-compliance with applicable laws and the District's permits to the District and to the Regional Water Quality Control Board and State and County Health Departments, within 24 hours from the time the

Onsite Recycled Water Supervisor becomes aware of the circumstances. The Onsite Recycled Water Supervisor shall also make a written submission to the District, with a copy to the Regional Water Quality Control Board and State and County Health Departments, within five days of the time the Onsite Recycled Water supervisor becomes aware of the circumstances, which shall contain (a) a description of the non-compliance and its cause; (b) the period of non-compliance, including exact dates and times, and if the non-compliance has not been corrected, the anticipated time it is expected to continue; and (c) steps taken or planned to reduce, eliminate and prevent recurrence of the non-compliance.

- (8) To comply with any and all applicable Federal, State, and local statutes, ordinances, regulations, contracts, these Rules and Regulations, the service application and agreement, and all requirements prescribed by the Manager and the Board pursuant to Section 4. In the event of violation, all charges and penalties shall be applied and collected by the district.

6.2.3 Onsite Recycled Water Supervisor Training Program

The District may, from time to time, require that an "Onsite Recycled Water Supervisor" obtain instruction in the use of recycled water, such instruction being provided by or approved by the District.

Section 7: USE OF DISTRICT SEWERAGE FACILITIES

7.1 GENERAL

The provisions established in Section 7 shall pertain to all discharges into any District sewerage collection facility that either directly or indirectly transports wastewater to the District's Michelson Water Recycling Plant. The last paragraph of this Section 7.1 provides information relating to the applicable requirements for discharges into District sewerage collection facilities that transport wastewater to facilities other than the Michelson Water Recycling Plant.

Pursuant to the authority provided by California Government Code Section 54739, 54740, and by other applicable provisions of law, provisions are made in this document for the regulation of wastewater discharges into the District's sewerage facilities in order to comply with Federal and State of California policies and requirements and to permit the District to meet applicable standards of treatment plant effluent quality. These Rules and Regulations establish quantity and quality limitations on all wastewater discharges, which may adversely affect the District's sewerage systems, processes, or effluent quality. It is the intent of these limitations to improve the quality of wastewater being received for treatment; an implication of this intent is the District's policy of discouraging an increase in the quantity (mass emission) of waste constituents being discharged. This document also provides for regulation of the degree of waste pretreatment required, the issuance of permits including those for wastewater discharge connections, and the establishment of penalties for violation of these Rules and Regulations.

Since the District is committed to a policy of wastewater renovation and reuse in order to provide an alternate source of water supply, the renovation of wastewater through secondary and tertiary wastewater treatment processes may necessitate more stringent quality requirements on wastewater dischargers than those required by other governmental regulatory agencies.

The District has joined the Orange County Sanitation District (OCSD) in order to secure an alternate method of sewage treatment and disposal. To accomplish the administration of this union within the portion of the District that is within Revenue Area 14 of OCSD, the District entered with OCSD into a Memorandum of Understanding effective February 11, 1987, to provide for cooperative implementation of these Rules and Regulations and the ordinance of the Orange County Sanitation District as part of its regulations. In the event of a conflict between the District's Rules and Regulations and OCSD's ordinance, OCSD's ordinance shall have precedence, unless the District's Rules and Regulations are more stringent. The OCSD ordinance is also applicable in areas of the District that are within other portions of OCSD that do not transport water to the District's Michelson Water Recycling Plant. Similarly, the area of the District within the service area of the South Orange County Wastewater Authority (SOCWA) is subject to SOCWA's discharge regulations as adopted by the District, and the area discharging to the Chiquita System of Santa Margarita Water District (SMWD), the Portola Hills area, is subject to SMWD's discharge regulations as adopted by the District. In each case where dischargers are subject to the discharge regulations of two agencies, it is the responsibility of the discharger to meet the discharge requirements of both agencies.

7.2 SPECIAL DEFINITIONS

In addition, unless otherwise defined herein, terms related to water quality shall be as adopted in the latest edition of Standard Methods for the Examination of Water and Wastewater, published by the American Public Health Association, the American Water Works Association and the Water Environment Federation (herein referred to as "Standard Methods"). The testing procedures for waste constituents and characteristics shall be as provided in 40 CFR 136, (Code of Federal Regulations: Title 40; Protection of Environment; Chapter I United States Environmental Protection Agency (US EPA); Part 136, Test Procedures for the Analyses of Pollutants), or as specified herein. Other terms not herein defined shall have the definitions given such terms in the latest adopted applicable editions of the California codes applicable to building construction adopted pursuant to the California Building Standards Law.

The terms hereinafter set forth shall have the following meanings when used in these Rules and Regulations or any permits or orders issued pursuant hereto, and the following definitions supersede the definitions in Section 2 for purposes of this Section 7:

- (1) Administrative Complaint shall mean a document used by the District to initiate a proceeding to impose civil penalties pursuant to Section 7.6.2.7.2.
- (2) Biochemical Oxygen Demand (BOD) shall mean the quantity of oxygen utilized in the biological oxidation of organic matter under standard laboratory procedure in five (5) days at twenty (20) degrees Celsius expressed in terms of milligrams per liter mass per volume (mg/l) as determined by appropriate testing procedure.
- (3) Board shall mean the Board of Directors of the Irvine Ranch Water District.
- (4) Building Drain - Sanitary shall mean that part of the lowest horizontal piping of a drainage system which receives sanitary or industrial sewage only, inside the walls of a building and conveys it to the building sewer beginning three (3) feet outside the building wall.
- (5) Building Drain - Storm shall mean that part of the lowest horizontal piping of a drainage system which receives stormwater or other clear water discharge, but no wastewater, from soil and other drainage pipes inside the walls of a building and conveys it to the building sewer beginning three (3) feet outside the building wall.
- (6) Building Sewer - Sanitary shall mean a sewer pipe receiving flow from a single building and connecting to a sewer main or lateral, and constructed on private property, except for street crossing.
- (7) Building Sewer - Storm shall mean the extension from the building storm drain to the public sewer or other place of disposal which conveys ~~stormwater~~storm water or other clear water drainage, but no sanitary or industrial sewage.

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- (8) Bypass shall mean the intentional diversion of waste streams from any location within an industrial users facility not approved in a user's permit.
- (9) California Water District Law shall mean the law of the State of California that governs the formation of California Water Districts and establishes procedures and powers of such Districts.
- (10) California Toxics Rule shall mean the most current update of numeric criteria for priority toxic pollutants established for the State of California as codified in 40 CFR Part 131.38.
- (11) Chemical Oxygen Demand (COD) shall mean the measure of chemically oxidizable material in domestic or other waste waters as determined by appropriate testing procedures and expressed in terms of milligrams per liter (mg/l).
- (12) Class I User shall mean any user who discharges wastewater which may contain at any given time, any of the components that the District and OCS D determine necessary to regulate as specified in Section 7.3 of these Rules and Regulations and Section 2.7.7 of the OCS D Ordinance.
- (13) Class II User shall mean any user who discharges wastewater at a volume greater than 10,000 gallons per day and has a BOD and Suspended Solids greater than 375 mg/L.
- (14) Code of Federal Regulations (CFR) or Federal Regulations shall mean the codification of the general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government.
- (15) Coliform shall mean any number of organisms common to the intestinal tract of man and animals whose presence in sanitary sewage is an indicator of pollution.
- (16) Collection Sewer shall mean a sewer whose primary purpose is to collect wastewaters from individual point source discharges.
- (17) Combined Sewage shall mean a combination of both wastewater and storm or urban runoff.
- (18) Combined Sewer shall mean a sewer intended to receive both wastewater and storm or urban runoff.
- (19) Compatible Pollutant shall mean BOD, suspended solids, pH, coliform bacteria, and such additional pollutants as are now or may be in the future specified and controlled by the District's permit, for its wastewater treatment works as said works have been designed and are operated to reduce or remove such pollutants. Some compatible pollutants may be considered non-compatible when discharged in significant quantities.
- (20) Composite Sample shall mean a collection of individual samples obtained at selected intervals based on an increment of either flow or time. The resulting mixture (composite sample) forms a representative sample of the waste stream discharged during the sample period. Samples will be

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collected during the time manufacturing, processing, and/or sewer discharge occurs.

- (21) Department Head shall mean that person duly designated by the General Manager to direct the Industrial Waste Program and perform those delegated duties as specified in these Rules and Regulations.
- (22) Discharger shall mean any public or quasi-public agency, including the State of California and the United States of America but not including the District, individual, partnership, firm, company, association, society, corporation, or group discharging, causing the discharge of, or proposing to discharge or cause the discharge of any wastewater into a public sewer. Used interchangeably with the term "User".
- (23) Dissolved Solids shall mean that concentration of matter in the sewage consisting of colloidal and particulate matter 0.45 micron in diameter or less, and both organic and inorganic molecules and ions present in solution.
- (24) District shall mean Irvine Ranch Water District.
- (25) District Connection Charge shall mean a fee imposed by the District for connecting directly to a public sewer or to a sewer which ultimately discharges into the District sewerage facility.
- (26) District's Sewerage Facilities shall mean any property belonging to the District used in the treatment, reclamation, reuse, transportation, or disposal of wastewater or sludge.
- (27) Domestic Wastewater shall mean the liquid and solid waterborne wastes derived from the ordinary living processes of humans of such character as to permit disposal, without special treatment, into the public sewer or by means of a private disposal system.
- (28) Dwelling Unit shall mean one or more habitable rooms which are intended or designed to be occupied by one family with facilities for living, sleeping and cooking.
- (29) Easement shall mean an acquired legal right or interest for the specific limited use of land owned by others.
- (30) Effluent shall mean any liquid outflow that is discharged to the sewer.
- (31) Enforcement Compliance Schedule Agreement (ECSA) shall mean a mutual agreement between the District and permittee in accordance with Section 7.6.2.2.
- (32) Federal Pretreatment Requirement, National Pretreatment Standard, Pretreatment Standard or Standard shall mean any regulation containing pollutant discharge limits promulgated by the EPA in accordance with 40 CFR 307 (b) and (c) which applies to Industrial Users. This term includes prohibitive discharge limits established pursuant to 40 CFR 403.5. Categorical pretreatment standards are promulgated in 40 CFR Chapter I, Subchapter N or 40 CFR Parts 401-471.

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- (33) Floor Area shall mean the area included within the surrounding exterior walls of a building or portion thereof, exclusive of ramps, docks, vent shafts and courts. The floor area of a building, or portion thereof, not provided with surrounding exterior walls shall be the usable area under the horizontal projection of the roof or floor above.
- (34) Garbage shall mean solid wastes from the domestic and commercial preparation, cooking and dispensing of food, and from the handling, storage and sale of food.
- (35) Grab Sample shall mean a sample taken from a waste stream on a one-time basis without regard to the flow in the waste stream and without consideration of time.
- (36) Industrial User shall mean a source of Indirect Discharge as defined in 40 CFR 403.3 (g).
- (37) Industrial Wastewater shall mean all liquid wastes resulting from the processes employed in industrial manufacturing, trade, or business establishments, as distinguished from domestic wastes.
- (38) Industry shall mean any establishment listed in the Standard Industrial Classification Manual, 1972 Edition, or revision thereof, which is categorized in Divisions A, B, D, E, or I.
- (39) Infiltration shall mean the water unintentionally entering the District's sewerage facilities, or sanitary building drains and sewers, from the ground, through such means as, but not limited to, defective pipes, pipe joints, connections, or manhole walls.
- (40) Infiltration/Inflow shall mean the total quantity of water from both infiltration and inflow without distinguishing the source.
- (41) Inflow shall mean the water discharge into the District's sewerage facilities, or building storm drains and sewers, from such sources as, but not limited to, roof leaders, cellar, yard, and area drains, foundation drains, unpolluted cooling water discharges, drains from springs and swampy areas, manhole covers, cross connections from storm sewers and/or combined sewers, catch basins, storm waters, surface runoff, street wash waters or drainage. (Inflow does not include, and is distinguished from infiltration.)
- (42) Inspector shall mean a person authorized by the General Manager to inspect any existing or proposed wastewater generation, conveyance, processing and disposal facilities.
- (43) Interceptor Sewer shall mean a sewer whose primary purpose is to transport wastewater from collection sewers to a treatment facility.
- (44) Interference shall mean a discharge which, by itself or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the District's facilities, its treatment processes or operations, or its sludge process, use, or disposal, or causes a violation of any requirement of the

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District's permits (including an increase in the magnitude or duration of a violation) or prevents sewage sludge use or disposal in compliance with the following statutory provisions and regulations or permits issued thereunder (or more stringent State or local regulations): Section 405 of the Clean Water Act, the Solid Waste Disposal Act (SWDA) including Title II, more commonly referred to as the Resource Conservation and Recovery Act (RCRA), and State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the SWDA, the Clean Air Act, the Toxic Substances Control Act, and the Marine Protection, Research and Sanctuaries Act.

- (45) Local Sewering Agency shall mean any public or private corporation duly authorized under the laws of the State of California to construct and/or maintain public sewers.
- (46) Manager or General Manager shall mean the General Manager of the District or the person authorized by the Board or the General Manager to act for him.
- (47) Manifest shall mean that receipt which is retained by the generator of wastes for disposing solid wastes, recyclable wastes or liquid wastes as required by the District.
- (48) Mass Emission Rate shall mean the weight of material discharged to the District's sewerage facilities during a given time interval. Unless otherwise specified, the mass emission rate shall mean pounds per day of a particular constituent or combination of constituents.
- (49) "May" is permissive (see "Shall").
- (50) Memorandum of Understanding (MOU) shall mean any memorandum of understanding or other agreement between the District and OCSW governing the administration of the joint industrial waste pretreatment program.
- (51) Micrograms per Liter ($\mu\text{g}/\text{l}$) shall mean a unit measurement of the concentration of a water or wastewater constituent. It is 0.001 gram of the constituent in one (1) cubic meter of water. It has replaced the unit formerly used, parts per billion, to which it is approximately equivalent in reporting the results of water and wastewater analyses.
- (52) Milligrams per Liter (mg/l) shall mean a unit measurement of a concentration of water or wastewater constituent. It is 0.001 gram of the constituent in 1,000 milliliters of water. It has replaced the unit formerly used, parts per million, to which it is approximately equivalent in reporting the results of water and wastewater analyses.
- (53) National Pollutant Discharge Elimination System (NPDES) shall mean the Federal pollution regulation system as detailed in Public Law 92-500, Section 402, or a permit issued pursuant to such system.
- (54) New Source shall mean those sources that are new as determined by 40 CFR 403.3 (k) as revised October 17, 1988.

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- (55) Non-compatible Pollutant shall mean any non-treatable waste product, including non-biodegradable dissolved solids, which is not a compatible pollutant as defined herein.
- (56) Normal Domestic Wastewater shall mean all household-type discharges from places of human habitation including sanitary conveniences, kitchen and laundry wastes. Discharge wastes strength shall be considered to average 250 mg/l BOD and 250 mg/l Suspended Solids at a discharge rate of 100 gallons per capita per day.
- (57) Normal Working Day shall mean the period of time during which the dischargers production or operation is taking place.
- (58) NPDES Permit shall mean the National Pollutant Discharge Elimination System permit that is issued by the EPA setting the limits on constituents that the permittee may legally discharge. The limits are set in both concentration and quantity.
- (59) OCSD shall mean the Orange County Sanitation District.
- (60) OCSD Ordinance shall mean Ordinance OCSD – 01 dated July 1, 1998 as amended from time to time.
- (61) Pass Through shall mean discharge through the District's facilities to navigable water or point of reuse which, alone or in conjunction with discharges from other sources, is a cause of a violation of the District's NPDES permit or Regional Water Quality Control Board Order.
- (62) Permittee shall mean a discharger who has received a permit to discharge wastewater into the District's sewerage facilities subject to the requirements and conditions established by the District and/or OCSD.
- (63) pH shall mean the logarithm of the reciprocal of the quantity of hydrogen ions in moles per liter of solution used in expressing both acidity and alkalinity on a scale ranging from 0 to 14, where 7 represents neutrality, numbers less than 7 increasing acidity, and more than 7 increasing alkalinity.
- (64) Population Equivalent shall mean a term used to evaluate the impact of industrial or other waste on a treatment works or stream. One population equivalent of normal domestic wastewater is 100 gallons of sewage per day, and/or 0.17 pounds of BOD, and/or 0.21 pounds of suspended solids. The impact on a treatment works is evaluated as the equivalent of the highest of the three parameters. Impact on a stream is the higher of the suspended solids parameters.
- (65) Pollutant shall mean any constituent or characteristic of wastewaters on which discharge limitation may be imposed either by the District or the regulatory bodies empowered to regulate the District.
- (66) POTW shall mean Publicly Owned Treatment Works.
- (67) Pretreatment shall mean the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant

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properties in wastewater to a less harmful state prior to discharge of the wastewater into the District's sewerage facilities. The reduction or alteration can be obtained by physical, chemical or biological process, or process changes by other means.

- (68) Pretreatment Facility shall mean any works or devices for the treatment or flow limitation of wastewater prior to discharge into a public sewer.
- (69) Pretreatment Standards shall mean requirements for the quality of wastewaters discharged into the District's sewerage facilities.
- (70) Priority Pollutants shall mean a listing of the toxic pollutants identified by EPA as having the greatest environmental concern and as non-compatible and requiring pretreatment prior to discharge in order to prevent interference with District's operation, or to prevent sludge contamination or treatment system pass-through into receiving waters or into the atmosphere.
- (71) Private Sewer shall mean a sewer which is not owned by the District.
- (72) Probation Order shall mean an order issued with terms and conditions to a permittee upon a violation of these Rules and Regulations or the terms, conditions, and limitations of its discharge permit, or upon a failure to make payment to the District of user charges, non-compliance fees, or any other fees.
- (73) Public Agency shall mean the United States and its agents, the State of California and any city, county, district, or other local governmental authority or public body of or within the State of California.
- (74) Public Sewer shall mean a sewer owned and operated by the District, or a sewer operated by a local public agency which is tributary to the District's sewerage facilities.
- (75) Pumping Station shall mean a station positioned at a location in a sewer system at which wastewater is pumped to a higher level.
- (76) Regional Administrator shall mean the Regional Administrator of Region IX of the EPA.
- (77) Regional Board shall mean the California Regional Water Quality Control Board, Santa Ana Region.
- (78) Regulatory Agencies are those agencies having regulatory jurisdiction over operations of the District, such as including but not limited to the U.S. Environmental Protection Agency (EPA), the State Department of Health Services (DOHS), the State Water Resources Control Board (SWRCB), the California Regional Water Quality Control Board (RWQCB), the South Coast Air Quality Management District (SCAQMD) and Orange County Health Care Agency.
- (79) Regulatory Compliance Schedule Agreement (RCSA) shall mean an agreement between the District and permittee requiring the permittee to implement pretreatment practices and/or install equipment to ensure

compliance with future revised categorical pretreatment standards or revised discharge limitations.

- (80) Rules and Regulations shall mean that document entitled "Rules and Regulations for Water, Sewer, and Recycled Water Service" containing District requirements, conditions, and limitations for connecting and discharging to the District's sewerage facilities and other requirements, conditions and limitations, as may be amended and modified.
- (81) Sample Point shall mean a location approved by the District, from which wastewater can be collected that is representative in content and consistency of the entire flow of wastewater being sampled
- (82) Sampling and Evaluation Program (S&E) shall mean a program for the determination of mass emission of constituents or compliance or non-compliance with the conditions specified in the user's permit.
- (83) Sampling Facilities shall mean structure(s) provided at the user's expense for the District or user to measure and record wastewater constituent mass, concentrations, collect a representative sample, or provide access to plug or terminate the discharge.
- (84) Sanitary Sewer shall mean a sewer which carries sanitary and industrial wastes, and to which storm, surface and groundwater are not intentionally admitted.
- (85) Sewage shall mean wastewater.
- (86) Sewer shall mean a pipe or conduit that carries wastewater or drainage water.
- (87) Sewer Lateral shall mean a building sewer as defined in the latest edition of the California Plumbing Code. It is the wastewater connection between the building's wastewater facilities and a public sewer system.
- (88) Sewerage Facilities or System shall mean any and all facilities used for collecting, conveying, pumping, treating, and disposing of wastewater and sludge.
- (89) "Shall" is mandatory; (see "May").
- (90) Shredded Garbage shall mean garbage that has been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than 1/2 inch (1.25 centimeters) in any dimension.
- (91) Significant Industrial User shall mean all users subject to Federal Categorical Pretreatment Standards and any other industrial user that discharges an average of 25,000 gallons per day or more of process wastewater; contributes a process waste stream which makes up 5% or more of the average dry weather hydraulic or organic capacity of the District's treatment facilities; or is designated by the District as a significant industrial user.

- (92) Significant Non-Compliance shall mean a compliance status a) in which a major violation remains uncorrected for 45 days after notification of non-compliance; or b) which is a result of chronic violations (66% or more of all samples which exceed the daily maximum limit or average limit of the same constituent during a 6-month period), or acute violations (33% or more of all samples which exceed the product of the daily maximum limit or average maximum limit times the applicable technical review criterion in a 6-month period; or c) which is a result of failure to provide reports in response to Notice of Violation, permit application information, Report of Progress, a Report of Non-Compliance, or other reports required to administer these Rules and Regulations, within 30-days from the due date; d) any violation of any limitation that the District determined to cause alone or in combination with other discharges, interference or pass through; e) any discharge which has caused imminent endangerment to human health, welfare or to the environment, or has resulted in the District's exercise of its emergency authority (Section 7.6.2.6); f) failure to meet, within 90 days after the scheduled date, a compliance schedule milestone contained in a permit or enforcement action, for starting construction, completing construction, or attaining final compliance; or g) failure to accurately report non-compliance.
- (93) Sludge shall mean any solid, semi-solid or liquid decant, supernate or supernate from a manufacturing process, utility service, or pretreatment facility.
- (94) Slug Load shall mean any discharge of water or wastewater which in concentration of any pollutant or in quantity of flow will cause interference with the District's reclamation plant or subsequent Publicly Owned Treatment Works (POTW).
- (95) Spent Solutions shall mean any substance defined as a hazardous waste by RCRA, 40 CFR 261.21 through 261.24, and unable to be used for its original purpose.
- (96) Spill Containment shall mean an approved protection system installed by the permittee to prohibit the accidental discharge to the sewer of non-compatible pollutants.
- (97) Standard Industrial Classification (SIC) shall mean a system of classifying a user as identified in the 1987 or subsequent SIC manual as prepared by the Office of Management and Budget.
- (98) Standard Methods shall mean the laboratory procedures set forth in the latest edition, at the time of analysis, of "Standard Methods for the Examination of Water and Wastewater" prepared and published jointly by the American Public Health Association, the American Water Works Association and the Water Pollution Control Federation, and 40 CFR Part 136, 3, 4 and 5, and/or other recognized procedures established by EPA and California Regional Water Quality Control Board.
- (99) Storm Water shall mean all water directly derived from rainwater which has not been utilized in domestic, agricultural, industrial or other beneficial use.

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- (100) Suspended Solids (SS) shall mean the solids that either float to the surface or are suspended in water, wastewater or other liquids and which are removable from said liquid through standard laboratory filtration procedure.
- (101) Technical Review Criteria shall mean those factors which, when multiplied by the appropriate limitation, set the lower limit of a significant violation. The Technical Review Criteria factor is 1.2 for all limitations except for BOD, total suspended solids, fats, oil, and grease where the factor is 1.4.
- (102) Total Organic Carbon (TOC) shall mean the measure of total organic carbon in domestic or other wastewater as determined by the appropriate testing procedure.
- (103) Total Solids shall mean the sum of suspended and dissolved solids.
- (104) Toxic Substances shall mean any pollutant or combination of pollutants which upon exposure to or assimilation into any organism will cause adverse effects, such as cancer, genetic mutations and physiological manifestations.
- (105) Unpolluted Water shall mean water to which no constituent has been added either intentionally or accidentally.
- (106) User shall have the same meaning as "Discharger".
- (107) User Charge shall mean a charge imposed by the District for the provision of a special service not normally provided by the District, such as situations involving unusual quantity or quality requirements.
- (108) Waste shall mean sewage and any and all other waste substances, liquid, solid, gaseous, or radioactive, associated with human habitation, or of human or animal origin, or from any producing, manufacturing or processing operation of whatever nature, including such wastes placed within containers of whatever nature, prior and for the purpose of disposal.
- (109) Waste Minimization Practices shall mean plans or programs intended to reduce or eliminate discharges to the District's sewerage system or to conserve water, including, but not limited to, product substitutions, housekeeping practices, inventory control, employee education, and other steps as necessary to minimize wastewater and/or solid waste produced.
- (110) Waste hauler shall mean any person or entity, duly licensed, carrying on or engaging in vehicular transport of waste as part of, or incidental to, any business for that purpose.
- (111) Wastewater shall mean liquid and water-carried waste or water, whether treated or untreated, discharged into or permitted to enter a public sewer.
- (112) Wastewater Constituents and Characteristics shall mean the individual chemical, physical, biological, radiological and other parameters, including volume, flow rate, concentration and such other parameters that

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serve to define, classify, or measure the quality and quantity of wastewater.

- (113) Wastewater Discharge Permit shall mean any of the following permits: Class I Permit, Class II Permit, Special Purpose Permit or FOG Wastewater Discharge Permit. Used interchangeably with the word "permit".
- (114) Wastewater Treatment shall mean the structures, equipment and processes required to collect, transport and treat domestic and industrial wastewater and dispose of the effluent and accumulated residual solids.

7.3 WASTEWATER DISCHARGE REGULATIONS

7.3.1 Prohibitions and Limitations on Wastewater Discharges

No person shall discharge or allow to be discharged wastewaters directly or indirectly into District's sewerage facilities that cause or are capable of causing, either alone or by interaction with other substances, interference with the operation of the District's sewerage facilities, including but not limited to the following:

- (1) Oils and Grease. Wax, grease or oil of mineral origin in a concentration of more than 100 mg/l whether emulsified or not, or any other waste containing substances which may precipitate, solidify or become viscous at temperatures between 32° and 150°F (0° and 65°C) at the point of discharge into the District's sewerage facilities).
- (2) Explosive Mixtures. Liquids, solids or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any other way to the District's sewerage facilities or to the operation of the District's sewerage facilities. At no time shall the discharge into the District's sewerage facilities have a closed cup flash point less than 140°F (60°C). Prohibited materials include, but are not limited to, gasoline, kerosene, naphtha, benzene, toluene, ethers, alcohols, ketones, aldehydes, peroxides, chlorates, perchlorates, bromates, carbides, hydrides and sulfides.
- (3) Noxious Materials. Noxious or malodorous solids, liquids or gases, which, either singly or by interaction with other wastes, are capable of creating a public nuisance or hazard to life, or are or may be sufficient to prevent entry into a sewer for its maintenance and repair.
- (4) Improperly Shredded Garbage. Garbage that has not been ground or comminuted to such a degree that all particles will be carried freely in suspension under flow conditions normally prevailing in the public sewers, with no particle greater than one-half (1/2) inch in any dimension.
- (5) Radioactive Wastes. No person shall discharge, or cause to be discharged, any radioactive waste into a public sewer except:

- [a] When the person is authorized to use radioactive materials by the State Department of Health or other governmental agency empowered to regulate the use of radioactive materials;
 - [b] When the waste is discharged in strict conformity with current California Radiation Control Regulations (California Administrative Code, Title 17) for safe disposal;
 - [c] When the person is in compliance with all rules and regulations of all other applicable regulatory agencies; and,
 - [d] When a Class I permit has been obtained from OCSD.
- (6) Solid or Viscous Wastes. Solid or viscous wastes which will or may cause obstruction to the flow in a sewer, or otherwise interfere with the proper operation of the sewerage facilities. Prohibited materials include, but are not limited to, grease, uncomminuted garbage, animal guts or tissues, paunch manure, bones, hair, hides or fleshings, entrails, whole blood, feathers, ashes, cinders, sand, spent lime, stone or marble dust, metal, glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastic, tar, asphalt residues, residues from refining or processing of fuel or lubricating oil, and similar substances.
- (7) Slug Loads. Wastewaters at a flow or containing such concentrations of pollutants that will cause interference with the District's treatment plant or subsequent POTW.
- (8) Toxic Substances. Any toxic substances in amounts exceeding established standards, and any chemical elements or compounds, phenols or other taste or odor producing substances, or other substances which are not susceptible to treatment or which may interfere with the biological processes or efficiency of the treatment processes, cause acute worker health and safety problems, or that will pass through the District's sewerage facilities.
- (9) Discolored Material. Wastes with objectionable color not removable by the treatment process.
- (10) Corrosive Wastes. Any waste which will cause corrosion or deterioration of the District's sewerage facilities. All wastes discharged to a public sewer must have a pH value in the range of (6) to (12) standard units. Prohibited materials include, but are not limited to, acids, sulfides, concentrated chloride and fluoride compounds and substances which will react with water to form acidic products.
- (11) Organic Phosphorous Compounds. Any amounts of organic phosphorus compounds released in a discharge at a flow rate or in

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a concentration which will cause pass through or interference with the sewerage facilities.

- (12) Non-Compliant Waste. Any waste not in compliance with national categorical pretreatment standards as represented in 40 CFR Chapter I Subchapter N or 40 CFR Parts 401-471.

7.3.2 Storm Water

Ground water, street drainage, subsurface drainage, foundation drains, or yard drainage shall not be discharged directly or indirectly to the District's sewerage facilities. The District at its sole discretion may approve the discharge of such water by granting a Special Purpose Permit only when no alternative method of disposal is reasonably available. The applicant shall bear the burden of demonstrating that no alternative method of disposal is reasonably available. If a Special Purpose Permit is granted for the discharge of such water into a sewer, the user shall pay connection fees, applicable charges and fees for use and shall meet such other conditions as required by the District.

7.3.3 Self-Regenerative Water Softeners

Any brine waste discharge from an onsite self-regenerative water softener unit is prohibited. Installation of such onsite self-regenerative water softener units within the District is specifically prohibited. However, the District may, on an individual basis, approve such units if the applicant, owner, or customer demonstrates that such brine waste will be discharged into a permanent facility other than a District sewer as approved by the plumbing codes of the cities of Irvine, Laguna Beach, Newport Beach, Orange, Santa Ana, Tustin and the County of Orange or its successors, as may be applicable or as deemed justified by the District.

7.3.4 Unpolluted Water

Unpolluted water, such as single-pass cooling water, shall not be discharged through direct or indirect connection to a public sewer. The District may approve the discharge of such water only when no alternative method of disposal is reasonably available by issuing a Special Purpose Permit.

7.3.5 Septic Tank and Cesspool Wastes

Discharges of septic tank, or cesspool wastes, into the public sewer or directly into the treatment plant facilities is prohibited.

7.3.6 Temperature

No person shall discharge wastewater with a temperature higher than 140°F (60°C). Heat in discharged wastewater shall not cause the temperature of wastewater entering the headworks of any wastewater treatment plant to exceed 104°F (40°C).

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7.3.7 Point of Discharge

No person, excluding District personnel involved in maintenance functions of sewer facilities, shall discharge any water, wastewater or any substance directly into a manhole or other opening in a sewer other than through an approved building sanitary sewer, unless upon written application by the user and approved by the District and payment of the applicable charges for use and fees.

7.3.8 Wastewater Strength Limitations

No person shall discharge wastewater containing substances in excess of the quantities or concentrations listed in Exhibit B, Schedule of Rates and Charges, to these Rules and Regulations entitled "Discharge Limits", or containing other materials, or having other characteristics, including, but not limited to, ammonia, biochemical oxygen demand (BOD), chemical oxygen demand, total organic carbon, suspended solids, oil or grease of animal or vegetable origin, total dissolved solids, and phenolic compounds in quantities that may cause or are found to cause problems, pass through, or interference with the sewerage facilities.

No person shall discharge wastewater containing in excess of 0.01 mg/l of pesticides as a daily maximum, to include, but not limited to the following: DDT (dichlorodiphenyltrichloroethane, both isomers), DDE (dichlorodiphenylethylene), DDD (dichlorodiphenyldichloroethane), Aldrin, Benzene Hexachloride (alpha, beta, and gamma isomers), Chlordane, Endrin, Endrin aldehyde, TCDD (2,3,7,8-tetrachlorodibenzo-p-dioxin), Toxaphene (alpha)-Endosulphan, (beta)-Endosulphan, Endosulphan sulfate, Heptachlor, Heptachlor epoxide, and Dieldrin.

No person shall discharge wastewater containing in excess of 0.01 mg/l of polychlorinated biphenyls as a daily maximum to include, but not limited to the following: Aroclors 1016, 1221, 1228, 1232, 1248, 1254, 1260, and 1262.

7.3.9 Prohibition on Dilution

No user shall increase the use of water in, or in any other manner attempt to dilute, a discharge as a partial or complete substitute for treatment to achieve compliance with these Rules and Regulations and the user's permit or to establish an artificially high flow rate for permit mass emission rates.

7.3.10 Prohibition on Infectious Waste

The District shall have the authority to require that any discharge of an infectious waste to the sewer be rendered non-infectious prior to discharge if the infectious waste is deemed to pose a threat to the public health and safety, or will result in any violation of applicable waste discharge requirements.

7.3.11 Limitations on Disposal of Spent Industrial Solutions and Sludges

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- (1) Spent solutions, sludges, and materials of quantity or quality in violation of, or prohibited by these Rules and Regulations, or any permit issued under these Rules and Regulations must be disposed of in a legal manner at a legally acceptable point of disposal as defined by the appropriate Regulatory Agency. All waste manifests shall be retained for a minimum of three years, and made available to the District upon request.
- (2) No person shall batch dump to the District's sewerage facilities. Non-compliance fees applicable for such discharge will be as shown in Exhibit B, Schedule of Rates and Charges.

7.3.12 New or Increased Pollutant Discharge

No person shall increase the discharge of existing pollutants or discharge new pollutants that do not meet pretreatment standards, local limitations, or other requirements, or cause the District to violate any permit condition or limitation.

7.4 WASTEWATER DISCHARGE PERMITS

7.4.1 General

In addition to District connection charges required by these Rules and Regulations, all significant industrial users, proposing to connect to or discharge into the District's sewerage facilities must first obtain a Wastewater Discharge Permit. No vested right shall be deemed given by issuance of permits provided for in this document. The issuance of a Wastewater Discharge Permit does not authorize the commission of any act causing injury to the person or property of another, nor relieve the discharger from compliance with, or protect the discharger from liability under Federal, State or local laws, nor guarantee the discharger a capacity right in the District's sewerage facilities.

7.4.2 Permit Application Procedure

Applicants for Wastewater Discharge Permits shall complete an application form available at the District's office. This application shall be accompanied by the applicable fees.

As part of the permit application process the District may require the submittal of detailed plans for a review of existing or proposed construction of pretreatment facilities, spill containment facilities, monitoring and metering facilities, and operating procedures. The approval of the District shall be received prior to the start of construction. This review of plans and procedures shall in no way relieve the user of the responsibility of modifying the facilities or procedures in the future, as necessary, to meet the requirements of these Rules and Regulations or any requirements of other Regulatory Agencies.

If required the user shall submit four (4) copies of all drawings for review. All drawings shall include the following:

- (1) North arrow.
- (2) Scale size.
- (3) User name and address.
- (4) Drawing name and drawing number.
- (5) Date drawn or revised.
- (6) Name of drafter and person approving drawing.

These scaled drawings shall include but not be limited to depictions of the manufacturing process (waste generating sources), spill containment, pretreatment facilities, and monitoring/metering facilities. Schematic drawings of pretreatment facilities may be required. The District may also require that drawings be signed and sealed by a California Registered Chemical, Mechanical, or Civil Engineer.

Upon receipt of all required information, the application shall be processed and, upon approval, a permit will be issued, signed by a District representative, and returned to the applicant. When properly signed, the permit together with any documents attached thereto shall constitute a valid Wastewater Discharge Permit for the time period specified therein. Where the discharger becomes aware that relevant facts were omitted or incorrect information was submitted in the application, the facts or corrected information shall be promptly submitted to the District and the permit shall be amended if appropriate.

7.4.3 Permit Conditions

Wastewater Discharge Permits shall be expressly subject to all provisions of these Rules and Regulations and all other regulations, user charges and fees established by the District. The conditions of wastewater discharge permits shall be uniformly enforced by the District in accordance with these Rules and Regulations and applicable state and federal regulations. Permits may contain the following:

- (1) The unit charge or schedule of user charges and fees fixed in this section for the sewage to be discharged;
- (2) The average and maximum sewage constituents and characteristics which may be discharged into the District's sewerage facilities;
- (3) Limits on rate and time of discharge or requirements for flow regulations and equalization;
- (4) Requirements for installation of inspection and sampling facilities;
- (5) Pretreatment requirements;
- (6) Specifications for monitoring programs which may include sampling locations, frequency and method of sampling, number, types and standards for tests and reporting schedule;
- (7) Requirements for submission of technical reports or discharge reports;

- (8) Requirements for maintaining plant records relating to sewage discharge as specified by the General Manager, and affording the General Manager access thereto;
- (9) Mean and maximum mass emission rates, or other appropriate limits when non-compatible pollutants are proposed or present in the user's sewage discharge;
- (10) A time schedule for meeting certain pretreatment requirements;
- (11) Other conditions as deemed appropriate by the General Manager to insure compliance with this section.

7.4.4 Duration of Permits

Permits shall be issued for a specified time period, not to exceed four years. If the user is not notified by the District ninety days prior to the expiration of the permit, the permit shall be extended one additional year. The terms and conditions of the permit are subject to modifications and change by the District and OCSD during the life of the permit as limitations or requirements are modified and changed. The user shall be informed of any proposed changes in his permit at least thirty days prior to the effective date of change. Any change or new conditions in the permit shall include a reasonable time schedule for compliance.

7.4.5 Transfer of a Permit

Wastewater Discharge Permits are issued to a specific operation. A Wastewater Discharge Permit shall not be reassigned or transferred or sold to a new owner or lessee, new user, different premises, or a new or changed operation. In the event of any change in the name, ownership or control of the discharger's operation or a change in the operation itself, the discharger shall so notify the District. The District may require the new owner or operator to submit a new permit application.

7.4.6 Permit Renewal or Modification

An industrial discharger shall file a new application with the District sixty days prior to the expiration of its existing waste discharge permit, or the implementation of changes in the operation of a discharger which increase flows beyond that specified in the existing permit or cause a significant change in the nature of the wastewater or location of the discharge, or which changes may result in non-compliance with these Rules and Regulations. A new application shall also be required to reestablish sewer service following revocation of a permit or upon disclosure of omitted relevant facts or incorrect information submitted in an application.

7.4.7 Pretreatment

Users shall make sewage acceptable under such limitations as may be established herein before discharging to the District's sewerage facilities. Any facilities required to pretreat sewage to a level acceptable to the District and OCSD shall be provided and maintained at the user's expense. Detailed plans, specifications and other pertinent data showing the

pretreatment facilities and operating procedures shall first be submitted to the General Manager for review, and shall be approved by the General Manager before construction of the facility. These plans shall be signed by an engineer or responsible officer certifying that they will meet the pretreatment requirements. The review and approval of such plans and operating procedures will in no way relieve the user from the responsibility of modifying the facility as necessary to produce an effluent acceptable to the District under provisions of this section. Any proposed changes in the pretreatment facilities or method of operation subsequent to issuing a permit shall be reported to and be approved by the General Manager before implementing such changes. Such approval of plans or changes therein shall not exempt the user from compliance with any applicable code, ordinance, rule, regulation or order of any regulatory agency or governmental authority.

7.4.8 Protection From Accidental Discharge

Each user shall prevent accidental discharge to the public sewer of prohibited wastes or other materials regulated by these Rules and Regulations or Federal categorical pretreatment standard by providing spill containment facilities. Such facilities shall be provided and maintained at the user's expense. Detailed plans showing facilities and operating procedures to provide this protection shall be submitted to the General Manager for review, and shall be approved by the General Manager before construction of the facility and before making any changes therein. The review and approval of such plans and operating procedures or change therein will in no way relieve the user from the responsibility of modifying the facility as necessary to provide the protection necessary to meet the requirements of this section or any other applicable code, ordinance, rule, regulation or order of any regulatory agency or governmental authority.

7.4.9 Procedure For Accidental Discharge

In the event the discharger is unable to comply with any of the permit conditions due to a breakdown of waste treatment equipment, accidents caused by human error or acts of God, the discharger shall notify the District by telephone as soon as he or his agents have knowledge of the incident, but within 24 hours. Confirmation of this notification shall be made in writing within two weeks of the telephone notification. The written notification shall include pertinent information explaining reasons for the non-compliance and shall indicate what steps were taken to correct the problem and the date of the incident, as well as what steps are being taken to prevent the problem from recurring and the results of repeat sampling and analyses.

If it can be shown that the discharge is the cause of the District violating its discharge requirements or incurring extraordinary operational expenses or suffering loss or damage to the sewerage facilities, then that discharger may be responsible for any costs or expenses, including assessments by other agencies or the court, incurred by District.

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7.4.10 Types of Permits

The Wastewater Discharge Permit shall be in one of three forms and is dependent upon the volume and characteristics of wastewater to be discharged. The three Wastewater Discharge Permits are:

- (1) Class I Permit;
- (2) Class II Permit;
- (3) Special Purpose Permit;

7.4.10.1 Class I Permit

All Class I Users discharging or proposing to discharge into the District's sewerage facilities must obtain a Class I Wastewater Discharge Permit jointly issued by the District and OCSD before discharging.

7.4.10.2 Class II Permit

A Class II permit shall be required for all Class II Users who are not required to obtain a Class I permit. The purpose of a Class II permit is to facilitate the collection of compatible pollutant surcharges from the user. All Class II Users discharging or proposing to discharge into the District's sewerage facilities must obtain a Class II Wastewater Discharge Permit by filing an application pursuant to Section 7.4.2.

7.4.10.3 Special Purpose Permit

A special purpose permit shall be required for a user proposing to discharge storm water, groundwater, surface runoff, subsurface drainage, or unpolluted water directly or indirectly to the District's sewerage facilities. This permit may be granted when no alternative method of disposal is reasonably available, or to mitigate an environmental risk or health hazard. The applicant shall bear the burden of demonstrating that no alternative method of disposal is reasonably available.

Applicants seeking a special purpose wastewater permit shall complete and file with the District, prior to commencing discharge, an application in the form prescribed by the District. This application shall be accompanied by the applicable fees, plumbing plans, a detailed analysis of the alternatives for disposal, or other data needed by the District for review.

Discharge conditions and limitations shall be no less stringent than Section 7.3 of these Rules and Regulations and Section 2.7.7 of the OCSD Ordinance. For constituents not listed in Section 7.3 of these Rules and Regulations or in Section 2.7.7 of the OCSD Ordinance, the District shall exercise its sole discretion to base conditions and limitations on the California Toxics Rule and other water quality criteria.

Monitoring requirements contained in the Special Purpose Permit for storm water, groundwater, surface runoff, subsurface drainage, or unpolluted water shall be for those non-compatible pollutants known or suspected to exist in the discharge and at least one analysis prior to sewer discharge shall be performed for all constituents contained in the most current Environmental Protection Agency (EPA) "Priority Pollutant" list, excluding Asbestos, and in other water quality criteria deemed appropriate by the District.

7.4.11 Monitoring

Management of a pollution control program requires a constant flow of information on the quantity and quality of discharges into the District's sewerage facilities. The monitoring of discharges serves three specific purposes. These purposes include ascertaining compliance with the Rules and Regulations, completion of necessary discharge reports as required, and determination of user charge fees. There are several modes of a monitoring program. Self Monitoring develops a data base, and provides the necessary information for calculation of user charges. This monitoring is performed by the user. Scheduled Monitoring is a systematic sampling and inspection survey of all industrial contributors to the District's sewerage facilities in accordance with a predetermined schedule. Unscheduled Monitoring is a random spot check of users to ascertain permit compliance. Demand Monitoring is conducted when some disruption of the District's sewerage facilities develops. The District will perform scheduled, unscheduled and demand monitoring to ensure compliance with the provisions of the Rules and Regulations and permits, and will review self-monitoring reports.

7.4.12 Self-Monitoring

Users required to obtain a Wastewater Discharge Permit may be required to develop a self-monitoring and reporting program. The frequency of self-monitoring and reporting will be based on the following criteria as evaluated by the District:

- (1) The effect of the discharger's wastewater on the District's sewerage facilities;
- (2) The degree of toxic materials which may pass through the treatment plant;
- (3) The need to ensure that any pretreatment standards are met;
- (4) The size, nature, and type of the industrial wastewater discharge;
- (5) The extent to which the user could contribute to violation of the District's discharge requirements.

Self-monitoring programs include, at minimum, the following:

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- (1) A minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide, and volatile organics.
- (2) For all other pollutants, 24-hour composite samples must be obtained through flow-proportional composite sampling techniques where feasible.
- (3) Where flow proportional composite sampling is infeasible, samples may be obtained through time-proportional composite sampling techniques or through a minimum of four (4) grab samples where the User demonstrates that this will provide a representative sample of the effluent being discharged.

Samples collected shall be in accordance with proper sampling and handling techniques outlined in the latest edition of "Standard Methods" or that publication entitled "Methods for Chemical Analysis of Water and Wastes" published by the EPA, or other appropriate method approved by the Regional Board.

7.4.13 Monitoring and Metering Facilities

The General Manager may require the user to construct at his own expense monitoring and metering facilities to allow inspection, sampling and flow measurement of the sewage or internal drainage systems. The General Manager may also require sampling and metering equipment to be provided, installed and operated at the user's expense. The monitoring and metering facility should normally be situated on the user's premises. When such a location would be impractical or cause undue hardship on the user, the user may construct such facilities in the public right-of-way provided said user has obtained any and all permits required therefore and that such equipment is located so that it will not be obstructed by landscaping or parked vehicles. If the monitoring and metering facility is inside the user's fence, there shall be accommodations to allow access for District personnel, such as a gate secured with a District lock. There shall be ample room in or near such monitoring and metering facility to allow accurate sampling and compositing of samples for analysis. The monitoring and metering facility and sampling and measuring equipment shall be maintained at all times in a safe and proper operating condition at the expense of the user. Whether constructed on public or private property, the monitoring and metering facilities shall be provided in accordance with the District requirements and all applicable construction standards and specifications. Construction shall be completed within ninety days following written notification by the General Manager, unless a time extension is otherwise granted by the General Manager.

7.4.14 Inspection and Sampling

The District shall inspect the wastewater generating and disposal facilities of any user to ascertain whether the intent of these Rules and Regulations is being met and the user is complying with all requirements. Persons or occupants of premises where wastewater is created or discharged shall allow the District or its representatives ready access during the normal working day to all parts of the wastewater generating and disposal facilities and monitoring and metering facilities for the purposes of

inspection and sampling. The District shall have the right to set up on the user's property such devices as are necessary to conduct sampling or metering operations. Where a user has security measures in force, the user shall make necessary arrangements so that personnel from the District will be permitted to enter without delay for the purpose of performing their specific responsibilities.

7.4.15 Discharge Reports

An industrial user discharging or proposing to discharge sewage into the District's sewerage facilities shall be required to file discharge reports periodically or at anytime requested by the District. Industrial users subject to Federal categorical pretreatment standards, shall submit to the District by June 30 and December 31, unless required more frequently by the standard or by the District, a report indicating the nature and concentration of pollutants in the discharge which are limited by such categorical pretreatment standards. Reports generated by OCS&D may serve to meet this requirement. In addition, this report shall include a record of flows as required by the District. The District may agree to alter the months during which the reports are to be submitted based on an industrial user's high or low flow rates, holidays, budgets, etc.

Where the District has imposed mass limitations on an industrial user, the report shall indicate the mass of pollutants regulated by the pretreatment standards in the discharge of the industrial user. Where the District has imposed equivalent mass or concentration limits on an industrial user, the report shall contain a reasonable measure of an industrial user's long-term production rate. For all other industrial users subject to categorical pretreatment standards expressed in terms of pollutant discharge per unit of production, the report shall include the industrial user's actual average production rate for the reporting period.

The District may also require an industrial user to include other information in the report including, but not limited to hours of operation, number and classification of employees, and quantities of liquid or gaseous materials stored on site even though they may not be discharged. Industrial users who monitor more frequently than required by permit must report the results of such monitoring.

Industrial users required to submit these reports or to keep other records under the conditions of their permit shall retain for three years all records of monitoring activities including dates, times, exact places, methods, names of persons who sampled and analyzed the discharge, and results of analysis, and shall make such records available for inspection and copying by the Regional Board, and the District. This period of retention may be extended during the course of any unresolved litigation regarding the User or the District, when requested by the Regional Board.

These reports shall be signed per Section 7.4.20 of the Rules and Regulations.

7.4.16 Confidential Information

All information and data on a user obtained from reports, questionnaires, permit applications, permits, monitoring programs, and from inspections shall be available to the public or other governmental agencies without restriction unless the user specifically requests confidentiality and is able to demonstrate to the satisfaction of the General Manager that the release of such information would divulge information, processes or methods which would be detrimental to the user's competitive position. Any such claim must be asserted at the time of submittal of the information by stamping the words "confidential business information" on each page containing such information. If a claim is so asserted, the District will treat the information in accordance with Chapter 40, Code of Federal Regulations, Part 2. When requested by the person furnishing a report or other document, the portions of a report or document which might disclose trade secrets or secret processes shall not be made available to the public, but shall be made available to governmental agencies; and such portions of a report or document shall be subject to use by the state or any state agency in judicial review or enforcement proceedings involving the person furnishing the report or document. Sewage constituents and characteristics will in no instance be recognized as confidential information.

7.4.17 Toxic Solid Wastes

Industrial dischargers identified as generators of toxic solid wastes shall be notified by the District of applicable requirements promulgated under the Solid Waste Disposal Act, and the Resource Conservation and Recovery Act (RCRA) and shall be referred to the State of California Department of Health Services. The foregoing provision shall in no way relieve the discharger of full responsibility for ascertaining and complying with all such requirements.

7.4.18 Hazardous Waste Discharge

All industrial dischargers are required to file a one-time notification with the District of the discharge of wastes which, if otherwise disposed of, would be considered RCRA hazardous wastes. Industrial dischargers which discharge more than 220 pounds (100 kilograms) of RCRA classified wastes per month must include in the notification an identification of hazardous constituents, estimates of mass and concentration on a monthly basis for twelve consecutive months. Industrial dischargers who discharge less than 33 pounds (15 kilograms) per month of non-acute hazardous waste as defined by RCRA do not have to report under this Section. In addition, industrial dischargers need not report pollutants already addressed under self-monitoring, baseline monitoring, and other periodic compliance reports.

Industrial dischargers subject to this Section are required to certify that they have developed a program to reduce the volume or toxicity of hazardous wastes generated to the degree it has been determined to be economically practical.

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7.4.19 Baseline Monitoring Reports

All dischargers may be required to comply with applicable mandatory toxic waste and pretreatment standards promulgated in accordance with Sections 307 and 308 of the Federal Water Pollution Control Act, or amendments thereto. Within 180 days of the date such pretreatment standards are promulgated, or become applicable to the discharger, dischargers subject to the standards shall submit a baseline monitoring report to the District and to the U.S. Environmental Protection Agency detailing, in accordance with Section 403.12, Chapter 40, Code of Federal Regulations, as amended, the discharger's compliance status with the regulations. If the discharger is in non-compliance, the report shall include a time schedule outlining how the discharger will achieve compliance within the date established for the applicable pretreatment standards. Progress reports, monitoring and reports of compliance shall also, as required by Section 403.12, be submitted by the discharger at the specified times.

7.4.20 Signatory Requirements

All reports and permit applications required by the District for satisfying Federal Regulations shall contain the following certification statement:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with Federal Pretreatment Requirements."

This statement shall be signed by a manager and the person responsible for environmental matters of the industrial user as defined in 40 CFR 403.12 (1) (1-4).

7.5 CHARGE FOR USE

7.5.1 General

The purpose of a charge for use is to insure that each recipient of sewerage service from the District pays its reasonably proportionate share of all the costs of providing that sewerage service. Charges for use shall be used to recover the total cost of operation and maintenance, including the conveying, treating and disposing of wastewater in the District's sewerage facilities, as well as capital expenditures and reserve requirements for providing wastewater collection treatment and disposal. In addition, they will be used to reimburse District for the cost of monitoring and enforcement of these Rules and Regulations. General charges will be determined on the basis of the volume of wastewater, the mass of BOD, and the mass of SS as set forth below. Additional fees will be levied by the District for compatible or non-compatible pollutants in excess of those amounts specified in the user permit.

7.5.2 Determination of Flow

There are three methods for determining the volume of wastewater discharged into the sewer: direct measurement, metered water supply, or

adjusted metered water supply. Those users exceeding 10% of the design capacity of any District sewerage facility may be required to provide a continuous, automatic total flow measurement system incorporating flow indication, totalization, and recording of the wastewater flow (direct measurement system). Those users not required to have a continuous wastewater flow measurement system shall use metered water supply or adjusted metered water supply measurements to determine flow. The District shall approve the method of wastewater flow measurement to be used in each instance.

7.5.2.1 Direct Measurement

Direct Measurement reports the volume of industrial wastewater determined by a full time flow meter, measuring the wastewater leaving the plant.

7.5.2.2 Metered Water Supply

Metered water supply reports the amount of industrial wastewater discharged when the flow volume is a measurement of the total water entering the user's plant. This amount can be taken from water bills or flow measuring device which measures the intake of water from either the District, water wells, or other sources.

7.5.2.3 Adjusted Metered Water Supply

Adjusted metered water supply reports the amount of industrial wastewater discharged when amounts of water consumed in plant operations are subtracted from the total volume of metered water entering the plant. This results in a calculated rather than a measured flow volume of industrial wastewater leaving the plant. The adjusted metered water supply is determined by deducting measured quantities of water consumed in plant operations from the metered water supply.

7.5.3 Determination of Biological Oxygen Demand (BOD) and Suspended Solids (SS) For Charge For Use

- (1) The BOD and SS concentrations required for charge for use will be determined from the average of six samples. Each sample shall be a 24 hour composite collected proportional to flow. Each 24 hour composite sample must have individual samples taken at least once per hour during all 24 hours or any lesser number of hours that wastewater is flowing into the sewer.
- (2) The samples collected shall be in accordance with proper sampling and handling techniques outlined in the latest edition of "Standard Methods" or that publication entitled "Methods for Chemical Analysis of Water and Wastes", published by the EPA or other appropriate methods approved for use by the Regional Board. Samples collected shall be delivered to a California State Certified Laboratory for analysis within the holding period of the sample. The District may require samples to be split for concurrent analyses.

7.5.4 Charge For Use

The charge for use for Class II users shall be computed by the following formula:

$$\text{Charge for use} = VR_v + BR_b + SR_s$$

Where V = total volume of flow, in hundred cubic feet

B = total discharge of biochemical oxygen demand, in pounds

S = total discharge of suspended solids, in pounds

R_v, R_b, R_s = unit charge rates for volume, BOD, and suspended solids, respectively, adopted and adjusted as needed by the District Board of Directors as shown in Exhibit B, Schedule of Rates and Charges.

Each unit rate shall be based on the amount attributable to the respective component as a proportionate share of the total cost for operations and maintenance, capital expenditures, debt service, and reserve requirements for providing wastewater collection, treatment, and disposal in dollars per unit. Other measurements of the organic content of the wastewater of a discharger, such as COD or TOC may be used instead of BOD when BOD is not applicable. However, the discharger must establish for the District a relationship between the BOD of his wastewater and the other measured parameter to convert the other parameter to an equivalent BOD. This relationship shall be used by the District in determining the charge for use. When wastewater from typical domestic use facilities is discharged separately from the other wastewaters of a discharger, the charge for use for discharging the domestic wastewater may be determined by using the following:

- (1) 10,000 gallons per employee per year; and,
- (2) 20 pounds of suspended solids per employee per year; and,
- (3) 20 pounds of BOD per employee per year. (The number of employees will be considered at the average of people employed full time on a daily basis. This may be determined by averaging the number of people employed at the beginning and ending of each quarter, or other period that reflects normal employment fluctuations.)

7.5.5 Special Purpose Discharge Permit Charge For Use

A charge for use to cover all costs of the District for providing sewerage service and monitoring shall be established by the General Manager. A deposit determined by the General Manager to be sufficient to pay the estimated charges for use shall accompany the Special Purpose Discharge Permit application, and said deposit shall be applied to the charges for use.

7.5.6 Mass Emission Rates - Rate Determination

Maximum mass emission rates for non-compatible or compatible pollutants that are present or anticipated in the user's wastewater discharge shall be set for each user and made a part of each user's permit. These rates shall be based on Federal pretreatment standards and rates, or the rates contained in Exhibit B, Schedule of Rates and Charges, to these Rules and Regulations, as applied pursuant to Section 7.5.4, whichever is more stringent.

7.5.7 Charges For Non-Compliance

Non-compliance with permit requirements, mass emission rate limits, concentrations, and/or these Rules and Regulations may be determined by an analysis of a grab or composite sample of the discharge of a permittee.

If routine sampling of the discharge of a permittee reveals non-compliance by the permittee with the mass emission rates or other conditions and limitations specified in the permittee's discharge permit, or with any provisions of these Rules and Regulations, then the permittee shall pay fees to the District as specified in Exhibit B, Schedule of Rates and Charges. The purpose of the non-compliance fees is to compensate the District for additional costs of sampling, monitoring, laboratory analysis, treatment, disposal, and administrative processing incurred as a result of the non-compliance, and shall be in addition to and not in lieu of any penalties as may be assessed pursuant to Sections 7.6.2, 7.6.3, and 7.6.4, and charges under Section 7.5.8.

Upon discovery of non-compliance with any pretreatment standard and requirement, the District shall be authorized to immediately proceed with enforcement action against the industrial user as outlined in Section 7.6. The user's status shall remain in violation until all necessary steps have been taken to restore or achieve compliance.

7.5.8 Damage to Facilities or Interruption of Normal Operations

When a discharge of wastes causes an obstruction, interference, damage, or any other impairment to District's operation or facilities, the District may assess a charge to the discharger for the work required to clean or repair the facility or costs incurred to resume normal operations and such discharge shall be grounds for permit revocation. A service fee of 25 percent of District's costs shall be added to these charges and shall be payable within forty five (45) days of invoicing by the District.

If it can be shown that the discharge is the cause of the District violating its discharge requirements established by any Regulatory Agency or incurring additional expenses or suffering losses or damage to the sewerage facilities, then that discharger shall be responsible for any costs or expenses incurred by the District, including regulatory fines, penalties, and assessments made by other agencies or a court.

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7.6 ENFORCEMENT

7.6.1 Duty of Enforcement

- (1) The General Manager is hereby charged with the duty of enforcing this Section. The provisions of this Section shall be applicable to any discharge and any building, structure or property temporarily or permanently connected to the District's sewerage facilities, whether the same is owned, operated or controlled by a private party or by a public agency, other than the District, or quasi-public agency, corporation or association.

The District shall have legal authority to obtain remedies for non-compliance by industrial users with any pretreatment standard and requirement, including the authority to seek injunctive relief. The District shall have authority and procedures (after informal notice to the discharger) to immediately and effectively halt or prevent any discharge of pollutants which may constitute an imminent endangerment to the health or welfare of persons or to the environment, or cause interference with the operation of any treatment plant.

- (2) In addition to such other penalties as may be prescribed for a violation of these Rules and Regulations, whenever the General Manager finds that a discharge of waste has been taking place in violation of any prohibitions or limitations prescribed herein or pretreatment standards promulgated in accordance herewith, he may require the user to submit for his approval best management practice plans (BMPs) wherever necessary to implement the District's pretreatment program (e.g. plans ensuring industrial users conduct necessary routine maintenance, cleaning operations, chemical storage practices, segregation of wastes for reclamation, reduction of contaminated runoff, etc.). Any failure to comply with such BMPs shall likewise be deemed a violation of this article.

7.6.2 Enforcement Remedies

The District may, at its discretion, utilize any one, combination, or all enforcement remedies provided in Section 7.6 in response to any violation of a permit or these Rules and Regulations.

7.6.2.1 Probation Order

In the event that it is determined that a user has discharged in violation of any provision of these Rules and Regulations, or the terms, conditions and limitations of its discharge permit, or has not made payment of all amounts owed to the District for user charges, non-compliance fees, or any other fees, the General Manager may issue a Probation Order, whereby the user must comply with all directives, conditions, and requirements therein within the time prescribed.

The Probation Order may contain terms and conditions including, but not limited to, installation of pretreatment equipment and facilities, submittal of drawings or technical reports, payment of fees, limits on rate and time of discharge, or other provisions to ensure compliance with these Rules and Regulations.

If at any time while a Probation Order is in effect, a user discharges wastewater to the District's sewerage facilities which is not in compliance with the Probation Order, the terms, conditions, or the limitations specified in the user's discharge permit, or with any provision of these Rules and Regulations, then the user shall pay fees to the District as specified in Exhibit B, Schedule of Rates and Charges, and the user may be assessed all other costs incurred during the sampling, including labor, equipment, materials, and overhead. The user may also be subject to permit suspension pursuant to Section 7.6.2.4 of these Rules and Regulations.

A Probation Order issued by the General Manager shall be in effect for a period not to exceed ninety (90) days. Upon satisfactory compliance with the terms of the Probation Order and expiration thereof, any fees to be assessed due to subsequent non-compliance by user shall be in accordance with these Rules and Regulations, re-established at the rate set forth in Exhibit B, Schedule of Rates and Charges. All enforcement actions thereafter shall be based on applicable provisions of these Rules and Regulations.

7.6.2.2

Enforcement Compliance Schedule Agreement (ECSA)

Upon determination that a permittee is in non-compliance with the terms, conditions or limitations specified in its permit or any provision of these Rules and Regulations, and needs to construct and/or acquire and install equipment related to pretreatment, the General Manager may require the permittee to enter into an ECSA, which will, upon the effective date of the ECSA, amend the permittee's permit. The ECSA shall contain the terms and conditions by which a permittee must operate during its term and shall provide specific dates for achieving compliance with each term and condition for construction, acquisition, and installation of required equipment related to pretreatment.

An ECSA shall have a maximum term of one hundred-eighty (180) days, and upon showing of good cause, including but not limited to reasonable progress under the terms of the ECSA, it may be extended by the General Manager for an additional period not to exceed one hundred-eighty (180) days. No further extensions shall be granted except on approval of the Board of Directors.

The ECSA may contain terms and conditions including but not limited to requirements for self-monitoring, installation of pretreatment equipment and facilities, submittal of drawings or reports, operator certification, audit of waste minimization practices, payment of fees, limits on rate and time of discharge,

deposit of performance guarantee, or other provisions to ensure compliance with these Rules and Regulations.

An ECSA shall not be approved by the District until such time as all amounts owed to the District, including fees, charges for use, Section 7.5.8 charges, non-compliance fees, deposits, or civil penalties are paid in full, or an agreement for deferred payment secured by acceptable collateral or a third party, is approved by the District. Failure to pay all amounts owed to the District shall be grounds for permit suspension or permit revocation as set forth in Sections 7.6.2.4 and 7.6.2.5.

If, during the term of an ECSA, sampling reveals non-compliance by the permittee with the terms, conditions or limitations specified in the ECSA, the user's permit, or any provision of these Rules and Regulations, the permittee shall pay the fees as specified in Exhibit B, Schedule of Rates and Charges, and may be assessed all other costs incurred during the sampling, including labor, equipment, materials, and overhead.

If compliance is not achieved in accordance with the terms and conditions of an ECSA during its term, the General Manager may issue an order suspending or revoking the discharge permit pursuant to Sections 7.6.2.4 and 7.6.2.5.

If following the expiration of an ECSA, sampling reveals non-compliance by the permittee with the terms, conditions or limitations specified in the permit, or any provisions of these Rules and Regulations, the permittee shall pay an amount based on the fees set forth in Exhibit B, Schedule of Rates and Charges, for each violation.

If the permittee remains in consistent compliance for a two-year period following ECSA expiration, then the fees shall be re-established in accordance with Exhibit B, Schedule of Rates and Charges. All enforcement actions thereafter shall be based on applicable provisions of these Rules and Regulations.

7.6.2.3

Regulatory Compliance Schedule Agreement (RCSA)

If at any time subsequent to the issuance of a wastewater discharge permit to an industrial user, Federal Categorical Pretreatment Standards are adopted or revised by the EPA, or in the event the District enacts revised discharge limitations, the General Manager, upon determination that an industrial user would not be in compliance with the future limitations, may require the industrial user to enter into a RCSA with the District under terms and conditions that would provide for achieving compliance with all new standards by the industrial user on a specific date. The RCSA shall have a maximum term of two hundred-seventy (270) days.

The RCSA may contain terms and conditions including but not limited to requirements for installation of pretreatment equipment and facilities, submittal of drawings or reports, waste minimization

practices or other provisions to ensure compliance with these Rules and Regulations.

During the period said RCSA is in effect, any discharge by the permittee in violation of the RCSA will require payment of non-compliance fees as specified in Exhibit B, Schedule of Rates and Charges.

Upon RCSA expiration, and in the event of non-compliance by the permittee, non-compliance fees shall be established in accordance with Exhibit B, Schedule of Rates and Charges. All enforcement actions thereafter shall be based on applicable provisions of these Rules and Regulations.

7.6.2.4

Permit Suspension

The District may suspend any permit when a permittee:

- (1) Fails to comply with the terms and conditions of either an ECSA or RCSA.
- (2) Knowingly provides a false statement, representation, record, report, or other document to the District.
- (3) Refuses to provide records, reports, plans, or other documents required by the District to determine permit terms, conditions, or limitations, discharge compliance, or compliance with these Rules and Regulations.
- (4) Falsifies, tampers with, or knowingly renders inaccurate any monitoring device or sample collection method.
- (5) Fails to report significant changes in operations or wastewater constituents and characteristics.
- (6) Violates a Probation Order.
- (7) Refuses reasonable access to the permittee's premises for the purpose of inspection and monitoring.
- (8) Does not make timely payment of all amounts owed to the District for user charges, non-compliance fees, penalties, deposits, or any other fees and charges.
- (9) Violates any condition or limitation of its discharge permit or any provision of the District's Rules and Regulations.
- (10) Discharges effluent that causes pass through or interference with the District's collection, treatment, or disposal facilities.
- (11) Fails to submit oral notice or written report of bypass occurrence.

When the General Manager has reason to believe that grounds exist for permit suspension, he shall give written notice thereof by certified mail to the permittee setting forth a statement of the facts and grounds deemed to exist, together with the time and place where the charges shall be heard by a Department Head. The hearing date shall not be less than fifteen (15) calendar days nor more than forty-five (45) calendar days after the mailing of such notice.

- (1) At the suspension hearing, the permittee shall have an opportunity to respond to the allegations set forth in the notice by presenting written or oral evidence. The hearing shall be conducted in accordance with procedures established by the General Manager and approved by the District's General Counsel.
- (2) After the conclusion of the hearing, the Department Head shall submit a written report to the General Manager setting forth a brief statement of facts found to be true, a determination of the issues presented, conclusions, and a recommendation.
- (3) Upon receipt of the written report, the General Manager shall make his determination and should he find that grounds exist for suspension of the permit, he shall issue his decision and order in writing within thirty (30) calendar days after the conclusion of the hearing by the Department Head. The written decision and order of the General Manager shall be sent by certified mail to the permittee or its legal counsel or representative at the permittee's business address.

Upon an order of suspension by the General Manager becoming final, the permittee shall have no right to discharge any industrial wastewater, directly or indirectly to the District's sewerage facilities for the duration of the suspension. All costs for physically terminating and reinstating service shall be paid by the permittee. Any owner or responsible management employee of the permittee shall be bound by the order of suspension. An order of permit suspension issued by the General Manager shall be deemed final upon delivery to the permittee, unless appealed to the Board of Directors pursuant to Section 7.6.2.9.

7.6.2.5

Permit Revocation

The District may revoke any permit when it is determined that a permittee:

- (1) Knowingly provides a false statement, representation, record, report, or other document to the District.
- (2) Refuses to provide records, reports, plans, or other documents required by the District to determine permit terms, conditions, or other limitations, discharge

compliance, or compliance with these Rules and Regulations.

- (3) Falsifies, tampers with, or knowingly renders inaccurate any monitoring device or sample collection method.
- (4) Fails to report significant changes in operations or wastewater constituents and characteristics.
- (5) Fails to comply with the terms and conditions of an ECSA, permit suspension, or probation order.
- (6) Discharges effluent to the District's sewerage facilities while its permit is suspended.
- (7) Refuses reasonable access to the permittee's premises for the purpose of inspection and monitoring.
- (8) Does not make timely payment of all amounts owed to the District for user charges, non-compliance fees, penalties, deposits, or any other fees and charges.
- (9) Discharges a batch dump to the District's sewerage facilities.
- (10) Discharges effluent that causes pass through or interference with the District's collection, treatment, or disposal facilities.
- (11) Fails to submit oral notice or written report of bypass occurrence.
- (12) Violates any condition or limitation of its discharge permit or any provision of the District's Rules and Regulations.

When the General Manager has reason to believe that grounds exist for revocation of a permit, he shall give written notice by certified mail thereof to the permittee setting forth a statement of the facts and grounds deemed to exist together with the time and place where the charges shall be heard by a Department Head. The hearing date shall not be less than fifteen (15) calendar days nor more than forty-five (45) calendar days after the mailing of such notice.

- (1) At the hearing, the permittee shall have an opportunity to respond to the allegations set forth in the notice by presenting written or oral evidence. The revocation hearing shall be conducted in accordance with the procedures established by the General Manager and approved by the District's general counsel.
- (2) After the conclusion of the hearing, the Department Head shall submit a written report to the General Manager setting forth a brief statement of facts found to be true, a

determination of the issues presented, conclusions, and a recommendation.

- (3) Upon receipt of the written report, the General Manager shall make his determination and should he find that grounds exist for permanent revocation of the permit, he shall issue his decision and order in writing within thirty (30) calendar days after the conclusion of the hearing by the Department Head. The written decision and order of the General Manager shall be sent by certified mail to the permittee or its legal counsel or representative at the permittee's business address.

In the event that the General Manager determines to not revoke the permit he may order other enforcement actions, including, but not limited to, a temporary suspension of the permit, under terms and conditions that he deems appropriate.

Upon an order of revocation by the General Manager becoming final, the permittee shall permanently lose all rights to discharge any industrial wastewater directly or indirectly to the District's sewerage facilities. All costs for physical termination shall be paid by the permittee. Any owner or responsible management employee of the permittee shall be bound by the order of revocation. An order of permit revocation issued by the General Manager shall be deemed final upon delivery to the permittee, unless appealed to the Board of Directors pursuant to Section 7.6.2.9.

Any future application for a permit at a location within the District by any person subject to an order of revocation will be considered by the District after fully reviewing the records of the revoked permit, which records may be the basis for denial of a new permit.

7.6.2.6

Emergency Suspension

The District may, by order of the General Manager without notice or hearing, suspend sewerage service when such suspension is necessary, in order to stop an actual or impending discharge which presents or may present an imminent or substantial endangerment to the health and welfare of persons, or to the environment, or may cause interference with the District's sewerage facilities, or may cause the violation of any State or Federal Law or Regulation. An emergency suspension order is final and not appealable.

7.6.2.7

Civil Penalties

7.6.2.7.1

Imposition By Court. Any permittee, discharger or other person who violates any provision of Section 7 of these Rules and Regulations, any permit condition, prohibition or effluent limitation, or any order, compliance schedule, suspension or revocation shall be civilly liable in a sum not to exceed twenty-five thousand dollars (\$25,000) a day for each violation. Pursuant to Sections 54739 and 54740 of the California Government Code, the

District, upon order of the General Manager, shall petition the Superior Court to impose, assess and recover such penalties or such other penalties as the District may impose, assess and recover under Federal or State law.

7.6.2.7.2

Imposition By Administrative Procedure. Any permittee, discharger, or other person who violates any provision of Section 7 of these Rules and Regulations, any permit condition, prohibition or effluent limitation, or any order, compliance schedule, suspension or revocation shall be civilly liable in the following amounts, as applicable, imposed by the District pursuant to an administrative complaint: a sum not to exceed two thousand dollars (\$2,000) a day for failing or refusing to furnish technical or monitoring reports, a sum not to exceed three thousand dollars (\$3,000) a day for failing or refusing to comply with any compliance schedule, a sum not to exceed five thousand dollars (\$5,000) a day for each violation for discharges in violation of any waste discharge limitation, permit condition or other requirement issued, reissued or adopted by the District, and a sum not to exceed ten dollars (\$10) per gallon for any discharge in violation of any suspension, cease and desist order or other order, or prohibition issued, reissued or adopted by the District.

The District may proceed under Section 7.6.2.7.2 by issuing an administrative complaint to any person who violates any provision of Section 7 of these Rules and Regulations, any permit condition, prohibition or effluent limitation, or any order, compliance schedule, suspension or revocation, alleging the act or failure to act that constitutes the violation, the provisions of law authorizing civil liability to be imposed and the proposed civil penalty. The administrative complaint shall be served by personal delivery or certified mail on such person and shall inform the person that a hearing shall be conducted, within 60 days following service, before the General Manager. The person may waive the right to a hearing, in which case it shall not be conducted.

_____(1) At the hearing, the person shall have an opportunity to _____respond to the allegations set forth in the administrative _____complaint by presenting written or oral evidence. The _____hearing shall be conducted in accordance with the _____procedures established by the General Manager and _____approved by the District's general counsel.

_____(2) After the conclusion of the hearing, the General Manager _____shall make his determination and should he find that _____grounds exist for imposition of a civil penalty, he shall _____issue his decision and order in writing within thirty (30) _____calendar days after the conclusion of the hearing. If not _____appealed, the order shall be final on the 31st day after it is _____served on the person.

_____A person dissatisfied with the decision of the General Manager may appeal to the Board of Directors within thirty (30) days of

notice of the General Manager's decision, in accordance with Section 7.6.2.9.

If after the hearing or appeal, if any, it is found that the person has violated reporting or discharge requirements, the General Manager or Board of Directors may assess a civil penalty against that person.

In the determination of the amount of the civil penalty, all relevant circumstances may be taken into consideration, including, but not limited to, the extent of harm caused by the violation, the economic benefit derived through any non-compliance, the nature and persistence of the violation, the length of time over which the violation occurs and the corrective action, if any, attempted or taken by the person.

Payment of civil penalties shall be due within thirty (30) days of the date the order assessing the penalties becomes final. The amount of any civil penalties which have remained delinquent for a period of sixty (60) days from the date they are due shall constitute a lien against the real property of the discharger from which the discharge resulting in the imposition of the penalty originated. The lien shall have no force and effect until recorded with the county recorder and when recorded shall have the force and effect and priority of a judgment lien and continue for ten (10) years and be renewable in accordance with law.

Copies of the order shall be served by personal service or by registered mail upon the party served with the administrative complaint and upon other persons who appeared at the hearing and requested a copy of the order.

—Any party aggrieved by a final order issued by the Board of Directors after granting review of the order of the General Manager may obtain review of the order of the Board of Directors in the superior court, by filing in the court a petition for writ of mandate within thirty (30) days following the service of a copy of the decision and order issued by the Board of Directors.

7.6.2.8

Appeals To The General Manager

Any user, permit applicant, or permittee affected by any decision, action or determination made a Department Head may file a written request for an appeal hearing. The request must be made within fifteen (15) days of mailing of the decision. The request for a hearing shall set forth in detail all facts supporting the appellant's request.

The General Manager shall, within fifteen (15) days of receiving the request for appeal, provide written notice to the user of the hearing date, time, and place. The hearing date shall not be more than thirty (30) days from the mailing of such notice by certified mail to the appellant unless a later date is agreed to by the appellant. If the hearing is not held within said time due to actions

or inactions of the appellant, then the original decision shall be deemed final.

At the hearing, the appellant shall have the opportunity to present information supporting its position concerning the staff's decision, action, or determination. The hearing shall be conducted in accordance with procedures established by the General Manager and approved by the District's general counsel.

After the conclusion of the hearing, the General Manager shall prepare a written report setting forth a brief statement of facts found to be true, a determination of the issues presented, and conclusions. The General Manager shall make his determination whether to uphold, modify, or reverse the decision, action, or determination of the Department Head and shall issue his decision and order within thirty (30) calendar days of the hearing. The written decision and order of the General Manager shall be sent by certified mail to the appellant or its legal counsel or representative at the appellant's business address.

The order of the General Manager shall be final in all respects fifteen (15) days after it is mailed to the appellant unless a request for hearing is filed with the Board of Directors pursuant to Section 7.6.2.9.

7.6.2.9 Appeals To The Board Of Directors

If the General Manager's order is adverse to the user, permit applicant, or permittee, it may prior to the date that the General Manager's order becomes final, file a written request for a hearing by the Board of Directors accompanied by an appeal fee in an amount shown in Exhibit B, Schedule of Rates and Charges. The request for hearing shall set forth in detail all the issues in dispute for which the appellant seeks determination and all facts supporting appellant's request.

No later than sixty (60) days after receipt of the request for hearing, the Board of Directors shall either set the matter for hearing, or deny the request for hearing.

The Board of Directors shall grant all requests for a hearing on appeals concerning administrative civil penalties (Section 7.6.2.7.2), permit suspension or revocation. Whether to grant or deny the request for a hearing on appeals of other final decisions of the General Manager shall be at the sole discretion of the Board of Directors.

The appeal fee shall be refunded if the Board of Directors denies a hearing or reverses or modifies the order of the General Manager. The fee is not refunded if the Board of Directors denies the appeal.

A hearing shall be held by the Board of Directors within sixty (60) days from the date of determination granting a hearing, unless a later date is agreed to by the permittee and the Board of Directors.

If the matter is not heard within the required time, due to actions or inactions of the appellant, the General Manager's order shall be deemed final

The Board Secretary shall within fifteen (15) days of the Board of Directors determination, provide written notice to the appellant by certified mail of the hearing date, time, and place, or the denial. If the hearing is denied, the General Manager's decision shall be final fifteen (15) days after the date such notice is mailed.

At the hearing, the appellant shall have the opportunity to present written or oral evidence supporting its position concerning the original decision, action, or determination, in accordance with adopted Rules of Procedure of the Board of Directors.

After the hearing, the Board of Directors shall make a determination whether to uphold, modify, or reverse the original decision, action, or determination as ordered by the General Manager.

The decision of the Board of Directors shall be set forth in writing within sixty-five (65) days after the close of the hearing and shall contain a finding of the facts found to be true, the determination of issues presented, and the conclusions. The written decision and order of the Board of Directors shall be sent by certified mail to the appellant or its legal counsel or representative at the appellant's business address.

The order of the Board of Directors shall be final upon its adoption. In the event the Board of Directors fails to reverse or modify the General Manager's order, it shall be deemed affirmed.

7.6.3 Costs

In addition to the penalties provided herein, the District may recover reasonable attorney's fees, court costs, court reporters' fees and other expenses of litigation by appropriate suit at law against the person found to have violated these Rules and Regulations, orders of the Board or conditions of permits issued hereunder.

7.6.4 Other Penalties

Any violation of these Rules and Regulations which is also a violation of federal or state laws or regulations is, in addition to any enforcement penalties and proceedings contained in the Rules and Regulations, subject to enforcement penalties and proceedings applicable under such federal or state laws or regulations.

7.7 FALSIFYING INFORMATION

Any person who knowingly makes any false statement, representation, record, report, plan or other document filed with the District or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required under this regulation, shall violate these Rules and Regulations.

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7.8 PUBLISHED NOTICE OF NON-COMPLIANCE

The names of industries in significant non-compliance with federal pretreatment standards shall be annually published by the District, in accordance with EPA requirements specified in 40 CFR 403.8(f)(2)(vii), in the largest daily newspaper published in the District service area.

7.9 WAIVER OF PROVISIONS

Waivers of federal categorical pretreatment standards and thus the provisions of these Rules and regulations are prohibited under any circumstances other than those authorized under Section 403, General Pretreatment Regulations, of the Clean Water Act.

7.10 CONFLICT

In the event that any portion of this Section pertaining to industrial waste discharge is inconsistent or in conflict with any other provisions of the District's Rules and Regulations as to such discharge, the provisions of this Section shall take precedence.

7.11 FATS, OILS AND GREASE CONTROL

7.11.1 Purpose

The purpose of this regulation is to facilitate the maximum beneficial public use of the District's sewer services and facilities while preventing blockages of the sewer lines resulting from discharges of FOG to the sewer facilities, and to specify appropriate FOG discharge requirements for Food Service Establishments.

This FOG regulation shall use the general definitions set forth in Section 7.2 and the additional definitions set forth in Section 7.11.2. The provisions of this regulation shall apply to the direct or indirect discharge of all wastewater or waste containing FOG carried to the sewer facilities of the District.

To comply with Federal, State, and local policies and to allow the District to meet applicable standards, this regulation shall govern discharges of all wastewater or waste containing FOG carried to the sewer facilities of the District.

This regulation establishes quantity and quality standards on all wastewater and/or waste discharges containing FOG, which may alone or collectively cause or contribute to FOG accumulation in the sewer facilities causing or potentially causing or contributing to the occurrence of SSOs.

For convenience of reference, the District's regulations concerning discharges containing FOG are set forth in this Section 7.11. Notwithstanding compliance with this Section 7.11, discharges of wastewater or waste containing FOG to the sewer facilities shall also be subject to Section 7 generally and all other applicable requirements of these Rules and Regulations.

7.11.2 Definitions

The terms hereinafter set forth shall have the following meanings when used herein or in any permits or orders issued pursuant hereto. Terms used in this Section 7.11 and not defined below shall be as defined in Section 7.2.

- (1) Best Management Practices shall mean schedules of activities, prohibitions of practices, maintenance procedures and other management practices to prevent or reduce the introduction of FOG to the sewer facilities.
- (2) California Plumbing Code shall mean Uniform Plumbing Code.
- (3) Change in Operations shall mean any change in the ownership, food types, or operational procedures that have the potential to increase the amount of FOG generated and/or discharged by Food Service Establishments in an amount that alone or collectively causes or creates a potential for SSOs to occur.
- (4) Effective Date of this FOG Regulation shall mean December 30, 2004.
- (5) Emulsify shall mean to disperse (as an oil) in an emulsion or to convert two or more immiscible liquids into an emulsion.
- (6) Fats, Oils, and Grease ("FOG") shall mean any substance such as a vegetable or animal product that is used in, or is a byproduct of, the cooking or food preparation process, and that turns or may turn viscous or solidifies with a change in temperature or other conditions.
- (7) FOG Control Program shall mean the program required by and developed pursuant to RWQCB Order No. R8-2002-0014, Section (c)(12)(viii).
- (8) FOG Control Program Manager shall mean the individual designated by the General Manager to administer the FOG Control Program. The FOG Control Program Manager is responsible for all determinations of compliance with the program, including approval of discretionary variances and waivers.

- (9) FOG Wastewater Discharge Permit shall mean a permit issued by the District subject to the requirements and conditions established by the District authorizing the permittee or discharger to discharge wastewater into the District's facilities or into sewer facilities which ultimately discharge into a District facility.
- (10) Food Service Establishment shall mean a facility defined in California Uniform Retail Food Service Establishments Law (CURFFL), Health and Safety Code Section 113785, and any commercial entity within the boundaries of the District, operating in a permanently constructed structure such as a room, building, or place, or portion thereof, maintained, used, or operated for the purpose of storing, preparing, serving, or manufacturing, packaging, or otherwise handling food for sale to other entities, or for consumption by the public, its members or employees, and which has any process or device that uses or produces FOG, or grease vapors, steam, fumes, smoke or odors that are required to be removed by a Type I or Type II hood, as defined in CURFFL Section 113785. A limited food preparation establishment is not considered a Food Service Establishment when it is engaged only in reheating, hot holding or assembly of ready to eat food products and as a result, there is no wastewater discharge containing a significant amount of FOG. A limited food preparation establishment does not include any operation that changes the form, flavor, or consistency of food.
- (11) General Permit Conditions shall mean the FOG Control Program General Permit Conditions.
- (12) Food Grinder shall mean any device installed in the plumbing or sewage system for the purpose of grinding food waste or food preparation by products for the purpose of disposing it in the sewer system.
- (13) Grease Control Device shall mean any grease interceptor, grease trap or other mechanism, device, or process, which attaches to, or is applied to, wastewater plumbing fixtures and lines, the purpose of which is to trap or collect or treat FOG prior to it being discharged into the sewer system. "Grease control device" may also include any other proven method to reduce FOG subject to the approval of the District.
- (14) Grease Interceptor or Interceptor shall mean a multi-compartment device that is constructed in different sizes and is generally required to be located, according to the California Plumbing Code, underground between a Food Service Establishment and the

connection to the sewer system. These devices primarily use gravity to separate FOG from the wastewater as it moves from one compartment to the next. These devices must be cleaned, maintained, and have the FOG removed and disposed of in a proper manner on regular intervals to be effective.

- (15) Grease Trap shall mean a grease control device that is used to serve individual fixtures and have limited effect and should only be used in those cases where the use of a grease interceptor or other grease control device is determined to be impossible or impracticable.
- (16) Hot Spots shall mean Areas in sewer lines that have experienced sanitary sewer overflows or that must be cleaned or maintained frequently to avoid blockages of sewer system.
- (17) New Construction shall mean any structure planned or under construction for which a sewer connection permit has not been issued.
- (18) Remodeling shall mean a physical change or operational change causing generation of the amount of FOG that exceed the current amount of FOG discharge to the sewer system by the Food Service Establishment in an amount that alone or collectively causes or create a potential for SSOs to occur; or exceeding a cost, set forth in the FOG Control Program, to a Food Service Establishment that requires a building permit, and involves any one or combination of the following: (1) Under slab plumbing in the food processing area, (2) an increase in the net public seating area meeting the criteria specified in the FOG Control Program, (3) an increase in the size of the kitchen area meeting the criteria specified in the FOG Control Program, or (4) any change in the size or type of food preparation equipment.
- (19) SSO shall mean sewer system overflow.

7.11.3 FOG Discharge Limitations, Prohibitions and Requirements – General

7.11.3.1 FOG Discharge Prohibition

No Food Service establishment shall discharge or cause to be discharged into the sewer system FOG that exceeds a concentration level adopted by the Board or that may accumulate and/or cause or contribute to blockages in the sewer system or at the sewer system lateral which connects the Food Service Establishment to the sewer system.

7.11.3.2 Food Service Establishment Prohibitions

The following prohibitions shall apply to all Food Service Establishments:

- (1) Installation of food grinders in the plumbing system of new constructions of Food Service Establishments is prohibited. Furthermore, all food grinders shall be removed from all existing Food Service Establishments within 180 days of the effective date of this FOG regulation, except when expressly allowed by the FOG Control Program Manager.
- (2) Introduction of any additives into a Food Service Establishment's wastewater system for the purpose of emulsifying FOG is prohibited, unless a specific written authorization from the FOG Control Program Manager is obtained.
- (3) Disposal of waste cooking oil into drainage pipes is prohibited. All waste cooking oils shall be collected and stored properly in receptacles such as barrels or drums for recycling or other acceptable methods of disposal.
- (4) Discharge of wastewater from dishwashers to any grease trap or grease interceptor is prohibited.
- (5) Discharge of wastewater with temperatures in excess of 140°F to any grease control device, including grease traps and grease interceptors, except as permitted in the FOG Control Program, is prohibited.
- (6) The use of biological additives for grease remediation or as a supplement to interceptor maintenance, without prior authorization from the FOG Control Program Manager, is prohibited.

- (7) Discharge of wastes from toilets, urinals, and other fixtures containing fecal materials to sewer lines intended for grease interceptor service, or vice versa, is prohibited.
- (8) Discharge of any waste including FOG and solid materials removed from the grease control device to the sewer system is prohibited. Grease removed from grease interceptors shall be wastehailed periodically as part of the operation and maintenance requirements for grease interceptors.
- (9) Increasing the use of water or in any other manner attempting to dilute a discharge as a partial or complete substitute for treatment to achieve compliance with this Section 7.11 and the FOG Wastewater Discharge Permit is prohibited.
- (10) Any other prohibited practice identified in the FOG Control Program from time to time, is prohibited.

7.11.3.3 FOG Wastewater Discharge Permit Required

No person shall discharge, or cause to be discharged any wastewater from a Food Service Establishment directly or indirectly into the sewer system without first obtaining a FOG Wastewater Discharge Permit if required by the District pursuant to Section 7.11.6.

7.11.3.4 Best Management Practices Required

Food Services Establishments shall implement Best Management Practices in their operation to minimize the discharge of FOG to the sewer system. Detailed requirements for Best Management Practices shall be specified in the permit. This may include kitchen practices and ~~employee training that are~~ employee training that is essential in minimizing FOG discharge.

7.11.4 FOG Pretreatment

Food Service Establishments are required to install, operate and maintain approved type and adequately sized grease interceptors necessary to maintain compliance with the objectives of this Section 7.11. Grease interceptors shall be adequate to separate and remove FOG contained in wastewater discharges from Food Service Establishments prior to discharge to the sewer system. Fixtures, equipment, and drain lines located in the food preparation and clean up areas of Food Service Establishments that are sources

of FOG discharges shall be connected to the grease interceptor. Compliance shall be established as follows:

7.11.4.1 New Construction of Food Service Establishments

New construction of Food Service Establishments after the effective date of this FOG regulation shall include and install grease interceptors prior to commencing discharges of wastewater to the sewer system.

7.11.4.2 Existing Food Service Establishments

- (1) For Food Service Establishments existing on the effective date of this FOG regulation, the requirement to install and to properly operate and maintain a grease interceptor may be conditionally stayed, that is, delayed in its implementation by the FOG Control Program Manager for a maximum period of three years from the effective date of this FOG regulation (3-year Amortization Period). Terms and conditions for application of a stay to a Food Service Establishment shall be set forth in the permit. The Board finds that three years is a reasonable amortization period for existing Food Service Establishments that are operating without a grease interceptor.
- (2) Existing Food Service Establishments that have reasonable potential to adversely impact the sewer system or have sewer laterals connected to hot spots, as determined by the FOG Control Program Manager, shall install grease interceptors within 180 days of the effective date of this FOG regulation.
- (3) Existing Food Service Establishments undergoing remodeling or a change in operations, or Food Service Establishments that change ownership, shall be required to install a grease interceptor.

7.11.4.3 Variance from Grease Interceptor Requirements

A variance from the grease interceptor requirements to allow alternative pretreatment technology, that is at least equally effective in controlling the FOG discharge, in lieu of a grease interceptor may be granted to Food Service Establishments demonstrating that it is impossible or impracticable to install, operate or maintain a grease interceptor. The applicant shall bear the burden of demonstrating that the alternative method of disposal is at least equally effective. The FOG Control Program Manager's

determination to grant a variance will be based upon, but not limited to, evaluation of the following conditions:

- (1) There is no adequate space for installation and/or maintenance of a grease interceptor.
- ~~(2)~~ ~~(2)~~—There is no adequate slope for gravity flow between kitchen plumbing fixtures and the grease interceptor and/or between the grease interceptor and the private collection lines or the public sewer.
- ~~(2)~~—
- (3) The Food Service Establishment can justify that the alternative pretreatment technology is equivalent to or better than a grease interceptor in controlling its FOG discharge. In addition, the Food Service Establishment must be able to demonstrate, after installation of the proposed alternative pretreatment, its effectiveness to control FOG discharge through downstream visual monitoring of the sewer system, for at least three months, at its own expense. A variance may be granted if the results show no visible accumulation of FOG in its lateral and/or tributary downstream sewer lines.

7.11.4.4 Conditional Waiver from Installation of Grease Interceptor

A conditional waiver from installation of a grease interceptor may be granted for Food Service Establishments that have been determined to have negligible FOG discharge and insignificant impact to the sewer system. The FOG Control Program Manager's determination to grant or revoke a conditional waiver shall be based upon, but not limited to, evaluation of the following conditions:

- (1) Quantity of FOG discharge as measured or as indicated by the size of Food Service Establishment based on seating capacity, number of meals served, menu, water usage, amount of on-site consumption of prepared food and other conditions that may reasonably be shown to contribute to FOG discharges.
- (2) Adequacy of implementation of Best Management Practices and compliance history.
- (3) Sewer size, grade, condition based on visual information, FOG deposition in the sewer by the Food Service

Establishment, and history of maintenance and sewage spills in the receiving sewer system.

- (4) Changes in operations that significantly affect FOG discharge.
- (5) Any other condition deemed reasonably related to the generation of FOG discharges by the FOG Control Program Manager.

7.11.4.5 Reserved.

7.11.4.6 Application for Waiver or Variance of Requirement for Grease Interceptor

A Food Service Establishment may submit an application for waiver or variance from the grease interceptor requirement to the FOG Control Program Manager. The Food Service Establishment bears the burden of demonstrating, to the FOG Control Program Manager's reasonable satisfaction, that the installation of a grease interceptor is not feasible or applicable. Upon determination by the FOG Control Program Manager that reasons are sufficient to justify a variance or waiver, the permit will be issued or revised to include the variance or waiver and relieve the Food Service Establishment from the requirement. Terms and conditions for issuance of a variance to a Food Service Establishment shall be set forth in the permit. A waiver or variance may be revoked at any time when any of the terms and conditions for its issuance is not satisfied or if the conditions upon which the waiver was based change so that the justification for the waiver no longer exists.

7.11.4.7 Grease Interceptor Serving Multiple Food Service Establishments on a Single Parcel

Property owners of commercial properties or their official designee(s) shall be responsible for the installation and maintenance of the grease interceptor serving multiple Food Service Establishments that are located on a single parcel.

7.11.5 Sewer System Overflows, Public Nuisance, Abatement Orders and Cleanup Costs

Notwithstanding the three-year amortization period established in Section 7.11.4.2, Food Service Establishments found to have contributed to a

sewer blockage, SSOs or any sewer system interferences resulting from the discharge of wastewater or waste containing FOG, shall be ordered to install and maintain a grease interceptor, and may be subject to a plan to abate the nuisance and prevent any future health hazards created by sewer line failures and blockages, SSOs or any other sewer system interferences. SSOs may cause or threaten to cause injury to public health, safety, and welfare of life and property and are hereby declared public nuisances. Furthermore, sewer lateral failures and SSOs caused by Food Service Establishments alone or collectively, are the responsibility of the private property owner or Food Service Establishment, and individual(s) as a responsible officer or owner of the Food Service Establishment.

Sewer blockage, SSOs, obstruction, interference, damage, or any other impairment to the District's sewer facilities or to the operation of those facilities, and any discharge of a waste which causes or contributes to the District's violating its discharge requirements established by any Regulatory Agency or incurring additional expenses or suffering losses or damage to the facilities, shall be subject to Section 7.5.8.

7.11.6 FOG Wastewater Discharge Permits for Food Service Establishments

7.11.6.1 FOG Wastewater Discharge Permit Required

If required by the District under criteria established in the FOG Control Program, Food Service Establishments proposing to discharge or currently discharging wastewater containing FOG into the District's sewer system shall obtain a FOG Wastewater Discharge Permit from the District. This requirement shall be effective 180 days from the effective date of this FOG regulation.

FOG Wastewater Discharge Permits shall be expressly subject to all provisions of this Section 7.11 and all other regulations, charges for use, and fees established by the District. The conditions of FOG Wastewater Discharge Permits shall be enforced by the District in accordance with this Section 7.11 and applicable State and Federal Regulations.

If applicable, Class I and Class II dischargers may have requirements established under Section 7.11.6 incorporated in their permits, in which event the Class I or Class II Permit shall also serve as a FOG Wastewater Discharge Permit.

7.11.6.2 FOG Wastewater Discharge Permit Application

Any person required to obtain a FOG Wastewater Discharge Permit shall complete and file with the District prior to commencing discharges, an application on a form prescribed by

the District. Applicants for FOG Wastewater Discharge Permits shall complete an application form available at the District's office. The District's FOG Control Program General Permit Conditions shall be obtained from the District office or on the District's website at www.irwd.com, and reviewed by the Applicant prior to the submittal of plans. The applicable FOG Wastewater Discharge Permit fees as set forth in Exhibit B, Schedule of Rates and Charges, shall accompany the application. The General Permit Conditions must also be met.

The applicant shall submit two (2) copies of all drawings for review. All drawings shall include the following:

- (1) North arrow.
- (2) Scale size.
- (3) User name and address.
- (4) Drawing name and drawing number.
- (5) Date drawn or revised.
- (6) Name of drafter and person approving drawing.

Applicant will be required to submit site plans, floor plans, mechanical and plumbing plans, and details to show all sewer locations and connections, FOG control device, grease interceptor or other pretreatment equipment and appurtenances by size, location, and elevation for evaluation. Applicant may be required to submit a schematic drawing of the grease control device, grease interceptor or other pretreatment equipment, piping and instrumentation diagram, and wastewater characterization report. District review of plan submittals will include, among other requirements, the prohibitions specified in Section 7.11.3.2 and the requirements specified in Section 7.11.6.8 and Section 7.11.6.9. The review of the plans and procedures shall in no way relieve Applicant of the responsibility of modifying the facilities or procedures in the future, as necessary to produce an acceptable discharge, and to meet the requirements of this Section 7.11 or any requirements of other Regulatory Agencies.

7.11.6.3 FOG Wastewater Discharge Permit

A FOG Wastewater Discharge Permit may contain any of the following conditions or limits:

- (1) Limits on discharge of FOG and other priority pollutants.
- (2) Requirements for proper operation and maintenance of grease interceptors and other grease control devices.
- (3) Grease interceptor maintenance frequency and schedule.

- (4) Requirements for implementation of best management practices and installation of adequate grease interceptor and/or grease control device.
- (5) Requirements for maintaining and reporting status of best management practices.
- (6) Requirements for maintaining and submitting logs and records, including wastehauling records and waste manifests.
- (7) Requirements to self-monitor.
- (8) Requirements for the permittee to construct, operate and maintain, at its own expense, FOG control device and sampling facilities.
- (9) Additional requirements as otherwise determined to be reasonably appropriate by the FOG Control Program Manager to protect the District's system or as specified by other Regulatory Agencies.
- (10) Other terms and conditions, which may be reasonably applicable to ensure compliance with this Section 7.11.

7.11.6.4 FOG Wastewater Discharge Permit Fee

The FOG Wastewater Discharge Permit fee shall be paid by the applicant in the amount set forth in Exhibit B, Schedule of Rates and Charges. Payment of permit fees must be received by the District prior to issuance of either a new permit or a renewed permit. A permittee shall also pay any delinquent invoices for sewer, service, fines or penalties in full prior to permit renewal.

7.11.6.5 Duration; Modification of Terms and Conditions; Renewal

The duration of permits shall be in accordance with Section 7.4.4. The terms and conditions of an issued permit are subject to modification and change during the life of the permit in accordance with Section 7.4.4, as limitations or requirements are modified and changed, or based on determination by the FOG Control Program Manager that such modification is appropriate to further the objectives of this Section 7.11.

Permits are subject to the requirements concerning renewal and modification set forth in Section 7.4.6. The Permittee may request a modification to the terms and conditions of an issued permit.

The request shall be in writing stating the requested change, and the reasons for the change. The FOG Control Program Manager shall review the request, make a determination on the request, and respond in writing.

7.11.6.6 Exemption for Limited Food Preparation Establishments

A limited food preparation establishment (as defined in the definition of Food Service Establishment), is not considered a Food Service Establishment and is exempt from obtaining a FOG Wastewater Discharge Permit.

7.11.6.7 Non-Transferability of Permits

FOG Wastewater Discharge Permits are restricted as to transferability, in accordance with Section 7.4.5.

7.11.6.8 Pretreatment - Grease Interceptor Requirements

In accordance with Section 7.4.7 and 7.4.8, all Food Service Establishments shall provide wastewater acceptable to the District, under the requirements and standards established herein, before discharging it to any public sewer. Any Food Service Establishment required to pretreat shall install, operate, and maintain an approved type and adequately sized grease interceptor necessary to maintain compliance with the objectives of this Section 7.11.

Grease interceptor sizing and installation shall conform to the current edition of the Uniform Plumbing Code. Grease interceptors shall be constructed and located in accordance with the requirements and criteria set forth in the FOG Control Program

Grease Interceptors shall be maintained in efficient operating condition in accordance with the practices, requirements and restrictions set forth in the FOG Control Program and with a maintenance frequency approved by the FOG Control Program Manager pursuant to said Program.

Food Service Establishments with grease interceptors may be required to submit data and information necessary to establish the maintenance frequency grease interceptors.

7.11.6.9 Grease Trap Requirements

Food Service Establishments may be required to install grease traps in the waste line leading from drains, sink, and other fixtures or equipment where grease may be introduced into the sewer system in quantities that can cause blockage.

Sizing and installation of grease traps shall conform to the current edition of the California Plumbing Code and with applicable requirements and criteria set forth in the FOG Control Program.

Grease traps shall be maintained in efficient operating condition in accordance with the practices, requirements and restrictions set forth in the FOG Control Program and with a maintenance frequency approved by the FOG Control Program Manager pursuant to said Program.

7.11.6.10 Monitoring Facilities Requirements

To ensure proper operation and maintenance of the grease control device or grease interceptor and compliance with this Section 7.11, in accordance with Section 7.4.13, the District may require the Food Service Establishments to construct and maintain in proper operating condition at the Food Service Establishment's sole expense, flow monitoring, constituent monitoring and/or sampling facilities, and to submit waste analysis plans, contingency plans, and meet other necessary requirements.

7.11.6.11 Best Management Practices

All Food Service Establishments shall implement best management practices in accordance with the requirements and guidelines established by the District and set forth in its FOG Control Program in an effort to minimize the discharge of FOG to the sewer system

7.11.7 Monitoring, Reporting, Inspection and Sampling

7.11.7.1 Monitoring for Compliance with Permit Conditions and Reporting Requirements

The FOG Control Program Manager may require periodic reporting of the status of implementation of Best Management Practices, in accordance with the FOG Control Program.

The FOG Control Program Manager may require visual monitoring at the sole expense of the Permittee to observe the actual conditions of the Food Service Establishment's sewer lateral and sewer lines downstream.

The FOG Control Program Manager may require reports for self-monitoring of wastewater constituents and FOG characteristics of the Permittee needed for determining compliance with any conditions or requirements as specified in the FOG Wastewater Discharge Permit or this Section 7.11. Monitoring reports of the analyses of wastewater constituents and FOG characteristics shall be in a manner and form approved by the FOG Control Program Manager and shall be submitted upon request of the FOG Control Program Manager. Failure by the Permittee to perform any required monitoring, or to submit monitoring reports required by the FOG Control Program Manager shall constitute a violation of this Section 7.11 and be cause for the District to initiate all necessary tasks and analyses to determine the wastewater constituents and FOG characteristics for compliance with any conditions and requirements specified in the FOG Wastewater Discharge Permit or in this Section 7.11. The Permittee shall be responsible for any and all expenses of the District in undertaking such monitoring analyses and preparation of reports.

Other reports may be required such as compliance schedule progress reports, FOG control monitoring reports, and any other reports deemed reasonably appropriate by the FOG Control Program Manager to ensure compliance with this Section 7.11.

7.11.7.2 Record Keeping Requirements

The Permittee shall be required to keep all manifests, receipts and invoices of all cleaning, maintenance, grease removal of/from the grease control device, disposal carrier and disposal site location for not less than two years. The Permittee shall, upon request, make the manifests, receipts and invoices available to any District representative, or inspector. These records may include:

- (1) A logbook of grease interceptor, grease trap or grease control device cleaning and maintenance practices. The logbook must be available during any inspection by a District representative or inspector. Failure to locate the logbook during an inspection, whether misplaced or lost, will result in the issuance of a replacement logbook by the District and require the Permittee to pay the logbook replacement fee in the amount set forth in Exhibit B, Schedule of Rates and Charges, for each violation. The replacement fee will be billed to the Permittee at the time of the replacement.

- (2) A record of Best Management Practices being implemented including employee training.
- (3) Copies of records and manifests of wastehauling interceptor contents.
- (4) Records of sampling data and sludge height monitoring for FOG and solids accumulation in the grease interceptors.
- (5) Any other information deemed appropriate by the FOG Control Program Manager to ensure compliance with this Section 7.11.

7.11.7.3 Falsifying Information or Tampering with Process

It shall be unlawful to make any false statement, representation, record, report, plan or other document that is filed with the District, or to tamper with or knowingly render inoperable any grease control device, monitoring device or method or access point required under this Section 7.11.

7.11.7.4 Inspection and Sampling

The wastewater discharges of Food Service Establishments are subject to inspection and sampling in accordance with the requirements of Section 7.4.14 to ascertain whether the intent of this Section 7.11 is being met and the Permittee is complying with all requirements. District access to the Food Service Establishment premises and records for such purposes shall include grease control devices or interceptor, and manifests, receipts and invoices relating to the cleaning, maintenance and inspection of the grease control devices or interceptor.

In order for the FOG Control Program Manager to determine the wastewater characteristics of the discharger for purposes of determining the annual use charge and for compliance with permit requirements, the Permittee shall make available for inspection and copying by the District all notices, monitoring reports, waste manifests, and records including, but not limited to, those related to wastewater generation and wastewater disposal, without restriction but subject to the confidentiality provision set forth in this Section 7.11. All such records shall be subject to inspection and shall be kept by the Permittee in accordance with Section 7.4.15.

7.11.7.5 Notification of Spill

In the event a discharger is unable to comply with any permit condition due to a breakdown of equipment, accidents, or human error or the discharger has reasonable opportunity to know that his/her/its discharge will exceed the discharge provisions of the FOG Wastewater Discharge Permit or this Section 7.11, the discharger shall immediately notify the District by telephone at the number specified in the Permit. If the material discharged to the sewer has the potential to cause or result in sewer blockages or SSOs, the discharger shall immediately notify the local Health Department, City or County, and the District.

Confirmation of this notification shall be made in writing to the FOG Control Program Manager at the address specified in the Permit no later than five (5) working days from the date of the incident. The written notification shall state the date of the incident, the reasons for the discharge or spill, what steps were taken to immediately correct the problem, and what steps are being taken to prevent the problem from recurring.

Such notification shall not relieve the Permittee of any expense, loss, damage or other liability which may be incurred as a result of damage or loss to the District or any other damage or loss to person or property; nor shall such notification relieve the Permittee of any fees or other liability which may be imposed by this Section 7.11 or other applicable law.

7.11.8 Enforcement

Enforcement of the provisions of this Section 7.11 and the provisions of any FOG Wastewater Discharge Permit shall be governed by Section 7.6, and for such purpose the District may utilize any one, combination or all enforcement remedies provided in Section 7.6 to the extent determined by the District to be applicable to a violation under this Section 7.11. For this purpose, "Department Head" as used in Section 7.6 shall mean the FOG Control Program Manager. In addition to the non-compliance fees specified under Section 7.6, the Permittee shall be subject to fees for FOG Program non-compliance as specified in Exhibit B, Schedule of Rates and Charges.

7.11.9 California Building Standards Law

Pursuant to the provisions of the California Building Standards Law, California Health and Safety Code §§ 18941.5, 17958, 17958.5 and 17958.7, the Board hereby finds that variations of this Section 7.11 from the State Building Standards and Housing Laws, more particularly the

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California Plumbing Code are necessary because of climatic, geological or topographical conditions of property in the District's jurisdiction, and as more specifically described below:

- (1) Sections 7.11.4 and 7.11.6 modify the authority and discretion of the "Administrative Authority" of Section 1014.1 of the 2001 California Plumbing Code by requiring all Food Service Establishments to install and operate a grease control device, which may be a grease interceptor or grease trap, if no other device, mechanism, or process is found to successfully trap or collect or treat FOG prior to its being discharged into the sewer system.
- (2) Section 7.11.6 modifies the general maintenance requirements for grease interceptors of Section 1014.6 of the 2001 California Plumbing Code and establishes more stringent maintenance requirements.

With respect to the foregoing differences, the District finds that the District's topography and geography and the District's proximity to the Pacific Ocean coupled with the general waste discharge requirements imposed by the RWQCB require the strict compliance with grease control device regulations to prevent sewer system overflows that threaten the health and safety of the public within the immediate vicinity of the overflow and downstream to the local beaches.

Additional amendments and deletions to the California Plumbing Code are found to be administrative or procedural and are found to be reasonable and necessary to safeguard life and property within the District.

A copy of this Section 7.11 shall be filed with the California Building Standards Commission and the California Department of Housing and Community Development by the Secretary of the Board as required by State law (Health & Safety Code Section 17958.7).

Section 8: MONITORING AND INSPECTION

8.1. WATER AND SEWER SYSTEMS

The Manager or his authorized representative shall have the right to enter upon the customer's premises during reason-able hours for the purpose of inspecting the customer's water and sewer systems and to insure compliance with these Rules and Regulations including the provision that self-regenerating water softeners shall not be connected to the sewer facilities of the District and the provision that all cross-connections be properly protected.

8.2. RECYCLED WATER SYSTEMS

The Manager or authorized representatives of the District shall monitor and inspect the entire recycled water system including both onsite and offsite facilities. The District shall conduct monitoring programs, maintain a record as deemed necessary, and provide reports as requested by regulatory agencies including the California Regional Water Quality Control Board. The Manager or authorized representatives of the District, in carrying out these functions, shall have the right to enter upon the customer's premises during reasonable hours for the purpose of inspecting onsite recycled water facilities and areas of recycled water use and to ensure compliance with these Rules and Regulations, including the provision that runoff be controlled and limited and the provision that cross-connections between potable water facilities and recycled water facilities not exist.

For ~~single-family residences~~ sites receiving recycled water, the permit holder shall be responsible for providing access to and cooperation with the District's ~~Cross-Connection Control~~ Inspector or designee so that the District's ~~Cross-Connection Control~~ Inspector or designee can perform an annual-periodic cross-connection ~~inspection and backflow device test,~~ site evaluations and backflow prevention device test. This inspection evaluation shall include pressure testing of the system(s) as well as a visual check of the entire system to verify that no cross-connections or unapproved exist have been made. The permit holder will be responsible for correcting any work which violates the District regulations at their sole expense including any costs associated with repair and re-testing the backflow prevention device should the backflow prevention device fail to pass the District's required test. Additionally, at such times that the permit holder changes, the District's ~~Cross-Connection Control~~ Inspector or designee will perform a cross-connection survey and evaluation and test to verify ~~that no cross-connections exist~~ compliance with these Rules and Regulations.

8.3. NATURAL TREATMENT SYSTEMS

Natural treatment systems that are designed and constructed by the developer shall be monitored as specified in the Procedures Guide and the NTS Design Guidelines. If, during the periods specified in the Procedures Guide and the NTS Design Guidelines, monitoring results indicate that the system is not operating as designed, the developer will provide the necessary improvements.

Section 9: CONNECTION FEES

9.1 GENERAL

Connection fees applicable to all property to be served shall be established from time to time by the Board and set forth in Exhibit B to these Rules and Regulations. Such property to be served shall be legally described in the application for service.

If, subsequent to the issuance of the initial permit, there is a change in owner, applicant, tenant, customer, class of use, or consumption, the District may determine that additional connection fees are required. These additional charges shall be computed on the basis of the resulting increase in service capacity and flow: or, on any reclassification of user type.

Whenever a change necessitates the payment of further charges to the District, the District may compare the actual use occurring on the property [based on readings taken from the water meter(s)] with the capacity estimated to be required for existing or probable future consumption to determine whether a different use permit is required. Determination by the District in this regard shall be made in a manner and following the procedures specified for revoking a permit as set forth in Section 14 of these Rules and Regulations. Such additional amount shall be payable on the effective date of such decision specified in Section 14 and shall be delinquent thirty (30) consecutive calendar days thereafter.

Any delinquent amount shall be the responsibility of all persons, entities, or concerns who are the applicant, owner, or customer who signed the application for service or any successor thereof. Any such amount may be recovered directly from any of the foregoing by means of proceedings initiated in the proper municipal or superior court of the State of California. In addition to recovering such amount by means of judicial determination or proceeding, the District may, to the extent now or subsequently permitted by law, cause such amounts to be collected by the County Tax Collector, together with any general or special taxes or similar charges on the property to which this service has been provided, and as described in the appropriate application for service. In either event, the applicant, owner, or customer and all persons signing the application shall be liable in addition to such amount individually and collectively for all costs incurred in collecting such additional amounts to the District, as determined in the manner herein provided, including a reasonable amount for attorney's fees. Also, the District may, at its discretion, terminate water, sewer, recycled water and/or natural treatment system service in the manner provided for in these Rules and Regulations if such amounts are not paid on the date in the manner herein provided.

Land which has been designated to remain undeveloped by a governmental agency exercising land use authority and which will not receive water, sewer or recycled water service (open space) shall be excluded from acreage in the computation of density for residential connection fees and from gross acreage of any parcel in the computation of commercial-industrial connection fees.

9.2 INTERPRETATION OF CONNECTION FEES

If the factual situations presented in an application by an applicant, owner, or customer do not fall within the classifications set forth in Exhibit "B" to these Rules and Regulations, the Manager shall interpret them to establish a reasonable classification and fee. In making such interpretations, the Manager shall be guided by the policy of the District set forth herein.

Further, in the event that the applicant, owner, or customer does not concur in the determination of the Manager, he may request that such be considered by the Board. Any such request shall be in writing and shall set forth detail and facts supporting the differences between the request of applicant, owner, or customer and the determination made by the Manager. No such application shall be considered unless there is a specific and detailed request for action proposed by an applicant, owner, or customer setting forth the exact amount of fees that the applicant, owner or customer believes should be established and shall include supporting information. Preferably, such supporting information should be prepared and submitted by a Registered Civil Engineer, experienced in the construction, operation, management, and financing of municipal water and/or sewage facilities.

If approved by the Board, such decision shall be implemented by a special agreement between such applicant, owner, or customer and the District, including adequate guarantees and assurances of further or additional payment at such time as the proposed use of the property described in the application for such action by the Board is modified, changed, or amended, or the extent of the use of the applicant, owner, or customer exceeds that represented to District. The decision of the District in all instances shall be final, subject to administrative or judicial review, except as otherwise provided by law.

Section 10: WATER AND RECYCLED WATER SERVICE LINE CHARGES,
LOWER LATERAL CHARGES AND NATURAL TREATMENT SYSTEM
CHARGES

10.1 WATER AND RECYCLED WATER SERVICE LINE CHARGES

- (1) The District shall make charges for the installation of and perpetual maintenance of all service lines, water and recycled water meters, and appurtenances thereto; all of which are the property of the District, including the water connection fees, must be paid before work will be performed. Any required backflow prevention devices on potable water services and flow or pressure control devices shall be provided by the applicant, owner, or customer at his expense.
- (2) In those instances where the applicant provides (at no cost to the District) the water or recycled water service line and appurtenances thereto, the District shall make a charge for the installation of the water or recycled water meter only, which is to remain the property of the District. Said charge, in addition to all other usual and regular charges of the District, including any specified connection fee, as set forth in Exhibit B, must be paid before work will be performed.
- (3) The District shall make charges for the installation of and perpetual maintenance of all service lines for on-site fire hydrants or automatic fire sprinkler systems, including a check valve on potable water services of a type approved by the National Board of Fire Underwriters, equipped with a bypass meter, but not including the downstream control valve, if such is required by the customer, all to remain the property of the District. Said charges, in addition to all other usual and regular charges of the District, including any specified connection fee, as set forth in Exhibit B, must be paid before work will be performed.
- (4) Whenever an installation is required by an applicant that is not covered by the schedule of charges established from time to time by the Board and set forth in Exhibit B to these Rules and Regulations, such work will be done with charges based upon an estimate of costs made by the District. If a water or recycled water service line exceeds 50 feet in length, or for any other valid reason it cannot be installed for the amount stated in the appropriate schedule of charges set forth in Exhibit B owing to the peculiarity of the proposed service, the District reserves the right to make said installation. A deposit will be required to cover estimated costs prior to the performance of any work. Upon completion of the service installation, the deposit will be adjusted based on actual costs. If actual costs differ from the deposit amount, the applicant, owner, or customer shall be invoiced by the District for the excess of the actual cost over the deposited amount, or refunded the difference if less than the deposit.
- (5) Whenever water or recycled water service lines, meters, fire hydrants, or other appurtenances are requested to be moved by the applicant for any reason whatsoever, a deposit will be required to cover estimated costs prior to the performance of any work. Upon completion of the service relocation, the deposit will be adjusted based on actual costs. If actual costs differ from the deposit amount, the applicant, owner, or customer

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shall be invoiced by the District for the excess of the actual cost over the deposited amount, or refunded the difference if less than the deposit.

- (6) A temporary service connection may be installed for use over a period of time not exceeding six (6) months. For each such connection, an application shall be filed in accordance with the provisions of Section 4.2 of these Rules and Regulations. Rates to be charged for water used from such connection shall be in accordance with "Temporary Construction Service" contained in Exhibit B. The user of a temporary recycled water service shall designate an "Onsite Recycled Water Supervisor" in accordance with the requirements of Section 6.2.2 herein.

10.2 LOWER LATERAL CHARGE

- (1) The District will charge for the installation of a lower lateral and connection to the customer's upper lateral. Said charges, in addition to all other usual and regular charges of the District, including the sewer connection fee, must be paid before the work is performed. Such work will be done with charges based upon an estimate of costs made by the District. Any required backwater valves and appurtenances shall be provided by the applicant, owner, or customer at his expense.
- (2) Whenever lower laterals, manholes, or other appurtenances are requested to be moved by an applicant for any reason whatsoever, the charges shall be made on the basis of an estimate of costs by the District. The charges herein required are in addition to all other charges required by the District for sewer service and are payable pursuant to arrangements approved by the Board. A deposit will be required to cover estimated costs prior to the performance of any work. Upon completion of the service relocation, the deposit will be adjusted for actual costs. If actual costs differ from the deposited amount, the applicant, owner, or customer shall be invoiced by the District for the excess of the actual cost over the deposited amount, or refunded the difference if less than the deposited amount.

10.3 NATURAL TREATMENT SYSTEM CHARGES

The District shall impose charges for modifications to natural treatment systems requested by the developer after the system has been constructed. Said charges, in addition to all other usual and regular charges of the District, including any specified connection fee, shall be as determined by the District and must be paid before work will be performed.

Section 11: SECURITY DEPOSIT

As permitted by law, the District may require of an applicant, owner, or customer such a deposit, if deemed necessary by reason or estimated future water, sewer, and recycled water billings or if there is an instance or instances of monthly delinquency. Such amount shall not be less than the estimated cost of water, sewer, and recycled water service for a one month-period or such other amount as determined by the Manager or Board. Deposits may be returned after one (1) year at the request of the applicant, owner, or customer; providing that all bills rendered during the succeeding twelve (12) month period have been paid within fifteen (15) days of presentation. A deposit determined by the District will be required for all construction water meters. Upon termination of service, deposit amounts not previously returned shall be applied to the final utility bill and any remaining amount refunded to the applicant, owner or customer.

Section 12: SERVICE CHARGES

12.1 ESTABLISHMENT OF RATES

Rates to be charged and collected and the terms, provisions, and conditions to be effective respecting such rates for water, sewer, recycled water and natural treatment system service supplied by the District to customers within the District shall be as fixed and established by the Board from time to time and set forth in Exhibit B to these Rules and Regulations, which charges shall have no effect on any existing or subsequent reimbursement agreements. This provision is in addition to and not by way of derogation of any other remedies or procedures available to the District pursuant to any law or regulation or by any of the provisions of these Rules and Regulations.

12.2 CHANGE OF SERVICE CHARGE

The Board reserves the right to change the schedule of water, sewer, recycled water and natural treatment system service charges and other charges at any time.

12.3 SERVICE CHARGE BILLING

Water, sewer, recycled water and natural treatment system service charges will be rendered as part of the District water service bill at intervals of one month or multiples thereof. The District reserves the right to estimate bills, based on prior consumption.

12.4 METERING

For the purpose of computing charges, each meter on the customer's premises will be considered separately, and readings of two or more meters will not be combined as equivalent to measurement through one meter except in those instances in which, by reason of special operating conditions, the District substitutes two or more meters of a smaller size for a single larger meter on the same service connection. In this special case, the size of service connection shall be substituted for the size of the meter in the application of the rate schedule, and shall be the basis for computing charges.

12.5 TIME AND MANNER OF PAYMENT

- (1) All bills and charges for water, sewer, recycled water and natural treatment system service hereunder shall be due and payable upon presentation and shall become delinquent twenty-five (25) days thereafter. Such bills and charges shall be deemed to have been presented upon having been sent electronically or deposited in the United States mail; postage paid; and addressed to the applicant, owner, or customer reflected in the records of the District. Failure to receive the bill will not release the customer from payment obligation nor will it entitle the customer to a billing discount or exempt the customer from late fees or service disconnection for non-payment. Electronic billing and automatic payment are available to the customer on request and subject to compliance with all terms and conditions for enrollment in and use of such programs.

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- (2) If payment is not received within twenty-five (25) days after presentation of the bill, a late charge will be levied on any unpaid balance and, following such notice and proceedings as may be required by law, the water and/or recycled water service may be discontinued. Water and/or recycled water service shall not again be supplied until all delinquent bills, plus a restoration charge, which is established by the Board have been paid; if the turn-on is requested to be made outside regular working hours, an increased restoration charge shall be paid before service is restored. Payment shall be made electronically, in person or by mail at the office of the District or, at the option of the District, to its authorized collectors.
- (3) Discontinuance of service by reason of a delinquent bill shall not automatically constitute revocation of permit. However, such delinquency may be considered as sufficient reason for a revocation of permit in accordance with the provisions of these Rules and Regulations.

12.6 VARIANCE FROM RESIDENTIAL RATE STRUCTURE ALLOCATIONS;
NONRESIDENTIAL ACREAGE AND BASE INDEX REVISIONS

12.6.1 Residential Variance - Procedure

- (1) Variance request forms will be obtained from and submitted to the Customer Service Department.
- (2) Variance requests will be processed by the Customer Service Department.
- (3) At the discretion of the District, the requesting customer may be required to have a water audit, which will be conducted by the District at no charge prior to review of the request.
- (4) Staff will notify a customer in writing if their variance request is denied.
- (5) Documents submitted by any customer as part of the variance procedure are reviewed and returned to the customer. If the customer does not request the documentation back, it will be destroyed to protect the customer's privacy, except for information retained by the District to document variances or as otherwise required by law

12.6.2 Residential Variance – Determination

- (1) Grounds for a variance are:
 - [a] number of people residing in a dwelling unit
 - [b] medical needs
 - [c] licensed care facilities
 - [d] fire control zones (or other regulatory requirements)
 - [e] landscape area
 - [f] horses
 - [h] common area washing machines

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- [i] other, as determined on a case by case basis
- (2) Proof acceptable to the District will be required of each ground(s) for a requested variance. The variance request form provides examples of acceptable proof.
- (3) Limitations
 - [a] An approved variance will become effective on the date the request for variance was submitted to the District.
 - [b] An approved variance will be valid for a period specified by the District (one year or less), and must be resubmitted on or before the expiration date to remain in effect.
- (4) Calculation of the increased allocations for approved variances will be made by the District pursuant to *Exhibit B* (Rates and Charges)

12.6.3 Nonresidential Acreage and Base Index Revisions – Procedure

- (1) Acreage (landscape) revision requests will be made by submitting an acre-change request to the Water Efficiency Department.
- (2) Base index (commercial, industrial and public authority usage) revision requests will be made by submitting a request for account evaluation to the Customer Service Department.
- (3) At the discretion of the District, the requesting customer may be required to have a water audit, which will be conducted by the District at no charge prior to review of the request.
- (4) Staff will notify a customer in writing if their request is denied.
- (5) Documents submitted by any customer as part of the account evaluation procedure are reviewed and returned to the customer. If the customer does not request the documentation back, it will be destroyed to protect the customer's privacy, except for information retained by the District to document the acreage or base index revision or as otherwise required by law.

12.6.4 Nonresidential Acreage and Base Index Revisions – Determination

- (1) Commercial/Industrial/Public Authority - Grounds
 - . Relevant factors will include expansion of productive capacity, existing conservation practices that can be shown to have reduced water usage, severe economic hardship, and other factors determined on a case by case basis.

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(2) Landscape Acreage - Grounds

It is the obligation of the customer to provide to the District acceptable documentation of the actual area served by each metered connection. Acceptable documentation is an irrigation plan or a controller chart (site map with irrigation zone boundaries clearly marked and square footage per zone called out) signed by a California licensed landscape architect or Irrigation Association certified irrigation designer (CID).

(3) Limitations

- [a] An approved acreage or base index increase will become effective on the date the request was submitted to the District.
- [b] An approved acreage increase need not be resubmitted and will remain valid unless a further acreage-change is made
- [c] An approved base index increase will be valid until the account is closed or a new nonresidential tenant applies for service. When a new account is opened, the nonresidential customer will be billed at the conservation base rate for an initial period of six months. The District will then establish a base index for the customer based on the customer's usage for the initial six month period and will begin to bill the customer in accordance with the applicable rate structure. In the event a new tenant accepts responsibility for an existing account and the account is not closed, the existing base index for the account will remain in effect unless and until the District, on its own review or at the tenant's request, modifies the existing base index or establishes a new base index by implementing a six-month base index reestablishment period as described in the preceding sentence.

(4) Calculation of the increased acreage or base index will be made by the District pursuant to *Exhibit B* (Rates and Charges)

12.7 ADJUSTMENT OF CHARGES

12.7.1 Billing Errors

In the event of discovery of an error in the computation of charges, crossed meters, unbilled meter or other error, a retroactive adjustment of the charges will be made by means of a credit or additional charge to the next bill, to the extent the District determines it has information from which the correct amount can be ascertained.

12.7.2 Variance Adjustment - Residential

If a variance is approved as provided in Section 12.6.2, a retroactive adjustment of the charges to the customer may be made for no more than

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three months prior to the variance effective date if the District determines a retroactive adjustment is warranted in accordance with the variance request and the proof submitted by the customer.

12.7.3 Increase of Nonresidential Landscape or Base Index

If a nonresidential customer's base index or landscape acreage is increased as provided in Section 12.6.4, a retroactive adjustment of the charges may be made for no more than six months ~~three prior~~ prior to the effective date of the increase if the District determines a retroactive adjustment is warranted in accordance with the increase request and the proof submitted by the customer.

12.7.4 Residential Landscape Adjustments

The District will authorize a retroactive adjustment of no more than three months for the purpose of establishing new landscape if the District determines a retroactive adjustment is warranted in accordance with the proof submitted by the customer. Training shall be completed if required under Section 12.7.8.

12.7.5 Leak Repair Adjustments

(1) Grounds

The IRWD allocation-based conservation tiered rate structure is intended to serve as a warning sign to alert customers to possible water waste, such as a leak, by charging over-allocation at the "Inefficient", "Excessive", and "Wasteful" tiers. When an adjustment is made for a repaired leak, the excess units of water attributed to the leak and billed in the "Inefficient", "Excessive", or "Wasteful" tiers are re-billed at the "Base Rate". When a customer has a leak repaired, and usage after the repair is within the customer's allocation, the District will authorize an adjustment, for residential customers, of no more than two bills affected by the leak. Due to the additional complexity of processing an adjustment for nonresidential customers, the District may, at its discretion, authorize an adjustment of up to six bills affected by the leak.

(2) Limitations

The customer is required to contact the District within two months of completing the repair of the leak in order to receive a leak adjustment. Training shall be completed if required under Section 12.7.8.

12.7.6 Nonresidential Landscape ~~Leak Repair~~ Adjustments

- (1) To be eligible for adjustment, an over-allocation charge on a single bill must exceed the minimum amount specified in the Landscape Irrigation Adjustment Request Form (LIAF) adjustment form instructions available at www.irwd.com. ~~on a single bill.~~

- ~~(2)~~ ~~Only m~~Mainline breaks and leaks are eligible for adjustment.
- ~~(2)(3)~~ ~~Other~~Requests for other ~~non-residential landscape adjustments shall be made on a case-by-case basis at the District's discretion, based on the request and supporting documentation submitted by the customer and on a case-by.~~
- ~~(3)(4)~~ Adjustment requests shall be submitted on an IRWD ~~Landscape Irrigation Adjustment form (LIAF)~~ which is available online at www.irwd.com, in accordance with the LIAF instructions. Training shall be completed if required under Section 12.7.8.

12.7.7 Courtesy Adjustments – Residential and Nonresidential Customers

~~————— (1) ——— Residential~~An adjustment of charges not otherwise provided for in this Section 12.7 may be authorized by the District as a courtesy adjustment

~~Courtesy adjustments may be authorized for special circumstances determined on a case-by case basis, but no more than one courtesy adjustment will be authorized within a 12-month period. If the adjustment is approved, the District will authorize an adjustment to no more than one month's bill. A~~ Courtesy adjustments may include up to, but are not limited to one-time adjustments for filling/re-filling a swimming pool or long term guests.

~~————— (2) ——— Nonresidential~~

~~Courtesy adjustments may be authorized for special circumstances determined on a case-by case basis, but no more than one courtesy adjustment will be authorized within a 12-month period. If the adjustment is approved, the District will authorize an adjustment for up to, but no more than, six months; six months of² charges, and no more than one~~ courtesy adjustment will be authorized within a 12-month period.

12.7.8 Training Requirement For Adjustments

For billing adjustments made under 12.7.4, 12.7.5 and 12.7.6, the District, at its discretion, may require the customer to complete a free water use efficiency training session offered or provided by the District, in order to receive the billing adjustment.

Section 13: SEVERABILITY

If any section, subsection, clause, or phrase of these Rules and Regulations is for any reason held to be invalid or unconstitutional, such decision shall not affect the remaining portions of these Rules and Regulations. The Board declares that it would have passed said Rules and Regulations by section, subsection, sentence, clause, or phrase thereof.

Section 14: ENFORCEMENT AND PENALTIES

14.1 GENERAL

Any person, firm, corporation, association, or agency found to be violating any provision of these Rules and Regulations or the terms and conditions of the applicant's, owner's, or customer's service agreement, permit, or any and all applicable Federal, State, or local statutes, regulations, ordinances, or other requirement shall be served by the District with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in such notice, permanently cease all violations. This provision is in addition to and not by way of derogation of any other remedies or procedures available to the District by law, regulation, or pursuant to any of the provisions of these Rules and Regulations including, but not limited to, Section 7.

Pursuant to Section 35424 of the Water Code of the State of California, any violation of these Rules and Regulations is a misdemeanor, the violation of which shall, upon conviction thereof, be subject to a fine of not less than \$25.00 nor more than \$200.00.

Failure to permanently cease all violations within the time stated shall result in revocation of the permit by the District and termination of water, sewer, recycled water and/or natural treatment system service as provided in Sections 14.2 and 14.3. Violations regarding any one service may result, at the sole discretion of the Board or Manager, in termination of any combination of or all water, sewer, recycled water and natural treatment system service.

14.2 INTERIM REVOCATION

In cases where the serious nature of the violations described above require immediate action, the Board or Manager may, in the sole discretion of the Board or Manager, immediately revoke the permit on an interim basis and thereupon cease water, sewer, recycled water and/or natural treatment system service, subject to a timely decision on permanent revocation of permit pursuant to a public hearing as provided herein. In cases of sewer service termination, there shall be no discharge of any type by an applicant, owner, or customer into the District's sewer facilities.

14.3 PERMANENT REVOCATION

Permanent revocation of a permit shall occur only subsequent to a public hearing held in the manner hereinafter provided. The applicant, owner, or customer shall be given written notice ten (10) calendar days prior to a hearing on the possible permanent revocation of any permit by the District. The notice shall specify the grounds of the proposed revocation of any such permit in reasonable detail. It may but need not describe suggested corrective action acceptable to the District. Notice may be delivered personally to the applicant, owner, or customer or it may be given by depositing such in the United States mail with postage prepaid, addressed to the applicant, owner, or customer either at the address for the applicant, owner, or customer as reflected on the last equalized assessment roll of the County of Orange as defined in the Revenue and Taxation Code of the State of California. Any such action to permanently revoke the permit shall be effective

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ten (10) calendar days after notice of the Board's decision and shall be either personally delivered to the applicant, owner, or customer placed in the United States mail, postage prepaid, addressed to the applicant, owner, or customer in the manner herein above specified.

In the alternative to such action, the District may establish a surcharge on the continuation of water, sewer, recycled water and/or natural treatment system service by the District until such time as the applicant, owner, or customer has taken action to comply with all of the herein above described requirements for obtaining service from the District in its reasonable discretion. Any request to reestablish service subsequent to the revocation of a permit and the termination of water, sewer, recycled water and/or natural treatment system service shall be in the manner prescribed for initially obtaining service from the District, which may include the collection of a security deposit. However, in addition, the District may, in its discretion, require that an agreement and financial security conditioned upon compliance with the District's Rules and Regulations be provided in an amount, manner, and for a period of time as determined by the Board.

The foregoing provisions of these Rules and Regulations are a requirement of any permit, and any application for service and permit therefore shall be subject to such provisions. The Board, if it deems such to be in the best interest of the District, may on an interim basis or otherwise waive or modify any of the foregoing.

Section 15: WATER CONSERVATION AND WATER SUPPLY SHORTAGE PROGRAM AND REGULATIONS

15.1 GENERAL

15.1.1. Title

This section will be known as the Irvine Ranch Water District Water Conservation and Water Supply Shortage Program.

15.1.2 Findings

- A. A reliable minimum supply of water is essential to the public health, safety and welfare of the people and economy of the southern California region.
- B. Southern California is a semi-arid region and is largely dependent upon imported water supplies. A growing population, climate change, environmental concerns and other factors in other parts of the State and western United States make the region highly susceptible to water supply reliability issues.
- C. Careful water management that includes active water conservation measures, not only in times of drought but at all times, is essential to ensure a reliable minimum supply of water to meet current and future water supply needs.
- D. Article X, Section 2, of the California Constitution declares that the general welfare requires that water resources be put to beneficial use, that waste or unreasonable use or unreasonable method of use of water be prevented and that conservation of water be fully exercised with a view to the reasonable and beneficial use thereof.
- E. California Water Code section 375 authorizes a water supplier to adopt and enforce a comprehensive water conservation program to reduce water consumption and conserve supplies.
- F. The adoption and enforcement of a water conservation and supply shortage program is necessary to manage the District's water supply in the short and long term and to avoid or minimize the effects of a supply shortage within the District. Such a program is essential to ensure a reliable and sustainable minimum supply of water for the public health, safety and welfare.

G. Recycled water is produced and supplied by the District to conserve potable water. Recycled water, like potable water, must be used efficiently and is therefore included in this Program.

15.1.1 Application

The provisions of this section shall apply to all persons using water in any area of this District in which the District provides retail water service, regardless of whether any person using water shall have a contract for such service, and shall apply to all potable and recycled water supplied by the District.

15.1.2 Water Shortage Contingency Plan

The District has adopted a Water Shortage Contingency Plan. The Water Shortage Contingency Plan, as amended from time to time, describes the restrictions and other response measures that can be implemented by the Board in declaring a water shortage level and provides policy considerations, criteria and other guidance for the selection and implementation of these measures.

15.2 DECLARATION OF PURPOSE AND INTENT

The purpose of this section is to establish a water conservation and supply shortage program that will reduce water consumption within the District through conservation, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, and maximize the efficient use of water within the District to avoid and minimize the effect and hardship of water shortage to the greatest extent possible.

This section establishes permanent water use efficiency standards intended to alter behavior related to water use efficiency for non-shortage conditions and further establishes four levels of water supply shortage response actions to be implemented during times of declared water shortage or declared water shortage emergency, with measures designed to achieve progressively greater levels of conservation in response to worsening shortage or emergency conditions and decreasing supplies.

This section is intended to complement and be used in tandem with the allocation-based tiered pricing structure adopted by the District in 1991 and implemented under Section 12.1 of these Rules and Regulations on an ongoing basis as part of the District's rates and charges. The allocation-based tiered pricing structure encourages use within allocation through a significantly tiered commodity pricing system, and discourages wasteful use. The response measures for the levels of water supply shortage include a set of measures, referred to as "demand management" measures, that can be implemented through the allocation-based tiered pricing structure.

15.3 EXEMPTIONS

Persons may be exempted from application of the permanent restrictions set forth in 15.4 or restrictions implemented pursuant to the Water Shortage Contingency Plan during a shortage level under 15.5, if the General Manager of the District or his designee issues a permit allowing such use, and if such permit issuance is based on a finding that enforcement of the applicable restriction would either (1) cause an unnecessary and undue hardship to the applicant or the public, or (2) would cause or threaten an emergency condition affecting the health, sanitation, fire protection, or safety of the applicant or the public.

The General Manager of the District or his designee may require the use of such water conservation devices or practices as he deems appropriate as a condition of the exemption permit. He shall promulgate a list of approved devices.

Section 12.6 sets forth the procedures to apply for variances from water allocations under the allocation-based tiered pricing structure.

15.4 GENERAL PROHIBITIONS AND ONGOING MEASURES

15.4.1 Prohibitions

The following prohibitions are in effect at all times, regardless of whether any declared shortage condition is in effect.

- (1) *Gutter Flooding* - No person shall cause or permit any water furnished to any property within the District to run or to escape from any hose, pipe, valve, faucet, sprinkler, or irrigation device into any gutter or otherwise to escape from the property if such running or escaping can reasonably be prevented.
- (2) *Leaks* - No person shall permit leaks of water that he has the authority to eliminate.
- (3) *Washing Hard Surface Areas* - Washing down hard or paved surfaces, including but not limited to sidewalks, walkways, driveways, parking areas, tennis courts, patios or alleys, is prohibited except when necessary to alleviate safety or sanitary hazards.
- (4) *Waste* - No person shall cause or permit water under his control to be wasted. Wasteful usage includes, but is not limited to, the uses listed in Section ~~13(A)~~1.1 of Exhibit 1 to the Memorandum of Understanding Regarding Urban Water Conservation in California, dated ~~December~~

~~11~~September 16, 2002~~2011~~, as amended from time to time, or the counterpart of said list contained in any successor document.

15.4.2 Demand Management

When a declared shortage condition is not in effect, basic allocations established by the District under the allocation-based tiered pricing structure will be limited to the amount that is reasonable for the customer's needs and property characteristics, and will exclude wasteful use. Reductions may be applied to basic allocations to establish a reasonable amount during a declared shortage condition, as specified herein.

15.5 IRWD Water Supply Shortage Levels

The District's Water Shortage Contingency Plan provides representative measures that may be implemented during water shortage resulting from drought conditions or system interruptions. The measures may be applied individually or in combination and may vary according to the severity and duration of the shortage.

The following are the levels of shortage which may be declared by the Board in the manner prescribed by applicable provisions of the California Water Code, the approximate ranges of conditions the levels represent and the reductions to be achieved:

Level One (Shortage Warning): Up to 10% shortage. Measures selected would be designed to achieve the following:

- Reduce over-irrigation
- Reduce over-allocation use
- Encourage diligent repair of water leaks

Level Two (Significant Shortage Condition): 10-25% shortage. Measures selected would be designed to incorporate the objectives listed under Level One, and achieve the following further reduction in use:

- Reduce irrigation by a percentage to be specified in the shortage declaration
- Discourage filling of fountains, pools and water features and other discretionary uses

Level Three (Severe Shortage): 25-40% shortage. Measures selected would be designed to incorporate the objectives listed under Level Two, and achieve the following further reduction in use:

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- Further reduce irrigation by a percentage to be specified in the shortage declaration
- Further reduce or eliminate discretionary uses
- Reduce commercial, industrial and institutional use by a percentage to be specified in the shortage declaration
- Eliminate specified municipal uses such as street cleaning, hydrant-flushing and water-based recreation

Level Four (Crisis Shortage): More than 40% shortage. Measures selected would be designed to incorporate the objectives listed under Level Three, and achieve the following further reduction in use:

- Cease all outdoor water uses for landscape and agriculture, subject to reserved rights relating to local wells

Generally, in all Levels, it is anticipated that the District will use voluntary customer response measures and demand management measures implemented under Section 12 through the adjustments in the allocation-based pricing structure. Response measures during Levels Three and Four are anticipated to also include restrictions or prohibitions, but this will be determined by the District in its discretion at time of implementation. To achieve the reductions indicated above under the various levels, the conservation measures that may be implemented by the shortage declaration are listed below, shown with the levels in which they are anticipated to be used. Reference is made to the Water Shortage Contingency Plan for a more detailed discussion of response measures and the manner in which they may be used in the various shortage levels. At the time of declaring a level of shortage conditions, the Board in its discretion will determine the particular response measures that will be implemented. The list below is intended to be illustrative and not exclusive, and does not preclude the implementation of measures in a different level from the level(s) shown or the implementation of other measures in lieu of or in addition to those described below or in the Water Shortage Contingency Plan:

- Enhanced public awareness campaign (all Levels)
- Intensified use of surveys/assistance for customers in highest allocation tiers (all Levels)
- Reduction of basic water allocations (all Levels)
- Adjustment of pricing tier thresholds, shifting usage into higher tiers (Levels Two, Three and Four)
- Increase of rates for pricing tiers, including adjustments to recover Metropolitan's penalty rates for purchases of imported water (Levels Three and Four)
- Restriction of uses (Level Four)

- Prohibition of uses (Level Four)

The demand management measures included in the list above will be implemented through changes in the District's allocation-based tiered pricing structure designed to strengthen the pricing signal and achieve desired water savings in the declared shortage level, including changes in the allocation based water budgets of customers or customer classes (residential, landscape, commercial, etc), changes in the usage volumes subject to the pricing tiers, and changes in the applicable commodity rates for the tiers. These changes will be implemented under Section 12 through the adoption of a revised Exhibit B setting forth the District's rates and charges.

The general prohibitions specified in Section 15.4 shall apply to the use of potable (domestic), untreated and recycled water. The application of shortage level response measures or restrictions may vary as to type of water service. In the implementation of measures or restrictions on potable water service through the declaration of a shortage level, the District will determine and set forth how and to what extent, if any, such measures or restrictions, or different measures or restrictions, will be applied to non-potable water services furnished by the District.

15.6 REPORTING AND ENFORCEMENT

15.6.1 Measures implemented through allocation-based tiered pricing structure

As described in Section 15.2, the District's allocation-based tiered pricing structure complements and is used in an integral manner within the water conservation and water supply shortage program. As part of the program, the pricing structure performs both reporting and enforcement functions: (1) the billing of water usage within the various pricing tiers serves as an effective *reporting mechanism* to identify customers who are overusing water or may be using water in discouraged or prohibited manners, and tells the District and the District's customer what amounts of conservation are being achieved and where high usage should be the focus of additional effort; and (2) the effectiveness of the allocation-based tiered pricing structure means that the rate structure and adjustments to it can achieve the same result as, and be used by the District *in lieu or partially in lieu of, restrictions and enforcement measures* in times of declared shortage conditions. As a result the response measures in Section 15.5 include demand management measures to be implemented through the allocation-based tiered pricing structure, which is enforced through the District's billing procedures.

IRVINE RANCH WATER DISTRICT

15.6.2 Enforcement of Restrictions

- (1) Prior to enforcement of the restrictions pursuant to Section 15.4 and 15.5, any person who is suspected of violating the restrictions hereby imposed shall be given a preliminary notice in writing of such violation, with the description of violation set forth in such preliminary notice. Such person shall have 24 hours to correct such violation, or terminate the use. If the violation is not corrected or the use not terminated, the General Manager of the District or his designee may forthwith either (a) disconnect service, (b) install flow-restricting devices restricting non-health and safety related water service, or (c) order issued a second preliminary notice. (Service disconnected or restricted pursuant to (a) or (b) above shall be restored only upon payment of the turn-on and other charges fixed by the Board of Directors as provided in these Rules and Regulations.)
- (2) Any other sanctions or penalties that the District is presently authorized to impose or that the District may at some future time be authorized to impose may be imposed to enforce this prohibition of water wastage.
- (3) From and after the publication or posting of any ordinance or resolution implementing any restrictions or mandatory measures under the Water Shortage Contingency Plan, violations thereof shall be misdemeanors punishable by imprisonment in the County Jail for not more than 30 days or by fine of not more than \$1,000, or both, or as otherwise provided by law or such resolution or ordinance.

Section 16: WATER WELLS

16.1 GENERAL

The District has an important interest, along with other appropriate regulatory agencies, in monitoring the groundwater basin located within its boundaries to obtain information as to its quantity, quality and other characteristics on an historical and ongoing basis. Many wells have been constructed and operated within the District for agricultural purposes by private users. From time to time, due to increasing urbanization, some of these wells are no longer needed as production wells. The purpose of this section is to regulate the construction and reconstruction of all existing and future water wells, to provide for the destruction or other use of abandoned wells, and to provide for the initiation and completion of corrective measures relative to wells within the District, to accomplish the following:

- (1) To protect the quality of the groundwater within the District;
- (2) To protect the health, safety, and welfare of the residents of the District;
- (3) To protect the capability of the District to produce and distribute water for the use, benefit and protection of the residents of the District;
- (4) To avoid premature destruction of wells that can be converted to monitoring or production use.

16.2 DEFINITIONS

- (1) "Destruction" of a well means the complete filling and sealing of the well in accordance with the procedures outlined in the standards incorporated into this Section.
- (2) "Well" means any excavation constructed by any method for the purpose of extracting water from or injecting water into the underground, for providing cathodic protection or electrical grounding of equipment, for making tests or observations of underground conditions, or for any other similar purpose. Wells shall include, but shall not be limited to, community water supply wells, individual domestic wells, industrial wells, agricultural wells, cathodic protection wells, electrical grounding wells, test and exploratory holes, observation wells, saltwater barrier wells, and other wells whose regulation is necessary to fulfill the purpose of this chapter as determined by the Manager. Wells shall not include:
 - [a] Oil and gas wells, geothermal wells, or other wells constructed under the jurisdiction of the State Department of Conservation, except any such wells converted to use as water wells;
 - [b] Wells used for the purpose of dewatering excavations during construction, monitoring high groundwater during construction, monitoring or ascertaining the existence of groundwater contamination, or stabilizing hillsides or earth embankments; or
 - [c] Wells less than 50 feet in depth or 6 inches in diameter.

- [d] Other wells whose regulation is not necessary to fulfill the purpose of this chapter as determined by the Manager.
- (3) A well shall be presumed to be "abandoned" when it has not been used for its intended purpose for a period of one year.

16.3 PROHIBITED ACTS -- PERMITS REQUIRED

- (1) No person, firm, or private or public corporation or agency shall construct or reconstruct any well within the boundaries of the District unless such construction or reconstruction is carried out pursuant to and in conformance with a written permit issued for that purpose by the Manager as provided in this Section.
- (2) No owner or operator of an existing well shall allow it to remain in an unused condition except in accordance with Section 16.4. An used well determined to be abandoned shall be destroyed pursuant to and in conformity with the requirements of the District as set forth in this Section unless the Manager determines that the District desires to acquire and equip the well for monitoring or production purposes.

16.4 UNUSED WELLS - - DETERMINATION OF NONABANDONMENT

- (1) If a well has not been used for any of the purposes set forth in the definition of "well" for a period of one year, such well shall be presumed to have been abandoned, and the burden of proof shall thereupon be upon the owner or operator of the well to establish to the satisfaction of the Manager that the well has not been abandoned and that the owner and operator intends to continue to use the well for the intended purposes. The Manager shall require a written declaration under penalty of perjury concerning intended future use to be filed by the owner or operator of the well before the Manager determines that the well has not been abandoned. Application for the renewal of a determination of nonabandonment shall be required to be presented to the Manager by the owner or operator at the beginning of each calendar year. Such renewal applications shall be accompanied by a new written declaration filed under penalty of perjury. Test holes and exploratory holes shall be considered abandoned twenty-four hours after construction work has been completed unless otherwise determined by the Manager.
- (2) In the event the Manager determines that a well is indeed abandoned, unless the Manager determines that the District desires to acquire and equip the well for monitoring or production purposes, the well shall be destroyed within thirty days in accordance with the provisions of this chapter. However, the owner shall be given written notice of this determination by the Manager. The notice shall specify the reasons for this decision and shall notify the owner of his right to request a hearing before the Board of Directors within ten days.

IRVINE RANCH WATER DISTRICT

16.5 PERMITS

- (1) Applications for permits to construct, reconstruct, or destroy any well shall be made to the Manager and shall contain or provide such information as he shall require.
- (2) Each application shall be accompanied by a fee which shall be established by the Board of Directors. A permit shall remain in effect for one year from the date of issuance.
- (3) Permits may be issued subject to any condition or requirement found by the Manager to be necessary to accomplish the purposes of this chapter.
- (4) A permit may be canceled or the conditions amended by the Manager if he determines that to proceed with the work would result in a violation of the terms of the permit or of this Section.
- (5) In the event that a permit is denied or canceled, the applicant or permit holder shall be given written notice by the Manager, which notice shall specify the reasons for his action, and shall notify the applicant or permit holder of his right to request a hearing before the Board of Directors within ten days.

16.6 COMPLETION OF WORK -- NOTICE TO MANAGER -- INSPECTION

The permittee shall notify the Manager in writing upon completion of the work performed under the permit, and no work shall be deemed to have been completed until such written notification has been received. A final inspection of the work shall be made by the Manager, and no permittee shall be deemed to have complied with the provisions of this chapter of his permit until such inspection has been performed and the work approved by the Manager.

16.7 NOTICE UPON DETERMINATION OF THREAT TO WATER QUALITY, HEALTH OR SAFETY

In the event the Manager determines that a well threatens to impair the quality of the groundwater or otherwise jeopardize the health or safety of the public, he shall send written notice to the owner and shall post a copy of the notice on the property. The notice shall state the specific facts relative to the condition, the corrective measures deemed necessary, and the date on or before which such measure shall be completed. The owner shall also be notified of his right to request a hearing before the Board of Directors within thirty days from the date such notice is issued.

16.8 IMMEDIATE ABATEMENT OF THREAT TO WATER QUALITY, HEALTH OR SAFETY

If the Manager finds that immediate action is necessary to prevent impairment of the groundwater or a threat to the health or safety of the public he may correct the condition without giving notice. The District may charge the cost of the corrective measure to the owner. However, within twenty-four hours after initiating such corrective measure, the Manager shall notify the owner of the time, date and place at which a hearing shall be held by the Board of Directors relating

IRVINE RANCH WATER DISTRICT

thereto; which date shall be not less than ten nor more than thirty days after the date of such notification.

16.9 BOARD OF DIRECTORS HEARING

- (1) At the time fixed for a hearing before the Board of Directors concerning an abandoned well, a permit, or a threat to water quality, health or safety, as provided for in this chapter, the Board of Directors shall hear and consider all relevant testimony and evidence offered by the property owner and by any other interested person.
- (2) If the Board of Directors determines that an unused well was incorrectly classified as abandoned or that a permit was improperly denied or canceled, it shall direct the Manager to reclassify the well or to issue or reinstate the permit.
- (3) If the Board of Directors finds that a threat to water quality, health or safety, as determined by the Manager, does exist, then it shall direct the Manager to take any necessary action to protect the groundwater or the health and safety of the public unless the situation is corrected by the owner on or before a date to be specified by the Board of Directors. The cost of such corrective measures by the Manager shall be charged to the owner or operator.
- (4) In instances where the Manager has corrected a condition under the immediate correction provision of Section 16.8, the Board of Directors shall ascertain and review the pertinent facts concerning the correction. If the Board of Directors determines that the Manager's actions were justified, then it shall direct that the cost be charged to the owner or operator.

16.10 STANDARDS FOR CONSTRUCTION, RECONSTRUCTION OR DESTRUCTION

Standards for the construction, reconstruction, or destruction of wells shall be the standards recommended in the State Department of Water Resources Bulletin No. 74, Chapter II, and future amendments thereto. Standards for the construction, reconstruction, or destruction of cathodic protection wells shall be the standards recommended in the State Department of Water Resources Bulletin No. 74-1, and future amendments thereto.

16.11 VIOLATION -- PENALTY

Any violation or failure to comply with any of the provisions of this Section shall be handled as provided in herein and shall also be subject to Section 14 as applicable.

16.12 AGREEMENTS

The District may enter into agreements with property owners concerning the drilling or abandonment of wells and/or other matters covered in this Section, and providing for alternate or modified methods of meeting certain of the requirements contained herein. In such cases, the agreement(s) will govern as to

IRVINE RANCH WATER DISTRICT

the applicability of the affected requirements, in the area(s) subject to such agreements.

16.13 NO LIABILITY ASSUMED

Notwithstanding the provisions of this Section permitting or requiring the District or Manager to issue permits, make determinations and/or take corrective measures relative to construction, reconstruction abandonment and destruction of wells and quality of groundwater, the District assumes no liability to the property owners or operators of wells or any third parties, for the making of or failure to make any such determination, or the taking of or failure to take any such measure, or the issuing of or failure to issue any such permit.

Section 17: DISTRICT NATURAL TREATMENT SYSTEM FACILITIES

17.1 GENERAL

The District, in cooperation with the County of Orange and various local cities, is developing a network of constructed water quality wetlands and bioretention cells designed to treat urban runoff within the drainage watersheds that are completely or partially within the District boundaries. These constructed water quality wetlands and bioretention cells are also known as natural treatment systems (NTS).

Developers shall provide for the design, construction and establishment of one or more natural treatment systems per the Procedures Guide, the District's Natural Treatment System Master Plan, the NTS Design Guidelines and these Rules and Regulations to treat urban runoff from their proposed development and reduce pollutants to the levels set by the regulating agencies. If permissible, and at the District's discretion, these natural treatment systems may be located within first flush stormwater retention basins provided by the developer to comply with other regulatory requirements. If, during the period specified in the Procedures Guide and the NTS Design Guidelines, the natural treatment system's level of treatment provided does not meet other regulatory requirements the District, at its discretion, may act on behalf of the County and various local Cities to direct the developer to make corrective improvements to the natural treatment system to meet the aforementioned regulatory requirements.

The operation, maintenance and water quality monitoring of the natural treatment system will be governed by agreements between the District and the County or City, as applicable. The responsibility for regulation and enforcement of surface water runoff discharges shall remain with the County and Cities.

17.2 URBAN RUNOFF DISCHARGE PERMITS

The County of Orange, Orange County Flood Control District and the Incorporated Cities of Orange County within the Santa Ana and San Diego Regions of the Regional Water Quality Control Board (RWQCB) are required, under the terms of their National Pollutant Elimination Discharge System (NPDES) Permit, to control and manage the discharge of pollutants from urban runoff. The definition and enforcement of permitted discharges into the natural treatment system will be the responsibility of the County of Orange and the co-permittees under the NPDES permit.

17.3 FEES AND CHARGES FOR USE

1. The applicant for Natural Treatment System service shall pay the fees as set forth in the rates and charges. The fees and operational charges are as set forth in Exhibit B and the respective portions thereof, which set forth applicable rates and charges of the District. Exhibit B hereto

and the rates and charges provided for therein are by this reference incorporated herein and may be changed by the District

17.4 MONITORING AND MAINTENANCE

The District shall monitor and maintain the natural treatment system, as specified in the Procedures Guide and the NTS Design Guidelines, to ensure that the system is operating as designed. The District reserves the right to make modifications to the natural treatment system, based on the monitoring results, to increase the water quality treatment effectiveness of the system.

The District's monitoring and maintenance shall be limited to the water quality functions of the natural treatment system operation and, and the District assumes no responsibility or liability for flood control functions of natural treatment systems or sites. The District, at its discretion, may provide water quality monitoring for the combined natural treatment system and first flush stormwater retention facilities.

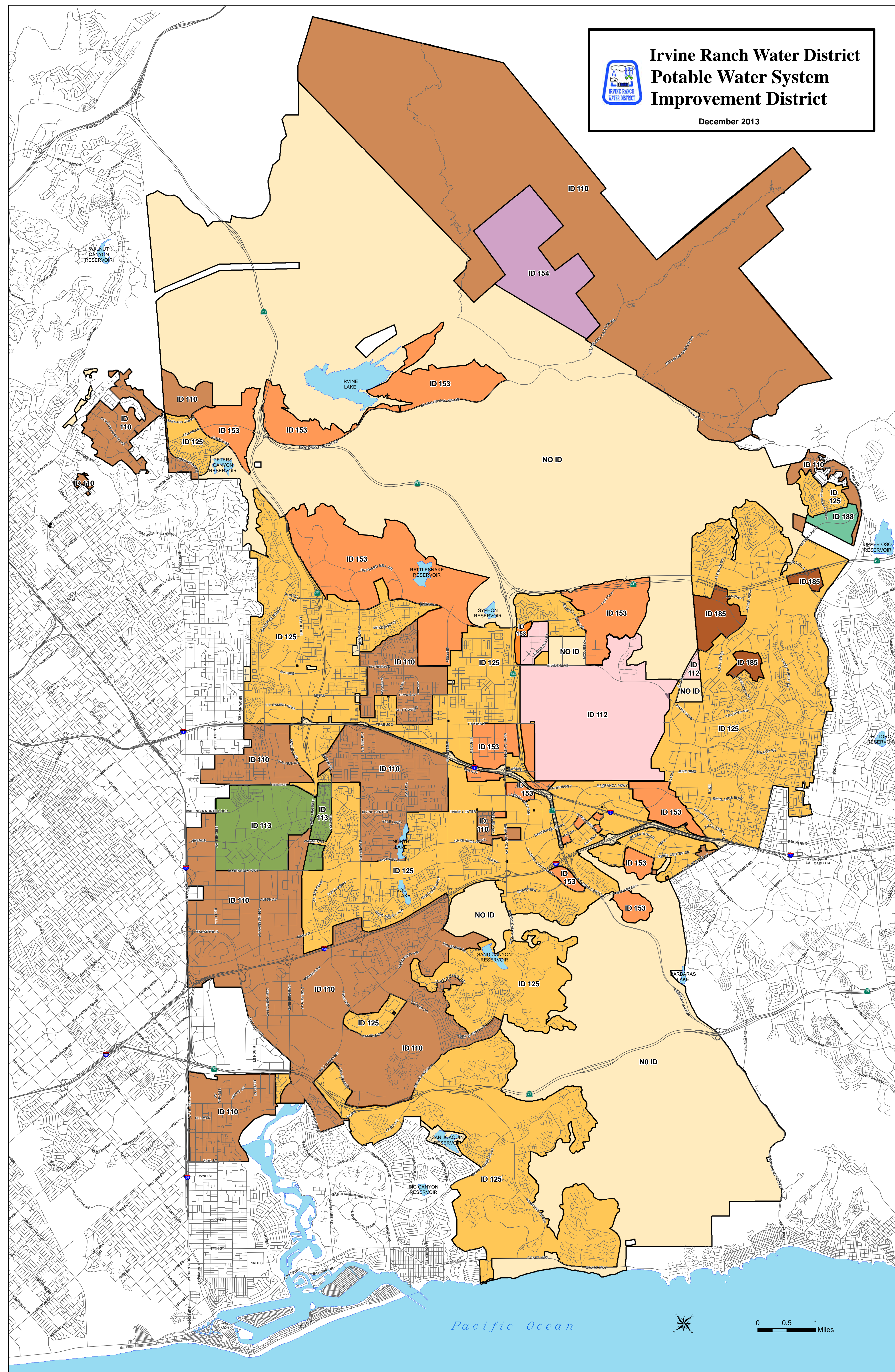
17.5 CONFLICT

In the event that any portion of this Section pertaining to discharges to the natural treatment system is inconsistent with any other provisions of the Rules and Regulations as to such discharge, the provisions of this Section shall take precedence.



Irvine Ranch Water District Potable Water System Improvement District

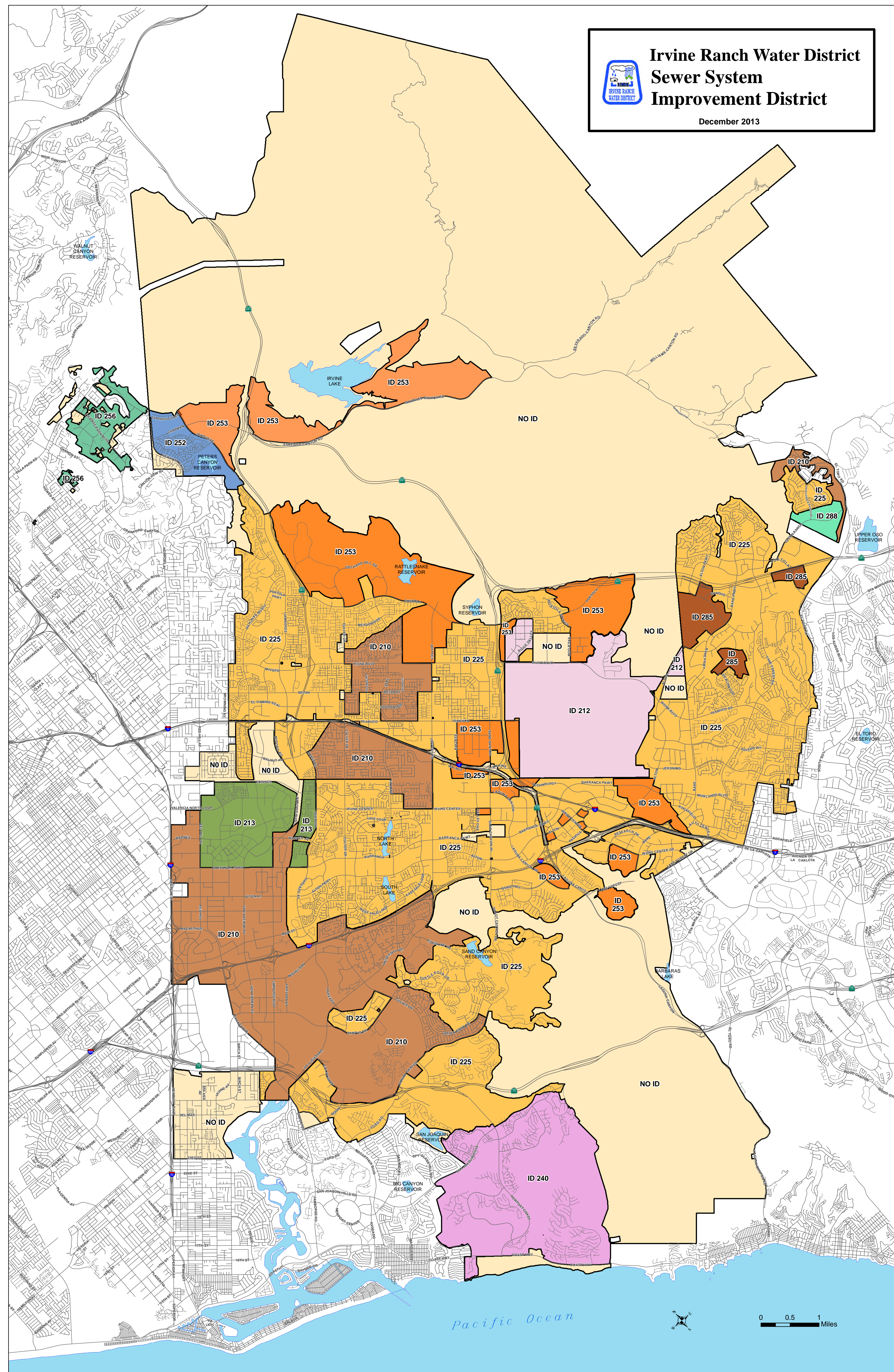
December 2013

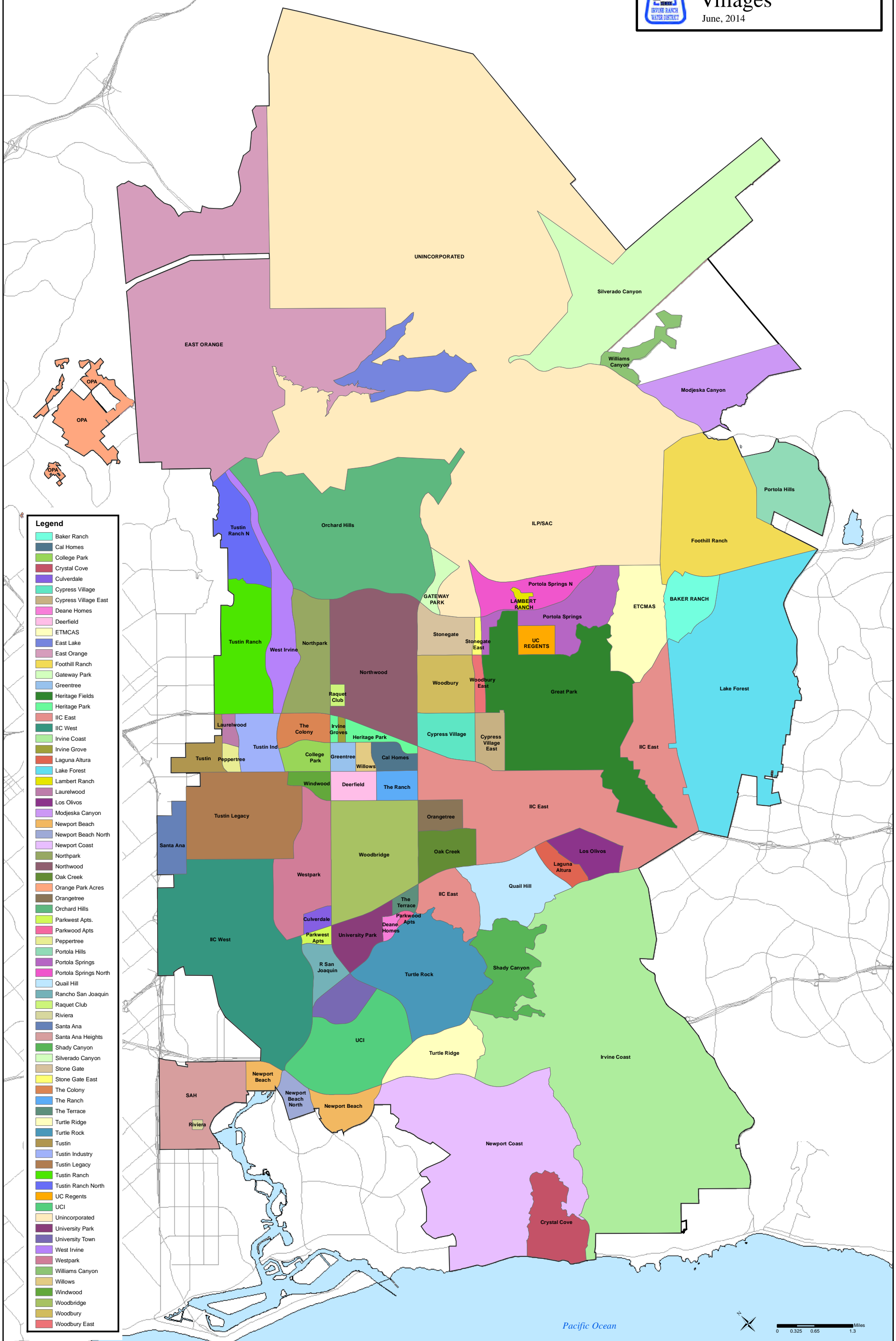




Irvine Ranch Water District Sewer System Improvement District

December 2013





- Legend**
- Baker Ranch
 - Cal Homes
 - College Park
 - Crystal Cove
 - Culverdale
 - Cypress Village
 - Cypress Village East
 - Deane Homes
 - Deerfield
 - ETCMAS
 - East Lake
 - East Orange
 - Foothill Ranch
 - Gateway Park
 - Greentree
 - Heritage Fields
 - Heritage Park
 - IIC East
 - IIC West
 - Irvine Coast
 - Irvine Grove
 - Laguna Alta
 - Lake Forest
 - Lambert Ranch
 - Laurelwood
 - Los Olivos
 - Modjeska Canyon
 - Newport Beach
 - Newport Beach North
 - Newport Coast
 - Northpark
 - Northwood
 - Oak Creek
 - Orange Park Acres
 - Orangetree
 - Orchard Hills
 - Parkwest Apts.
 - Parkwood Apts.
 - Peppertree
 - Portola Hills
 - Portola Springs
 - Portola Springs North
 - Quail Hill
 - Rancho San Joaquin
 - Raquet Club
 - Riviera
 - Santa Ana
 - Santa Ana Heights
 - Shady Canyon
 - Silverado Canyon
 - Stone Gate
 - Stone Gate East
 - The Colony
 - The Ranch
 - The Terrace
 - Turtle Ridge
 - Turtle Rock
 - Tustin
 - Tustin Industry
 - Tustin Legacy
 - Tustin Ranch
 - Tustin Ranch North
 - UC Regents
 - UCI
 - Unincorporated
 - University Park
 - University Town
 - West Irvine
 - Westpark
 - Williams Canyon
 - Willows
 - Windwood
 - Woodbridge
 - Woodbury
 - Woodbury East

Section

2

Wastewater System Charges

Monthly Wastewater Service Charges

Residential	
<p>(a) Single Family and Multi-family Dwelling Units</p>	
<u>AVERAGE MONTHLY WATER USE</u>	<u>SERVICE CHARGE PER MONTH</u>
Over 1000 cubic feet (10 ccf)	<ul style="list-style-type: none"> 100% rate = \$ 20.50 per unit
501-1000 cubic feet (5.01-10.0 ccf)	<ul style="list-style-type: none"> 90% rate = \$ 18.45 per unit
0-500 cubic feet (0-5.0 ccf)	<ul style="list-style-type: none"> 75% rate = \$ 15.40 per unit
<p>(1) Monthly service charge based upon actual water meter readings during the twelve month period ending December 31. (2) To qualify for the reduced rates a customer must have usage history for a full calendar year.</p>	
	<u>SERVICE CHARGE PER MONTH</u>
<p>(b) Multiple Family Dwelling Units</p> <p>(34) No credit will be granted for vacancies resulting from the normal turnover of occupants in an existing multiple dwelling unit. The price structure contained herein includes considerations of average vacancy rates. (42) A newly constructed multiple dwelling unit may be billed at the non-residential metered rate, with appropriate allowance for landscape irrigation, until the structure is substantially occupied.</p>	<ul style="list-style-type: none"> \$-15.40 per unit
<p>(c) Single or Multiple Family Dwelling Units</p>	
	<u>SERVICE CHARGE PER MONTH</u>
(1) Portola Hills/Trabuco Canyon	<ul style="list-style-type: none"> \$ 20.50 per unit
(2) Collection charge in Newport Coast (assumes 10.0 ccf)	<ul style="list-style-type: none"> \$ 7.20 per unit
NON-RESIDENTIAL – CLASS II	
<p>Quantity charges are based on the supposition that 90 percent (90%) of non-residential water consumption returns to the sewer. Because of landscape irrigation or consumptive usage, some non-residential users may discharge substantially less of their metered water into the wastewater system. Those users may, upon request to the District, be permitted to have the amount of water being discharged into the sewer determined by means acceptable to the District.</p>	
<p>(a) Shall apply to all commercial, industrial and institutional users whose consumption is equal to or less than an average of 10 ccf per month.</p> <p>(1) To qualify for this rate, a customer usage history based upon actual water meter readings is not greater than 120 ccf in a full calendar year.</p>	<p style="text-align: center;"><u>SERVICE AND QUANTITY CHARGE PER MONTH</u></p> <ul style="list-style-type: none"> Service charge - \$ 20.50 Quantity charge beyond 10 ccf - \$ 2.35/ccf
<p>(b) Shall apply to all commercial, industrial and institutional users whose consumption is in excess of 10 ccf per month.</p>	<p style="text-align: center;"><u>SERVICE /QUANTITY/COMMODITY CHARGE PER MONTH</u></p> <ul style="list-style-type: none"> Service charge - \$20.50 Quantity charge beyond 10 ccf - \$2.35/ccf Industrial Waste Charge - \$0.115/ccf <p style="text-align: right;">} = \$2.465</p>
<p>(c) Portola Hills customers</p>	<p style="text-align: center;"><u>SERVICE AND QUANTITY CHARGE PER MONTH</u></p> <ul style="list-style-type: none"> Service charge - \$20.50 Quantity charge beyond 10 ccf - \$2.35/ccf

Exhibit "C"

RESOLUTION NO. 2014-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
RESCINDING RESOLUTION NO. 2012-1 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

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

WHEREAS, Section 35423 of the California Water Code empowers the District to establish, print and distribute equitable Rules and Regulations for the distribution of water; and

WHEREAS, the District is also empowered to exercise or use any of the powers contained in the California Water District Law in carrying out its powers and purposes to furnish sewer service and natural treatment system service, under Sections 35506 and 35539.14, respectively, of said Water Code; and

WHEREAS, California Water Code Section 375 authorizes a water supplier to adopt and enforce a comprehensive water conservation program to reduce water consumption and conserve supplies; and

WHEREAS, by adoption of Resolution No. 2012-1 on January 9, 2012, the Board of Directors adopted revised Rules and Regulations for Water, Sewer, Recycled Water, and Natural Treatment System Service; and

WHEREAS, from time to time, the District reviews and proposes changes to its Rules and Regulations. The proposed changes have been made to update definitions and promote consistent and conforming nomenclature throughout the document. In addition, changes have been made to specific sections as follows:

Section 12: Updates and simplifies the definition of courtesy adjustments for residential and non-residential customers. Provides specific time window for application of retroactive adjustments.

WHEREAS, the Board of Directors of IRWD find it to be in the best interest of the District to revise and update said Rules and Regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of IRWD as follows:

Section 1. That Resolution No. 2012-1 be and hereby is rescinded in its entirety.

Section 2. That the Rules and Regulations of the Irvine Ranch Water District for Water, Sewer, Recycled Water, and Natural Treatment System Service, inclusive of Exhibit A thereto but not inclusive of Exhibit B thereto, as more specifically set forth in EXHIBIT "A" to this Resolution, attached hereto and by this reference made a part hereof, be and hereby are approved and adopted.

Section 3. That the provisions of this Resolution shall become effective upon adoption.

Section 4. That said Rules and Regulations, including Exhibit A attached thereto, shall be certified by the Secretary of this District and the Secretary is hereby ordered and directed to publish a summary of the amendments to said Rules and Regulations, together with the internet address and the physical location where the complete text of the amended Rules and Regulations may be viewed, once a week for two weeks in a newspaper of general circulation published in Orange County, California, pursuant to the provisions of Section 35424 of the California Water Code.

ADOPTED, SIGNED and APPROVED this _____ of _____, 2014.

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:
BOWIE, ARNESON, WILES & GIANNONE
Legal Counsel - IRWD

By _____

EXHIBIT "D"

RESOLUTION NO. 2014-

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE
RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
ADOPTING CHANGES THE SCHEDULE OF RATES AND CHARGES
IN EXHIBIT "B" TO THE RULES AND REGULATIONS OF IRVINE RANCH WATER
DISTRICT FOR WATER, SEWER, RECYCLED WATER, AND NATURAL
TREATMENT SYSTEM SERVICE

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

WHEREAS, Section 35423, 35470, and Section 35501 of the California Water Code empower the District to establish, print and distribute equitable rules and regulations and prescribe and collect rates or other charges for water and sewer service, and such authority to prescribe and collect rates or other charges for water and sewer service includes connection fees for connection and service capacity; and

WHEREAS, the Board of Directors of IRWD, by adoption of Resolution No. 2009-4 approved and adopted amended "Rules and Regulations of Irvine Ranch Water District for Water, Sewer, Recycled Water, and Natural Treatment System Service effective February 9, 2009"; and

WHEREAS, Exhibit "B" of said Rules and Regulations sets forth Rates and Charges, which Exhibit "B" may be changed from time to time by adoption of changes to any of the rates and charges or any new rates and charges as may be established and set forth therein; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of IRWD as follows:

Section 1. It is hereby found and determined that the proposed changes to the Schedule of Rates and Charges are within the purposes set forth in Section 21080(b) of the Public Resources Code including but not by way of limitation, the purposes of (1) meeting operating expenses, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements, and (4) obtaining funds for capital projects necessary to maintain service within existing areas, and therefore, that such changes are exempt from CEQA.

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

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

Section 4. That the provisions of this Resolution shall be effective upon adoption.

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


ADOPTED, SIGNED and APPROVED this 10th day of November, 2014.

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:
BOWIE, ARNESON, WILES & GIANNONE
Legal Counsel - IRWD

By: _____

November 10, 2014
Prepared by: Gretchen Ronin
Submitted by: Jenny Roney
Approved by: Paul Cook 

CONSENT CALENDAR

PROPOSED CONSUMER PRICE INDEX CHANGES TO SALARY GRADE SCHEDULE AND EMPLOYEE COST OF LIVING ADJUSTMENTS

SUMMARY:

The Bureau of Labor Statistics has released the Consumer Price Index (CPI) for the period ended September 2014, which reflects a 1.67% increase from September 2013 to September 2014. Article IX of the current Memorandum of Understanding (MOU) between the IRWD Employees' Association (IRWDEA) and IRWD provides for a Cost of Living Adjustment (COLA) equal to the change in the Consumer Price Index for the Orange-Riverside-Los Angeles All Urban Consumers, as measured from September 2013 to September 2014, no less than 2%. Staff is requesting that the Board:

- Approve an increase of 2% to all salary ranges in the Salary Grade Schedule for all eligible represented and unrepresented positions, and
- Approve a COLA of 2.0% for all eligible represented and unrepresented employees.

BACKGROUND:

On January 18, 1999, the Board of Directors approved the separation of the COLA component from the overall employee merit increase. Each year, staff recommends changes to the Salary Grade Schedule and employee COLA based on a September to September comparison of the CPI for the Orange-Riverside-Los Angeles All Urban Consumers. The COLA adjustment is typically made effective December 1 of each year. This item implements the COLA for IRWD to be effective December 1, 2014.

In February 2014, the Board of Directors approved the current MOU between IRWDEA and IRWD. At that time the Board also noted that all employees enrolled in the District's first tier CalPERS retirement benefit formula would experience a March 2015 increase in the employee contribution to the CalPERS retirement system and would consider providing the same COLA increase for unrepresented employees.

Salary Grade Schedule Changes:

The salary grade ranges were last adjusted 0.63% on December 1, 2013. This change was based on the Board-approved COLA. Attached as Exhibit "B-1" is the CPI information for September 2013 and September 2014 which reflects a change in CPI from 239.611 to 243.623, or 1.67%. Exhibit "B-2" reflects the calculation of the COLA.

The changes to the Salary Grade Schedule are shown on the attached Exhibits "C" and "D". Exhibit "C" includes a job title that was moved from represented to unrepresented and one proposed job title change and Exhibit "D" includes one job title that was moved from unrepresented to represented.

FISCAL IMPACTS:

During the budgetary process, staff included a 3.0% or approximately \$487,000 increase in salaries for COLA for FY 2014-15. Actual funds needed to implement a 2.0% increase for the last seven months of the fiscal year will be approximately \$324,700. Therefore, the projected annual cost for FY 2014-15 for COLA will be approximately \$162,300 (33.3%) under budget.

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 November 4, 2014.

RECOMMENDATION:

THAT THE BOARD APPROVE A 2.0% INCREASE TO THE SALARY GRADE RANGES FOR ALL ELIGIBLE REPRESENTED AND UNREPRESENTED POSITIONS AND A 2.0% COST OF LIVING ADJUSTMENT FOR EACH ELIGIBLE REPRESENTED AND UNREPRESENTED EMPLOYEE, BOTH EFFECTIVE DECEMBER 1, 2014; AND ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION 2014-

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT, RESCINDING
RESOLUTION NO. 2014-25 AND ESTABLISHING
A REVISED SCHEDULE OF POSITIONS AND SALARY
RATE RANGES

LIST OF EXHIBITS:

- Exhibit "A" – Resolution
- Exhibit "B" – Bureau of Labor Statistics Consumer Price Index
- Exhibit "C" – Revised Salary Grade Schedule for unrepresented positions
- Exhibit "D" – Revised Salary Grade Schedule for positions represented by the General Employees' Unit

EXHIBIT "A"

RESOLUTION NO. 2014 -

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT,
RESCINDING RESOLUTION NO. 2014-25 AND
ESTABLISHING A REVISED SCHEDULE OF POSITIONS
AND SALARY RATE RANGES

WHEREAS, the Board of Directors of Irvine Ranch Water District, by adoption of Resolution No. 2014-25 on May 27, 2014, established a Schedule of Positions and Salary Rate Ranges of the Irvine Ranch Water District; and

WHEREAS, the Board of Directors of Irvine Ranch Water District has reviewed the Schedule of Positions and Salary Rate Ranges and desires to make revisions thereto.

NOW, THEREFORE, the Board of Directors of Irvine Ranch Water District does hereby resolve, determine and order as follows:

Section 1. That the Schedule of Positions and Salary Rate Ranges adopted by Resolution No. 2014-25 on May 27, 2014 is hereby rescinded, effective December 1, 2014.

Section 2. That the Schedule of Positions and Salary Rate Ranges for the Irvine Ranch Water District be and hereby is approved and adopted as more particularly set forth in Exhibit "C" to this Resolution, attached hereto and by this reference made a part hereto.

Section 3. That the provisions of this Resolution shall be effective December 1, 2014.

ADOPTED, SIGNED and APPROVED THIS 10th day of November 2014.

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:
BOWIE, ARNESON, WILES & GIANNONE

Exhibit "B"

CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE
September 2014
ALL ITEMS INDEXES

(1982-84=100 unless otherwise noted)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	1 Month ending					Year ending	1 Month ending	
Sep 2013	Aug 2014	Sep 2014	Aug 2014	Sep 2014	Sep 2014	Sep 2013	Aug 2014	Sep 2014	Aug 2014	Sep 2014	Sep 2014	
U. S. City Average.....	234.149	237.852	238.031	1.7	1.7	0.1	230.537	234.030	234.170	1.6	1.6	0.1
(1967=100).....	701.406	712.498	713.035	-	-	-	686.700	697.105	697.521	-	-	-
Los Angeles-Riverside-Orange Co.....	239.611	243.556	243.623	1.8	1.7	0.0	232.817	236.504	236.451	1.8	1.6	0.0
(1967=100).....	707.917	719.571	719.770	-	-	-	688.046	698.942	698.785	-	-	-
West	237.146	241.660	241.920	2.1	2.0	0.1	231.553	235.820	235.974	2.0	1.9	0.1
(Dec. 1977 = 100)	383.334	390.630	391.050	-	-	-	372.556	379.421	379.669	-	-	-
West - A*.....	241.884	246.740	246.933	2.3	2.1	0.1	234.875	239.327	239.475	2.2	2.0	0.1
(Dec. 1977 = 100)	394.426	402.344	402.658	-	-	-	380.217	387.424	387.664	-	-	-
West - B/C**(Dec. 1996=100).....	142.277	144.317	144.506	1.5	1.6	0.1	142.228	144.470	144.528	1.6	1.6	0.0

BI-MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending					Year ending	2 Months ending	
Aug 2013	Jun 2014	Aug 2014	Jun 2014	Aug 2014	Aug 2014	Aug 2013	Jun 2014	Aug 2014	Jun 2014	Aug 2014	Aug 2014	
San Francisco-Oakland-San Jose.....	246.072	253.317	253.354	3.0	3.0	0.0	242.903	250.085	249.877	2.9	2.9	-0.1
(1967=100).....	756.494	778.767	778.880	-	-	-	739.659	761.531	760.897	-	-	-
Seattle-Tacoma-Bremerton.....	242.767	247.642	247.185	2.0	1.8	-0.2	239.343	244.293	244.471	2.2	2.1	0.1
(1967=100).....	740.048	754.908	753.515	-	-	-	709.892	724.573	725.101	-	-	-

* A = 1,500,000 population and over

** B/C = less than 1,500,000 population

Dash (-) = Not Available.

Release date Oct. 22, 2014. The next monthly and bi-monthly releases are scheduled for Nov. 20, 2014.

Please note: Customers can receive hotline information by calling the BLS West Region Information Office: (415) 625-2270.

This card is available on the day of release by electronic distribution. Just go to www.bls.gov/bls/list.htm and sign up for the free on-line delivery service. For questions, please contact us at BLSinfoSF@BLS.GOV or (415) 625-2270.

Consumer Price Index Calculation

SEP 13	0.16%	239.611	0.63%
OCT 13	0.14%	239.940	-0.07%
NOV 13	-0.53%	238.677	0.42%
DEC 13	0.03%	238.742	1.14%
JAN 14	0.47%	239.857	0.77%
FEB 14	0.50%	241.059	0.54%
MAR 14	0.59%	242.491	1.04%
APR 14	-0.02%	242.437	1.42%
MAY 14	0.38%	243.362	1.68%
JUN 14	0.07%	243.528	1.80%
JUL 14	0.08%	243.727	2.01%
AUG 14	-0.07%	243.556	1.81%
SEP 14	0.03%	243.623	1.67%

EXHIBIT "C"

IRVINE RANCH WATER DISTRICT SALARY GRADE SCHEDULE UNREPRESENTED POSITIONS

July-December 1, 2014

<u>NON-EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE U1.N	\$26042656	\$32283293	\$3389-3457
SALARY GRADE U2.N	\$26612714	\$33173383	\$3483-3553
SALARY GRADE U3.N	\$27172771	\$34083476	\$35793651
SALARY GRADE U4.N	\$27662821	\$35073577	\$3682-3756
SALARY GRADE U5.N	\$28282885	\$36043676	\$3785-3861
SALARY GRADE U6.N	\$28852943	\$37093783	\$38943972
SALARY GRADE U7.N	\$29423001	\$38123888	\$4003-4083
SALARY GRADE U8.N	\$30073067	\$3922000	\$41184200
SALARY GRADE U9.N	\$30653126	\$40294110	\$4231-4316
SALARY GRADE U10.N	\$31273190	\$41394222	\$43454432
SALARY GRADE U11.N	\$31883252	\$42464331	\$4456-4545
SALARY GRADE U12.N	\$32513316	\$43704457	\$45894681
SALARY GRADE U13.N	\$3312-3378	\$44954585	\$4721-4815
SALARY GRADE U14.N	\$33863454	\$46224714	\$48534950
SALARY GRADE U15.N	\$34593528	\$47454840	\$49825082

<u>NON-EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE U16.N	\$3540 <u>3611</u>	\$4877 <u>4975</u>	\$5121- <u>5223</u>
SALARY GRADE U17.N	\$3616 <u>3688</u>	\$4999 <u>5099</u>	\$5249- <u>5354</u>
SALARY GRADE U18.N	\$3695 <u>3769</u>	\$5134 <u>5237</u>	\$5391- <u>5499</u>
SALARY GRADE U19.N	\$3779 <u>3855</u>	\$5264 <u>5369</u>	\$5528- <u>5639</u>
SALARY GRADE U20.N	\$3880 <u>3958</u>	\$5433 <u>5542</u>	\$5706- <u>5820</u>
SALARY GRADE U21.N	\$3990 <u>4070</u>	\$5598 <u>5710</u>	\$5879- <u>5997</u>
SALARY GRADE U22.N Executive Secretary Human Resources Assistant	\$4100 <u>4182</u>	\$5774 <u>5889</u>	\$6064- <u>6185</u>
SALARY GRADE U23.N	\$4208 <u>4292</u>	\$5949 <u>6068</u>	\$6246- <u>6371</u>
SALARY GRADE U24.N	\$4327 <u>4414</u>	\$6135 <u>6258</u>	\$6442- <u>6571</u>
SALARY GRADE U25.N	\$4441 <u>4530</u>	\$6324 <u>6450</u>	\$6641- <u>6774</u>
SALARY GRADE U26.N Executive Assistant	\$4578 <u>4670</u>	\$6512 <u>6642</u>	\$6837- <u>6974</u>
SALARY GRADE U27.N	\$4711 <u>4805</u>	\$6703 <u>6837</u>	\$7038- <u>7179</u>
SALARY GRADE U28.N	\$4849 <u>4946</u>	\$6902 <u>7040</u>	\$7248- <u>7393</u>
SALARY GRADE U29.N Payroll Administrator	\$4993 <u>5093</u>	\$7103 <u>7245</u>	\$7458- <u>7607</u>
SALARY GRADE U30.N Facilities Services Supervisor Fleet Supervisor Collection Systems Supervisor	\$5144 <u>5247</u>	\$7313 <u>7459</u>	\$7679- <u>7833</u>

<u>NON-EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE U31.N Human Resources Analyst Cross Connection Supervisor Water Maintenance Supervisor	\$ <u>52965402</u>	\$ <u>75337684</u>	\$ <u>79098067</u>
SALARY GRADE U32.N Network Administrator Mechanical Maintenance Supervisor	\$ <u>54495558</u>	\$ <u>77567911</u>	\$ <u>81448307</u>
SALARY GRADE U33.N Construction Inspection Supervisor	\$ <u>56085720</u>	\$ <u>79818141</u>	\$ <u>83808548</u>
SALARY GRADE U34.N Automation Supervisor Electrical Supervisor Instrumentation Supervisor	\$ <u>57745889</u>	\$ <u>82028366</u>	\$ <u>86138785</u>
SALARY GRADE U35.N Operations Supervisor	\$ <u>59486067</u>	\$ <u>84488617</u>	\$ <u>88719048</u>

IRVINE RANCH WATER DISTRICT
SALARY GRADE SCHEDULE
UNREPRESENTED POSITIONS

July-December 1, 2014

<u>EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE U1.E	\$41874271	\$53805488	\$56485761
SALARY GRADE U2.E	\$43264413	\$55885700	\$58685985
SALARY GRADE U3.E	\$44664555	\$57975913	\$60876209
SALARY GRADE U4.E	\$46054697	\$60196139	\$63206446
SALARY GRADE U5.E	\$47454840	\$62426367	\$65556686
SALARY GRADE U6.E	\$49085006	\$64846614	\$68096945
SALARY GRADE U7.E	\$50665167	\$67246858	\$70597200
SALARY GRADE U8.E	\$52305335	\$69867126	\$73367483
SALARY GRADE U9.E	\$53895497	\$72427387	\$76047756
SALARY GRADE U10.E Customer Service Supervisor Administrative Assistant	\$55705681	\$75177667	\$78938051
SALARY GRADE U11.E Senior Accountant Financial Analyst Recycled Water Supervisor	\$57485863	\$77957951	\$81858349
SALARY GRADE U12.E	\$59356054	\$80948256	\$84978667
SALARY GRADE U13.E Senior Human Resources Analyst Senior Analyst GIS Supervisor Laboratory Supervisor	\$61266249	\$83888556	\$88068982

<u>EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE U14.E District Secretary Assistant Facilities/Fleet Manager	\$63266453	\$87128886	\$91469329
SALARY GRADE U15.E Senior Programmer/Analyst Senior Network Administrator Applications Analyst Assistant Field Services Manager Assistant Construction Services Manager	\$65266657	\$90379218	\$94879677
SALARY GRADE U16.E Customer Service Manager Assistant Operations Manager Principal Analyst Natural Resources Manager Collection Systems Manager Laboratory Manager Water Use Efficiency Manager Regulatory Compliance Manager	\$67446879	\$93799567	\$984810045
SALARY GRADE U17.E District Safety and Security Manager Purchasing Manager Construction Inspection Manager Construction & Field Services Manager Water Maintenance Manager Facilities/Fleet Manager Government Relations Manager	\$69607099	\$97249918	\$1020910413
SALARY GRADE U18.E Public Affairs Manager Human Resources Manager Treasury Manager Manager of Contracts Admin & Risk Senior Applications Analyst Chief Plant Operator Water Quality Manager	\$71847328	\$1009410296	\$1059810810
SALARY GRADE U19.E Operations Manager Electrical and Automation Manager Maintenance & Reliability Manager Mechanical Services Manager Recycled Water Development Manager Water Resources Manager	\$74137561	\$1046710676	\$1099411211

<u>EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE U20.E Controller Manager of Strategic Planning and Analysis Applications Manager Networking & Support Manager Senior Engineer	\$76437796	\$1085411071	\$1139711625
SALARY GRADE U21.E	\$78768034	\$1124611471	\$1180912045
SALARY GRADE U22.E	\$81298292	\$1166411897	\$1224912494
SALARY GRADE U23.E Principal Engineer Assistant Director of Water Operations Assistant Director of Recycling Operations Assistant Director of Maintenance	\$83878555	\$1208712329	\$1269212946
SALARY GRADE U24.E	\$86148786	\$1257412825	\$1320213466
SALARY GRADE U25.E	\$88809058	\$1305013311	\$1370113975
SALARY GRADE U26.E	\$92859471	\$1373914014	\$1442614715
SALARY GRADE U27.E Director of Public Affairs Director of Human Resources Treasurer/Director of Risk Management Director of Administrative Services Director of Water Resources	\$97119905	\$1446714756	\$1519015494
SALARY GRADE U28.E	\$1015710360	\$1522915534	\$1599116311
SALARY GRADE U29.E	\$1062010832	\$1603516356	\$1683717174
SALARY GRADE U30.E Executive Director of Finance Executive Director of Engineering & Water Quality Executive Director of Operations Executive Director of Water Policy	\$1111111333	\$1688617224	\$1773018085
SALARY GRADE U31.E	\$1166311896	\$1784418201	\$1873619111

<u>EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE U32.E	\$ 12248 <u>12493</u>	\$ 18861 <u>19238</u>	\$ 19804 <u>20200</u>
SALARY GRADE U33.E	\$ 12857 <u>13114</u>	\$ 19931 <u>20330</u>	\$ 20928 <u>21347</u>
SALARY GRADE U34.E General Manager	\$ 13502 <u>13772</u>	\$ 21063 <u>21484</u>	\$ 22115 <u>22557</u>

| *Effective Date* ~~07~~12/01/14

EXHIBIT "D"
IRVINE RANCH WATER DISTRICT
SALARY GRADE SCHEDULE
GENERAL EMPLOYEES' UNIT
~~July~~-December 1, 2014

<u>NON-EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE 1.N	\$ <u>2604</u> <u>2656</u>	\$ <u>3228</u> <u>3293</u>	\$ <u>3389</u> <u>3457</u>
SALARY GRADE 2.N	\$ <u>2661</u> <u>2714</u>	\$ <u>3317</u> <u>3383</u>	\$ <u>3483</u> <u>3553</u>
SALARY GRADE 3.N	\$ <u>2717</u> <u>2771</u>	\$ <u>3408</u> <u>3476</u>	\$ <u>3579</u> <u>3651</u>
SALARY GRADE 4.N	\$ <u>2766</u> <u>2821</u>	\$ <u>3507</u> <u>3577</u>	\$ <u>3682</u> <u>3756</u>
SALARY GRADE 5.N	\$ <u>2828</u> <u>2885</u>	\$ <u>3604</u> <u>3676</u>	\$ <u>3785</u> <u>3861</u>
SALARY GRADE 6.N Office Assistant Mail Coordinator	\$ <u>2885</u> <u>2943</u>	\$ <u>3709</u> <u>3783</u>	\$ <u>3894</u> <u>3972</u>
SALARY GRADE 7.N	\$ <u>2942</u> <u>3001</u>	\$ <u>3812</u> <u>3888</u>	\$ <u>4003</u> <u>4083</u>
SALARY GRADE 8.N	\$ <u>3007</u> <u>3067</u>	\$ <u>3922</u> <u>4000</u>	\$ <u>4118</u> <u>4200</u>
SALARY GRADE 9.N	\$ <u>3065</u> <u>3126</u>	\$ <u>4029</u> <u>4110</u>	\$ <u>4231</u> <u>4316</u>
SALARY GRADE 10.N	\$ <u>3127</u> <u>3190</u>	\$ <u>4139</u> <u>4222</u>	\$ <u>4345</u> <u>4432</u>
SALARY GRADE 11.N Material Control Clerk I Maintenance Apprentice Utility Worker	\$ <u>3188</u> <u>3252</u>	\$ <u>4246</u> <u>4331</u>	\$ <u>4456</u> <u>4545</u>
SALARY GRADE 12.N	\$ <u>3251</u> <u>3316</u>	\$ <u>4370</u> <u>4457</u>	\$ <u>4589</u> <u>4681</u>
SALARY GRADE 13.N Customer Service Specialist I Support Specialist	\$ <u>3312</u> <u>3378</u>	\$ <u>4495</u> <u>4585</u>	\$ <u>4721</u> <u>4815</u>

<u>NON-EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE 14.N	\$3386 <u>3454</u>	\$4622- <u>4714</u>	\$4853 <u>4950</u>
SALARY GRADE 15.N Office Specialist Collection Systems Technician I	\$3459- <u>3528</u>	\$4745- <u>4840</u>	\$4982 <u>5082</u>
SALARY GRADE 16.N Accounting Clerk Customer Service Field Technician Metering Systems Technician I Water Maintenance Technician I Laboratory Analyst	\$3540 <u>3611</u>	\$4877- <u>4975</u>	\$5121- <u>5223</u>
SALARY GRADE 17.N Customer Service Specialist II	\$3616 <u>3688</u>	\$4999- <u>5099</u>	\$5249- <u>5354</u>
SALARY GRADE 18.N Material Control Clerk II Senior Support Specialist	\$3695- <u>3769</u>	\$5134- <u>5237</u>	\$5391 <u>5499</u>
SALARY GRADE 19.N Senior Office Specialist Purchasing Coordinator	\$3779 <u>3855</u>	\$5264- <u>5369</u>	\$5528- <u>5639</u>
SALARY GRADE 20.N Senior Accounting Clerk Engineering Technician I Operator I Maintenance Mechanic Collection Systems Technician II	\$3880- <u>3958</u>	\$5433 <u>5542</u>	\$5706 <u>5820</u>
SALARY GRADE 21.N Customer Service Specialist III Senior Customer Service Field Technician Collection Systems CCTV Technician II	\$3990 <u>4070</u>	\$5598 <u>5710</u>	\$5879- <u>5997</u>
SALARY GRADE 22.N Sr. Purchasing Coordinator Metering Systems Tech. II Water Maintenance Technician II Facilities Services Technician Vehicle/Equipment Mechanic Recycled Water Specialist	\$4100- <u>4182</u>	\$5774- <u>5889</u>	\$6064- <u>6185</u>

<u>NON-EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE 23.N Construction Inspector I	\$ <u>42084292</u>	\$ <u>59496068</u>	\$ <u>62466371</u>
SALARY GRADE 24.N Buyer Cross Connection Specialist Wetlands Specialist Water Use Efficiency Specialist	\$ <u>43274414</u>	\$ <u>61356258</u>	\$ <u>64426571</u>
SALARY GRADE 25.N Engineering Technician II Senior Facilities Services Technician Senior Collection Systems Technician Senior Collection Systems CCTV Technician	\$ <u>44414530</u>	\$ <u>63246450</u>	\$ <u>66416774</u>
SALARY GRADE 26.N Metering Systems Tech. III Water Maintenance Technician III Scientist	\$ <u>45784670</u>	\$ <u>65126642</u>	\$ <u>68376974</u>
SALARY GRADE 27.N Accountant Risk Analyst Senior Vehicle/Equipment Maintenance Mechanic Operator II Senior Maintenance Mechanic Senior Recycled Water Specialist	\$ <u>47114805</u>	\$ <u>67036837</u>	\$ <u>70387179</u>
SALARY GRADE 28.N Construction Inspector II Automation Technician Landscape Contracts Administrator Electrical Technician Instrumentation Technician	\$ <u>48494946</u>	\$ <u>69027040</u>	\$ <u>72487393</u>
SALARY GRADE 29.N <u>Payroll Administrator</u> Senior Buyer Engineering Technician III Senior Wetlands Specialist Operator III Lead Maintenance Mechanic Recycled Water Project Specialist Senior Water Use Efficiency Specialist Public Affairs Specialist	\$ <u>49935093</u>	\$ <u>71037245</u>	\$ <u>74587607</u>

<u>NON-EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE 30.N Senior Electrical Technician Senior Instrumentation Technician	\$51445247	\$73137459	\$76797833
SALARY GRADE 31.N Treasury Analyst Information Services Coordinator Construction Inspector III Senior Scientist Water Use Efficiency Analyst	\$52965402	\$75337684	\$79098067
SALARY GRADE 32.N Automation Specialist	\$54495558	\$77567911	\$81448307
SALARY GRADE 33.N Operations Coordinator	\$56085720	\$79818141	\$83808548
SALARY GRADE 34.N	\$57745889	\$82028366	\$86138785
SALARY GRADE 35.N	\$59486067	\$84488617	\$88719048

IRVINE RANCH WATER DISTRICT
SALARY GRADE SCHEDULE
GENERAL EMPLOYEES' UNIT

July-December 1, 2014


<u>EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE 1.E	<u>\$41874271</u>	<u>\$53805488</u>	<u>\$56485761</u>
SALARY GRADE 2.E	<u>\$43264413</u>	<u>\$55885700</u>	<u>\$58685985</u>
SALARY GRADE 3.E	<u>\$44664555</u>	<u>\$57975913</u>	<u>\$60876209</u>
SALARY GRADE 4.E	<u>\$46054697</u>	<u>\$60196139</u>	<u>\$63206446</u>
SALARY GRADE 5.E	<u>\$47454840</u>	<u>\$62426367</u>	<u>\$65556686</u>
SALARY GRADE 6.E	<u>\$49085006</u>	<u>\$64846614</u>	<u>\$68096945</u>
SALARY GRADE 7.E	<u>\$50665167</u>	<u>\$67246858</u>	<u>\$70597200</u>
SALARY GRADE 8.E	<u>\$52305335</u>	<u>\$69867126</u>	<u>\$73367483</u>
SALARY GRADE 9.E	<u>\$53895497</u>	<u>\$72427387</u>	<u>\$76047756</u>
SALARY GRADE 10.E Analyst Assistant Engineer	<u>\$55705681</u>	<u>\$75177667</u>	<u>\$78938051</u>
SALARY GRADE 11.E Laboratory QA/QC	<u>\$57485863</u>	<u>\$77957951</u>	<u>\$81858349</u>
SALARY GRADE 12.E Programmer/Analyst Energy Analyst	<u>\$59356054</u>	<u>\$80948256</u>	<u>\$84978667</u>
SALARY GRADE 13.E Right of Way & Real Property Manager Automation Programmer Water Resources Planner	<u>\$61266249</u>	<u>\$83888556</u>	<u>\$88068982</u>


<u>EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE 14.E Associate Engineer	\$63266453	\$87128886	\$91469329
SALARY GRADE 15.E	\$65266657	\$90379218	\$94879677
SALARY GRADE 16.E	\$67446879	\$93799567	\$984810045
SALARY GRADE 17.E Engineer	\$69607099	\$97249918	\$1020910413
SALARY GRADE 18.E	\$71847328	\$1009410296	\$1059810810
SALARY GRADE 19.E Water Resources Manager	\$74137561	\$1046710676	\$1099111211
SALARY GRADE 20.E	\$76437796	\$1085411071	\$1139711625
SALARY GRADE 21.E	\$78768034	\$1124611471	\$1180912045
SALARY GRADE 22.E	\$81298292	\$1166411897	\$1224912494
SALARY GRADE 23.E	\$83878555	\$1208712329	\$1269212946
SALARY GRADE 24.E	\$86148786	\$1257412825	\$1320213466
SALARY GRADE 25.E	\$88809058	\$1305013311	\$1370113975
SALARY GRADE 26.E	\$92859471	\$1373914014	\$1442614715
SALARY GRADE 27.E	\$97119905	\$1446714756	\$1519015494
SALARY GRADE 28.E	\$1015710360	\$1522915534	\$1599116311
SALARY GRADE 29.E	\$1062010832	\$1603516356	\$1683717174
SALARY GRADE 30.E	\$1111111333	\$1688617224	\$1773018085

<u>EXEMPT</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>EXCEPTIONAL PERFORMANCE TOP OF RANGE</u>
SALARY GRADE 31.E	\$ <u>1166311896</u>	\$ <u>1784418201</u>	\$ <u>1873619111</u>
SALARY GRADE 32.E	\$ <u>1224812493</u>	\$ <u>1886119238</u>	\$ <u>1980420200</u>
SALARY GRADE 33.E	\$ <u>1285713114</u>	\$ <u>1993120330</u>	\$ <u>2092821347</u>
SALARY GRADE 34.E	\$ <u>1350213772</u>	\$ <u>2106321484</u>	\$ <u>2211522557</u>

| *Effective Date* 0712/01/14

November 10, 2014

Submitted by: P. Weghorst 

Approved by: Paul Cook 

ACTION CALENDAR

PROPOSED REVISIONS TO THE IRWD POTABLE WATER SUPPLY RELIABILITY POLICY PRINCIPLES

SUMMARY:

Irvine Ranch Water District policy position papers are reviewed periodically to determine if the positions are still valid, need to be revised or if new papers should be written on different issues. Based on the current severe drought, there is a need to update IRWD's Water Supply Reliability Study. At this time, the IRWD Potable Water Supply Reliability Policy Principles paper should be updated to address policy areas that will be addressed in the IRWD Water Supply Reliability Study update and to guide the District in its participation in the county-wide water supply and system reliability study being completed by the Municipal Water District of Orange County (MWDOC). The District's Potable Water Supply Reliability Policy Principles paper has been revised for the Board's consideration. Staff recommends that the Board adopt the revised Potable Water Supply Reliability Policy Principles.

BACKGROUND:

In 2004, IRWD began producing policy "white papers" on topics of particular interest to the District. Because of IRWD's standing in the water industry, the opinion of the District is regularly solicited on issues of vital interest to the industry and the community. In order to keep these position papers current and usable for explaining the District's position, staff occasionally recommends that the Board review the papers and, when appropriate, incorporate revisions or adopt new papers.

As California is experiencing a severe drought and new factors have the potential to affect water supplies in California, staff has identified the need to update the District's Water Supply Reliability Study. Concurrently, MWDOC has awarded a contract to perform a county-wide water supply and system reliability study that will be completed with the participation of Orange County retail water agencies. Staff has updated the District's Potable Water Supply Reliability Policy Principles paper to guide IRWD's participation in MWDOC's county-wide study, and the District's update to its own Water Supply Reliability Study.

IRWD's Potable Water Supply Reliability Policy Principles paper was adopted by the Board on August 8, 2008. A proposed draft of the revised paper is attached as Exhibit "A". A redline version of the proposed revised policy paper is attached as Exhibit "B". Staff recommends that the Board approve the revised paper.

FISCAL IMPACTS:

None.

Action Calendar: Proposed Revisions to the IRWD Potable Water Supply Reliability Policy Principles
November 10, 2014
Page 2

ENVIRONMENTAL COMPLIANCE:

None.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on November 4, 2014.

RECOMMENDATION:

THAT THE BOARD ADOPT THE REVISED POLICY PRINCIPLES PAPER ON POTABLE WATER SUPPLY RELIABILITY.

LIST OF EXHIBITS:

Exhibit "A" – Proposed Revised IRWD Potable Water Supply Reliability Policy Principles
Exhibit "B" – Redline of the Proposed Revised IRWD Potable Water Supply Reliability Policy Principles

EXHIBIT " A "

DRAFT

IRVINE RANCH WATER DISTRICT POTABLE WATER SUPPLY RELIABILITY POLICY

November 4, 2014

Issue Summary:

Providing for a reliable and safe water supply is the primary mission of Irvine Ranch Water District (IRWD). IRWD must be able to provide sufficient water to its service area in order to meet customer water demands under reasonably foreseeable hydrological and system outage conditions. As water demand increases with new development, the ability for the District to continue to reliably meet water demands with existing supplies under extreme circumstances could be compromised. Threats to water supply reliability include potential system outages, environmental flow curtailments, earthquakes, severe drought and climate change.

Overall water supply reliability is accomplished by developing projects that improve both system and supply reliability. System reliability refers to the security and integrity of IRWD facilities that are treating and delivering water inside of IRWD. Supply reliability refers to the availability, security and integrity of supply sources and facilities not owned by IRWD that are relied on to deliver water to IRWD. IRWD should develop specific targets for both system and supply reliability. These targets should be periodically reviewed and adjusted based on new information and changing conditions. These targets will result in the selection of water supply capital projects that efficiently satisfy the reliability needs of the District.

Background:

In January 2008, the Board authorized the preparation of a Water Supply Reliability Study. The preliminary findings of the study were presented to the Board at a workshop on April 28, 2008. A report was prepared based on comments received from the Board. The Board received and filed the Water Supply Reliability Study on July 28, 2008. The intent of the study was to assist the District in defining appropriate levels of potable water reliability under different water supply and demand scenarios consistent with the Board's and IRWD customers' expectations. The study included analyses of how imported water supply shortages, climate change, facility outages and emergencies could affect demands, supplies, and major conveyance facilities. The study provided the technical basis for the August 8, 2008 Potable Water Supply Reliability Policy Position paper.

The Water Supply Reliability Study will be periodically updated and brought to the Board as assumptions change over time or as alternative potable water supply capital projects are developed. Recently, staff issued a request for proposals for an update and an enhanced approach to the study. Concurrently, the Municipal Water District of Orange County (MWDOC) has awarded a contract to perform a county-wide study of water supply and system reliability that will be performed with the participation of the Orange County retail and wholesale water agencies. In preparing to update the District's Water Supply Reliability Study and to guide staff's participation in the county-wide collaborative effort, staff has updated the District's Potable Water Supply Reliability Policy Principles paper.

Overview of Water Supply Reliability Study:

Outages of key supply facilities can result from a variety of reasons, including earthquakes, terrorist acts, or unplanned facility failures. The 2008 Water Supply Reliability Study assumed that facility shutdowns at the Diemer Water Treatment Plant (Diemer WTP) would last for one month. This is consistent with the documented outage duration for a single complex event in MWD's Infrastructure Reliability and Protection Plan (IRPP). It was assumed that a failure of the Dyer Road Well Field (DRWF) pipeline would last up to 15 days. Because of the emergency nature of catastrophic events, it is expected that some levels of extraordinary conservation (or demand restrictions) would take place. Even with such emergency conservation, the analysis showed that there would be maximum day shortages of over 60 cfs for a Diemer WTP outage and over 30 cfs for a DRWF pipeline outage.

Supply reliability results are based on probability distributions of demands and supplies under different weather, hydrological and environmental restriction scenarios. The Water Supply Reliability Study indicated that there is an approximately equal impact to IRWD's reliability as a result of environmental flow restrictions on the State Water Project (SWP) and climate change impacts on system demand and total imported water supply. When both of these constraints are considered and no new projects are implemented, shortfalls in the IRWD system would occur almost 90% of the time, averaging approximately 12,000 AFY, and ranging from zero up to 25,000 AFY. The 2008 study concluded that a minimum of 25,000 AFY of additional water supply should be developed to meet projected build-out demands under potential environmental flow restrictions in the Bay-Delta and/or climate change impacts on the SWP and Colorado River Aqueduct imported supplies.

Considerations for Reliability Study Update:

The District's Wells 21 and 22 Treatment Plant and the Baker Potable Water Treatment Plant Projects as well as IRWD's water banking projects in Kern County will result in a significant reduction in the need for development of additional supplies that were identified in the 2008 study. However, there are other factors that were not considered in the 2008 Water Supply Reliability Study that could offset the benefits of these projects with additional risk and uncertainty to IRWD's water supplies. These other factors include:

- Uncertainty in whether the alternative conveyance for the Bay Delta Conservation Plan (BDCP) will ever be permitted and constructed;
- Potential for long-term drought on the Colorado River;
- The risk of San Joaquin River Delta levee failures during a significant earthquake;
- Failure of the Edmonston Pumping Plant that is located near the south end of the California Aqueduct which lifts water 1,926 feet (600 m) to cross the Tehachapi Mountains; and
- Potential reductions in flows available for recharge in the Orange County basin.

Policy Principles:

Based on the 2008 Water Supply Reliability Study and the additional risk and uncertainty issues that could affect IRWD's water supplies as described above, staff has developed principles that will define the District's policy for potable water supply reliability and will also guide updating and enhancement of the District's Water Supply Reliability Study and staff participation in a county wide study of water supply and system reliability. The District's policy will also provide guidance in the development of future water supply projects. The policy principles are as follows:

- Water supply and system reliability studies should take into consideration the frequencies, magnitudes, probabilities, timing and durations associated with events that could affect reliability.
- Evaluation of IRWD water supplies and related system reliability should separately and in combination (where appropriate) take into consideration factors such as long term drought on the Colorado River, difficulties in approving and constructing an alternate conveyance to bypass flows around the Delta, the risk of Delta levee failures, local and regional earthquakes, SWP and Colorado River facility failures, long-term climate change and reductions in water available for recharge in to the Orange County basin.
- Forecasts of supply and system reliability should take into consideration the benefits of IRWD's existing Strand Ranch Integrated Banking Project, the proposed Stockdale Integrated Banking Project, any reasonably foreseeable expansion of these projects and related partnership, exchange and wheeling programs in offsetting potential future impacts to IRWD's import water supplies.
- Future water demands should be estimated using reasonable duty factors tied to ultimate land use categories using a multi-parameter regression analysis which accounts for variations in weather. The duty factors should account for increased conservation and the continued expansion of recycled water.
- The combination of existing and future water supply projects should meet 80% of maximum day demands at build-out 95% of the time using the worst case and reasonably foreseeable system outage scenarios.
- IRWD's system capacity should meet estimated maximum day demands at build-out 95% of the time using reasonably foreseeable outage scenarios.
- Projects should be selected on the basis of meeting specific reliability criteria and should demonstrate that they are cost effective. Projects that provide shared supply and system benefits to IRWD and other agencies in Orange County, in a cost effective way, should be considered in the selection process.
- System and supply reliability projects should be geographically and functionally diverse and should draw from diverse supply sources to maximize system reliability. Additional

wells, expansion of water banking projects, surface and groundwater storage, local surface water treatment plants, desalination treatment, new imported supply sources and improved imported water transmission facilities should be considered to meet the system reliability target. Participation in projects that are developed on a regional basis should be available to agencies on an optional basis.

- Cost effective projects that provide both system and supply reliability should be given the highest priority for implementation. Consideration should also be given to cost effective projects that provide shared benefits to other agencies in Orange County.
- System and supply reliability projects should be given the highest priority. Projects required to meet the minimum system and supply reliability targets, taking into consideration all foreseeable factors that could affect IRWD's reliability and its ability to manage demands, should be operational by 2020.
- Local base loaded supply projects that exceed the cost of import water from Metropolitan Water District of Southern California (MWD) should not be considered when import water is available from MWD. Such projects would disproportionately benefit other agencies over IRWD.
- Maintaining the minimum levels of system and supply reliability at build out requires the development of additional capital projects. Incremental future development creates the need for these additional system and supply reliability projects through increases in water demand. Reliability projects should therefore be financed from bond proceeds to be paid back through property taxes and connection fees on new development.
- County wide evaluations and studies of water supply and system reliability should occur through the collaborations of all retail and wholesale agencies in the county. Such collaborative studies should be conducted in a manner that is consistent with the roles, responsibilities and policies of participating agencies and should not direct the actions of any agency. The studies should not over-reach into IRWD roles and responsibilities.
- Development of non-potable water supply projects and water use efficiency and conservation can offset potable water demand and reduce demand pressure on existing facilities. Non-potable water supply projects, such as the expansion of recycled water, should be evaluated as part of efforts to expand countywide water supply and system reliability.

EXHIBIT " B "

DRAFT

IRVINE RANCH WATER DISTRICT POTABLE WATER SUPPLY RELIABILITY POLICY

~~August 8, 2008~~ November 4, 2014

Issue Summary:

Providing for a reliable and safe water supply is the primary mission of ~~the~~ Irvine Ranch Water District (IRWD). IRWD must be able to provide sufficient water to its service area in order to meet customer water demands under ~~all~~ reasonably foreseeable hydrological and system outage conditions. As water demand increases with new development, the ability for the District to continue to reliably meet water demands with existing supplies under extreme circumstances is could be compromised. Threats to water supply reliability include ~~potential system outages,~~ environmental flow curtailments, earthquakes, severe drought and climate change.

Overall water supply reliability is accomplished by developing projects that improve both system and supply reliability. System reliability refers ~~to refers~~ to the security and integrity of ~~the~~ IRWD facilities that are treating and delivering water to inside of IRWD. Supply reliability refers to the availability, a security and integrity of supply sources and facilities not owned by IRWD that are relied on to deliver water to IRWD ~~availability of actual water supplies~~. IRWD should develop specific targets for both system and supply reliability. These targets should be periodically reviewed and adjusted based on new information and changing conditions. These targets will result in the selection of water supply capital projects that efficiently satisfy the reliability needs of the District.

Background:

In January 2008, the Board authorized the preparation of a Water Supply Reliability Study. The preliminary findings of the study were presented to the Board at a workshop on April 28, 2008. ~~A The~~ report was ~~finalized-prepared~~ based on comments received from the Board. The Board received and filed the ~~Final~~ Water Supply Reliability Study on July 28, 2008. The intent of the study was to assist the District in defining appropriate levels of potable water reliability under different water supply and demand scenarios consistent with the Board's and IRWD customers' expectations. The study included ~~ds~~ analyses of how imported water supply shortages, climate change, ~~facility outages,~~ and emergencies ~~could~~ will affect demands, supplies, and major conveyance facilities. The study provided ~~ds~~ the technical basis for the August 8, 2008 ~~is~~ Potable Water Supply Reliability Policy Position paper.

~~The~~ Water Supply Reliability Sstudy will be periodically ~~be~~ updated and brought to the Board as assumptions change over time or as alternative potable water supply capital projects are developed. Recently, staff issued a request for proposals for an update and an enhanced approach to the study. Concurrently, the Municipal Water District of Orange County (MWDOC) has awarded a contract to perform a county-wide study of water supply and system reliability that will be performed with the participation of the Orange County retail and wholesale water agencies. In preparing to update the District's Water Supply Reliability Study and to guide

staff's participation in the county-wide collaborative effort, staff has updated the District's Potable Water Supply Reliability Policy Principles paper.

Overview of Water Supply Reliability Study:

Outages of key supply facilities can result from a variety of reasons, including earthquakes, terrorist acts, or unplanned facility failures. The 2008 Water Supply Reliability Study assumed that facility shutdowns at the Diemer Water Treatment Plant (Diemer WTP) would last for one month. This is consistent with the documented outage duration for a single complex event in MWD's Infrastructure Reliability and Protection Plan (IRPP). It was assumed that a failure of the Dyer Road Well Field (DRWF) pipeline would last up to 15 days. Because of the emergency nature of catastrophic events, it is expected that some levels of extraordinary conservation (or demand restrictions) would take place. Even with such emergency conservation, the analysis showed that there would be maximum day shortages of over 60 cfs for a Diemer WTP outage and over 30 cfs for a DRWF pipeline outage.

Supply reliability results are based on probability distributions of demands and supplies under different weather, hydrological and environmental restriction scenarios. The Water Supply Reliability Study indicated that there is an approximately equal impact to IRWD's reliability as a result of environmental flow restrictions on the State Water Project (SWP) and climate change impacts on system demand and total imported water supply. When both of these constraints are considered and no new projects are implemented, shortfalls in the IRWD system would occur almost 90% of the time, averaging approximately 12,000 AFY, and ranging from zero up to 25,000 AFY. The 2008 study concluded that a minimum of 25,000 AFY of additional water supply should be developed to meet projected build-out demands under potential environmental flow restrictions in the Bay-Delta and/or climate change impacts on the SWP and CRA-Colorado River Aqueduct imported supplies.

Considerations for Reliability Study Update:

The District's Wells 21 and 22 Treatment Plant and the Baker Potable Water Treatment Plant Projects as well as IRWD's water banking projects in Kern County will result in a significant reduction in the need for development of additional supplies that were identified in the 2008 study. However, there are other factors that were not considered in the 2008 Water Supply Reliability Study that could offset the benefits of these projects with additional risk and uncertainty to IRWD's water supplies. These other factors include:

- Uncertainty in whether the alternative conveyance for the Bay Delta Conservation Plan (BDCP) will ever be permitted and constructed;
- Potential for long-term drought on the Colorado River;
- The risk of San Joaquin River Delta levee failures during a significant earthquake;
- Failure of the Edmonston Pumping Plant that is located near the south end of the California Aqueduct which lifts water 1,926 feet (600 m) to cross the Tehachapi Mountains; and

- Potential reductions in flows available for recharge in the Orange County basin.

Policy Principles:

Based on the 2008 Water Supply Reliability Study and the additional risk and uncertainty issues that could affect IRWD's water supplies as described above, staff has developed ~~the following~~ principles that will define the District's policy for potable water supply reliability and will also guide ~~the~~ updating and enhancement of the District's Water Supply Reliability Study and staff participation in a county wide study of water supply and system reliability. The District's policy will also provide guidance in the development of future water supply projects. The policy principles are as follows:

- Water supply and system reliability studies should take into consideration the frequencies, magnitudes, probabilities, timing and durations associated with events that could affect reliability.
- Evaluation of IRWD water supplies and related system reliability should separately and in combination (where appropriate) take into consideration factors such as long term drought on the Colorado River, difficulties in approving and constructing an alternate conveyance to bypass flows around the Delta, the risk of Delta levee failures, local and regional earthquakes, SWP and Colorado River facility failures, long-term climate change and reductions in water available for recharge in to the Orange County basin.
- Forecasts of supply and system reliability should take into consideration the benefits of IRWD's existing Strand Ranch Integrated Banking Project, the proposed Stockdale Integrated Banking Project, any reasonably foreseeable expansion of these projects and related partnership, exchange and wheeling programs in offsetting potential future impacts to IRWD's import water supplies.
- Future water demands should be estimated using reasonable duty factors tied to ultimate land use categories using a multi-parameter regression analysis which accounts for variations in weather. The duty factors should account for increased conservation and the continued expansion of recycled water.
- ~~The combination of eThe cumulative system capacity of existing and~~ future water supply projects should meet 80% of maximum day demands at build-out 95% of the time using the worst case, and reasonably foreseeable system outage scenarios. ~~This is equal to a minimum system reliability target of an additional 60 cfs beyond 2008 levels.~~
- IRWD's system~~The cumulative supply~~ capacity of future water supply projects should meet ~~the~~ estimated average maximum day annual demands at build-out 95% of the time

using reasonably foreseeable ~~environmental and climate change restrictions~~ outage scenarios. ~~This is equal to a minimum supply reliability target of an additional 25,000 acre feet per year beyond 2008 levels.~~

- Projects should be selected on the basis of meeting specific reliability criteria and should demonstrate that they are cost effective. Projects that provide shared supply and system benefits to IRWD and other agencies in Orange County, in a cost effective way, should be considered in the selection process.
- System and supply reliability projects should be geographically and functionally diverse and should draw from diverse supply sources to maximize system reliability. Additional wells, expansion of water banking projects, surface and groundwater storage, local surface water treatment plants, desalination seawater desalination treatment plants, new imported supply sources and improved imported water transmission facilities should be considered to meet the system reliability target. Participation in projects that are developed on a regional basis should be available to agencies on an optional basis.
- ~~Supply reliability projects should draw from diverse supply sources to maximize supply reliability. Groundwater storage, surface water storage, seawater desalination, water banking and new imported water supplies should be considered to meet the supply reliability target.~~
- Cost effective projects that provide both system and supply reliability should be given the highest priority for implementation. Consideration should also be given to cost effective projects that provide shared benefits to other agencies in Orange County.
- System and supply reliability projects should be given the highest priority. Projects required to meet the minimum system and supply reliability targets, taking into consideration all foreseeable factors that could affect IRWD's reliability and its ability to manage demands, should be operational by 2020+5.
- Local base loaded supply projects that exceed the cost of import water from Metropolitan Water District of Southern California (MWD) should not be considered when import water is available from MWD. Such projects would disproportionately benefit other agencies over IRWD.
- Maintaining the minimum levels of system and supply reliability at build out requires the development of additional capital projects. Incremental future development creates the need for these additional system and supply reliability projects through increases in water demand. Reliability projects should therefore be financed from bond proceeds to be paid back through property taxes, and connection fees on new development.
- County wide evaluations and studies of water supply and system reliability should occur through the collaborations of all retail and wholesale agencies in the county. Such collaborative studies should be conducted in a manner that is consistent with the roles,

responsibilities and policies of participating agencies and should not direct the actions of any agency. The studies should not over-reach into IRWD roles and responsibilities.

- Development of non-potable water supply projects, and water use efficiency and conservation, can offset potable water demand and reduce demand pressure on existing facilities. Non-potable water supply projects, such as the expansion of recycled water, should be evaluated as part of efforts to expand countywide water supply and system reliability.

November 10, 2014

Submitted by: P. Weghorst

Approved by: Paul Cook



ACTION CALENDAR

PROPOSED REVISIONS TO THE IRWD DESALINATION POLICY PRINCIPLES

SUMMARY:

The current drought and ongoing consideration being given by Orange County water agencies to the proposed Huntington Beach and Doheny Beach ocean desalination projects have resulted in the need to update IRWD's Desalination Policy Principles paper. The updated principles paper will address policy areas that will be important in directing comments on reports and analyses being prepared for different desalination projects. The principles will also help guide the District's participation in workshops with the Groundwater Producers and interested agencies to be conducted in the near future. The District's Desalination Policy Principles paper has been revised for the Board's consideration. Staff recommends that the Board adopt the revised IRWD Desalination Policy Principles.

BACKGROUND:

In 2004, IRWD began producing policy "white papers" on topics of particular interest to the District. Because of IRWD's standing in the water industry, the opinion of the District is regularly solicited on issues of vital interest to the industry and the community. In order to keep these position papers current and usable for explaining the District's position, staff occasionally recommends that the Board review the papers and, when appropriate, incorporate revisions or adopt new policies.

The current drought has some Orange County agencies and cities considering alternative water supply sources that could help improve supply reliability by diversifying sources of available water. Currently the Orange County Water District (OCWD) is considering taking action related to the proposed Huntington Beach Ocean Desalination Project. The Municipal Water District of Orange County (MWDOC) and other water agencies in southern Orange County are also contemplating taking action on the proposed Doheny Desalination Project in Dana Point. Based on these potential actions, staff has identified the need to update IRWD's Desalination Policy Principles that will address policy areas that will be important in providing comments on reports and analyses being prepared by OCWD and/or MWDOC related to the projects. The principles will also help guide the District's participation in an OCWD Board workshop with the Groundwater Producers that is anticipated to be held on December 10, 2014 as well as other workshops related to the ongoing county-wide water supply reliability study.

IRWD's Desalination Policy Principles paper was adopted by the Board on April 22, 2013. A proposed draft of the revised paper is attached as Exhibit "A" and a redline version is attached as Exhibit "B". Staff recommends that Board adopt the revised IRWD Desalination Policy Principles.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

None.

COMMITTEE STATUS:

This item was reviewed by the Ocean Desalination Ad Hoc Committee on November 6, 2014.

RECOMMENDATION:

THAT THE BOARD ADOPT THE REVISED IRWD DESALINATION POLICY PRINCIPLES.

LIST OF EXHIBITS:

Exhibit "A" – Draft IRWD Policy Position on Desalination Projects
Exhibit "B" – Redline IRWD Policy Position on Desalination Projects

EXHIBIT "A"

DRAFT IRVINE RANCH WATER DISTRICT POLICY POSITION ON DESALINATION PROJECTS

Revised: November 10, 2014

Issue Summary:

Locally available brackish and ocean water sources may provide alternative supplies of water once treated to acceptable standards. Desalination projects should be implemented when costs for treatment and distribution are competitive with existing reliable supplies or with other supplies or alternative supplies under development. Funding should be recovered on a beneficiary pays basis. Efforts to develop desalination projects, technologies, and outside funding sources should move forward consistent the policy principles described below.

Background:

Desalination is the process of converting water with high salts and mineral concentrations into water usable for potable use or irrigation. The process typically involves treatment with membrane systems (such as reverse osmosis), ion exchange, or thermal distillation. Using current technology, desalination could provide southern California with supplemental supplies of high quality drinking water that are reliable, though expensive. This water supply would be locally available, and less vulnerable to hydrological and other uncertainties. Developing desalination facilities would diversify the region's water supply portfolio leading to greater overall reliability. Metropolitan Water District of Southern California (MWD) recognizes desalination in its Integrated Resources Plan as a key future water supply component for the region only after exhausting other options.

Without substantial outside subsidies, ocean desalination is generally not cost effective at this time. Much less expensive water supply options are available including water transfers, treatment of impaired groundwater and water recycling. As technological improvements reduce the cost of reverse osmosis membranes and the amount of energy used by the membrane process, the cost of desalinated ocean water may decline. This is why the water industry, including IRWD, should support development of desalination technologies, regulatory streamlining, and public acceptance.

Poseidon Resources Corporation, a private company, is proposing to develop an ocean water desalination facility in Huntington Beach. The project concept advanced by Poseidon envisions development of a 50 MGD ocean water desalination plant at the AES power plant in Huntington Beach. Poseidon Resources Corporation is soliciting interest from local water agencies for commitments to purchase desalinated water from the Huntington Beach Plant.

Over the last few years, a working group of agencies that are interested in participating in the Huntington Beach project met on a regular basis at the Municipal Water District of Orange County (MWDOC) to review project study results and to discuss the proposed attributes and costs of the proposed project. This working group process ended in 2013 with limited interest

among agencies to participate in the project. Since then, the Orange County Water District (OCWD) has been considering taking action related to the proposed Huntington Beach Ocean Desalination Project. The MWDOC is also investigating the feasibility of developing the proposed Doheny ocean water desalination project in Dana Point and could take action on the project at some point in the future. The policy principles provided below address policy areas that will be important in providing comments on reports and analyses being prepared by OCWD and/or MWDOC related to the projects.

A key issue in Orange County affecting the implementation and acceptance of ocean desalination is cost recovery. Some retail agencies may receive greater benefit from ocean desalination than others. Moreover, some agencies may have other more cost effective supply options and may not want to have any participation in a desalinated supply. As such, an acceptable financial participation mechanism, such as a voluntary Joint Powers Authority (JPA), needs to be established to appropriately recover and allocate past and future costs associated with an ocean desalination project. This will not only resolve cost recovery issues related to these projects, but will build focused support at the retail level for implementation of desalination projects.

Following are policy principles related to potential desalination projects.

Policy Principles:

- IRWD supports the investigation of cost effective alternative supplies of water. IRWD also supports the development of desalination technologies, regulatory streamlining, public acceptance and the pursuit of regional, state, and federal funding programs to ensure the feasibility of future water supplies.
- Based upon the diversity and reliability of IRWD's existing and planned water supplies and IRWD's current and projected cost of water, the IRWD may consider participation in ocean desalination projects when economics become more favorable and delivered costs to IRWD's system become comparable to alternative supplies then available to IRWD.
- IRWD's consideration of participation in desalination projects shall be consistent with the Board's adopted Potable Water Supply Reliability Policy Principles.
- The need for ocean desalination projects should be identified considering the frequencies, magnitudes, timing and durations associated with events that could affect the reliability of existing and future alternative cost effective supplies.
- Projects utilizing ocean desalination for a new water supply should be funded exclusively by the retail water agencies that voluntarily participate in the projects. Participation in county wide desalination projects should be available to agencies on an optional basis.
- Desalination projects that exceed the cost of import water from Metropolitan Water District of Southern California (MWD) should not be considered when imported water is

available from MWD, unless an agency determines that imported water supplies from MWD are not reliable. Such projects would disproportionately benefit other agencies over agencies participating in the projects.

- MWD's Water Supply Allocation Plan formulas for sharing reliability during periods of allocation should be taken into consideration when evaluating the water supply benefits of desalination projects and in making estimates of the costs of water from the projects to its participants.
- The evaluation of the cost of construction, operation and maintenance of desalination projects should take into consideration the risks and uncertainties associated with significant features including intake and brine disposal facilities as well as uncertainties associated with rates of increases in electricity that are expected in the future.
- Future operational cost reductions associated with improvements to efficiencies of membrane technologies should be shared among all participants in a desalination project.
- The consideration of Local Resources Program incentives from MWD for a desalination project should take into consideration that the sliding scale and fixed incentives would only be available to the extent that the incentives reduce the cost of water from the project towards the cost of treated water from MWD (i.e., the subsidy cannot reduce the cost of water below the MWD treated rate).
- MWD should provide LRP incentives to desalination projects through separate funding initiatives that do not impair the ability of non-desalination related local projects to receive funding under existing MWD limits for LRP investments.
- Local and regional partnerships for the construction, operation and maintenance of ocean desalination projects should rely on the experience of local agencies with proven track records constructing and operating desalination facilities.
- Agencies volunteering to participate in ocean desalination projects should take into consideration comparisons of the costs and methods of delivery of the design, construction and operation of desalination facilities by public agencies with the costs and methods of delivery of the design, construction and operation through private partnerships. Participant should select the most cost effective and least risk method of project implementation.
- Comparisons of the cost of water from a desalination project should not be made against the cost of full service treated water from MWD when the water from the desalination project is displacing purchases of available untreated water from MWD.

- The financing of desalination projects should occur using methods that result in the lowest cost of water and debt to the participating agencies. Project costs should not be “back-loaded” to initially understate the true cost of desalinated water.
- Potential participating retail agencies in Orange County should continue efforts to evaluate an ocean desalination project at the Huntington Beach site while less expensive sites located inland from the beach should be considered as an alternative to expensive beach-front sites.
- MWD should consider the development of cost effective regional desalination projects that provide benefits to all MWD’s service area in an equitable fashion.
- Desalination product water must meet all applicable drinking water standards, and must not create water quality impacts that impair the production of recycled water, reduce the quality of potable water delivered to IRWD customers or result in corrosive impacts to facilities.

EXHIBIT "A"

DRAFT
IRVINE RANCH WATER DISTRICT POLICY POSITION
ON DESALINATION PROJECTS

Revised: ~~April 22, 2013~~ November 10, 2014

Issue Summary:

Locally available brackish and ocean water sources ~~with otherwise unacceptably high levels of salts or minerals~~ may provide ~~an~~ alternative supplyies of water once treated to acceptable standards. Desalination projects should be implemented when costs for treatment and distribution are competitive with existing reliable supplies or ~~withfor developing~~ other supplies or alternative supplies under development. Funding should be recovered on a beneficiary pays basis. Efforts to develop desalination projects, technologies, and outside funding sources should move forward consistent the policy principles described below.

Background:

Desalination is the process of converting water with high salts and mineral concentrations into water usable for ~~drinking potable use~~ or irrigation. The process typically involves treatment with membrane systems (such as reverse osmosis), ion exchange, or thermal distillation. Using current technology, desalination could provide southern California with ~~a~~ supplemental supplyies of high quality drinking water that ~~areis~~ reliable, though expensive. This water supply would be locally available, and ~~not as less~~ vulnerable to hydrological and other uncertainties. Developing desalination facilities would diversify the region's water supply portfolio leading to greater overall reliability. Metropolitan Water District of Southern California (MWD) recognizes desalination in its Integrated Resources Plan as a key future water supply component for the region only after exhausting other options.

Without substantial outside subsidies, ocean desalination is generally not cost effective at this time. Much less expensive water supply options are available including water transfers, treatment of impaired groundwater, and ~~wastewater~~ recycling. ~~However, due to~~ As ~~technological improvements that~~ reduce the cost of reverse osmosis membranes and the amount of energy used by the membrane process, the cost of desalinated ocean water ~~is steadily declining~~ may decline. ~~In addition, siting these facilities at certain power plants that have sea water intake and discharge facilities can reduce the cost of permitting, building, and operating desalination plants.~~—This is why the water industry, including IRWD, should support development of desalination technologies, regulatory streamlining, and public acceptance.

Poseidon Resources Corporation, a private company, is proposing to develop an ocean water desalination facility in Huntington Beach. The project concept advanced by Poseidon envisions development of a 50 MGD ocean water desalination plant at the AES power plant in Huntington Beach. ~~Poseidon Resources Corporation is soliciting interest from local water agencies for firm commitments to purchase desalinated water from the Huntington Beach Plant.~~

~~Over the last few years, a working group of agencies that are interested in participating in the Huntington Beach project met on a regular basis at the Municipal Water District of Orange County (MWDOC) to review project study results and to discuss the proposed attributes and costs of the proposed project. This working group process ended in 2013 with limited interest among agencies to participate in the project. Since then, the Orange County Water District (OCWD) has been considering taking action related to the proposed Huntington Beach Ocean Desalination Project. The MWDOC is also investigating the feasibility of developing the proposed Doheny ocean water desalination project in Dana Point and could take action on the project at some point in the future. The policy principles provided below address policy areas that will be important in providing comments on reports and analyses being prepared by OCWD and/or MWDOC related to the projects. The Municipal Water District of Orange County (MWDOC) is also investigating the feasibility of developing an ocean water desalination project in Dana Point.~~

A key issue in Orange County affecting the implementation and acceptance of ocean desalination ~~by MWDOC or others~~ is cost recovery. ~~Currently, MWDOC has committed, and continues to commit, considerable financial resources in ocean desalination planning and project development. Clearly, s~~Some retail agencies may receive greater benefit from ocean desalination than others. Moreover, some agencies may have other more cost effective supply options and may not want to have any participation in a desalinated supply. As such, an acceptable financial participation mechanism, such as a voluntary Joint Powers Authority (JPA), needs to be established to appropriately recover and allocate past and future costs associated with an ocean desalination project. This will not only resolve cost recovery issues related to these projects, but will build focused support at the retail level for implementation of desalination projects.

Following are policy principles related to potential desalination projects.

Policy Principles:

- IRWD supports the investigation of cost effective alternative supplies of water. IRWD also supports the development of desalination technologies, regulatory streamlining, public acceptance and the pursuit of ~~regional (regional MWDC)~~, state, and federal funding programs to ensure the ~~future~~ feasibility of ~~this~~ future water supplies.
- Based upon the diversity and reliability of IRWD's existing and planned water supplies and IRWD's current and projected cost of water, the IRWD may consider participation in ocean desalination projects when economics become more favorable and delivered costs to IRWD's system become comparable to alternative supplies then available to IRWD.
- IRWD's consideration of participation in desalination projects shall be consistent with the Board's adopted Potable Water Supply Reliability Policy Principles.

- The need for ocean desalination projects should be identified considering the frequencies, magnitudes, timing and durations associated with events that could affect the reliability of existing and future alternative cost effective supplies.
- Projects utilizing ocean desalination for a new water supply should be funded exclusively by the retail water agencies that ~~specifically benefit from, and~~ voluntarily participate in; the projects. Participation in county wide desalination projects should be available to agencies on an optional basis.
- Desalination projects that exceed the cost of import water from Metropolitan Water District of Southern California (MWD) should not be considered when imported water is available from MWD, unless an agency determines that imported water supplies from MWD are not reliable. Such projects would disproportionately benefit other agencies over agencies participating in the projects.
- MWD's Water Supply Allocation Plan formulas for sharing reliability during periods of allocation should be taken into consideration when evaluating the water supply benefits of desalination projects and in making estimates of the costs of water from the projects to its participants.
- The evaluation of the cost of construction, operation and maintenance of desalination projects should take into consideration the risks and uncertainties associated with significant features including intake and brine disposal facilities as well as uncertainties associated with rates of increases in electricity that are expected in the future.
- Future operational cost reductions associated with improvements to efficiencies of membrane technologies should be shared among all participants in a desalination project.
- The consideration of Local Resources Program incentives from MWD for a desalination project should take into consideration that the sliding scale and fixed incentives would only be available to the extent that the incentives reduce the cost of water from the project towards the cost of treated water from MWD (i.e., the subsidy cannot reduce the cost of water below the MWD treated rate).
- MWD should provide LRP incentives to desalination projects through separate funding initiatives that do not impair the ability of non-desalination related local projects to receive funding under existing MWD limits for LRP investments.
- Local and regional partnerships for the construction, operation and maintenance of ocean desalination projects should rely on the experience of local agencies with proven track records constructing and operating desalination facilities.
- Agencies volunteering to participate in ocean desalination projects should take into consideration comparisons of the costs and methods of delivery of the design.

construction and operation of desalination facilities by public agencies with the costs and methods of delivery of the design, construction and operation through private partnerships. Participant should select the most cost effective and least risk method of project implementation.

- Comparisons of the cost of water from a desalination project should not be made against the cost of full service treated water from MWD when the water from the desalination project is displacing purchases of available untreated water from MWD.
- The financing of desalination projects should occur using methods that result in the lowest cost of water and debt to the participating agencies. Project costs should not be “back-loaded” to initially understate the true cost of desalinated water.
- Potential participating retail agencies in Orange County should continue efforts to evaluate an ocean desalination project at the Huntington Beach site, while less expensive sites located inland from the beach should be considered as an alternative to expensive beach-front sites.
- MWD should consider the development of cost effective regional desalination projects that provide benefits to all MWD’s service area in an equitable fashion.
- Desalination product water must meet all applicable drinking water standards, and must not create water quality impacts that impair the production of recycled water, reduce the quality of potable water delivered to IRWD customers or result in corrosive impacts to facilities.

November 10, 2014

Prepared by: C. Spangenberg/R. Mori

Submitted by: K. Burton

Approved by: Paul Cook 

ACTION CALENDAR

LOS ALISOS WATER RECYCLING PLANT PONDS BIOSOLIDS REMOVAL AND DISPOSAL CONSTRUCTION AWARD

SUMMARY:

The Los Alisos Water Recycling Plant (LAWRP) Biosolids Removal project will dredge, dewater, haul, and dispose of a maximum 4,500 dry tons of biosolids that have accumulated in Ponds 3, 4, and 5 at the LAWRP. Staff received three bids for the project and recommends that the Board:

- Find that the irregularity in the bid of Synagro-WWT, Inc. did not affect the bid amount or give the bidder a competitive advantage over other bidders and waive the irregularity;
- Authorize a budget increase in the amount of \$2,052,700, from \$1,779,000 to \$3,832,600; and
- Authorize the General Manager to execute a construction contract with Synagro-WWT, Inc. in the amount of \$3,485,431 to remove, haul, and dispose of biosolids from LAWRP Ponds 3, 4, and 5.

BACKGROUND:

The LAWRP Ponds Biosolids Removal and Disposal project includes removal, dewatering, hauling, and disposal of a maximum 4,500 dry tons of biosolids that have accumulated in Ponds 3, 4, and 5. The existing solids handling facilities at LAWRP have met the solids handling requirements for many years, but as the dewatering equipment continues to age, and replacement components become more difficult to find, the equipment is unable to keep up with the solids production at the plant. As a result, solids have accumulated in the ponds and require removal to ensure that the accumulated solids do not carry over into the plant effluent, potentially impacting LAWRP's ability to meet its effluent discharge requirements.

Staff is beginning long-range planning efforts for LAWRP, the results of which may have an impact on the plant treatment processes and/or the solids handling facilities. Rather than proceed with major expenditures now to replace the aging solids handling facilities at LAWRP, staff recommends deferring any major equipment replacements or system improvements until completion of the long-range planning efforts. In the interim, staff retained HDR, Inc. to identify short-term, cost effective measures to handle LAWRP solids. In March 2014, HDR completed a study to evaluate interim solids handling and disposal options at LAWRP through the year 2020. HDR confirmed the most cost effective option to be the dredging, dewatering, hauling, and disposal of the accumulated solids in the ponds through the execution of a construction contract.

Construction Award:

On September 23, 2014, the project was advertised to a select list of five contractors. Staff received bids on October 14, 2014 from three contractors: Synagro-WWT, Inc., American Process Group, Inc., and National Plant Services, Inc. Synagro-WWT, Inc. is the apparent low bidder with a bid amount of \$3,485,431. Bids ranged from \$3,485,431 to \$3,958,500. The engineer's estimate for the work was \$2,515,000. Staff reviewed Synagro-WWT, Inc.'s bid and determined that it is responsive. The Bid Summary is attached as Exhibit "A".

During the bid period at the request of the bidders, staff analyzed actual samples of the accumulated solids in the ponds and provided the test results to the bidders. After the bid opening, staff received feedback that the analysis indicated that the solids exhibited potentially poor dewatering capabilities, which led the bidders to include additional costs associated with more extensive dewatering processing and additional hauling and disposal of "wetter" solids. Staff attributes the main reason for the difference between the engineer's estimate and the apparent low bid to this factor. Other factors likely contributing to the difference in cost include higher than anticipated costs for contractor mobilization and demobilization, the need for a larger than anticipated dredge capable of reaching accumulated solids at the pond bottom depth, and the need for additional polymer due to the potentially poor dewatering capability of the accumulated solids.

It should also be noted that the HDR study projected that about 3,900 dry tons of solids have accumulated in the ponds. To provide a mechanism for removing additional solids above and beyond those projected, staff increased the total amount of solids included in the project by an additional 600 dry tons (approximately 15 percent of HDR's projected amount) to ensure that any additional solids encountered during the work could be removed as part of the project. At the apparent low bidder's unit cost of \$659.09 for the removal, hauling, and disposal of solids, the additional 600 dry tons equates to a cost of \$395,000, which may not be incurred if additional solids are not encountered.

Even with the higher-than-anticipated cost for this work, staff recommends proceeding to ensure that the accumulated solids do not carry over into the plant effluent, potentially impacting LAWRP's ability to meet its effluent discharge requirements.

Irregularities on the Bid Form:

Several potential bidding irregularities were identified for evaluation. Staff and legal counsel reviewed the potential bidding irregularities and concluded that only one item actually constituted a bid irregularity as summarized herein and described in further detail in the staff report attached as Exhibit "B".

An awarding authority may, but is not required to, waive an irregularity if it finds that it is inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over the other bidders. Where an irregularity was determined to be present, the factual basis for a determination by the Board that the irregularity in Synagro-WWT, Inc.'s bid

was inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over the other bidders, is summarized below.

During review of the bids, staff determined that Synagro-WWT, Inc. did not submit a project schedule as required in the bid proposal package. Omission of the schedule is not an item that would have enabled a lower bid to be submitted or otherwise provided a competitive advantage. As a result, the failure to submit a schedule would not have increased the bid amount or presented any competitive advantage and can be waived by the Board. The Contract Time of 210 calendar days will be binding.

Staff and legal counsel concluded that the above-described bid irregularity did not a) entail a failure to meet the District's specification; b) permit a lower bid to be submitted or affect the amount of the bid; c) afford Synagro-WWT, Inc. a competitive advantage; or d) impair the District's ability to compare and rank the bids. Staff recommends that the Board waive the bid irregularity as it was inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over other bidders, and award the LAWRP Biosolids Removal and Disposal contract to Synagro-WWT, Inc. in the amount of \$3,485,431. Project completion is scheduled for June 1, 2015.

FISCAL IMPACTS:

Project 20219 (5521) is included in the FY 2014-15 Capital Budget. Staff requests a budget increase in the amount of \$2,052,700 as shown in the table below. About 15 percent of the total project cost will be reimbursed by Santa Margarita Water District (SMWD) in accordance with a 1999 agreement between the District and SMWD for the collection, treatment, and disposal of wastewater collected in English Canyon.

Project No.	Current Budget	Addition <Reduction>	Total Budget
20219 (5521)	\$1,779,900	\$2,052,700	\$3,832,600

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 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 County Clerk on August 8, 2014.

COMMITTEE STATUS:

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

RECOMMENDATION:

THAT THE BOARD AUTHORIZE A BUDGET INCREASE IN THE AMOUNT OF \$2,052,700, FROM \$1,779,900 TO \$3,832,600, TO THE LOS ALISOS WATER RECYCLING PLANT (LAWRP) BIOSOLIDS REMOVAL PROJECT; FIND THAT THE IRREGULARITY IN THE BID OF SYNAGRO-WWT, INC. DID NOT AFFECT THE BID AMOUNT OR GIVE THE BIDDER A COMPETITIVE ADVANTAGE OVER OTHER BIDDERS AND WAIVE THE IRREGULARITY; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH SYNAGRO-WWT, INC. IN THE AMOUNT OF \$3,485,431 FOR THE LAWRP PONDS BIOSOLIDS REMOVAL AND DISPOSAL, PROJECT 20219 (5521).

LIST OF EXHIBITS:

Exhibit "A" – Bid Summary

Exhibit "B" – Staff Report: Analysis of Potential Bidding Irregularities

EXHIBIT "A"

Bid Opening: Tuesday, October 14, 2014 @ 2:00 P.M.

Irvine Ranch Water District Bid Summary For
LAWRP Ponds Biosolids Removal and Disposal
PR 21209 (5521)

Entered By: J.K. Irey
Corrected 10/21/14

Item No.	Description	Qty	Unit	Engineer's Estimate		1 Synagro-WWT, Inc. Baltimore, MD		2 American Process Group Houston, TX		3 National Plant Services, Inc. Long Beach, CA	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1	Mobilization, Demobilization, Site Cleanup	1	LS	\$140,000.00	\$140,000.00	\$314,650.00	\$314,650.00	\$343,170.00	\$343,170.00	\$304,250.00	\$304,250.00
2	Biosolids Removal, Hauling, and Disposal	2500 (0-2500)	Dry Tons	\$500.00	\$1,250,000.00	\$690.00	\$1,725,000.00	\$750.60	\$1,876,500.00	\$788.50	\$1,971,250.00
3	Biosolids Removal, Hauling, and Disposal	2000 (2500-4500)	Dry Tons	\$500.00	\$1,000,000.00	\$659.09	\$1,318,180.00	\$743.55	\$1,487,100.00	\$788.50	\$1,577,000.00
4	Provide and Operate Masking Agent Feed System and Chemicals	1	LS	\$50,000.00	\$50,000.00	\$101,950.00	\$101,950.00	\$16,236.00	\$16,236.00	\$30,000.00	\$30,000.00
5	Provide And Operate Odor Control System and Chemicals	1	LS	\$75,000.00	\$75,000.00	\$25,651.00	\$25,651.00	\$5,264.00	\$5,264.00	\$76,000.00	\$76,000.00
	Subtotal				\$2,515,000.00		\$3,485,431.00		\$3,728,270.00		\$3,958,500.00
	Adjustment (+ or -)				\$0.00		\$0.00		\$0.00		\$0.00
	TOTAL AMOUNT OF BID				\$2,515,000.00		\$3,485,431.00		\$3,728,270.00		\$3,958,500.00
						Item Delivery Dates:		Item Delivery Dates:		Item Delivery Dates:	
						N/A		Dredging/Dewatering Package - 45 days		VMI Hydraulic Dredge: 30 days	
										Charter Machine: 30 days	
										20,000 Gal Frac/Mix Tank: 30 days	
										Godwin/RFR Electric Pumps: 30 days	
						Manufacturers:		Manufacturers:		Manufacturers:	
						None		Polymer: Ashland		Polymer: SNF/Polydyne	
								Hydrogen Peroxide: Del Amo Chemical Co.		Hydrogen Peroxide: Renoxchem	
								Misting Agent: OMI Industries		Misting Agent: Hinsilblan	
								Air Monitoring Equip: Arizona Instruments			
						Subcontractors:		Subcontractors:		Subcontractors:	
						Denali Water Solutions: Transportation		Terra Renewal West: Hauling & Disposal (30%)		Mr. Crane (1%)	
								JND Thomas Co: Dredge Supply (20%)		Halcyon Electric (.6%)	
										Nursery Products LLC (37%)	

EXHIBIT "B"

Staff Report for
Los Alisos Water Recycling Plant Ponds Biosolids Removal and Disposal Construction Award
Analysis of Potential Bidding Irregularities
November 10, 2014

Several potential bidding irregularities were identified for evaluation. An awarding authority may, but is not required to, waive an irregularity if it finds that it is inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over the other bidders. As detailed below, staff's and legal counsel's evaluation concluded that not all of the identified potential irregularities are, in fact, irregularities. Where an irregularity was determined to be present, the factual basis for a determination by the Board that the irregularity in Synagro-WWT, Inc.'s bid was inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over the other bidders, is summarized as follows:

- 1) In the bid form entitled "Statements By Bidder," the instructions call for the lead time and name and location of the plant of the manufacturer or supplier proposed to be used for "each item listed below." Part A of the Statements contains a left-hand column of blanks headed by "Item" and a right-hand column of blanks calling for corresponding lead times. Part B similarly contains a left-hand column of blanks headed by "Item" and a right-hand column of blanks asking for names, with instructions to list one manufacturer only for each item. The left-hand columns in both Parts A and B were left blank by the District in the bid documents, without any "items listed below" as referred to in the instructions, because no manufactured materials or items will be permanently incorporated into the work and provided to the District in this project. In addition, no requirements for any such items were specified in the Special Provisions. The apparent low bidder, Synagro-WWT, Inc., printed the abbreviation, "N/A," not applicable, in Part A of its bid form. In Part B, Synagro-WWT, Inc. added a note that stated, "Please see the attachment section for our equipment list." The other two bidders identified chemicals and equipment being used during the work. Parts A and B reference only materials and do not call for the listing of equipment to be used in performing (but not incorporated into) the work, so all bidders' inclusion of equipment was gratuitous. Information on expendables, such as chemicals, to be used in the work was also not called for by the instructions. Therefore, the omission of lead time and manufacturer information for equipment and expendables that will not be permanently incorporated into the work and were not called for in the documents does not constitute an irregularity. Even if it could be considered an irregularity, omission of this information by the apparent low bidder on expendables such as chemicals or non-incorporated equipment did not afford any competitive advantage or affect the bid amount;
- 2) The bid form entitled "Statement By Bidder, Part C" calls for the name, State of California license number, and location of place of business of each subcontractor who will perform work or labor or render service to the bidder in or about the construction of the Work, or improvements, in an amount in excess of one half of 1 percent (0.5%) of the bidders total Bid, and the portion of the Work which will be done by each subcontractor.

Staff Report for Los Alisos Water Recycling Plant Ponds Biosolids Removal and Disposal
Construction Award
Analysis of Potential Bidding Irregularities
November 10, 2014

Two bidders assert that the bid of Synagro-WWT, Inc. is nonresponsive in failing to list an electrical subcontractor. Under California statute, the bidder's failure to list a subcontractor for a portion of the work in excess of one half of 1 percent of its bid constitutes the bidder's representation that the bidder is fully qualified to perform that portion of the work and its agreement that the bidder shall perform that portion. In Part D of the Statements By Bidder, the bidder acknowledges this requirement. If the subject portion of the work is less than one half of 1 percent of the bid, this requirement does not apply. The absence of a listed subcontractor for a specified portion of the work is not irregular or nonresponsive unless that portion of the work is in excess of one half of 1 percent of the bid and the bidder's representation under Part D was false. Staff discussed this with Synagro-WWT, Inc., and Synagro-WWT, Inc. confirmed that the amount of the electrical work is less than one half of 1 percent of the total bid amount. Synagro-WWT, Inc. provided the estimate from the proposed electrical subcontractor, and staff has confirmed that the amount of the work is less than one half of one percent of the bid, or \$17,427.16. As such, Synagro-WWT, Inc. was not required to list the electrical subcontractor in Part C; and

- 3) During review of the bids, staff determined that Synagro-WWT, Inc. did not submit a project schedule as required in the bid proposal package. Omission of the schedule is not an item that would have enabled a lower bid to be submitted or otherwise provided a competitive advantage. As a result, the failure to submit a schedule would not have increased the bid amount or presented any competitive advantage and can be waived by the Board. The Contract Time of 210 calendar days will be binding.

Staff and legal counsel concluded that items 1) and 2) above do not constitute bid irregularities, but that item 3) does constitute a bid irregularity. Further, the lone above-described bid irregularity did not a) entail a failure to meet the District's specification; b) permit a lower bid to be submitted or affect the amount of the bid; c) afford Synagro-WWT, Inc. a competitive advantage; or d) impair the District's ability to compare and rank the bids. Staff recommends that the Board waive the bid irregularity as it was inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over other bidders.

November 10, 2014
Prepared by: C. Compton
Submitted by: P. Weghorst *pw*
Approved by: Paul Cook *PC*

ACTION CALENDAR

REVIEW OF 2014 LEGISLATIVE ACTIVITIES AND 2015 LEGISLATIVE PLANNING

SUMMARY:

This report provides a review of IRWD's 2014 legislative priorities and government relations activities and an overview of expected 2015 legislative and regulatory issues in Washington, D.C., Sacramento and regionally. Also described are proposals the District's associations and stakeholders are considering for introduction. The report proposes a 2015 staff resource allocation plan for legislative and regulatory issues of importance to IRWD in the coming year. Staff recommends that the Board provide input on the proposed 2015 regional, state and federal legislative issues of interest to IRWD, potential concepts for sponsored legislation and adopt the Preliminary List of IRWD Planned Projects for Prop. 1 Funding, the proposed Initial 2015 Legislative and Regulatory Resource Allocation Plan and the Legislative/Regulatory Issues & Activities of High Concern to IRWD in 2015.

BACKGROUND:

2014 IRWD Priorities and Activities:

On December 16, 2013, the Board reviewed an overview of expected 2014 legislative issues in Sacramento, including proposals the District's statewide associations were considering for introduction, and adopted the 2014 IRWD state legislative priorities.

The 2014 priorities directed staff to engage in discussion surrounding the water bond, promote the expanded use of recycled water, promote policies encouraging energy efficiency in the water and wastewater sectors, and promote implementation of a solution in the Bay Delta. Over the last year, staff and IRWD's state legislative advocate have worked on each of these issues and other state issues of importance to the District including groundwater regulation, emergency drought regulations, proposed permits before the State Water Resources Control Board (SWRCB) and the water-energy nexus.

At the federal level, IRWD and IRWD's federal legislative advocate have engaged on the Water Resources Reform and Development Act (WRRDA) and promoted the Syphon Reservoir Recycled Water Storage Project. At the local level, IRWD continued to work to build stronger relationships with its community stakeholders. Particularly noteworthy is IRWD's partnership with the Association of California Cities – Orange County and the Orange County Business Council on the 2014 water bond and the Bay Delta Conservation Plan.

Expected 2015 Federal Legislative Issues:

It is expected that the 114th Congress will tackle a number of issues of interest to the water and wastewater communities. Staff has compiled a list of expected 2015 legislative and regulatory issues of interest to IRWD, which is attached as Exhibit "A". Staff will discuss the expected 2015 political environment and federal issues with the Board. More detailed information is also provided below on the implementation of WRRDA, which is expected to be of significant importance to the District in 2015.

Implementation of the Water Resources Reform and Development Act:

In 2014, Congress passed and the President signed WRRDA, which authorized the U.S. Army Corps of Engineers to proceed forward with a number of water infrastructure and water-related programs. IRWD, over many years, encouraged Congress to reauthorize WRRDA as quickly as possible. Through those efforts, IRWD has sought funding for its Syphon Reservoir Recycled Water Storage Project. While WRRDA did not provide project specific authorizations or appropriations for regional water-infrastructure projects, it did provide for a number of new processes for moving projects forward in the coming years. The U.S. Army Corps of Engineers now has the responsibility for implementing WRRDA and developing guidelines for the programs authorized in the Act.

IRWD has urged the U.S. Army Corps of Engineers to move forward with WRRDA's implementation. The implementation process will continue in 2015. In 2015, IRWD will continue to seek the quick and collaborative implementation of WRRDA and to support congressional efforts to enact a water resources bill every two years. As part of its advocacy efforts on WRRDA, IRWD will continue to seek federal authorization for the Syphon Reservoir Recycled Water Storage Project.

Expected 2015 Statewide Legislative Issues:

As California continues to face a historic drought, it is expected that the 2015-2016 Legislature will take up a number of issues of interest to the water and wastewater communities. These issues are identified in the list of expected 2015 legislative and regulatory issues which is attached as Exhibit "A". Staff will discuss the expected 2015 political environment and state issues with the Board. More detailed information is also provided below on several expected issues of significant importance to the District.

State Budget:

On October 10, 2014, State Controller John Chiang released his monthly report on the State's finances. He announced that the State took in \$9.8 billion in revenue during the month of September. This amount was substantially higher than budgeted and was \$671.4 million, or 7.4 percent, higher than anticipated in the 2014-15 Budget Act. The State ended September with a General Fund cash deficit of \$13.4 billion, which was \$2.4 billion less than expected. This deficit was covered by internal and external borrowing.

The State closed the first quarter (July 1 – September 30, 2014) of its fiscal year with \$21.8 billion in total revenues, beating estimates by \$533.2 million, or 2.5 percent. State Controller Chiang commented that the increase was “Driven by an upswing in consumer activity and job growth” and “If we remain disciplined in paying down the State’s debt, building a healthy reserve, and tackling the \$64 billion unfunded liability associated with providing health benefits to our retired public workforce, Californians will have longer to enjoy this newfound prosperity.”

Given the potential impact of the State’s finances and the Fiscal Year 2015-16 Budget on IRWD, staff will continue to work with the District’s associations and industry partners to monitor developments associated with the State budget and proposals related to local government revenues including property taxes and reserves, among others.

Implementation of the 2014 Water Bond:

On August 13, 2014, the Legislature adopted and the Governor signed AB 1471 which replaced the \$11.14 billion water bond with Proposition 1, a smaller water bond. Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, puts a \$7.545 billion bond before the voters in November. If the voters approve Proposition 1, the State will need to take steps to implement the programs approved in the bond. This will include adoption of regulations, funding guidelines and in many cases, a need for appropriation of bond funds in the budget.

The Association of California Water Agencies (ACWA), the California Municipal Utilities Association (CMUA), the California Association of Sanitation Agencies (CASA), WaterReuse California and the Metropolitan Water District of Southern California (Metropolitan) will continue to be at the forefront of the discussions on the water bond and its implementation. Staff will engage in conversations related to the implementation of the water bond, continue to work with the District’s associations as regulations related to the implementation of the water bond develop and engage as appropriation strategies for the bond funds are discussed. Staff will provide updates and recommendations to the Board as appropriate.

Staff has also developed a preliminary list of IRWD projects for which the District could seek Proposition 1 funding, if the bond is approved by the voters. The preliminary list of Planned Projects for Prop. 1 Funding is attached as Exhibit “B”.

Groundwater Clean-up Legislation and Streamlined Adjudication:

Earlier this year, the Administration and the Legislature indicated their interest in pursuing legislation related to sustainable groundwater management in California. After several legislative hearings on groundwater management in California, the Administration, Senator Fran Pavley (D, Calabasas) and Assemblymember Roger Dickinson (D, Sacramento) hosted a series of meetings as part of the “Groundwater Legislation Stakeholder Process on the Sustainable Groundwater Management Bills” to engage interested parties on the groundwater legislation throughout the summer, and draft sustainable groundwater legislation which was placed into AB 1739, SB 1168, and SB 1319. All three bills were enacted.

After the enactment of this historic groundwater management legislation, it became clear some clean-up of the legislation would be required in 2015. There also remains an interest in

streamlining groundwater adjudications. ACWA, along with others, have already indicated that they are interested in pursuing legislation on these two issues. Legislation on both of these issues will be introduced in 2015. IRWD will be monitoring the legislation and engaging where appropriate to protect IRWD's interests.

Cap-and-Trade Auction Revenues:

In February of 2014, \$40 million in Cap-and-Trade revenues were appropriated towards drought-related activities. Of this amount, \$19 million were allocated for water-energy nexus grants through the Department of Water Resources (DWR). In addition to the \$40 million, the Legislature and the Governor reached agreement on a long-term Cap-and-Trade Revenue Expenditure Plan. The plan calls for the following continuous appropriations:

Approved Cap-and-Trade Expenditure Plan

Investment Category	Department	Program	Ongoing
Sustainable Communities and Clean Transportation	High-Speed Rail Authority	High-Speed Rail (\$250 million)	25% continuously appropriated
	State Transit Assistance	Low Carbon Transit Operations Program	5% continuously appropriated
	Caltrans	Transit and Intercity Rail Capital Program	10% continuously appropriated
	Strategic Growth Council	Affordable Housing and Sustainable Communities Program	20% continuously appropriated
Natural Resources, Waste Diversion, Energy Efficiency, and Other	Miscellaneous	Funding allocations and supported programs will be determined via the State Budget each year.	40% appropriated as determined in the State Budget each year.

The 2014-2015 Budget appropriated \$832 million in Cap-and-Trade auction proceeds. In 2014, staff monitored and engaged with IRWD's association and industry partners on Cap-and-Trade revenue allocation issues. In 2015, it is expected that the Legislature will debate how to allocate the remaining 40 percent of non-continuously appropriated Cap-and-Trade revenues. Staff will continue to engage on these issues in 2015, seek funding allocations that will benefit IRWD, and will make recommendations, as appropriate.

Expected 2015 Government Relations Activities and Staff Resource Allocations:

Staff will discuss with the Board a proposed list of issues of high concern to IRWD for 2015, which is attached as Exhibit “C”, and an initial plan for allocating 2015 staff resources to legislative and regulatory issues, which is attached as Exhibit “D”.

IRWD's state and federal legislative advocate participated in the discussion with the Committee on legislative and regulatory issues of concern to the District and potential sponsored legislation. Following is an overview of concepts for potential sponsored legislation.

Concepts for Potential Sponsored Legislation:

On September 8, 2014, the Board authorized IRWD to submit a proposal on recycled water legislation to ACWA and WateReuse. IRWD's recycled water proposal is summarized below:

- Summary of IRWD Recycled Water Legislative Proposal: California has suffered three years of drought and faces increasing demands on its freshwater resources. Recycled water, unlike many sources of potable water, is available and produced on a relatively constant basis even in times of drought. If it is not put to use, the recycled water must either be stored in the state's limited recycled water storage facilities or discharged to the ocean. Continued and expanded production and distribution of recycled water for beneficial and permitted uses can offset a portion of increased total water demand within a service area and can help conserve California's surface water and groundwater supplies. Such expansion can occur only if encouraged and supported through increased incentives and removal of local and state barriers, consistent with state and federal policy.

IRWD's recycled water proposal seeks to ensure that no state or local agency takes action to prevent a recycled water purveyor from supplying recycled water for any beneficial and permitted use to meet total water demands in its service area. It also seeks to remove the concern that recycled water will not be available to end users due to actions outside of the water purveyor's control and is aimed at taking a proactive step to encourage the expanded use of recycled water in California.

Expected 2015 Association Proposals:

IRWD's association and industry partners are in the process of completing their 2015 legislative planning. A summary of those planning efforts is provided below:

Association of California Water Agencies:

ACWA held its 2015 legislative planning meeting on October 24, 2014. In 2015, ACWA will be working on clean-up legislation to the recently enacted sustainable groundwater legislation, including legislation to streamline adjudication. Additionally, ACWA will sponsor or co-sponsor several legislative proposals.

The ACWA State Legislative Committee considered ACWA sponsorship of three legislative proposals — legislation related to hexavalent chromium, CEQA notice requirements and

IRWD's recycled water proposal. Each proposal and the committee's action on each proposal are discussed in greater detail below.

- Hexavalent Chromium: In July, California adopted a new primary drinking water standard for hexavalent chromium (Cr-VI). The standard was set at 10 parts per billion. Water systems must begin monitoring for Cr-VI by January 1, 2015— six months after the effective date of the standard's adoption. Water agencies with drinking water that exceeds the standard must take steps to ensure compliance. In many cases, the necessary steps to ensure compliance will require improvements to treatment plants and other infrastructure improvements. The ACWA State Legislative Committee reviewed the proposal and recommended that ACWA sponsor a legislative proposal which would allow the State Water Resources Control Board (SWRCB) to grant water systems a variance from the requirement to comply with the standard if the water system owner has developed and is implementing a compliance plan that would bring the system into compliance by the earliest feasible state.
- CEQA Notice Requirements: As part of the California Environmental Quality Act (CEQA), a local agency must file a notice of exemption, negative declaration, mitigated negative declaration, or notice of determine with the county clerk of each county in which its project is located. Each county clerk must post the notice for 30 days, and then return it to the local agency with a notation of the period for which it was posted. If the county clerk fails to properly post the notice, the statute of limitations for a CEQA challenge is extended from 30 or 35 days to 180 days. This notice requirement can often be challenging for water projects, which move water throughout the state, and may be located in multiple counties. Yuba County Water Agency asked ACWA to sponsor legislation to change the notice requirement to permit a local agency to file the CEQA notice for an inter-county water project with the Office of Planning and Research for posting on the statewide CEQAnet website. The ACWA State Legislative Committee reviewed the proposal and recommended that ACWA co-sponsor the legislative proposal with the McGeorge Law School Legislative and Public Policy Clinic.
- IRWD's Recycled Water Proposal: The ACWA State Legislative Committee also discussed IRWD's legislative proposal on recycled water, which was summarized above. After some discussion, IRWD asked the Committee to defer consideration of the proposal until January so that the District could work with ACWA members who had expressed concern about the specific language of the proposal. IRWD staff will be hosting a work group to discuss those concerns.

Bioenergy Association of California:

IRWD joined the Bioenergy Association of California (BAC) in 2013. BAC's purpose is the promotion of sustainable bioenergy production with a focus on promoting community-scale bioenergy generation from a wide-range of sustainably available organic waste sources, including dairy and agricultural waste, food and food processing waste, water treatment waste, other organic urban waste, and forest biomass. BAC will be moving to an elected Board of Directors, and will develop its legislative priorities and possible legislative proposals at its

membership meeting on December 10. The meeting agenda has yet to be released. Staff will work to ensure that the wastewater sector has representation on the BAC Board of Directors and to encourage BAC to prioritize issues of interest to the wastewater section in 2015. Staff will provide the Board with an oral update on any new developments.

California Municipal Utilities Association:

CMUA will be holding its 2015 legislative and regulatory planning meeting on November 6. As of the writing of this report, no specific proposals or topics have been released for consideration at the meeting. Staff will provide the Board with an oral update on any new developments.

California Association of Sanitation Agencies:

CASA has not met to discuss its 2015 legislative and regulatory efforts. The planning meeting will likely be held in December. As of the writing of this report, no specific proposals or topics have been released for consideration at the meeting. Staff will provide the Board with an oral update on any new developments.

California Special Districts Association:

The California Special Districts Association (CSDA) will be holding its 2015 legislative and regulatory planning meeting on November 7. As of the writing of this report, no specific proposals or topics have been released for consideration at the meeting. Staff will provide the Board with an oral update on any new developments.

WateReuse California:

WateReuse California has set its 2015 legislative and regulatory plan to include targeted actions with the Legislature and the SWRCB. As part of its plan, WateReuse will engage with the Legislature on the implementation of the water bond and with the SWRCB on issues related to recycled water. WateReuse plans on engaging with SWRCB to seek improvements to the regulatory environment for recycled water, updates to Title 17 and Title 22, and additional funding opportunities for recycled water.

The WateReuse Legislative/Regulatory Committee also discussed IRWD's legislative proposal on recycled water, which includes language on recycled water storage. After some discussion, IRWD asked the Committee to defer consideration of the proposal until January so that the District could work with WateReuse members who had expressed concern about specific language in the proposal. IRWD staff will be hosting a work group to discuss those concerns.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on November 4, 2014.

RECOMMENDATION:

THAT THE BOARD PROVIDE INPUT ON THE PROPOSED 2015 REGIONAL, STATE AND FEDERAL LEGISLATIVE ISSUES OF INTEREST TO IRWD, POTENTIAL CONCEPTS FOR SPONSORED LEGISLATION AND ADOPT THE PRELIMINARY LIST OF IRWD PLANNED PROJECTS FOR PROP. 1 FUNDING, THE PROPOSED INITIAL 2015 LEGISLATIVE AND REGULATORY RESOURCE ALLOCATION PLAN AND THE LEGISLATIVE/REGULATORY ISSUES & ACTIVITIES OF HIGH CONCERN TO IRWD IN 2015.

LIST OF EXHIBITS:

- Exhibit "A" – Expected 2015 Legislative and Regulatory Issues
- Exhibit "B" – Preliminary List of IRWD Planning Projects for Prop. 1 Funding
- Exhibit "C" – Legislative/Regulatory Issues & Activities of High Concern to IRWD in 2015
- Exhibit "D" – Proposed Initial IRWD's 2015 Legislative and Regulatory Resource Allocation Plan

EXHIBIT "A"

Expected 2015 Legislative/Regulatory Issues

Potential Federal Issues

- 1) Implementation of the Water Resources Reform and Development Act
- 2) Proposed Rule on the Definition of the "Waters of the U.S." & Other EPA-Proposed Rules
- 3) BDCP Implementation & Federal Partnership on Other Water Supply/Reliability Projects
- 4) Drought Response Legislation & Agency Action
- 5) Tax Reform & a Possible Change to the Tax-Exempt Status of Municipal Bonds

Potential State Issues

- 1) Local Revenues & the State Budget Discussions
- 2) State Water Resources Control Board
 - a. Drought Response & Emergency Drought Regulations
 - b. Stormwater Policies
 - c. Recycled Water Regulation & Actions; CED discussion impacts
 - d. Proposed policy and permit changes
- 3) Implementation of the Water Bond, if approved by the voter
 - a. Adoptions of regulations governing funding categories/programs
 - b. Timing for legislative appropriation of funds
 - c. Funding strings & public contracting issues (i.e. prevailing wage and PLA requirements)
- 4) 2014 Groundwater Legislation Impacts, Legislative Clean-up & Adjudication Streamlining
 - a. ACWA sponsored legislation
 - b. Response to impacts of 2014 Groundwater Legislation & OCWD
- 5) Prop. 218 Reforms & Other Prop. 13 Reforms
 - a. Prop. 218 and stormwater funding
 - b. Prop. 218 and Low Income Rate Subsidization
- 6) BDCP Implementation
- 7) Public Contracting & Independent Contractor Liability
- 8) Cap and Trade Revenue Appropriations & Water-Energy Nexus Discussion

Regional & Local

- 1) AQMD Regulations

EXHIBIT "B"

Irvine Ranch Water District

Planned Projects for Prop. 1 Funding *Preliminary List*

Project Name	Description	Estimate Cost	Estimated Capital Cost Per Acre Foot ¹	Projected Construction Start Date
Syphon Reservoir Expansion	Build 5,000 AF reservoir for seasonal storage of recycled water.	\$70 million	\$900	2018
ILP-North Recycled Water Conversion	Conversion of the north-east portion of IRWD to recycled water. Converts 4,300 AFY of irrigation demands from untreated imported to recycled water (2,300 AFY of existing and 2,000 AF of future demand).	\$15 million	\$377	2016
Well 52 Treatment Plant	Equip Well 52 with pump and build treatment plant to treat impaired groundwater pumped from Well 52. Estimated capacity of 7,000 AFY.	\$31 million	\$256	2017
Tustin Legacy- Redhill Well Treatment	Construct well, pipelines, and upgrade existing treatment plant to treat impaired groundwater from well. Estimated capacity of 1,300 AFY.	\$22 million	\$979	2016
Joint Anaheim Well Field	Construct three wells, pipelines, and interconnection to AMP Regional Pipeline. Water would be used on a normal basis by the City of Anaheim and IRWD, but be made available to South OC water agencies on an emergency basis. Estimated capacity of 10,000 AFY.	\$60 million	\$347	2018
LAWRP Treatment Plant Upgrade	Upgrade treatment process at LAWRP recycled water treatment plant to improve water quality and allow water to be stored in recycled water seasonal storage reservoir. Upgrade will increase usable recycled water from treatment plant by approximately 2,000 AFY.	\$60 million	\$1,388	2018
Phase 3 Upgrades to MWRP	Upgrade the existing Michelson Water Recycling Plant by 5 MGD from its existing 28 MGD capacity to 33 MGD.	\$60 million	\$688	2023
Lake Forest Wells 1, 3 and 7	Construct three new wells in the Lake Forest area as a new water supply. Water from these wells would replace imported water from the State Water Project and Colorado River. Estimated combined capacity of 1,200 AFY	\$9 million	\$434	2016
Stockdale West Integrated Water Banking Project	The project would allow IRWD and Rosedale Rio Bravo Water Storage District to use additional storage in the aquifer by developing groundwater banking facilities. The project would enhance water supply reliability for IRWD by providing contingency storage to augment supplies during periods when other supplies may be limited.	\$10 million		2015
Drought Relief Project	The proposed project, in partnership with Rosedale Rio Bravo Water Storage District and Castaic Lake Water Agency improves recovery and conveyance capacities within Rosedale's overall conjunctive use program. The overall project includes 11 wells and conveyance facilities throughout the Rosedale service area. It includes four major development areas and two major distribution facilities. IRWD will have the rights to three wells in the project.	\$10 million		2015

¹Capital cost per acre-foot based on amortized capital over 30 years at 4% per year divided by capacity per year.

EXHIBIT “C”

DRAFT

LEGISLATIVE/REGULATORY ISSUES & ACTIVITIES OF HIGH CONCERN TO IRWD IN 2015

As a state and federal leader in water resources public policy and governance, the Irvine Ranch Water District (IRWD) has worked tirelessly to promote policy initiatives that allow the District, along with other water purveyors in California, to enhance the quality and reliability of water supplies throughout the state. While IRWD will engage in a number of legislative and regulatory issues of interest to the District, the following are issues and activities of high concern to the District in 2015.

2015 Federal Issues and Activities of High Concern:

- 1) Seek the quick and collaborative implementation of the Water Resources Reform and Development Act. Advocacy would include promotion of the following:
 - Timely development by the U.S. Army Corps of Engineers of Section 1014 Non-Federal Interest Feasibility Study Guidelines which allow local water-related environmental infrastructure, and resource protection and development projects to move through a streamlined feasibility study process more quickly, and provide a clear and equitable approach to project qualification.
 - Congressional efforts to enact a water resources bill every two-years which includes the authorization of projects of benefit to the Orange County community.
- 2) Seeking federal authorization and appropriation of funds for the Syphon Reservoir Recycled Water Storage Project. Advocacy would include promotion of the following:
 - Engaging with U.S. Army Corps of Engineers at the Area, Regional and Headquarters levels to facilitate review of the Syphon Reservoir Recycled Water Storage Project in order to obtain the Corps recommendation for funding in its Report to Congress.
 - Working to ensure the professional staffs of the House and Senate authorizing committees are both educated and committed to authorizing the Syphon Reservoir Recycled Water Storage Project.
- 3) Engage productively in the discussions surrounding the EPA and U.S. Army Corps of Engineers’ proposed rule defining “Waters of the U.S.” to limit the impact of any change on IRWD.
- 4) Advocate for a change in the operation of the Delta, consistent with the co-equal goals of ecosystem protection and water supply reliability, and seek the federal actions necessary to implement a solution in the Bay Delta, consistent with IRWD’s BDCP Policy Principles and BDCP comment letters, that provides a long-term solution to California’s water crisis; will provide a reliable high-quality water supply to residents, agriculture and businesses across the state; and will protect and improve the Delta ecosystem.

- 5) Continue to work to strengthen relationships with Members of Congress, professional staff, and within Federal agencies to improve IRWD's avenues for engagement of national public policy issues of interest to the District.

2015 State Issues and Activities of High Concern:

- 1) Protect IRWD's revenues and the District's ability to use its allocation-based tiered rate structure to respond to the drought and water supply shortages.
- 2) Engage productively in discussions surrounding the implementation of the water bond in order to protect IRWD's interests, and to promote policies consistent with the Water Resources Funding Policy Principles adopted by the Board in August 2013. Advocacy would include promotion of the following:
 - Keeping water bond funds free from additional contracting rules and requirements.
 - Supporting legislative action to appropriate funds to the programs identified in the water bond— particularly funding for recycled water projects.
- 3) Engage productively in discussions surrounding additional legislation related to sustainable groundwater management in California in order to protect IRWD's interests, and engage productively in discussions surrounding the implementation of the 2014 groundwater legislation.
- 4) Promote the expanded use of recycled water and its acceptance as a resource and not a waste by advocating for the removal of hindrances to recycled water projects. Advocacy would include promotion of the following:
 - Removing recycled water from being classified as a waste;
 - Updating Title 17 & 22 of the California Code of Regulations;
 - Changes to permitting processes so that recycled water is viewed as a resource and not a problem by State agencies; and
 - Seeking a change in State Water Resource Control Board policies to allow for a maximum benefit approach to recycled water use and storage.
- 5) Promote policies which encourage energy reliability in Orange County and energy efficiency in the water and wastewater sectors without an increase in cost to or mandates on local entities. Advocacy would include promotion of the following:
 - Allocation of Cap-and-Trade revenues to projects that reduce the greenhouse gas emissions and energy demands in the water and wastewater sectors.

- Policies and incentives which encourage water and wastewater agencies to implement renewable and solar energy projects in order to offset their energy needs.
- 6) Advocate for a change in the operation of the Delta, consistent with the co-equal goals of ecosystem protection and water supply reliability, and seek the state actions necessary to implement a solution in the Bay Delta, consistent with IRWD's BDCP Policy Principles and BDCP comment letters, that provides a long-term solution to California's water crisis; will provide a reliable high-quality water supply to residents, agriculture and businesses across the state; and will protect and improve the Delta ecosystem.

2015 Regional of and Activities High Concern:

- 1) Engage with the Santa Ana Regional Quality Control Board and community stakeholders to discuss adjusting storm-induced overflow protections and improving operation at IRWD's recycled water storage facilities and expanding use of recycled water in decorative lakes.
- 2) Engage with the South Coast Air Quality Management District to identify regulatory changes that will positively impact air quality while improving IRWD's ability to respond to emergencies, and ability to operate its water and wastewater systems.

2015 Legislation of Interest to IRWD:

Recycled Water Legislation: California has suffered three years of drought and faces increasing demands on its freshwater resources. Recycled water, unlike many sources of potable water, is available and produced on a relatively constant basis even in times of drought. If it is not put to use, the recycled water must either be stored in the state's limited recycled water storage facilities, or discharged to the ocean. Continued and expanded production and distribution of recycled water for beneficial and permitted uses can offset a portion of increased total water demand within a service area, and help conserve California's surface water and groundwater supplies. Such expansion can occur only if encouraged and supported through increased incentives and removal of local and state barriers, consistent with state and federal policy.

On September 8, 2014, the Board authorized staff to submit a concept for potential recycled water legislation to the Association of California Water Agencies and WaterReuse California. The proposal seeks to ensure that no state or local agency takes action to prevent a recycled water purveyor from supplying recycled water for any beneficial and permitted use to meet total water demands in its service area. It also seeks to remove the concern that recycled water will not be available to end users due to actions outside of the water purveyor's control and is aimed at taking a proactive step to encourage the expanded use of recycled water in California.

EXHIBIT “D”
DRAFT
IRWD’s Initial 2015 Legislative and Regulatory
Resource Allocation Plan

Expected 2015 Legislative/Regulatory Issues	Priority for Staff Resources
FEDERAL ISSUES	
Clean Water Act Definition of “Waters of the U.S.”- Seek modification of the definition of “Waters of the U.S.” to limit impacts to IRWD, including IRWD’s reservoirs; obtain a “Waters of the U.S.” exemption for the constructed treatment wetlands and IRWD facilities.	Very High
Syphon Reservoir Recycled Water Storage Project- Engage with the U.S. Army Corps of Engineers, and Congressional staff on funding the project.	Very High
Water Resource Reform and Development Act- Seek implementation of WRRDA Section 1014.	Very High
BDCP Implementation- Advocate for a change in the operation of the Delta, consistent with the co-equal goals of ecosystem protection and water supply reliability to respond to the drought; seek the federal actions necessary to implement a permanent solution in the Bay Delta.	High
Environmental Protection Agency- Engage on EPA proposed rules of interest to IRWD; improve IRWD relationships with Region 9 staff.	Moderate
Tax-Exempt Municipal Bonds- Maintain the current tax-exempt status of municipal bonds; oppose efforts to place a cap on tax-exempt municipal bonds as part of any federal tax reform measure.	Moderate <i>*Staff proposes, if a significant threat is raised again tax-exempt municipal bonds, that the resource allocation be changes to very high.</i>
Water Supply/Reliability Projects- Support federal investment in water supply and reliability projects including large surface storage.	Low <i>*Proposed IRWD resource allocation is low because staff will work through IRWD's association and industry partners on this issue.</i>
STATE ISSUES	
Allocation-Based Tiered Rates- Protect the District’s ability to use its allocation-based tiered rate structured to respond to the drought and water supply shortages.	Very High
Groundwater- Engage productively in discussions on additional legislation related to groundwater management in California to protect IRWD’s interests; promote greater water banking opportunities that would benefit the District.	Very High
Recycled Water- Promote the expanded use of recycled water, and its acceptance as a resource by advocating for the removal of hindrances to recycled water projects and storage. Seek to: <ul style="list-style-type: none"> • Remove recycled water as a waste, including address recycled water discharge requirements. • Update Title 17 & 22, including relief of dual-plumbed inspection/testing requirements. • Change recycled water permitting process and requirements • Obtain a maximum benefit approach to recycled water use and storage • Promote permissive advanced indirect and direct potable reuse regulations 	Very High

Expected 2015 Legislative/Regulatory Issues	Priority for Staff Resources
Revenues- Protect IRWD's revenue sources, and seek measures to ensure reliability in revenues.	Very High
Water Bond Implementation- Engage productively in discussions surrounding the implementation of the water bond, if approved by the voters, in order to protect IRWD's interests.	Very High
BDCP Implementation- Advocate for a change in the operation of the Delta, consistent with the co-equal goals of ecosystem protection and water supply reliability; seek the state actions necessary to implement a solution in the Bay Delta.	High
Energy- Advocate for policies which encourage energy reliability in Orange County and energy efficiency in the water and wastewater sectors, including allocation of Cap-and-Trade revenues to the water and wastewater industries, without an increase in cost to or mandates on local entities; seek incentives for energy self-reliance projects (i.e. storage, generation, efficiency).	High
Energy- Obtain an approved methodology for determining embedded energy that can be used to determine IOU investment in water projects.	High <i>* The methodology determination is before the CPUC. IRWD is engaging in those discussions.</i>
SWRCB- Engage with the SWRCB on any further emergency drought regulations; engage with the SWRCB on policy and permits issues of concern to IRWD.	High
Conservation- Support proposals that seek to encourage greater voluntary conservation throughout the state.	Moderate
Groundwater Clean-up- Support efforts to obtain state funding to clean-up groundwater contamination in the Orange County basin, and funding for basin replenishment.	Moderate <i>*Proposed IRWD resource allocation is moderate because staff will work with and through IRWD's industry and community partners on this issue.</i>
Integrated Regional Water Management Program- Seek changes to the IRWMP allocation process that benefits IRWD; oppose program changes that expand funding eligibility to projects that do not further water supply reliability.	Moderate
Natural Treatment System/San Joaquin Marsh- Obtain a "Waters of the State" exemption for the Natural Treatment System (NTS) and San Joaquin Marsh; advocate for a maximum benefit approach to regulation of constructed treatment wetlands and NTS facilities.	Moderate
Operators Certifications- Address inconsistent certification processes for operator certifications (treatment, distribution, and recycling).	Moderate
Political Reform Act/FPPC Issues- Monitor for changes to the Political Reform Act and FPPC regulations that could impact IRWD.	Moderate
Proposition 218 Reforms- Engage in discussions surrounding Prop. 218 reform efforts to protect IRWD's interests; engage in low income rate relief discussions to protect IRWD's allocation-based tiered rate structure approach to water rates.	Moderate
Public Agency Liability & Public Contracting- Oppose efforts to impose greater liability on public agencies for work performed by its contractors; oppose proposals that make public contracting for labor, service or public works projects more cumbersome.	Moderate
Biosolids- Seek a broader spectrum of permissible use of biosolids processing byproducts	Low <i>*Proposed IRWD resource</i>

Expected 2015 Legislative/Regulatory Issues	Priority for Staff Resources
including a possible fertilizer designation; reduce restrictions surrounding biosolids processing; and seek “feed-in-tariff” rules of benefit to biosolid bioenergy projects.	<i>allocation is low because staff will work through IRWD's association and industry partners on this issue.</i>
CEQA Reform- Seek reforms to CEQA that are beneficial to IRWD,	Low <i>*Staff proposes, if sincere CEQA reform effort arises, that the resource allocation be changes to high.</i>
Grant Reporting- Seek changes in state grant reporting requirements to ease the burden of grant recipients while maintaining transparency.	Low <i>*Proposed IRWD resource allocation is low because staff will work through IRWD's association and industry partners on this issue.</i>
Grant Reporting- Seek changes in state grant reporting requirements to ease the burden of grant recipients while maintaining transparency.	Low <i>*Proposed IRWD resource allocation is low because staff will work through IRWD's association and industry partners on this issue.</i>
Public Records Act- Monitoring proposed changes to the Public Records Act that could impact IRWD costs.	Low
REGIONAL ISSUES	
Santa Ana Regional Water Quality Control Board- Develop a closer working relationship with regional board staff; work with the Board to adjust storm-induced overflow protections and improve operations at IRWD’s recycled water storage facilities and to expand the use of recycled water in decorative lakes.	Very High
South Coast Air Quality Control Board- Work with the Board to identify regulatory changes that will positively impact air quality while improving IRWD’s ability to response to emergency and ability to operate its water and wastewater systems. Discussion may include: <ul style="list-style-type: none"> • Seeking a change to public fleet/truck alternative fuel rules to ensure that emergency response is not adversely affected. • Seeking permit exemption for diesel generators and motors greater than 50 hp. • Seeking exemption from other restrictions imposed by AQMD that hamper IRWD’s operations and emergency response capabilities. 	High <i>*Staff will work with IRWD's industry and association to further these discussions with AQMD.</i>