

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

July 10, 2017

PLEDGE OF ALLEGIANCE

CALL TO ORDER

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

ROLL CALL

Directors LaMar, Matheis, Swan, Withers and President Reinhart

NOTICE

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

COMMUNICATIONS TO THE BOARD

1. A. Written:
- B. Oral:

2. **ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

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

CONSENT CALENDAR

Items 3-7

3. **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, Peer Swan, Douglas Reinhart and John Withers, as described.

4. **MINUTES OF REGULAR BOARD MEETING**

Recommendation: That the minutes of the June 26, 2017 Regular Board Meeting be approved as presented.

CONSENT CALENDAR

Items 3-7

5. 2017 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: That the Board reaffirm an "OPPOSE" position on AB 1667 (Friedman) and consider revising the District's position on SB 252 (Dodd) as a result of an amendment made to the bill to "WATCH".

6. ELECTION OF THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION SOUTHERN NETWORK SEAT C BOARD MEMBER

Recommendation: That the Board review the candidates for the Southern Network Seat C representative on the California Special Districts Association (CSDA) Board of Directors, and authorize the District to cast its ballot in favor of Costa Mesa Sanitary District Director Arlene Schafer and submit it to CSDA no later than the August 4, 2017, deadline.

7. LUMP SUM PAYMENT OPTION FOR EMPLOYER CONTRIBUTIONS FOR FY 2017-18 TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Recommendation: That the Board approve the lump sum payment for employer contributions to the California Public Employees Retirement System (CalPERS) by making a one-time contribution of \$3,844,111 for the District's FY 2017-18 employer contribution.

ACTION CALENDAR

8. INFORMATION SERVICES PROFESSIONAL SERVICE SUPPORT CONTRACT RENEWALS

Recommendation: That the Board authorize the General Manager to execute Professional Services Agreements for the period July 1, 2017 to June 30, 2018 with Infosys Ltd. for \$300,000 for managed support services and one-time projects; Outsource Technical for \$225,000 for on-call programming, analysis, project management, and networking services; and Skoruz Technologies for \$225,000 for on-call programming, analysis, and project management services.

9. RECYCLED WATER USE SITE INSPECTION AND TESTING CONSULTANT SELECTIONS

Recommendation: That the Board authorize the General Manager to execute Professional Service Agreements with Real Water Consultants and Aegis Engineering Management, each in an amount not to exceed \$350,000, to provide on-call recycled water use site field inspection and testing services for a two-year period.

ACTION CALENDAR - Continued

10. VARIANCE NO. 4 TO SYNERGY COMPANIES AGREEMENT FOR WATER-ENERGY GRANT-RELATED CUSTOMER PROGRAMS

Recommendation: That the Board authorize the General Manager to execute Variance No. 4 to the Agreement for Non-Consultant Services Between IRWD and Synergy Companies in the amount of \$950,000 to continue providing funding for single-family customers and to extend the program to include multi-family customers, which will be fully reimbursed through the California Department of Water Resources Water-Energy Grant.

11. NEWPORT COAST LIFT STATION REHABILITATION CONSTRUCTION PHASE SERVICES CONSULTANT SELECTION AND CONSTRUCTION AWARD

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with GHD Inc. for construction phase services in the amount of \$199,642 for the Newport Coast Lift Station Rehabilitation, projects 05470 and 06400.

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.


12. A. General Manager's Report
- B. Directors' Comments
- C. Closed Session: CONFERENCE WITH LEGAL COUNSEL RELATIVE TO EXISTING LITIGATION – Government Code Section 54956.9(d)(1) IRWD v. OCWD Case No. 30-2016-00858584-CU-WM-CJC)
- D. Open Session
- E. Adjourn

IRWD Board of Directors' Meeting

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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.

July 10, 2017
Prepared and
Submitted by: L. Bonkowski
Approved by: Paul A. Cook 

CONSENT CALENDAR

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

SUMMARY:

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

Events/Meetings

Steven LaMar

July 13	ACC-OC Summer Reception
August 6-10	NWRA Western Water Seminar, Santa Fe, NM
August 30	MWDOC 2017 Water Policy Forum & Dinner, Garden Grove

John Withers

June 27	Southern California Water Committee Workshop, Downey
July 13	ACC-OC Summer Reception
July 20	OC Business Council, 2017 Economic Development Forum
August 30	MWDOC 2017 Water Policy Forum & Dinner, Garden Grove

Douglas Reinhart

July 3	Monthly Discussion of District Activities with the General Manager
July 19	OCWA Monthly Meeting and Luncheon, Irvine
July 23-26	IWA International Water Reclamation & Reuse Conference, Long Beach
August 30	MWDOC 2017 Water Policy Forum & Dinner, Garden Grove

Mary Aileen Matheis

June 13-16	Water Education Foundation’s Bay-Delta Tour, Sacramento
July 13	ACC-OC Summer Reception
August 15-18	Urban Water Institute’s Water Conference, San Diego
August 30	MWDOC 2017 Water Policy Forum & Dinner, Garden Grove
September 26-29	2017 Colorado River Symposium, Santa Fe, NM

Peer Swan

June 27	Southern California Water Committee Workshop, Downey
July 3	Monthly Discussion of District Activities with the General Manager
July 13	ACC-OC Summer Reception
August 16-18	Urban Water Institute’s Water Conference, San Diego
August 22-24	CASA’s 62 nd Annual Conference, San Diego
August 30	MWDOC 2017 Water Policy Forum & Dinner, Garden Grove

Consent Calendar: Ratify/Approve Board of Directors' Attendance at Meetings and
Events
July 10, 2017
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RECOMMENDATION:

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

LIST OF EXHIBITS:

None.

July 10, 2017

Prepared and

Submitted by: L. Bonkowski

Approved by: P. Cook



CONSENT CALENDAR

MINUTES OF BOARD MEETING

SUMMARY:

Provided are the minutes of the June 26, 2017 Board Meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE JUNE 26, 2017 BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" –June 26, 2017 Minutes of Board Meeting

EXHIBIT "A"

MINUTES OF REGULAR MEETING – JUNE 26, 2017

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 Reinhart on June 26, 2017 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Water Policy Weghorst, Executive Director of Operations Sheilds, Executive Director of Finance and Administration Clary, Director of Treasury and Risk Management Jacobson, Director of Water Resources Sanchez, Director of Recycling Operations Zepeda, Director of Human Resources Roney, Legal Counsel Smith, Secretary Bonkowski, Assistant Secretary Swan, Principle Engineer Akiyoshi, Principle Engineer Mori, Risk Manager Shinbashi, Mr. Christopher Smithson, Mr. Jeff Payne, Mr. Jim Reed, Mr. Bruce Newell, Mr. Mike Rudinica, and members of the public.

WRITTEN COMMUNICATIONS: One protest letter was received on June 26, 2017 from Mr. Robert Elliott which was placed before each Director relative to item No. 4 - Workshop – Fiscal Year 2017-18 Capital Budget.

ORAL COMMUNICATIONS: Mr. Ted Finken spoke relative to item No. 4 - Workshop – Fiscal Year 2017-18 Capital Budget.

ITEMS TOO LATE TO BE AGENDIZED: None.

PRESENTATION – RESOLUTION COMMENDING MR. JAMES D. REED FOR HIS DEDICATED SERVICE TO THE IRVINE RANCH WATER DISTRICT

General Manager Cook presented a resolution to Mr. Reed for his dedicated service to the District. Following comments, on MOTION by Swan, seconded and unanimously carried, THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2017-15

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY,
CALIFORNIA COMMENDING MR. JAMES D. REED FOR HIS
DEDICATED SERVICE TO THE IRVINE RANCH WATER DISTRICT

PUBLIC HEARING - PROPOSED CHANGES TO THE SCHEDULE OF RATES AND CHARGES EFFECTIVE JULY 1, 2017

General Manager Cook reported that the Fiscal Year (FY) 2017-18 Operating Budget was adopted at the April 24, 2017 Board meeting. Mr. Cook said that the proposed changes to the District's rates and charges were publicly noticed by mail as required under Proposition 218, and protests to the implementation of those rates and charges have been tallied by the District.

Using a PowerPoint presentation, Mr. Smithson said that the proposed changes were reviewed at four Finance and Personnel Committee meetings and two Board workshops. Mr. Smithson said that the Proposition 218 Notices were mailed on May 5, 2017 and that staff is in the process of responding to each letter. He said that one additional letter was received today which was placed before each Director. He said that the key drivers' comparison to the prior year budget are due to the following increases: Salaries and Benefits (4.7%); Purchased Water (-2.5%); Repairs and Maintenance (1.7%); Electricity (-1.4%); and Other Expenses (0.5%). He reviewed the proposed rate adjustments and made a comparison from the current to the proposed charges in the various rate areas for water, sewer and recycled service for the three rate areas. He then reviewed comparisons showing the changes in a typical residential customer's rates from the current rate to the proposed rate for FY 2017-18 for the three separate rate areas; comparison of the District's rate area compared with other cities and agencies in Orange County; a rate increase history; and Proposition 218 noticing stating that 99,510 notices were mailed.

President Reinhart declared this to be the time and place for a hearing on the proposed changes to the rates and charges and asked the Secretary how the hearing was noticed.

Secretary Bonkowski said that the hearing was noticed by mail and she presented the affidavit of mailing. On MOTION by Swan, seconded and unanimously carried, THE AFFIDAVIT OF MAILING BY AN INDEPENDENT PROCESSING FIRM PRESENTED BY THE SECRETARY WAS RECEIVED AND FILED.

President Reinhart asked Legal Counsel Smith to describe the nature of the proceedings. Legal Counsel Smith said that the public hearing is held, pursuant to Proposition 218, Article XIIIID of the Constitution of the State of California, for all persons interested to be heard, to present objections or protests, including any written comments submitted, concerning the increase in property-related rates and charges and any proposed new property-related rates and charges.

President Reinhart asked for a staff report on the proposed rates and charges and inquired whether there have been any written communications.

Ms. Cheryl Clary said that as of today, and including the one letter received this afternoon, 13 written protest letters were received which represents 0.01% of total customers, substantially less than the 50% which would have been required to prevent the Board from adopting the current proposed rates and charges.

President Reinhart asked if there were anyone in addition to Mr. Ted Finken who wished to address the Board regarding the proposed rate increases. No one else in the audience wished to be heard.

Mr. Finken, a resident of Irvine, said that Mr. Smithson his answered her questions relative to the rate increase in his presentation. However, he made a suggestion to include a paragraph in the Proposition 218 notice indicating a justification of why a rate increase is necessary, and note that the increase was due to the Orange County Water District’s rate increase of 11%.

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

On MOTION by Swan, seconded and unanimously carried, THE HEARING WAS CLOSED AND THE FOLLOWING RESOLUTION WAS ADOPTED BY TITLE:

RESOLUTION NO. 2017-16

RESOLUTION OF THE BOARD OF DIRECTORS OF IRVINE RANCH
WATER DISTRICT, ORANGE COUNTY, CALIFORNIA
ADOPTING CHANGES TO THE SCHEDULE OF RATES AND CHARGES
AS SET FORTH IN EXHIBIT “B” TO THE RULES AND
REGULATIONS OF IRVINE RANCH WATER DISTRICT
FOR WATER, SEWER AND RECYCLED WATER SERVICE

CONSENT CALENDAR

On MOTION by Swan, seconded and unanimously carried, CONSENT CALENDAR ITEMS 5 THROUGH 7 WERE APPROVED AS FOLLOWS:

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

Recommendation: That the Board ratify/approve the meetings and events for Steven LaMar, Peer Swan, and Douglas Reinhart as described.

6. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the June 12, 2017 Regular Board Meeting be approved as presented.

7. MAY 2017 TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer’s Investment Summary Report, the monthly Interest Rate Swap Summary for May 2017, and disclosure report of reimbursements to Board members and staff; approve the May 2017 summary of Payroll ACH payments in the total amount of \$1,728,062 and approve the May 2017 Accounts Payable Disbursement summary of Warrants 376894 through 377650, Workers’ Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$10,854,420.

RECESS AND RECONVENE

At 5:47 p.m., President Reinhart declared a recess to hold a Closed Session as follows:

Conference with Labor Negotiators – Government Section 54957.6
Agency Designated Representatives: Paul Cook and Jenny Roney
Employee Group: Managerial, Supervisory, and Confidential Employees

At 6:00 p.m., the meeting was reconvened with all Directors present. President Reinhart said that there was no action to report.

ACTION CALENDAR

SALARY GRADE SCHEDULE CHANGES FOR FY 2017-18

General Manager Cook reported that each year during the process of developing the Operating Budget, staff reviews the current budgeted positions, salaries, and benefits to determine the necessary staffing levels and to maintain a competitive compensation package. Mr. Cook said that the justifications for staffing and organizational changes and the associated costs and cost savings have been incorporated in the FY 2017-18 Operating Budget, adopted by the Board on April 24, 2017.

Mr. Cook said that staff is recommending that a revised salary grade schedule for FY 2017-18 be adopted, with changes becoming effective as of July 1, 2017. The revised salary grade schedule incorporates the following changes: 1) a 2.0% Cost of Living Adjustment for the General Employees Unit, as executed in Article IX of the Memorandum of Understanding between IRWD and the IRWD Employees Association, approved by the Board on August 24, 2015, and 2) a 2.7% Cost of Living Adjustment for the Supervisory, Managerial, and Confidential Employees.

On MOTION by Swan, seconded and unanimously carried, THE BOARD ADOPTED THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2017 - 17

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT,
RESCINDING RESOLUTION NO. 2017-2 AND
ESTABLISHING A REVISED SCHEDULE OF POSITIONS
AND SALARY RATE RANGES

FORMER ORANGE PARK ACRES MUTUAL WATER COMPANY RESERVOIR
PROPERTY - OFFER TO PURCHASE

Mr. Allen Shinbashi reported that recently the District’s real estate broker for the sale of the former Orange Park Acres Mutual Water Company (OPAMWC) reservoir site (Ferragamo Real Estate) received an offer to purchase the property. The subject property located at 346 South Calle Grande in the City of Orange, was originally the site of an aboveground reservoir

providing potable water to the Orange Park Acres community by the former OPAMWC. Mr. Shinbashi said that the property is zoned for residential use, is free and clear of title issues and includes a fence line encroachment with an adjacent neighbor's property. The Vacant Land Purchase Agreement form representing the buyer's offer to purchase includes the buyer's acknowledgement of the following conditions: 1) The neighbor's fence is not "true" to the property line; 2) Current access to the parcel is a driveway access easement; and, 3) Terms and conditions are subject to final confirmation by IRWD's Board of Directors.

District legal counsel has confirmed that the documentation and related disclosures were properly made to the potential buyers, and further recommends an "As-Is" addendum be included with the escrow instructions as formal acknowledgement of the disclosures.

Director Withers said that this item was reviewed in Closed Session by the Asset Management Committee on May 30, 2017 and in Closed Session by the Board on June 12, 2017. On MOTION by Swan, seconded and unanimously carried, THE BOARD AUTHORIZED STAFF TO ACCEPT THE OFFER OF \$580,000 FOR THE SALE OF THE FORMER ORANGE PARK ACRES MUTUAL WATER COMPANY RESERVOIR PROPERTY LOCATED AT 346 S. CALLE GRANDE IN THE CITY OF ORANGE, SUBJECT TO NON-SUBSTANTIVE CHANGES, TO INCLUDE AN "AS-IS" ADDENDUM ACKNOWLEDGING EXISTING PROPERTY CONSTRAINTS; AND AUTHORIZED THE GENERAL MANAGER, TREASURER AND EACH OTHER OFFICER OF THE DISTRICT, EACH ACTING SINGLY, TO EXECUTE AND DELIVER ANY AND ALL DOCUMENTS, ASSIGNMENTS, CERTIFICATES, INSTRUCTIONS AND INSTRUMENTS NECESSARY OR PROPER FOR CARRYING OUT AND CLOSING THE REAL ESTATE TRANSACTION FOR THE SALE OF THE PROPERTY.

GENERAL MANAGER'S REPORT

General Manager Cook reported that SOCWA is in litigation with Moulton Niguel Water District for nonpayment of \$756,000 for its share of Project Committee 15. Mr. Cook said that there may come a time when IRWD will become involved as a member of SOCWA.

Mr. Cook said that he and Mr. Patrick Shields met with NWRI's newly-appointed Executive Director Ken Hardy where they provided an overview of the District as well as brainstormed potential collaborative efforts.

DIRECTORS' COMMENTS

Director Matheis reported on her attendance at the Water Education Foundation's Bay Delta Tour, a Celebrate Irvine event, a State of South County 2017 event with Supervisor Lisa Bartlett, and Chapman University's Annual Economic Forecast update.

Director LaMar reported on his attendance at a Natural Communities Coalition field trip, and a meeting with representatives of the California Data Collaborative relative to governance.

Director Swan reported on his attendance at the Water Education Foundations' Bay Delta tour, RJM Consultant's 30th Anniversary lunch event, a Newport Chamber of Commerce Open House,

a Southern California Water Committee meeting, a Southern California Dialogue meeting, and meetings with OCWD, OCSD, and the County.

Director Reinhart said that in early June he attended a SOCWA Board meeting, a WACO monthly meeting, and a MWDOC Planning and Operations Committee meeting.

ADJOURNMENT

There being no further business, President Reinhart adjourned the meeting in honor of Mr. Jim Reed's service to the District over the past 17 years.

APPROVED and SIGNED this 10th day of July, 2017.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Alfred Smith, Legal Counsel – Nossaman LLP

July 10, 2017

Prepared and

submitted by: C. Compton

Approved by: Paul A. Cook



CONSENT CALENDAR

2017 LEGISLATIVE AND REGULATORY UPDATE

SUMMARY:

This report provides an update on the 2017-2018 legislative session and IRWD priorities. As legislation and regulations develop, staff will provide updates and recommendations to the Water Resources Policy and Communications Committee and the Board, as appropriate.

Staff recommends that the Board consider the following action/position:

- *AB 1667 (Freidman, D-Glendale): Water Management Planning* — Retain the District's position as a result of amendments made to the bill at "OPPOSE", and
- *SB 252 (Dodd, D-Napa): Well Permits 1000* — Revise the District's positions as a result of amendments made to the bill from "SEEK AMENDMENTS" to "WATCH".

BACKGROUND:

With the State budget adopted, the July 21 policy committee deadline is quickly approaching and the California Legislature is looking forward to its summer recess. The Legislature will be on recess from July 21 to August 21. When the Legislature returns, the fiscal committee deadline will be immediately around the corner. Fiscal committees have until September 1 to meet and report bills to the floor. The last day for each house to pass bills this legislative year is September 15, which is the day the Interim Study Recess begins.

A copy of the 2017 Legislative Matrix is attached as Exhibit "A". Exhibit "B" is the 2017 Legislative Update Report Links to Bill Texts, which contains links to the bills discussed below, unless a separate exhibit is noted.

State Budget Update:

May Revenue Numbers:

On June 9, 2017, State Controller Betty Yee released her monthly report on the State's finances. She announced that the State took in \$8.39 billion during the month of May. This was \$133.4 million higher than the revenue assumptions contained in the Governor's May Revise. Despite May's receipts, revenue receipts for the year through May 31 have come in \$1.29 billion below projections contained in the Fiscal Year 2016-17 budget. The State's General Fund outstanding loan balance was \$11.71 billion or \$1.17 billion less than estimated in the Fiscal Year 2016-17 budget at the end of May.

Fiscal Year 2017-18 State Budget

Following the Legislature's passage of a budget to meet the constitutional deadline for passing a budget by June 15 each year, Governor Brown signed the Fiscal Year 2017-18 budget into law on June 28. The enacted budget authorizes \$125.09 billion in General Fund expenditures, projects \$125.88 billion in General Fund revenues, and directs an additional \$1.4 billion into the Special Fund for Economic Uncertainties and \$1.8 billion in the Proposition 2 Budget Stabilization Account. By the end of Fiscal Year 2017-18, the Proposition 2 Budget Stabilization Account is projected to be funded at 66 percent of its constitutionally mandated amount. Overall, the Fiscal Year 2017-18 budget is approximately three percent larger than the Fiscal Year 2016-17 budget.

The budget and its associated budget trailer bills also included a number of policy changes. Of interest to IRWD, the budget and its associated budget trailer bills did not include language related to "Making Water Conservation a California Way of Life" and did not include a reauthorization of Cap-and-Trade.

Despite inaction on these topics, the budget did include new requirements related to new employee orientations. SB 104, the State Government Budget Trailer Bill, included changes sought by public employees unions related to new employee orientations. These provisions require that:

- Public employers must provide union representatives with access to new employee orientations;
- Public employers must provide unions a 10-day notice in advance of any employee orientation;
- The structure, time, and manner of the unions' access is subject to negotiation and agreement;
- If the public employer and union cannot come to an agreement on the terms of the structure, time, and manner of the union's access within 45 days after the first meeting on the subject or within 60 days after the first request to discuss the topic, either party can demand to go to compulsory interest arbitration, where only the topics of new employee orientation can be discussed. The costs of arbitration would be split equally by both parties;
- Between the time this legislation is enacted and the expiration of an existing memorandum of understanding, either the public employer or the union may request to meet and confer regarding access to employee orientations, which would reopen a memorandum of understanding solely for the limited purpose of negotiating an agreement regarding access of unions to new employee orientations; and
- In addition, public employers are now required to provide each union with the name, job title, department, work location, work, home, personal cellular telephone numbers,

personal email addresses, and the home address of any newly-hired employee within 30 days of the date of hire or by the first pay period of the month following hire. The public employer must also provide a union this information for all represented employees every 120 days.

2017 State Legislative Update:

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

AB 574 (Quirk, D-Hayward) — Potable Reuse:

On December 30, 2016, the State Water Resources Control Board (State Board) delivered its report to the Legislature on the “Feasibility of Developing Uniform Water Recycling Criteria for Direct Potable Reuse.” The report found that it is possible for the State Board to develop uniform water recycling criteria for direct potable reuse protective of public health, and that the uniform criteria can be developed concurrently with ongoing research on issues related to potable reuse. A copy of the report can be viewed at http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/rw_dpr_criteria.shtml.

In order to further the development of potable reuse regulations, WaterReuse California sponsored AB 574, introduced by Assemblymember Bill Quirk (D-Hayward). AB 574, as introduced, proposed to establish a statutory deadline for the State Board to develop a policy and sequential regulations for potable reuse consistent with the report provided to the Legislature. Additionally, the bill recognized that there is a continuum of potable reuse projects. AB 574, therefore, proposed to define “potable reuse” as well as four subcategories of potable reuse—groundwater augmentation, reservoir augmentation, raw water augmentation, and treated water augmentation. AB 574 also proposed to remove the terms “Indirect Potable Reuse” and “Direct Potable Reuse” from the Water Code and proposed to require the State Board to adopt regulations for “raw water augmentation” potable reuse and the planned placement of recycled water into a raw or untreated water distribution system serving a public water system, by December 2021.

As a result of discussions with the Senate Environmental Quality Committee consultant, AB 574 was recently amended. The bill now retains the terms “Indirect Potable Reuse” and “Direct Potable Reuse” in the Water Code and proposes to include the terms “raw water augmentation” and “treated drinking water augmentation” as defined types of direct potable reuse. The bill proposes to change the term “surface water augmentation” to “reservoir water augmentation” and would redefine that term to mean the planned placement of recycled water into a raw surface water reservoir used as a source of domestic drinking water supply for a public water system or into a constructed system conveying water to such a reservoir. Finally, the bill proposed to require the State Board to adopt regulations for “raw water augmentation” direct potable reuse and the planned placement of recycled water into a raw or untreated water distribution system serving a public water system, by December 2022, instead of December 2021.

As a leader in recycled water, IRWD has long advocated and supported efforts to increase water recycling in California. AB 574 would help expand potable reuse within the state. As a result, the Board adopted a “support” position on AB 574.

AB 574 was heard in the Senate Environmental Quality Committee on July 5, 2017. The bill was passed on a vote of 7 to 0 and has been referred to the Senate Natural Resources Committee.

AB 1000 (Friedman): Water Conservation: Performance Standards for Water Meters

Earlier this year, Assemblymember Laura Friedman (D-Burbank) introduced AB 1667. AB 1667 would have required an urban water supplier to install dedicated irrigation meters for various types of properties within its service area. Due to technical concerns raised with the author’s office, Assemblymember Friedman “gutted and amended” AB 1667 in April. Instead of dealing with water meters, the bill now related to agricultural water management planning.

While AB 1667 no longer deals with water meters, Assemblymember Friedman has recently amended another bill, AB 1000, to deal with water meters. AB 1000 would authorize the California Energy Commission to adopt regulations establishing performance standards for water meters installed in residential and nonresidential buildings. As a result of staff’s review of the amendments to AB 1000 and its efforts to learn more about the author intent for the bill, the Board adopted a “watch” position on AB 1000 last month.

On July 3, AB 1000 was gutted and amended again. The current version of the bill seeks to prohibit a transferor of water from using a water conveyance facility that has unused capacity to transfer water from a groundwater basin underlying desert, as defined, to outside the groundwater basin unless the State Lands Commission finds that there will be no adverse affect on natural or cultural resources. It is targeted at the Cadiz Valley Water Conservation, Recovery and Storage Project.

AB 1000 has been set for hearing in the Senate Natural Resources Committee on July 11, 2017.

AB 1667 (Friedman, D-Burbank) — Water Management Planning:

Assemblymember Laura Friedman (D-Burbank) had introduced AB 1667. As introduced, AB 1667 would have required an urban water supplier to install dedicated irrigation meters for various types of properties within its service area. Specifically, the bill would have required that an urban water supplier install dedicated irrigation meters before the following deadlines:

Property Type	Proposed Deadline for Installation of Dedicated Irrigation Meters
Commercial, institutional, industrial, and multifamily properties with irrigated areas over 1,000 square feet.	January 1, 2020
Commercial, institutional, industrial, and multifamily properties with irrigated areas over 500 but less than 1,001 square feet.	January 1, 2025
Single-family homes with greater than 5,000 square feet of irrigated area.	January 1, 2030

While IRWD is supportive of the installation of dedicated irrigation meters at the discretion of an urban water supplier, staff expressed concern over proposed statewide requirements that urban water suppliers provided dedicated irrigation meters to every customer with a given class. In some cases, the installation of a separate dedicated irrigation meter is not physically feasible or may not make economic sense based on a cost-benefit analysis. For these reasons, IRWD has not supported the statewide mandate for dedicated irrigation meters within the proposed long-term water use efficiency framework under consideration by the Administration. The Board adopted an “oppose” position on AB 1667 and authorized staff to communicate the District’s concerns regarding statewide requirement for dedicated irrigation meters to the author.

On April 18, 2017, AB 1667 was gutted and amended. As amended, the bill dealt with agricultural water management planning. On July 3, the bill was substantially amended again. It now includes the Administration’s budget trailer bill language on urban water use efficiency and drought planning. The bill has been set for hearing in the Senate Natural Resources Committee on July 11, 2017. Given the amendments take to AB 1667, staff recommends that the Board retain an “oppose” position on AB 1667.

SB 252 (Dodd, D-Napa): Well Permits:

SB 252, authored by Senator Bill Dodd (D-Napa), would require a city or county overlying a critically overdrafted groundwater basin to establish a well permitting process for new groundwater wells. Specifically, the bill would require that certain information about the well, as outlined below, be provided to the city or county as part of the permitting process, and that a public notice, comment period and public hearing be held prior to the city or county issuing a well permit.

Under SB 252, an applicant for a new well permit in a critically overdrafted basin would be required to:

- Notify all contiguous landowners of the application for the well permit, where the application can be reviewed, the details of the public hearing and of the opportunity to provide public comment on the application;
- Include all of the following information about the new well in the application:
 - A map of the location, as well as information including, but not limited to, the global positioning system coordinates and elevation of the proposed well;
 - The proposed well depth;
 - The proposed well's capacity, estimated pumping rate, anticipated pumping schedule, and estimated annual extraction volume;
 - The geologic siting information, including, but not limited to, water table depth, seasonal fluctuations, recharge area and rate, if known, and location to flood plain;
 - The distance from structures onsite and on adjacent properties;
 - Distance of the well from ponds, lakes, and streams within 300 feet;
 - Any existing wells on the property, including well use, depth, diameter, screen interval, pumping rate, estimated or measured annual extraction volume, and, if available, information on specific capacity or other pumping tests completed;
 - For a well below Corcoran clay, a map showing the location of infrastructure canals, ditches, pipelines, utility corridors and roads within two miles;
 - The estimated cumulative extraction volume before January 1, 2020, and after a period of 20 years;
 - The size in acres of the area to be served by the well; and
 - The planned category of water use, such as irrigation, stock, domestic, municipal, industrial, or other.

SB 252 would be applicable to the 21 critically overdrafted groundwater basins in California. The Kern County sub-basin of the San Joaquin Valley Groundwater Basin, the basin in which IRWD's water banking facilities are located, is one of the 21 critically overdrafted basins. If SB 252 were enacted, the cities and counties in the Kern County sub-basin would be required to follow the new well permitting process outlined in SB 252.

Currently, IRWD is required to obtain a well permit for the wells it proposes to drill in Kern County. Additionally, the District complies with the requirements of the California Environmental Quality Act (CEQA) and has completed an Environmental Impact Report for its water banking operations. The CEQA process requires the District to evaluate the information

required by SB 252, amongst other things, and requires that adjacent landowners, interested parties, public agencies, and the general public be notified and provided an opportunity to comment on the CEQA document prior to the document being approved at a public hearing.

SB 252 would have required the District to complete a second evaluation and undergo a second public notice, comment period and public hearing for any new wells associated with its water banking activities. As a result, staff sought an amendment to SB 252, which would eliminate the need for water banking and conjunctive use projects to duplicate the analysis, information and public review processes already in place for such projects. On June 28, SB 252 was amended so that it will no longer apply to:

“A public agency that substantially meets or exceeds the requirements of this article through another requirement of law. In order to be exempt, the applicant shall document the laws that substantially meet or exceed the requirements of this article and how the requirements of those laws were met.”

Following agreement to include this language in the bill, Senator Dodd’s office asked IRWD to consider taking a “support” position on SB 252. Previously, the Board adopted a “seek amendments” position on the bill, and authorized the District to move to an “oppose unless amended” position should suitable amendments not be obtained. After considering the request, the Water Resources and Policy Committee recommends that the Board consider revising the District’s position as a result of amendment made to the bill from a “seek amendments” position to a “watch” position.

SB 252 was heard in the Assembly Water, Parks and Wild Life Committee. It was passed on a 9-to-6 vote. It has been referred to the Assembly Local Government Committee and is set for hearing in that committee on July 12.

Long-Term Water-Use Efficiency Framework:

Since the beginning of the year staff has continued to work with various stakeholders and the Association of California Water Agencies (ACWA) on the long-term water use efficiency framework. Because legislation will be needed to implement significant portions of the long-term water use efficiency framework, the ACWA State Legislative Committee developed a working group on the framework, which was assigned the task of drafting legislative language to implemented framework as supported by ACWA and the 113 signatories of the December 19 coalition letter.

As reported to the Board, AB 968 and AB 1654, authored by Assemblymember Blanca Rubio (D-West Covina) and co-sponsored by the Sacramento Regional Water Authority and IRWD, were the two legislative vehicles for the long-term water use efficiency framework language developed by ACWA. AB 968 sought to implement portions of the framework related to establishing water use efficiency targets for 2025, and AB 1654 sought to implement the portions of the framework related to drought planning, Urban Water Management Plans and Water Shortage Contingency Plans.

In addition to the two bills discussed above, there are also several other bills that may be vehicles for legislation related to the long-term water use efficiency framework. Those bills are AB 869 (Rubio, D-West Covina), AB 1323 (Weber, D-San Diego), AB 1668 (Friedman, D- Burbank), and AB 1669 (Friedman, D-Burbank). There was also a budget trailer bill, which was been put forth by the Administration.

At the end of May, only AB 869, AB 1323, AB 1654 and AB 1668 remain active legislative vehicles because AB 968 and AB 1669 were held on the Assembly Appropriations Suspense File. At the time, most political observers wondered what the holding of AB 968 and AB 1669, which both related to long-term water use efficiency and 2025 target setting, on the Assembly Appropriations Suspense File meant for a policy bill on the topic moving forward this year as opposed to a budget trailer bill. Last month, the question of a budget trailer bill moving forward this year was answered. The Administration agreed that it would pursue its proposal related to long-term water use efficiency and 2025 target setting through the policy bill process. As a result, it released a revised version of its budget trailer bill, which is serving as the starting point for discussions on long-term water use efficiency and 2025 target setting in the Legislature.

While the revised budget trailer bill language takes steps in the right direction, there are still many issues of concern to the water community with the language. The concerns include who sets the water use targets; the proposed power given to the State Board related to enforcement; water rights protection; treatment of recycled water and potable reuse; and who has responsibility for developing the data needed to calculate the water budget. Staff remains active in the water community conversations related to the language and with the ACWA Long-Term Water Use Efficiency Work Group in drafting amendments to the revised budget trailer bill. The amendments drafted by the ACWA Long-Term Water Use Efficiency Work Group and being requested by the water community are nearing completion but are still being worked on. A copy of the current draft amendments is attached as Exhibit "C".

All of the bills related to "Making Water Conservation a California Way of Life" are scheduled to be heard in the Senate Natural Resources Committee on July 11. It is expected that only a few of the active bills will move out of that committee.

Staff continues to be engaged in the discussions taking place in Sacramento related to "Making Water Conservation a California Way of Life" and will provide an update on new developments, as appropriate.

Proposition 218 Reform Efforts:

Since *Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano*, there has been significant discussion in Sacramento regarding Proposition 218 and tiered water rates. Most recently, Senator Bob Hertzberg (D-Van Nuys) has introduced SCA 4, a constitutional amendment, which is sponsored by ACWA and meant to put forth a constitutional amendment related to lifeline and tiered water rates.

Over the past month, ACWA has continued to work with Senator Hertzberg's staff to develop language for SCA 4. Discussions between ACWA and Senator Hertzberg's office continue to progress. The most recent language proposed by ACWA is attached as Exhibit "D".

As in the past, IRWD will maintain communication regarding the District's concern over any water rate legislation which is not consistent with the California Constitution, not voluntary in nature, or that does not provide sufficient clarity or flexibility to water agencies. Staff will also continue to work with interested parties on issues related to tiered water rates.

Water Tax:

Discussions surrounding the implementation of a water tax have continued in Sacramento. Building off of the Administration's and the environmental justice community's interests in such a fee, Senator Bill Monning (D- San Luis Obispo) has authored SB 623.

SB 623 would establish the Safe and Affordable Drinking Water Fund in the State Treasury. Additionally, SB 623 would provide that moneys in the fund are continuously appropriated to the State Board for grants, loans, contracts, or services to assist those without access to safe and affordable drinking water consistent with a fund implementation plan to be adopted annually by the State Board. The bill also states it is the intent of the Legislature to subsequently amend the bill to seek specific funding from agricultural operations to assist in providing emergency, interim, and long-term assistance to community water systems and individual domestic well users whose wells are located in agricultural areas.

While SB 623 does not currently propose a water tax, the author has indicated his interest in enacting a water tax in addition to a fee on agriculture. If legislation proposing a water tax moves forward during the current legislative year, staff will advocate on behalf of the District using the following Board-adopted policy, which was included in the August 1, 2013, Water Resources Funding Policy Principles:

“A statewide user fee should not be imposed. A ‘user fee’ or ‘beneficiary pays’ program should never be a statewide program. If such a fee is necessary, it should only be regionally administered, collected and distributed. Any such fee should be equitably and proportionally based on the project benefits derived by those who are subject to the fee, and ‘beneficiary’ must be clearly defined to ensure a clear legal nexus between financial responsibility and benefits.

- If a statewide water fee or water tax is established, it should include an exemption for water providers that have implemented a rate structure that provides a method for collecting revenue dedicated to water conservation projects such as IRWD's allocation-based conservation rate structure.
- If a statewide fee is established, the challenges local water providers face in setting rates, including Proposition 218 requirements, should be taken into account.”

SB 623 is current in the Assembly Environmental Safety and Toxic Materials Committee. It is scheduled to be heard on July 11, 2017.

2017 State Regulatory Update:

AB 401 Implementation:

AB 401 (Dodd, 2015) requires the State Board to develop a plan for a statewide Low-Income Rate Assistance Program (LIRA) by February 1, 2018. As a result, the State Board is holding a series of public meetings seeking input on various scenarios, which would provide low-income rate assistance to up to 34 percent of Californians. The State Board's effort is based on the following philosophy:

“Californian’s have a right to safe water. State policy through AB 685 (2012) aims to ensure universal access to water by declaring that ‘every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.’ However, water is becoming more expensive. California’s growing economy and population create continued demand for water. Meanwhile, drought and water leaks tighten available supplies. In addition, pipes and aging infrastructure result in expensive repairs or replacements. These conditions contribute to higher costs. The result is that more low-income households have unaffordable drinking water.” (http://www.waterboards.ca.gov/water_issues/programs/conservation_portal/assistance/)

As a result, the State Board’s AB 401 Implementation Plan will include the following:

- A description of the method for collecting moneys to support and implement the program, with a discussion of any constitutional restrictions on public water agency rate setting;
- A description of the mechanism for providing funding assistance under the program. This could include direct credits to program participants, reimbursements to water service providers, a method for verifying income eligibility of low-income ratepayers, clarification of the role of the Public Utilities Commission and water utilities in determining and verifying customer eligibility, and recommendations regarding the structure of the program;
- A description of the method to be used to determine the amount of moneys that may need to be collected from water ratepayers to fund the program; and
- A set of recommendations and best practices that cover cost-savings measures and aim to ensure that water utilities are keeping rates low.

Currently, State Board staff are examining four options for a statewide LIRA Program. Those options are:

	Option 1	Option 2	Option 3	Option 4
Californians Proposed to be Enrolled	All state households below 200% of the Federal Poverty Level are enrolled.	All state households below 200% of the Federal Poverty Level are enrolled.	All state households below 200% of the Federal Poverty Level are enrolled if not within a CPUC regulated utility with an existing LIRA Program.	All state households below 200% of the Federal Poverty Level are enrolled if not served by a utility with a compliant LIRA Program.
Discount Proposed	20% Discount on base charge and unit charge up to 12 ccf.	20% Discount on base charge and unit charge up to 12 ccf if the total bill is less than \$100. 35% Discount on base charge and unit charge up to 12 ccf if the total bill is greater than or equal to \$100.	20% Discount On base charge and unit charge up to 12 ccf.	20% Discount On base charge and unit charge up to 12 ccf.
Estimated Program Cost (without Administration Costs)	\$580 million per year	\$619 million per year	\$488 million per year	\$277 million per year

A copy of the State Board presentation discussing these options in greater detail can be found at http://www.waterboards.ca.gov/water_issues/programs/conservation_portal/assistance/docs/acwa_051117_by_ucla.pdf.

Little Hoover Commission Study of Special Districts:

As previously reported, the Little Hoover Commission initiated a new study of California special districts last year. Last August, the Commission held a hearing regarding California special districts. The hearing covered a wide range of issues related to special districts including property taxes, reserves, and consolidations. Following the August hearing, the Commission announced that its study of special districts would focus on how special districts are incorporating climate change adaptation into current and long-term allocations of property tax revenues, fee revenues, and reserves, and on health care districts. Last October, the Commission held a hearing on special districts' efforts on climate change adaptation and asked its staff to return with recommendations on special districts.

At its business meeting in February, the Little Hoover Commission reviewed and discussed the Commission staff's draft report on special districts. Unfortunately, several commissioners did not appreciate the staff's recommendations and believed they did not go far enough. While the staff recommendations largely related to climate change adaption/preparation and not special district revenues or organization, the Commission discussion focused on the role of special districts, reducing the number of special districts, greater oversight of special districts, and public knowledge and engagement with special districts. After the lengthy discussion, the Commission tabled the report until it could hold another hearing on special districts because there was no consensus on how the Commission should proceed.

On June 22, the Commission held another hearing on special districts and discussed new recommendations proposed by staff. The recommendations relate to special district governance, transparency, climate change adaption, and included a set of recommendations related to health care districts. A copy of the recommendations is attached as Exhibit "E".

At the June 22 hearing, the Commission directed its staff to finalize the report on the special districts. The report is expected to be released in late September.

2017 Federal Update:

California Water Fix:

Late last month, the U.S. Fish and Wildlife Service and the National Marine Fisheries Service, along with the Bureau of Reclamation and California Department of Water Resources, announced the release of the final biological opinions for the California Water Fix, the project which would build three new 3,000 cubic-feet per second capacity intakes and two underground tunnels across the Delta to transport water to pumping facilities in the South Delta. The final biological opinions reach a no jeopardy finding on the California Water Fix. Specifically, the biological opinions found that the California Water Fix will not jeopardize threatened or endangered species, or adversely modify their critical habitat.

IRWD has supported improvements in the Sacramento-San Joaquin Delta which support the co-equal goals of providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem. As part of its support, the District has endorsed the proposal to build three new intakes and two tunnels to convey water under the Delta to the State Water Project and Central Valley Project pumping facilities in the South Delta as the best option for improving water supplies and the Delta ecosystem.

2017 Legislative Planning

ACWA's Call for Legislative Proposals:

Each year the ACWA State Legislative Committee solicits legislative proposals from ACWA members, which it considers at its Annual Planning Meeting in the fall. The State Legislative Committee evaluates the proposals and determines whether to sponsor or support legislation based on ACWA's Strategic Business Plan, policy principles and priorities. In order to have a proposal considered, ACWA requires the proposal to be submitted by September 1, 2017.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on July 6, 2017.

RECOMMENDATION:

THAT THE BOARD REAFFIRM AN “OPPOSE” POSITION ON AB 1667 (FRIEDMAN) AND CONSIDER REVISING THE DISTRICT’S POSITION ON SB 252 (DODD) AS A RESULT OF AN AMENDMENT MADE TO THE BILL TO “WATCH”.

LIST OF EXHIBITS:

- Exhibit “A” – IRWD Legislative Matrix
- Exhibit “B” – 2017 Legislative Update Report Links to Bill Texts
- Exhibit “C” – ACWA’s Proposed Draft Amendment to the Revised Budget Trailer Bill on
“Making Water Conservation a California Way of Life”
- Exhibit “D” – ACWA’s Proposed Amendments to SCA 4 (Hertzberg)
- Exhibit “E” – Little Hoover Commission Recommendations on Special Districts

EXHIBIT "A"
IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
AB 18 Garcia E (D)	Clean Water, Climate, and Coastal Protection Act		Enacts the California Clean Water, Climate, Coastal Protection and Outdoor Access For All Act, which would authorize the issuance of bonds to finance a clean water, climate, and coastal protection and outdoor access for all program. Provides for the submission of these provisions to the voters at the statewide direct primary election.	06/28/2017 - To SENATE Committees on NATURAL RESOURCES AND WATER and GOVERNANCE AND FINANCE.
AB 52 Cooper (D)	Public Employee: Orientation And Informational Programs		Requires the public employers regulated by specified acts to provide all employees an orientation and to permit an exclusive representative to participate.	04/19/2017 - In ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY: Not heard.
AB 151 Burke (D)	California Global Warming Solutions Act		Amends the Global Warming Solutions Act. Requires the Air Resources Board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan. Requires the state board to report to the Legislature on the need for increased education, career technical education, job training, and workforce development in ensuring that statewide greenhouse gas emissions are reduced by a specified level.	05/30/2017 - In ASSEMBLY. Read second time. To third reading.
AB 161 Levine (D)	Department of Finance: Infrastructure Investment		Authorizes the Department of Finance to identify infrastructure projects in the state for which the department will guarantee a rate of return on investment for an investment made in that infrastructure project by the Public Employees' Retirement System.	06/27/2017 - From SENATE Committee on GOVERNMENTAL ORGANIZATION: Do pass to Committee on APPROPRIATIONS.
AB 166 Salas (D)	Safe Drinking Water: Household Filtration Systems		Requires the State Water Resources Control Board to conduct a study on the feasibility and financial stability of a rebate program that would provide a household that is served by a water system that does not meet primary drinking water standards with a rebate for the purchase of a household water filtration system.	06/08/2017 - To SENATE Committee on RULES.

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
AB 176 Salas (D)	Water Project: Friant-Kern Canal		Appropriates a specified sum from the General Fund for the Reverse Flow Pump-back Facilities on the Friant-Kern Canal Restoration Project. Makes legislative findings and declarations as to the necessity of a special statute for the Friant-Kern Canal.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
AB 196 Bigelow (R)	Greenhouse Gas Reduction Fund: Water Supply		Amends the Global Warming Solutions Act, which creates the Greenhouse Gas Reduction Fund and authorizes specified investments, including water use and supply. Authorizes the use of the moneys in the fund for electric pump efficiency, water and wastewater systems, pump and pump motor efficiency improvements, and drinking water transmission and distribution systems' water loss if the investment furthers the regulatory purposes of the act and is consistent with law.	06/14/2017 - To SENATE Committee on ENVIRONMENTAL QUALITY.
AB 241 Dababneh (D)	Personal Information: Privacy: State and Local Breach		Relates to state and local breaches of privacy. Requires a state or local agency, if it was the source of a computer breach of information, to provide appropriate identity theft prevention and mitigation services at no cost to a person whose personal information, including social security number, driver license or identification card number.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
AB 277 Mathis (R)	Water and Wastewater Loan and Grant Program		Authorize the State Water Resources Control Board to establish the Water and Wastewater Loan and Grant Program to provide funding to eligible applicants for specified purposes relating to drinking water and wastewater treatment. Authorizes a county or qualified nonprofit organization to apply to the board for a grant to award loans or grants, or both, to an eligible applicant. Authorizes the board to use a specified funding source.	06/21/2017 - From SENATE Committee on ENVIRONMENTAL QUALITY: Do pass to Committee on APPROPRIATIONS.
AB 305 Arambula (D)	School Accountability Report Card: Drinking Water		Amends the Classroom Instructional Improvement and Accountability Act to require a specified school accountability report card to include an assessment of the drinking water access points at each school site. Requires the State Department of	02/13/2017 - To ASSEMBLY Committees on EDUCATION and ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			Education to compile the assessments and transmit them to the State Water Resources Control Board.	
AB 313 Gray (D)	Water		Establishes a Water Rights Division within the Office of Administrative Hearings. Provides for hearing requirements.	06/27/2017 - From SENATE Committee on NATURAL RESOURCES AND WATER: Do pass to Committee on JUDICIARY.
AB 321 Mathis (R)	Groundwater Sustainability Agencies		Includes farmers, ranchers, and dairy professionals in the agricultural users whose interests a groundwater sustainability agency is required to consider for sustainability plans.	06/28/2017 - Enrolled.
AB 408 Chen (R)	Eminent Domain: Final Offer of Compensation		Provides that if a court finds, that the offer of the plaintiff was a certain percentage of the compensation awarded in the eminent domain proceeding, then the court would be required to include the defendant's litigation costs in the costs allowed.	03/20/2017 - From ASSEMBLY Committee on JUDICIARY without further action pursuant to JR 62(a).
AB 429 Grayson (D)	State Water Policy: Water Rights: Use/Transferability		Makes nonsubstantive changes to existing law concerning water policy, water use, rights and transferability of those rights.	02/13/2017 - INTRODUCED.
AB 472 Frazier (D)	Water Transfers: Idled Agricultural Land: Wildlife		Requires the Department of Water Resources to allow nonirrigated cover crops or natural vegetation to remain on idled agricultural lands without penalty to the landowner, unless it is determined that it causes injury to another legal user of water. Requires the Wildlife Conservation Board to establish an incentive program for landowners who cultivate or retain cover crops or natural vegetation on idled agricultural lands to provide waterfowl, upland game bird, and other wildlife habitat.	06/26/2017 - From SENATE Committee on NATURAL RESOURCES AND WATER with author's amendments.;06/26/2017 - In SENATE. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES AND WATER.
AB 474 Garcia E (D)	Hazardous Waste: Spent Brine Solutions		Exempts spent brine solutions that are byproducts of the treatment of groundwater to meet California drinking water standards from Hazardous Waste Control Law requirements if certain conditions are met. Requests surface impoundments used for the treatment of spent brine solutions to maintain financial	06/28/2017 - In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			assurances consistent with requirements of the Hazardous Waste Control Law.	
<u>AB 494</u> Bloom (D)	Land Use: Accessory Dwelling Units		Amends the Planning and Zoning Law to provide that an accessory dwelling unit may be rented separately from the primary residence. Requires that parking requirements for accessory dwelling units not exceed a certain number. Removes the prohibition on specified offstreet parking where that parking is not allowed anywhere else in the jurisdiction.	06/20/2017 - From SENATE Committee on TRANSPORTATION AND HOUSING: Do pass to Committee on GOVERNANCE AND FINANCE.
<u>AB 524</u> Bigelow (R)	Public Utilities: Fines and Settlements		Appropriates moneys resulting from specified citations, issued by the Public Utilities Commission to the Pacific Gas and Electric Company for violations relating to the 2015 Butte Fire, to the Department of Forestry and Fire Protection to be expended for the department's program known as the State Responsibility Area Fire Prevention Fund and Tree Mortality Grant Program.	06/29/2017 - In ASSEMBLY. Read second time. To third reading.
<u>AB 530</u> Cooper (D)	Public Employment: Collective Bargaining: Officers		Expands the jurisdiction of the Public Employment Relations Board to include resolving disputes and statutory duties and rights of persons who are employed by public agencies and who are peace officers. Excepts the employee relations commissions of the County of Los Angeles and the City of Los Angeles from the application of these provisions.	06/19/2017 - From SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT with author's amendments.;06/19/2017 - In SENATE. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
<u>AB 551</u> Levine (D)	Political Reform Act of 1974: Postemployment		Amends the Political Reform Act, which prohibits certain elected officials from acting as agents or attorneys for certain persons, and which excludes from that prohibition certain appearances and communications. Specifies that the one-year prohibition applies to independent contractors of a local government agency or a public agency who are appearing or communicating on behalf of that agency.	06/20/2017 - From SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS: Do pass to Committee on APPROPRIATIONS.

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
AB 554 Cunningham (R)	Desalination: Statewide Goal		Relates to desalination projects and opportunities for state assistance and funding. Establishes a goal to desalinate a specified acre-feet of drinking water per year.	06/20/2017 - In ASSEMBLY. Coauthors revised.
AB 567 Quirk-Silva (D)	School Facilities: Drinking Water Fountains		Requires a school district to ensure that every drinking water fountain at each school under its jurisdiction is equipped with both a water fountain and a spigot, or a combination water fountain and spigot, for filling water bottles.	03/14/2017 - From ASSEMBLY Committee on EDUCATION with author's amendments.;03/14/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on EDUCATION.
AB 574 Quirk (D)	Potable Reuse	SUPPORT	Specifies that direct potable reuse includes raw water augmentation and treated drinking water augmentation. Changes surface water augmentation to reservoir water augmentation and redefines the term. Requires the State Water Resources Control Board to adopt uniform water recycling criteria for direct potable reuse through raw water augmentation.	06/20/2017 - From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments.;06/20/2017 - In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY.
AB 577 Caballero (D)	Disadvantaged Communities		Amends existing law which defines a disadvantaged community as a community with an annual median household income that is less than a certain percentage of the statewide annual median household income for various purposes, that include, but are not limited to, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Expands the definition of disadvantaged community.	03/09/2017 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS with author's amendments.;03/09/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
AB 589 Bigelow (R)	Water Diversion: Monitoring: University of California		Relates to water diversion, monitoring and reporting, and the University of California Cooperative Extension. Requires the board to presume that a measuring device or method has been installed or implemented correctly, is functioning properly, and is certified to provide an accurate account of the rate and quantity of water diverted and was installed by a person who has completed training regarding the devices or method.	06/14/2017 - To SENATE Committee on NATURAL RESOURCES AND WATER.

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Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
AB 594 Irwin (D)	Water Supply Planning: Photovoltaic Energy Facility		Amends existing law which requires a city or county that determines that a project is subject to the California Environmental Quality Act to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment.	02/27/2017 - To ASSEMBLY Committees on WATER, PARKS AND WILDLIFE and LOCAL GOVERNMENT.
AB 664 Steinorth (R)	Political Reform Act: Campaign Expenditure		Prohibits the payment of financial or material compensation from campaign funds held by a controlled committee of an elected officer or candidate for elective office, in exchange for services rendered, to any vendor that is majority-owned or controlled by any spouse or domestic partner, parent, grandparent, sibling, child, or grandchild of that officer or candidate.	04/26/2017 - In ASSEMBLY Committee on ELECTIONS AND REDISTRICTING: Failed passage.;04/26/2017 - In ASSEMBLY Committee on ELECTIONS AND REDISTRICTING: Reconsideration granted.
AB 672 Jones-Sawyer (D)	Utility Services		Relates to civil actions brought by an electrical, gas, or water utility against a person who commits the diversion of utility services. Authorizes a defendant that prevails upon judgment to recover reasonable attorney's fees and costs of the suit from the utility.	05/01/2017 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;05/01/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.
AB 732 Frazier (D)	Levee Maintenance		Extends indefinitely the operation of the authorization to advance funds to reimburse local agencies under a program for the maintenance or improvement of project or nonproject levees. Postpones the operation of certain related provisions.	06/27/2017 - From SENATE Committee on NATURAL RESOURCES AND WATER: Do pass to Committee on APPROPRIATIONS.
AB 791 Frazier (D)	Sacramento-San Joaquin Delta: Conveyance Facility	OPPOSE	Relates to the State Water Project and federal Central Valley Project. Require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
AB 792 Frazier (D)	Sacramento-San Joaquin Delta Plan: Certification	OPPOSE	Prohibits the Delta Stewardship Council from granting a certification of consistency with the Sacramento-San Joaquin	03/28/2017 - From ASSEMBLY Committee on WATER, PARKS AND

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			Delta Plan until the State Water Resources Control Board has completed its update of a specified water quality control plan.	WILDLIFE with author's amendments.;03/28/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
AB 793 Frazier (D)	Sacramento-San Joaquin Delta: Financing	OPPOSE	States that the maintenance and repair of the Sacramento-San Joaquin Delta are eligible for the same forms of financing as other water collection and treatment infrastructure and would specify the maintenance and repair activities that are eligible are limited to certain cleanup and abatement-related restoration and conservation activities.	03/27/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/27/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
AB 869 Rubio (D)	Sustainable Water Use: Recycled Water		Requires recycled water delivered in the service area of an urban retail water supplier or its urban wholesale water supplier for either nonpotable or potable use or that replenishes a groundwater basin and supplements the groundwater supply available to an urban retail water supplier be excluded from the calculation of any urban water use target or reduction in urban per capita water use. States that for these purposes recycled water use is an efficient use of water and would require recycled water use.	06/27/2017 - In SENATE Committee on NATURAL RESOURCES AND WATER: Not heard.
AB 851 Caballero (D)	Local Agency: Contracts		Authorizes the Santa Clara Valley Water District to use the design-build procurement process when contracting for the construction of a building or buildings and improvements directly related to the construction of a building or buildings. Authorizes the utilization of the design-build procurement process by the Santa Clara Valley Water District for the purposes of, among other things, flood protection improvements, habitat restorations or enhancements, and enhancement of surface water facilities.	06/22/2017 - From SENATE Committee on GOVERNANCE AND FINANCE with author's amendments.;06/22/2017 - In SENATE. Read second time and amended. Re-referred to Committee on GOVERNANCE AND FINANCE.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>AB 884</u> Levine (D)	Dams and Reservoirs: Inspections		Requires the Department of Water Resources to make annual physical inspections of dams and reservoirs at state expense for the purpose of determining their safety.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 891</u> Garcia E (D)	California Communities Environmental Health Screening		Require the State Air Resources Board to include data from certain local air monitoring studies, including certain data on ozone and diesel particulate matter, in a certain report. Requires funds to be allocated to the board and the office to support the continued collection of this data. Requires the board to add air monitoring stations at additional locations in the California-Mexico border region and to submit a report concerning cross-border pollution.	06/08/2017 - To SENATE Committee on ENVIRONMENTAL QUALITY.
<u>AB 898</u> Frazier (D)	Property Taxation: Revenue Allocations: Fire District		Requires the auditor of the County of Contra Costa to allocate certain ad valorem property tax revenues to the East Contra Costa Fire Protection District that would otherwise be allocated to the county's Education Revenue Augmentation Fund.	04/04/2017 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;04/04/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
<u>AB 947</u> Gallagher (R)	Fish and Wildlife: Streambed Alteration Agreements		Relates to streambed alteration agreements of the Department of Fish and Wildlife. Defines river and stream for purposes of provisions requiring certain notification.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Not heard.
<u>AB 967</u> Gloria (D)	Human Remains Disposal: Alkaline Hydrolysis		Requires the Cemetery and Funeral Bureau to license and regulate hydrolysis facilities. Enacts requirements applicable to hydrolysis facilities substantially similar to those applicable to crematoria. Requires a local registrar of births or deaths to issue permits for the disposition of hydrolyzed remains.	06/28/2017 - In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY.
<u>AB 968</u> Rubio (D)	Retail Water Use: Water Efficiency	CO-SPONSOR & SUPPORT	Requires the Urban Stakeholder Committee to submit a report to the Legislature recommending for potential adjustments to water efficiency targets and commercial, industrial, and institutional performance measures. Requires the Department of Water	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			Resources to recommend appropriate water efficiency measures for various segments of the commercial, industrial, and institutional water use sector. requires each urban retail water supplier to develop a water efficiency target. Revises definitions.	
AB 975 Friedman (D)	Natural Resources: Wild and Scenic Rivers		Specifies that certain rivers that possess scenic, recreational, fishery, wildlife, historical, cultural, geological, or other similar values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state.	06/05/2017 - In ASSEMBLY. To Inactive File.
AB 1000 Friedman (D)	Water Conservation: Performance Standards	WATCH	Authorizes the State Energy Resources Conservation and Development Commission to adopt regulations establishing performance standards for water meters installed in residential and nonresidential buildings, including water meters installed pursuant to the Water Measurement Law.	06/14/2017 - To SENATE Committee on NATURAL RESOURCES AND WATER.
AB 1008 McCarty (D)	Employment Discrimination: Prior Criminal History		Repeals the prohibition on a state or local agency from asking an applicant for employment to disclosure information regarding criminal conviction, provides that it is an unlawful employment practice under California Fair Employment and Housing for an employer to include on any application for employment any question that seeks the disclosure of an applicant's criminal history, to inquire into or consider the conviction history of an applicant until that applicant has received a conditional offer.	06/28/2017 - From SENATE Committee on LABOR AND INDUSTRIAL RELATIONS: Do pass to Committee on JUDICIARY.
AB 1030 Ting (D)	Energy Storage Systems		Establishes energy policy goals of the state with respect to energy storage. Requires the Public Utility Commission to undertake specified actions with respect to customer- and load-sited energy storage systems in order to achieve those energy policy goals, including a rebate program dedicated to energy storage that carves out a portion of funding for low-income customers and disadvantaged communities.	05/24/2017 - From ASSEMBLY Committee on UTILITIES AND ENERGY without further action pursuant to JR 62(a).

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
AB 1041 Levine (D)	Transportation Funding: Transportation Improvement Fee		Amends the Road Repair and Accountability Act of 2017 which imposes a transportation improvement fee on each vehicle. Requires that the revenues from fee be available for expenditure only on specified transportation purposes. Provides for provisions to be added by SB 1 to correct an erroneous cross-reference in these provisions.	04/24/2017 - Re-referred to ASSEMBLY Committee on TRANSPORTATION.
AB 1050 Allen T (R)	Endangered Species Act: Delta Smelt		Requires the Fish and Game Commission to remove the Delta smelt from the endangered species list.	03/28/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/28/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
AB 1066 Aguiar-Curry (D)	Public Works: Definition		Expands the meaning of the term public works to include specific types of tree removal work. Expands the scope of a crime.	06/29/2017 - From SENATE Committee on LABOR AND INDUSTRIAL RELATIONS with author's amendments.;06/29/2017 - In SENATE. Read second time and amended. Re-referred to Committee on LABOR AND INDUSTRIAL RELATIONS.
AB 1089 Mullin (D)	Local Elective Offices: Contribution Limitations		Prohibits a person from making to a candidate for local elective office any a contribution totaling more than a certain amount. Authorizes a county, city, special district, or school district to impose a different limitation.	06/20/2017 - In ASSEMBLY. Coauthors revised.
AB 1132 Garcia (D)	Nonvehicular Air Pollution: Order for Abatement		Authorizes an air pollution control officer, if they find that any person is causing an imminent and substantial endangerment to the public health or welfare, or the environment, by violating requirements related to the emission of air pollutants by stationary sources, to issue an interim order for abatement pending a hearing before the hearing board of the air district.	06/21/2017 - In SENATE Committee on ENVIRONMENTAL QUALITY: Heard, remains in Committee.

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			Requires the air pollution control officer to notify the alleged violator and establishes procedure for a hearing.	
<u>AB 1133</u> Dahle (R)	California Endangered Species Act		Provides that the California Endangered Species Act (CESA) prohibits the taking of an endangered or threatened species. Authorizes the take of listed species if the take is incidental to an otherwise lawful activity. Provides that a person who obtains a federal enhancement of survival permit requires no further authorization under CESA for that person to take that species as identified in the enhancement of survival permit.	06/08/2017 - To SENATE Committee on NATURAL RESOURCES AND WATER.
<u>AB 1180</u> Holden (D)	Los Angeles County Flood Control District		Authorizes the Los Angeles County Flood Control District to levy a tax or impose a fee or charge to pay the costs and expenses of carrying out projects and programs to increase stormwater capture and reduce stormwater and urban runoff pollution in the district. Specifies that projects funded by the revenues may include projects that increase water supply and improve water quality.	06/27/2017 - Withdrawn from SENATE Committee on ENVIRONMENTAL QUALITY.;06/27/2017 - Re-referred to SENATE Committee on RULES.
<u>AB 1235</u> Daly (D)	Santa Ana River Conservancy Program		appropriates a specified sum from the General Fund to the conservancy to be expended for the purposes of the the Santa Ana River Conservancy Program.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 1271</u> Gallagher (R)	Dams and Reservoirs		Amends the existing law which requires the Department of Water Resources supervise the maintenance and operation of dams and reservoirs as necessary to safeguard life and property. Requires the department to order the owner to take action to remove the resultant danger to life and property. Provides for continuously appropriate the moneys in the fund to the department for the administration of the dam safety program.	03/21/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/21/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
<u>AB 1323</u> Weber (D)	Sustainable Water Use and Demand Reduction		Requires the Department of Water Resources to convene a stakeholder workgroup. Requires the workgroup to develop, evaluate, and recommend proposals for establishing new water	06/14/2017 - To SENATE Committee on NATURAL RESOURCES AND WATER.

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			use targets for urban water suppliers and report to the Governor and the Legislature. Requires all expenses to be the responsibility of the nonstate agency stakeholders.	
<u>AB 1333</u> Dababneh (D)	Political Reform Act: Local Government Agency Notices		Requires every local government agency to prominently post on its Internet Web site a notice of any upcoming election in which voters will vote on a tax measure or proposed bond issuance of the agency. Requires every local government agency that publishes an electronic newsletter to include the notice in the electronic newsletter.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 1342</u> Flora (R)	Greenhouse Gas Reduction Fund: Appropriations		Appropriates from the fund to the Department of Forestry and Fire Protection for healthy forest programs that reduce greenhouse gas emissions causes by uncontrolled wildfires. Appropriates from the fund to the Department Resources Recycling and Recovery for instate organic waste recycling projects that reduce greenhouse gas emissions.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 1369</u> Gray (D)	Water Quality and Storage		Requires the Department of Water Resources to increase statewide water storage capacity by a certain percent by a specified year. Provides for the appropriation of moneys from the Greenhouse Gas Reduction Fund. Requires all groundwater basins designated as high- or medium-priority basins by the department that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan.	03/27/2017 - To ASSEMBLY Committees on WATER, PARKS AND WILDLIFE and NATURAL RESOURCES.
<u>AB 1420</u> Aguiar-Curry (D)	Water Rights: Small Irrigation Use		Requires State Water Resources Control Board to give priority to adopting general conditions that permit a registrant to store water for small irrigation use during times of high streamflow in exchange for the registrant reducing diversions during periods of low streamflow. Exempts an entity from the requirement to enter into a lake or streambed alteration agreement with the department under specified circumstances.	06/27/2017 - From SENATE Committee on NATURAL RESOURCES AND WATER: Do pass to Committee on APPROPRIATIONS.

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AB 1427 Eggman (D)	Water: Underground Storage		Revises the declaration to additionally provide that certain uses of storage water while underground constitute beneficial use. Provides that the forfeiture periods of a water right do not apply to water being beneficially used or being held in storage for later beneficial use.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
AB 1438 Env Safety & Toxic Material Cmt	State Water Resource Control Board		Amends the Environmental Laboratory Accreditation Act. Updates obsolete references. Authorizes the state board to require an owner of a laboratory under these provisions to provide certain information or records to the state board. Amends the California Safe Drinking Water Act. Authorizes the state board to suspend or revoke a permit if the state board determines that the permittee is in violation of the act.	06/20/2017 - From SENATE Committee on JUDICIARY: Do pass to Committee on APPROPRIATIONS.
AB 1490 Gray (D)	State Water Resources Control Board: School Water		Requires the State Water Resources Control Board to prepare and submit to the Legislature a report evaluating potential adverse impacts resulting from the implementation of the Bay-Delta Water Quality Control Plan on the quality and supply of drinking water provided to schools in disadvantaged communities, in the state, including a summary describing any measures that may be implemented to address any adverse impacts identified in the report. Relates to school financial assistance.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
AB 1524 Brough (R)	Political Reform Act: Mass Mailing Prohibitions		Amends the Political Reform Act of 1974 which prohibits the sending of a mass mailing by either a candidate or an agency. States violation of the act's provisions is punishable as a misdemeanor.	03/16/2017 - To ASSEMBLY Committee on ELECTIONS AND REDISTRICTING.
AB 1529 Thurmond (D)	Cross-Connection or Backflow Prevention Inspectors		Requires valid and current certifications for cross-connection inspection and testing or backflow prevention device inspection, testing, and maintenance that were determined by the Department of Public Health to demonstrate competency to be	06/08/2017 - To SENATE Committee on ENVIRONMENTAL QUALITY.

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			approved state-specific certifications until the state Water Resources Control Board promulgates specified regulations. Prohibits a water supplier from refusing to recognize statewide certifications that meet standards set by regulations of the Board.	
<u>AB 1548</u> Fong (R)	Occupational Safety and Health: Penalties		Expands the application of an existing law which authorizes certain entities to apply for a refund of civil penalties assessed against them if specified conditions are met and which requires moneys in a certain fund to be expended to assist schools in establishing effective occupational injury and illness prevention programs.	03/16/2017 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT.
<u>AB 1605</u> Caballero (D)	Maximum Contaminant Levels: Replacement Water		Deems a person that causes or permits, or threatens to cause or permit, any waste to be discharged that contributes to the exceedance of the maximum contaminant level for nitrate in drinking water to not have caused pollution or a nuisance or to not be liable for negligence or trespass, if the person or entity takes certain actions relating to replacement water until the maximum contaminant level for nitrate is no longer exceeded.	04/27/2017 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;04/27/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.
<u>AB 1654</u> Rubio (D)	Water Shortage: Urban Water Management Planning	CO-SPONSOR & SUPPORT	Requires urban retail water suppliers to report the status of its water supplies, including whether supplies will be adequate to meet projected demand. Requires the implementation of mandatory demand reduction measures if the supplier determines its supply is not adequate. Prohibits an urban water supplier, during a water shortage, from being required to reduce its use or reliance on any water supply available for its use or from being required to take actions beyond its water shortage contingency plan.	06/14/2017 - To SENATE Committee on NATURAL RESOURCES AND WATER.
<u>AB 1667</u> Friedman (D)	Agricultural Water Management Planning	OPPOSE <i>(on prior version related to water meters)</i>	Revises the components of specified agricultural water management plans and require such plans to quantify measures to increase agricultural water use efficiency, describe the agricultural water supplier's water management strategy with	06/14/2017 - To SENATE Committee on NATURAL RESOURCES AND WATER.

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			specified elements, and include a drought plan describing specified actions. Subjects certain agricultural water suppliers to the water management planning requirements and efficient water management practices.	
AB 1668 Friedman (D)	Water Management Planning		Requires an urban water management plan to be updated at specified intervals, incorporating updated and new information and containing a drought risk assessment that examines water shortage risks for a drought lasting for a certain number of consecutive years. Requires an urban water supplier to prepare, adopt, and periodically review a water shortage contingency plan as part of its urban water management plan. Provides requirements for the water shortage contingency plan.	06/14/2017 - To SENATE Committee on NATURAL RESOURCES AND WATER.
AB 1669 Friedman (D)	Urban Water Conservation Standards and Use Reporting		Requires the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use by a specified date. Provides for the adoption of interim standards. Requires the board, before adopting an emergency regulation, to provide a certain number of days for the public to review and comment on the regulation and requires the board to hold a public hearing.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
AB 1671 Caballero (D)	Backflow Prevention Assemblies		Requires the state Water Resources Control Board to update its backflow protection and cross-connection control regulations.	06/21/2017 - From SENATE Committee on ENVIRONMENTAL QUALITY: Do pass to Committee on APPROPRIATIONS.
AB 1673 Aguiar-Curry (D)	The California Water Plan		Makes technical, nonsubstantive changes to existing law which requires the Department of Water Resources to update every five years, the plan for the orderly and coordinated control, protection, conservation, development and use of the water resources of the state.	02/17/2017 - INTRODUCED.

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SB 5 de Leon (D)	California Drought, Water, Parks, Climate		Enacts the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, authorizes the issuance of bonds in an amount of a specified sum pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.	06/29/2017 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.
SB 24 Portantino (D)	Political Reform Act of 1974: Economic Interest		Amends the Political Reform Act which requires certain disclosures to include a statement indicating the fair market value of investments or interests in real property and the aggregate value of income received from each reportable source. Revises the dollar amounts associated with these ranges.	05/18/2017 - To ASSEMBLY Committee on ELECTIONS AND REDISTRICTING.
SB 49 de Leon (D)	Environmental and Workers Defense Act of 2017		Relates to the California Environmental, Public Health, and Workers Defense Act of 2017. Relates to clean air, drinking water, discharge of pollutants into the atmosphere and waters and endangered species. Prohibits state or local agencies from amending or revising their rules and regulations implementing these state laws to be less stringent than the baseline federal standards. Prohibits a state agency from amending rules to be less stringent in protection of worker rights and worker safety.	06/27/2017 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass to Committee on NATURAL RESOURCES.
SB 62 Jackson (D)	Affordable Senior Housing Act		Establishes the Affordable Senior Housing Program within GO-Biz, for the purpose of guiding and serving as a catalyst for the development of affordable senior housing dwelling units. Requires the director of GO-Biz to undertake various actions in implementing the program, including establishing and implementing a process for identifying and convening public and private stakeholders and assisting participants in identifying locations and funding sources, obtaining permits, and other matters.	06/15/2017 - To ASSEMBLY Committees on JOBS, ECONOMIC DEVELOPMENT AND THE ECONOMY and HOUSING AND COMMUNITY DEVELOPMENT.
SB 72 Mitchell (D)	Budget Act of 2017		Makes appropriations for the support of state government for the 2017-18 fiscal year.	05/26/2017 - From SENATE Committee on BUDGET AND

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				FISCAL REVIEW with author's amendments.;05/26/2017 - In SENATE. Read second time and amended. Re-referred to Committee on BUDGET AND FISCAL REVIEW.
SB 80 Wieckowski (D)	California Environmental Quality Act: Notices		Amends the California Environmental Quality Act. Requires a lead agency to post certain notices on the agency's Internet Web site and to offer to provide those notices by e-mail. Requires a county clerk to post notices regarding an environmental impact report or a negative declaration on the county's Internet Web site. Requires the filing of a notice in certain cases.	06/21/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.
SB 146 Wilk (R)	Water Resources: Permit To Appropriate		Amends an existing law which prohibits the taking or possession of a fully protected fish, except as provided, and designates the unarmored threespine stickleback as a fully protected fish. Prohibits the issuance of a new permit to appropriate water from any river source or stream that has, or is reasonably suspected to have, a population of unarmored threespine stickleback.	04/25/2017 - In SENATE Committee on NATURAL RESOURCES AND WATER: Not heard.
SB 205 Governance and Finance Cmt	Local Government Omnibus Act of 2017		Requires an officer to take an oath following any election or appointment and before entering the duties of his or her office. Authorizes the County of Merced to enter into a lease, concession, or managerial contract involving a specified area of county property, by a four-fifths vote of the board of supervisors. Makes changes relating to the Committee on County Auditing Procedures, sexual harassment prevention training, certain appointments lists, and certain flood control facilities.	06/28/2017 - From ASSEMBLY Committee on LOCAL GOVERNMENT: Do pass to Committee on APPROPRIATIONS.
SB 206 Governance and Finance Cmt	Validations		Enacts the First Validating Act of 2017, which validates the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.	06/27/2017 - *****To GOVERNOR.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 207 Governance and Finance Cmt	Validations		Enacts the Second Validating Act of 2017, which validates the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.	06/27/2017 - *****To GOVERNOR.
SB 208 Governance and Finance Cmt	Validations		Enacts the Third Validating Act of 2017, which validates the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.	06/27/2017 - *****To GOVERNOR.
SB 210 Leyva (D)	Pupil Health: Drinking Water		Requires priority for grants from the State Water Resources Control Board to be given to projects for schools that have tested their drinking water fixtures, and the results show that the drinking water either does not meet the United States Environmental Protection Agency drinking water standards for lead or is above the California maximum contaminant level for any other contaminant.	06/12/2017 - To ASSEMBLY Committees on EDUCATION and ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
SB 224 Jackson (D)	Environmental Quality Act: Baseline Conditions		Requires the Office of Planning and Research to prepare, develop, and transmit to the secretary proposed changes or amendments to guidelines for the Environmental Quality Act to determine the baseline physical conditions by which a lead agency determines whether a project has a significant effect on the environment. require the office, in developing the recommendations to limit the consideration of modifications to the environment at the project site cause by certain action.	05/25/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.
SB 229 Wieckowski (D)	Accessory Dwelling Units		Authorizes an ordinance creating accessory dwelling units in single-family and multi-family residential zones to prohibit the sale or other conveyance of the unit separate from the primary residence. Extends a provision concerning the location of certain required replacement parking spaces. Extends the applicability of certain provisions concerning utility charges to special districts and water corporations.	06/28/2017 - From ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT: Do pass as amended to Committee on LOCAL GOVERNMENT.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 231 Hertzberg (D)	Local Government: Fees and Charges		Relates to a provision of the California Constitution that requires that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Defines the term sewer for these purposes. Makes findings and declarations relating to the definition of the term sewer for these purposes.	06/15/2017 - In ASSEMBLY. Read second time. To third reading.
SB 252 Dodd (D)	Water Wells	SEEK AMENDMENTS	Removes existing provisions of the California Constitution that declare the policy that the water resources of the state be put to beneficial use to the fullest extent of which they are capable.	06/28/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
SB 372 Cannella (R)	San Joaquin River Exchange Contractors Groundwater		Creates the San Joaquin River Exchange Contractors Groundwater Sustainability Agency as the exclusive groundwater sustainability agency and successor agency. Establishes the initial boundaries of the agency and authorizes the agency's boundaries to be changed.	06/28/2017 - From ASSEMBLY Committee on LOCAL GOVERNMENT: Do pass as amended to Committee on WATER, PARKS AND WILDLIFE.
SB 423 Cannella (R)	Indemnity: Design Professionals		Amends an existing law which provides, with respect to certain contracts and amendments to contracts with a public agency for design professional services, that all provisions, clauses, covenants, and agreements contained in, collateral to, or affecting these contracts or amendments that purport to require the professional to defend the agency under an indemnity agreement are unenforceable, except for certain cases. Makes such provisions applicable to all design professional services.	03/29/2017 - Re-referred to SENATE Committee on JUDICIARY.
SB 427 Leyva (D)	Community Water Systems: Lead User Service Lines		Requires a community water system to provide the timeline for replacement of known lead user service lines in use in its distribution system to the State Water Resources Board. Requires certain public water systems to provide related findings. Authorizes the application and enforcement of these provisions under the Safe Drinking Water Act.	06/27/2017 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass to Committee on APPROPRIATIONS.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 450 Hertzberg (D)	Public Bodies: Bonds: Public Notice		Requires the governing body of a public body to obtain and disclose specified information regarding the issuance of bonds in a meeting open to the public. Requires the information to be obtained as a good faith estimate from an underwriter, financial advisor, or private lender or from a third party borrower, as specified, if the public body issuing bonds is a conduit financing provider, as defined.	06/08/2017 - To ASSEMBLY Committee on LOCAL GOVERNMENT.
SB 454 Moorlach (R)	Public Employees' Health Benefits		Relates to the Public Employees' Medical and Hospital Care Act. Provides that, for state employees who are first employed and become members of the retirement system on or after a specified date, the employer contribution for annuitants shall be limited to a certain percent of the weighted average of the health benefit plan premiums for an active employee enrolled for self-alone. Makes other changes concerning employer contributions and prefunding of retiree health care.	04/24/2017 - In SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Failed passage.;04/24/2017 - In SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Reconsideration granted.
SB 473 Hertzberg (D)	California Endangered Species Act		Amends the California Endangered Species Act to authorize the Department of Fish and Wildlife to develop certain programmatic incidental take permits. Makes changes concerning surface mining operations, agricultural activities, conservation easements, addition or removal of species from the endangered species list, and other matters.	06/12/2017 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.
SB 506 Nielsen (R)	Department of Fish and Wildlife: Lake or Streambed		Requires the Department of Fish and Wildlife to periodically upgrade the information on its Internet Web site regarding lake or streambed alteration agreements, to update its "Frequently Asked Questions" document and other appropriate sources of information regarding the lake and streambed alteration program, and to provide guidance on its Internet Web site to facilitate members of the public in obtaining individualized guidance regarding the lake and streambed alteration program.	06/29/2017 - In ASSEMBLY. Read second time. To Consent Calendar.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 564 McGuire (D)	Water Bill Savings Act		Enacts the Water Bill Savings Act. Authorizes a joint powers authority to provide funding for a customer of a local agency or its publicly owned utility to acquire, install, or repair a water efficiency improvement on the customer's property served by the local agency or its publicly owned utility. Requires the customer to repay the authority through an efficiency charge on the customer's water bill.	06/08/2017 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;06/08/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
SB 580 Pan (D)	Water development projects: Sacramento-San Joaquin		Revises authorization for flood control projects along the American and Sacramento Rivers.	06/27/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Do pass to Committee on APPROPRIATIONS.
SB 623 Monning (D)	Water Quality: Safe and Affordable Drinking Water Fund		Establishes the Safe and Affordable Drinking Water Fund in the State Treasury. Provides that moneys in the fund are available to the State Water Resources Control Board. Requires the Board to expend moneys in the fund for grants, loans, contracts, or services to assist those without access to safe and affordable drinking water.	06/26/2017 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS with author's amendments.;06/26/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
SB 634 Wilk (R)	Santa Clarita Valley Water District		Repeals the Castaic Lake Water Agency Law. Recognizes the Newhall County Water District and the Castaic Lake Water Agency into the Santa Clarita Valley Water District which prohibits the Castaic Lake Water Agency and the Newhall County Water District from operating as separate entities or exercising independent functions.	06/28/2017 - From ASSEMBLY Committee on LOCAL GOVERNMENT: Do pass to Committee on WATER, PARKS AND WILDLIFE.
SB 638 Leyva (D)	Heavy Duty Motor Vehicles		Requires the State Air Resource Board to adopt regulations that require owners or operators of heavy duty motor vehicles used for commercial purposes to perform regular inspections of their vehicles for compliance with emission standards of the State board. Requires a fleet of these vehicles to comply with the State boards emission standards in order for any vehicle of the fleet to be registered.	03/02/2017 - To SENATE Committees on TRANSPORTATION AND HOUSING and ENVIRONMENTAL QUALITY.

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 667 Atkins (D)	Riverine and Riparian Stewardship		Requires the Department of Water Resources to establish a program to implement watershed-based riverine and riparian stewardship improvements by providing technical and financial assistance in support of projects with certain benefits. Requires the program to support the purposes of and be coordinated with the Urban Stream Restoration Program, fish passage improvements, and other similar programs.	06/27/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Do pass to Committee on APPROPRIATIONS.
SB 686 Wilk (R)	Public Contracts: Claims Resolution		Requires a public entity to conduct a meet and confer conference within a specific period for the settlement of disputes.	03/09/2017 - To SENATE Committee on JUDICIARY.
SB 700 Wiener (D)	Energy Storage Initiative		Requires the Public Utilities Commission and the governing boards of local publicly owned electric utilities to establish an Energy Storage Initiative to provide rebates to customers of electrical corporations for the installation of energy storage systems consistent with certain requirements. Requires the PUC to ensure an orderly transition of the funding for energy storage systems from the self-generation incentive program to the Energy Storage Initiative to minimize disruption.	06/28/2017 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;06/28/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.
SB 740 Wiener (D)	Onsite Treated Water		Requires the State Water Resources Control Board to adopt regulations for a comprehensive risk-based standards for local jurisdictions permitting programs for onsite recycling of water in multifamily residential, commercial, and mixed-use buildings for nonpotable use. Requires the regulations to address specified issues and practices relating to the management, monitoring, and treatment of recycled water for nonpotable use.	05/25/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.
SB 748 Glazer (D)	Public Contracts		Amends an existing law which requires a state agency or department to follow specified rules regarding the negotiation of fees and execution of contracts for professional consulting services of a private architectural, engineering, land surveying, environmental, or construction project management firm.	03/09/2017 - To SENATE Committee on GOVERNMENTAL ORGANIZATION.

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			Requires certain negotiations to begin within a specified time period.	
SB 771 de Leon (D)	California Environmental Quality Act		Relates to The California Environmental Quality Act. Establishes a continuing education requirement for employees of public agencies who have primary responsibility to administer the act.	06/26/2017 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;06/26/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.
SB 778 Hertzberg (D)	Safe Drinking Water Fund		Requires the State Water Resources Control Board to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems, including publishing information on the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.	06/15/2017 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
SB 780 Wiener (D)	Water Conservation in Landscaping Act		Requires the Department of Water Resources to establish guidelines for designing landscapes consistent with the watershed approach to landscaping. Requires funding to provide preference for projects that comply with the guidelines. Requires the Department to promote this approach by providing education, and training for persons who plan, develop, or implement landscaping projects. Authorizes the promotion of application of compost to assist with projects that follow these guidelines.	05/25/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.
SCA 4 Hertzberg (D)	Water Conservation		Declares the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California's future.	02/16/2017 - To SENATE Committee on RULES.

IRWD 2017 LEGISLATIVE MATRIX
Updated 07/03/2017

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>HR 23</u> Valadao (R)	Drought Relief in the State of California		Provides drought relief in the State of California.	02/10/2017 - In HOUSE Committee on NATURAL RESOURCES: Referred to Subcommittee on WATER, POWER AND OCEANS.
<u>HR 434</u> Denham (R)	Water Project Financing Program Pilot Project		Authorizes a pilot project for an innovative water project financing program.	02/07/2017 - In HOUSE Committee on NATURAL RESOURCES: Referred to Subcommittee on WATER, POWER AND OCEANS.
<u>HR 448</u> Huffman (D)	Conservation Subsidies Water Conservation Exclusion		Amends the Internal Revenue Code of 1986, expands the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures and storm water management measures.	01/11/2017 - INTRODUCED.;01/11/2017 - To HOUSE Committee on WAYS AND MEANS.

Exhibit "B"

2017 Legislative Update Report:
Links to Bill Texts
(as of July 5, 2017)

Bill Number/Version Date	Link to Bill Text
AB 574 (Quirk), as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB574
AB 869 (Rubio), as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB869
AB 968 (Rubio), as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB968
AB 1000 (Friedman), as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1000
AB 1323 (Weber), as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1323
AB 1654 (Rubio), as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1654
AB 1667 (Friedman) as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1667
AB 1668 (Friedman) as amended	http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1668

<p>AB 1669 (Friedman) as amended</p>	<p>http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1669</p>
<p>SB 252 (Dodd), as amended</p>	<p>http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB252</p>
<p>SB 623 (Monning), as amended</p>	<p>http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB623</p>
<p>SCA 4 (Hertzberg), as introduced</p>	<p>http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SCA4</p>
<p>“Making Water Conservation a California Way of Life” Revised Budget Trailer Bill Language</p>	<p>http://www.water.ca.gov/wateruseefficiency/conservation/docs/ADL-Making_Water_Conervation_a_California_Way_of_Life.pdf</p>

CHANGES TO RN 17 12268

An act to amend Sections 377, 1058.5, 1120, 1831, and 10608.20 of, and to add **Section 1847.5, other new sections and** Chapter 9 (commencing with Section 10609) to Part 2.55 of Division 6 of, the Water Code, relating to water.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 377 of the Water Code is amended to read:

377. (a) From and after the publication or posting of any ordinance or resolution pursuant to Section 376, a violation of a requirement of a water conservation program adopted pursuant to Section 376 is a misdemeanor. A person convicted under this subdivision shall be punished by imprisonment in the county jail for not more than 30 days, or by a fine not exceeding one thousand dollars (\$1,000), or by both.

(b) A court or public entity may hold a person civilly liable in an amount not to ~~(e)~~ exceed ten thousand dollars (\$10,000) for a violation of any of the following:

(1) An ordinance or resolution adopted pursuant to Section 376.

(2) ~~An emergency~~ *A An emergency* regulation adopted by the board under Section ~~1058.5, 1058.5 or Chapter 9 (commencing with Section 10609) of Part 2.55 of Division 6,~~ unless the board regulation provides that it cannot be enforced under this ~~section.~~ section or provides for a lesser applicable penalty.

(c) ~~(d)~~ Commencing on the 31st day after the public entity notified a person of violation described in subdivision (b), the person additionally may be civilly liable in an amount not to exceed ten thousand dollars (\$10,000) plus five hundred dollars (\$500) for each additional day on which the violation continues.

(d) ~~(e)~~ Remedies prescribed in this section are cumulative and not alternative, except that no liability shall be recoverable under this section for any violation of paragraph (1) of subdivision (b) if the board has filed a complaint pursuant to Section 1846 alleging the same violation.

(e) ~~(f)~~ A public entity may administratively impose the civil liability described in subdivisions (b) and (c) after providing notice and an opportunity for a hearing. The public entity shall initiate a proceeding under this subdivision by a complaint issued pursuant to Section 377.5. The public entity shall issue the complaint at least 30 days before the hearing on the complaint and the complaint shall state the basis for the proposed civil liability order.

~~(f)~~ ~~(g)~~ (1) In determining the amount of civil liability to assess, a court or public entity shall take into consideration all relevant circumstances, including, but not limited to, the

nature and persistence of the violation, the extent of the harm caused by the violation, the length of time over which the violation occurs, and any corrective action taken by the violator.

(2) The civil liability calculated pursuant to paragraph (1) for the first violation of subdivision (b) by a residential water user shall not exceed one thousand dollars (\$1,000) except in extraordinary situations where the court or public entity finds all of the following:

(A) The residential user had actual notice of the requirement found to be violated.

(B) The conduct was intentional.

(C) The amount of water involved was substantial.

(g) Civil liability imposed pursuant to this section shall be paid to the public entity and expended solely for the purposes of this chapter.

(h) An order setting administrative civil liability shall become effective and final upon issuance of the order and payment shall be made. Judicial review of any final order shall be pursuant to Section 1094.5 of the Code of Civil Procedure.

(i) In addition to the remedies prescribed in this section, a public entity may enforce water use limitations established by an ordinance or resolution adopted pursuant to this chapter, or as otherwise authorized by law, by a volumetric penalty in an amount established by the public entity.

(j) *No public entity shall be required to exercise its authority under this section.*

SEC. 2. Section 1058.5 of the Water Code is amended to read:

1058.5. (a) This section applies to any emergency regulation adopted by the board for which the board makes both of the following findings:

(1) The emergency regulation is adopted to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports.

(2) The emergency regulation is adopted in response to conditions which exist, or are threatened, in a critically dry year immediately preceded by two or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency under the California Emergency Services Act (Chapter

7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions.

(b) Notwithstanding Sections 11346.1 and 11349.6 of the Government Code, any findings of emergency adopted by the board, in connection with the adoption of an emergency regulation under this section, are not subject to review by the Office of Administrative Law.

(c) An emergency regulation adopted by the board under this section may remain in effect for up to ~~270 days~~, one year, as determined by the board, and is deemed repealed immediately upon a finding by the board that due to changed conditions it is no longer necessary for the regulation to remain in effect. An emergency regulation adopted by the board under this section may be renewed if the board determines that the conditions specified in paragraph (2) of subdivision (a) are still in effect.

(d) In addition to any other applicable civil or criminal penalties, any person or entity who violates a regulation adopted by the board pursuant to this section is guilty of an infraction punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs.

(e) (1) Notwithstanding subdivision (b) of Section 1551 or subdivision (e) of Section 1848, a civil liability imposed under Chapter 12 (commencing with Section 1825) of Part 2 of Division 2 by the board or a court for a violation of an emergency conservation regulation adopted pursuant to this section shall be deposited, and separately accounted for, in the Water Rights Fund. Funds deposited in accordance with this subdivision shall be available, upon appropriation, for water conservation activities and programs.

(2) For purposes of this subdivision, an "emergency conservation regulation" means an emergency regulation that requires an end user of water, a water retailer, or a water wholesaler to conserve water or report to the board on water conservation.

Water conservation includes restrictions or limitations on particular uses of water or a reduction in the amount of water used or served, but does not include curtailment of diversions when water is not available under the diverter's priority of right or reporting requirements related to curtailments.

SEC. 3. Section 1120 of the Water Code is amended to read:

1120. This chapter applies to any decision or order issued under this part or Section 275, Part 2 (commencing with Section 1200), Part 2 (commencing with Section 10500) of Division 6, Part 2.55 (commencing with Section 10608) of Division 6, or Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6, Article 7 (commencing with Section 13550) of Chapter 7 of Division 7, or the public trust doctrine.

SEC. 4. Section 1831 of the Water Code is amended to read:

1831. (a) When the board determines that any person is violating, or threatening to violate, any requirement described in subdivision (d), the board may issue an order to that person to cease and desist from that violation.

(b) The cease and desist order shall require that person to comply forthwith or in accordance with a time schedule set by the board.

(c) The board may issue a cease and desist order only after notice and an opportunity for hearing pursuant to Section 1834.

(d) The board may issue a cease and desist order in response to a violation or threatened violation of any of the following:

(1) The prohibition set forth in Section 1052 against the unauthorized diversion or use of water subject to this division.

(2) Any term or condition of a permit, license, certification, or registration issued under this division.

(3) Any decision or order of the board issued under this part, Section 275, Chapter 9 (commencing with Section 10609) of Part 2.55 of Division 6, or Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6, or Article 7 (commencing with Section 13550) of Chapter 7 of Division 7, in which decision or order the person to whom the cease and desist order will be issued, or a predecessor in interest to that person, was named as a party directly affected by the decision or order.

(4) A regulation adopted under Section 1058.5 ~~under Section 1058.5~~ by the board except that this paragraph does not apply to any violation or threatened violation of a regulation adopted under Section 10609.1 unless that violation or threatened violation occurs after July 1, 2026.

(5) Any extraction restriction, limitation, order, or regulation adopted or issued

under Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6.

(6) Any diversion or use of water for cannabis cultivation if any of the following applies:

(A) A license is required, but has not been obtained, under Article 6 (commencing with Section 19331) of Chapter 3.5 of Division 8 of the Business and Professions Code.

(B) The diversion is not in compliance with an applicable limitation or requirement established by the board or the Department of Fish and Wildlife under Section 13149.

(C) The diversion or use is not in compliance with a requirement imposed under subdivision (d) or (e) of Section 19332.2 of the Business and Professions Code.

(e) This article does not alter the regulatory authority of the board under other provisions of law.

SEC. 5. Add Section 1847.5 to the Water Code to read:

~~1847.5. The board may issue an information order or conservation order to an entity or individual for failure to submit a report under subdivision (c) of 10609.1.~~

SEC. 5. Section 10608.12 of the Water Code is amended to read:

10608.12.

Unless the context otherwise requires, the following definitions govern the construction of this part:

(a) “Agricultural use” means, for the purposes of Chapter 9, the application of water to lands which have been deliberately modified through cultivation of plants or the rearing of animals to obtain sustenance or economic gain.

(b) “Agricultural water supplier” means a water supplier, either publicly or privately owned, providing water to 10,000 or more irrigated acres, excluding recycled water. “Agricultural water supplier” includes a supplier or contractor for water, regardless of the basis of right, that distributes or sells water for ultimate resale to customers. “Agricultural water supplier” does not include the department.

(c) (b) “Base daily per capita water use,” means any of the following:

(1) The urban retail water supplier’s estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous 10-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.

(2) For an urban retail water supplier that meets at least 10 percent of its 2008 measured retail water demand through recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier, the urban retail water supplier may extend the calculation described in paragraph (1) up to an additional five years to a maximum of a continuous 15-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.

(3) For the purposes of Section 10608.22, the urban retail water supplier’s estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous five-year period ending no earlier than December 31, 2007, and no later than December 31, 2010.

(d) (e) “Baseline commercial, industrial, and institutional water use” means an urban retail water supplier’s base daily per capita water use for commercial, industrial, and institutional users.

(e) (d) “Commercial water user” means a water user that provides or distributes a product or service.

(f) (e) “Compliance daily per capita water use” means the gross water use during the final year of the reporting period, reported in gallons per capita per day.

(g) (f) “Disadvantaged community” means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.

(h) (g) “Gross water use” means the total volume of water, whether treated or untreated, entering the distribution system of an urban retail water supplier, excluding all of the following:

(1) Recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier.

(2) The net volume of water that the urban retail water supplier places into long-term storage.

(3) The volume of water the urban retail water supplier conveys for use by another urban water supplier.

(4) The volume of water delivered for agricultural use, except as otherwise provided in subdivision (f) of Section 10608.24.

(i) (h) “Industrial water user” means a water user that is primarily a manufacturer or processor of materials as defined by the North American Industry Classification System code sectors 31 to 33, inclusive, or an entity that is a water user primarily engaged in research and development.

(j) (i) “Institutional water user” means a water user dedicated to public service. This type of user includes, among other users, higher education institutions, schools, courts, churches, hospitals, government facilities, and nonprofit research institutions.

(k) (j) “Interim urban water use target” means the midpoint between the urban retail water supplier’s base daily per capita water use and the urban retail water supplier’s urban water use target for 2020.

(l) (k) “Locally cost effective” means that the present value of the local benefits of implementing an agricultural efficiency water management practice is greater than or equal to the present value of the local cost of implementing that measure.

(m) “Performance measures” means best management practices that are designed to promote the efficient use of water within the commercial, industrial, and institutional sectors, including the use of new technologies and improvements in water management as identified in the report developed pursuant to subdivision (f) of Section 10609.2.

(n) (l) “Process water” means water used for producing a product or product content or water used for research and development, including, but not limited to, continuous manufacturing

processes, water used for testing and maintaining equipment used in producing a product or product content, and water used in combined heat and power facilities used in producing a product or product content. Process water does not mean incidental water uses not related to the production of a product or product content, including, but not limited to, water used for restrooms, landscaping, air conditioning, heating, kitchens, and laundry.

~~(m)(o)~~ “Recycled water” means recycled water, as defined in subdivision (n) of Section 13050, that is used to offset potable demand, ~~including including, but not limited to, all of the following:~~

~~(1) Recycled water supplied for nonpotable reuse~~

~~(2) Recycled water supplied for the uses identified and defined in Section 13561~~

~~(3) Recycled water supplied for~~ direct and indirect potable reuse, including, but not limited to, recycled water that meets the following requirements, where applicable:

~~(A) For reservoir augmentation and groundwater recharge, including recharge through spreading basins or injections, water supplies that meet all of the following elements: (1) For groundwater recharge, including recharge through spreading basins, water supplies that are all of the following:~~

~~(A) Metered.~~

~~(i) (1) The use of the water supply is metered.~~

~~(B)~~

~~(ii) (2) Developed through planned investment by the urban water supplier-supplier, a water replenishment district, or a wastewater treatment agency.~~

(iii) Treated to a minimum tertiary level.

(iv) Delivered within the service area of an urban retail water supplier or its urban wholesale water supplier that helps an urban retail water supplier meet its urban water use target.

~~(2) For reservoir augmentation, water supplies that meet the criteria of paragraph (1) and~~

~~are conveyed through a distribution system constructed specifically for recycled water.~~

~~(p)~~ “Regional water resources management” means sources of supply resulting from watershed-based planning for sustainable local water reliability or any of the following alternative sources of water:

- (1) The capture and reuse of stormwater or rainwater.
- (2) The use of recycled water.
- (3) The desalination of brackish groundwater **or seawater.**
- (4) The conjunctive use of surface water and groundwater in a manner that is consistent with the safe yield of the groundwater basin.

~~(q)~~ “Reporting period” means the years for which an urban retail water supplier reports compliance with the urban water use targets.

~~(r)~~ *“Special landscape area” means an area of the landscape dedicated solely to edible plants, recreational areas, areas irrigated with recycled water, or water features using recycled water designed within and having the same evapotranspiration adjustment factor as contained in the model water efficient landscape ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, adopted on September 15, 2015.*

~~(p)(s)~~ “Urban retail water supplier” means a water supplier, either publicly or privately owned, that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre-feet of potable water annually at retail for municipal purposes.

~~(q)(t)~~ “Urban water use target” means the urban retail water supplier’s targeted future daily per capita water use.

~~(r)(u)~~ “Urban wholesale water supplier,” means a water supplier, either publicly or privately owned, that provides more than 3,000 acre-feet of water annually at wholesale for potable municipal purposes.

~~(v)~~ *“Water efficiency target” means an aggregate water efficiency target for an urban retail water supplier calculated pursuant to subsection (a) of Section 10609.2.”*

(w) “Water loss” means the difference between the potable distribution system input volume and authorized consumption as consistent with the American Water Works Association’s third edition of Water Audits and Loss Control Programs, Manual M36 and subsequent editions in accordance with Section 10608.34.

SEC. 5. SEC. 6 Section 10608.20 of the Water Code is amended to read:

10608.20. (a) (1) Each urban retail water supplier shall develop urban water use targets and an interim urban water use target by July 1, 2011. Urban retail water suppliers may elect to determine and report progress toward achieving these targets on an individual or regional basis, as provided in subdivision (a) of Section 10608.28, and may determine the targets on a fiscal year or calendar year basis.

(2) It is the intent of the Legislature that the urban water use targets described in paragraph (1) cumulatively result in a 20-percent reduction from the baseline daily per capita water use by December 31, 2020.

(b) An urban retail water supplier shall adopt one of the following methods for determining its urban water use target pursuant to subdivision (a):

(1) Eighty percent of the urban retail water supplier's baseline per capita daily water use.

(2) The per capita daily water use that is estimated using the sum of the following performance standards:

(A) For indoor residential water use, 55 gallons per capita daily water use as a provisional standard. Upon completion of the department's 2016 report to the Legislature pursuant to Section 10608.42, this standard may be adjusted by the Legislature by statute.

(B) For landscape irrigated through dedicated or residential meters or connections, water efficiency equivalent to the standards of the Model Water Efficient Landscape Ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, as in effect the later of the year of the landscape's installation or 1992.

An urban retail water supplier using the approach specified in this subparagraph shall use satellite imagery, site visits, or other best available technology to develop an accurate estimate of landscaped areas.

(C) For commercial, industrial, and institutional uses, a 10-percent reduction in water

use from the baseline commercial, industrial, and institutional water use by 2020.

(3) Ninety-five percent of the applicable state hydrologic region target, as set forth in the state's draft 20x2020 Water Conservation Plan (dated April 30, 2009). If the service area of an urban water supplier includes more than one hydrologic region, the supplier shall apportion its service area to each region based on population or area.

(4) A method that shall be identified and developed by the department, through a public process, and reported to the Legislature no later than December 31, 2010. The method developed by the department shall identify per capita targets that cumulatively result in a statewide 20-percent reduction in urban daily per capita water use by December 31, 2020. In developing urban daily per capita water use targets, the department shall do all of the following:

(A) Consider climatic differences within the state.

(B) Consider population density differences within the state.

(C) Provide flexibility to communities and regions in meeting the targets.

(D) Consider different levels of per capita water use according to plant water needs in different regions.

(E) Consider different levels of commercial, industrial, and institutional water use in different regions of the state.

(F) Avoid placing an undue hardship on communities that have implemented conservation measures or taken actions to keep per capita water use low.

(c) If the department adopts a regulation pursuant to paragraph (4) of subdivision (b) that results in a requirement that an urban retail water supplier achieve a reduction in daily per capita water use that is greater than 20 percent by December 31, 2020, an urban retail water supplier that adopted the method described in paragraph (4) of subdivision (b) may limit its urban water use target to a reduction of not more than 20 percent by December 31, 2020, by adopting the method described in paragraph (1) of subdivision (b).

(d) The department shall update the method described in paragraph (4) of subdivision (b) and report to the Legislature by December 31, 2014. An urban retail water supplier that adopted the method described in paragraph (4) of subdivision (b) may adopt a new urban daily per capita water use target pursuant to this updated method.

(e) An urban retail water supplier shall include in its urban water management plan due in 2010 pursuant to Part 2.6 (commencing with Section 10610) the baseline daily per capita

water use, urban water use target, interim urban water use target, and compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.

(f) When calculating per capita values for the purposes of this chapter, an urban retail water supplier shall determine population using federal, state, and local population reports and projections.

(g) An urban retail water supplier may update its 2020 urban water use target in its 2015 urban water management plan required pursuant to Part 2.6 (commencing with Section 10610).

(h) (1) The department, through a public process and in consultation with the and criteria for the consistent implementation of this part, including, but not limited to, both of the following:

(A) Methodologies for calculating base daily per capita water use, baseline commercial, industrial, and institutional water use, compliance daily per capita water use, gross water use, service area population, indoor residential water use, and landscaped area water use.

(B) Criteria for adjustments pursuant to subdivisions (d) and (e) of Section 10608.24.

(2) The department shall post the methodologies and criteria developed pursuant to this subdivision on its Internet Web site, and make written copies available, by October 1, 2010. An urban retail water supplier shall use the methods developed by the department in compliance with this part.

(i) (1) The department shall adopt regulations for implementation of the provisions relating to process water in accordance with subdivision (l) of Section 10608.12, subdivision (e) of Section 10608.24, and subdivision (d) of Section 10608.26.

(2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

(j) (1) An urban retail water supplier is granted an extension to July 1, 2011, for adoption of an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) due in 2010 to allow the use of technical methodologies developed by the department

pursuant to paragraph (4) of subdivision (b) and subdivision (h). An urban retail water supplier that adopts an urban water management plan due in 2010 that does not use the methodologies developed by the department pursuant to subdivision (h) shall amend the plan by July 1, 2011, to comply with this part.

(2) An urban wholesale water supplier whose urban water management plan prepared pursuant to Part 2.6 (commencing with Section 10610) was due and not submitted in 2010 is granted an extension to July 1, 2011, to permit coordination between an urban wholesale water supplier and urban retail water suppliers.

~~*(k) Nothing in this part limits the authority of the board to adopt standards for water conservation that are in addition to, or exceed the standards provided under this part.*~~

SEC. 7. Amend Section 10608.48 of the Water Code to read:

10608.48. (a) On or before July 31, 2012, an agricultural water supplier shall implement efficient water management practices pursuant to subdivisions (b) and (c).

i. Agricultural water suppliers shall implement ~~all~~ **both** of the following critical efficient management practices:

(1) Measure the volume of water delivered to customers with sufficient accuracy to comply with subdivision (a) of Section 531.10 and to implement paragraph (2).

(2) Adopt a pricing structure for water customers based at least in part on quantity delivered.

ii. Agricultural water suppliers shall implement additional efficient management practices, including, but not limited to, practices to accomplish all of the following, if the measures are locally cost effective and technically feasible:

(1) Facilitate alternative land use for lands with exceptionally high water duties or whose irrigation contributes to significant problems, including drainage.

(2) Facilitate use of available recycled water that otherwise would not be used beneficially, meets all health and safety criteria, and does not harm crops or soils.

(3) Facilitate the financing of capital improvements for on-farm irrigation systems.

(4) Implement an incentive pricing structure that promotes one or more of the following goals:

(A) More efficient water use at the farm level.

(B) Conjunctive use of groundwater.

- (C) Appropriate increase of groundwater recharge.
 - (D) Reduction in problem drainage.
 - (E) Improved management of environmental resources.
 - (F) Effective management of all water sources throughout the year by adjusting seasonal pricing structures based on current conditions.
- (5) Expand line or pipe distribution systems, and construct regulatory reservoirs to increase distribution system flexibility and capacity, decrease maintenance, and reduce seepage.
- (6) Increase flexibility in water ordering by, and delivery to, water customers within operational limits.
- (7) Construct and operate supplier spill and tailwater recovery systems.
- (8) Increase planned conjunctive use of surface water and groundwater within the supplier service area.
- (9) Automate canal control structures.
- (10) Facilitate or promote customer pump testing and evaluation.
- (11) Designate a water conservation coordinator who will develop and implement the water management plan and prepare progress reports.
- (12) Provide for the availability of water management services to water users. These services may include, but are not limited to, all of the following:
- (A) On-farm irrigation and drainage system evaluations.
 - (B) Normal year and real-time irrigation scheduling and crop evapotranspiration information.
 - (C) Surface water, groundwater, and drainage water quantity and quality data.
 - (D) Agricultural water management educational programs and materials for farmers, staff, and the public.
- (13) Evaluate the policies of agencies that provide the supplier with water to identify the potential for institutional changes to allow more flexible water deliveries and storage.
- (14) Evaluate and improve the efficiencies of the supplier's pumps.
- iii. Agricultural water suppliers shall include in the agricultural water management plans required pursuant to Part 2.8 (commencing with Section 10800) a report on which efficient water management practices have been implemented and are planned to be

implemented, an estimate of the water use efficiency improvements that have occurred since the last report, and an estimate of the water use efficiency improvements estimated to occur five and 10 years in the future. If an agricultural water supplier determines that an efficient water management practice is not locally cost effective or technically feasible, the supplier shall include in the report information documenting that determination.

iv. The ~~data shall~~ department shall require information about the implementation of efficient water management practices to be reported using a standardized form developed pursuant to Section 10608.52.

v. An agricultural water supplier may meet the requirements of subdivisions (d) and (e) by submitting to the department a water conservation plan submitted to the United States Bureau of Reclamation that meets the requirements described in Section 10828.

vi. On or before December 31, 2013, December 31, 2016, and December 31, 2021, the department, in consultation with the board, shall submit to the Legislature a report on the agricultural efficient water management practices that have been implemented and are planned to be implemented and an assessment of the manner in which the implementation of those efficient water management practices has affected and will affect agricultural operations, including estimated water use efficiency improvements, if any.

vii. The department may update the efficient water management practices required pursuant to subdivision (c), in consultation with the Agricultural Water Management Council, the United States Bureau of Reclamation, and the board. All efficient water management practices for agricultural water use pursuant to this chapter shall be adopted or revised by the department only after the department conducts public hearings to allow participation of the diverse geographical areas and interests of the state.

viii. (1) The department shall adopt regulations that provide for a range of options that agricultural water suppliers may use or implement to comply with the measurement requirement in paragraph (1) of subdivision (b).

(1) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt the regulation as an

emergency regulation pursuant to Section 11346.1 of the Government Code.

SEC. 8. Chapter 9 (commencing with Section 10609) is added to Part 2.55 of Division 6 of the Water Code, to read:

CHAPTER 9. URBAN WATER CONSERVATION STANDARDS AND USE
REPORTING

10609. The Legislature finds and declares all of the following:

~~(a) California *has* suffered through a severe multi-year drought between 2013 and 2017 that highlighted the need for California-has threatened the water supplies of communities and residents, damaged agricultural production in many areas, and harmed fish, other animals, and their habitats.~~

~~(b) California's population of nearly 40 million people will continue to grow, and climate change is expected to make droughts more frequent and persistent, as warmer winter temperatures reduce water held in the Sierra Nevada and cause drier soil conditions.~~

~~(c) Recognizing these new conditions, permanent changes are needed to ensure water is used more wisely and efficiently.~~

~~(d) (b) Executive Order B-37-16 outlined the objectives of using water more wisely, along with the need to eliminating water waste, strengthening local drought resilience, and improv~~ing~~ agricultural use efficiency and drought planning.~~

~~(e) (c) Managing California's water resources to combat climate change and provide for growing demand will require collective and concerted efforts of state and local governments, non-governmental organizations, business, and the public.~~

~~(f) (d) It is the intent of the Legislature that urban retail water suppliers should use water budget-based enhance water resource planning and meet long-term standards to set urban water efficiency targets after 2020 which to achieve the following objectives after 2020:~~

~~(1) *Levels* Achieve efficient urban water use by building on of water conservation and efficiency greater than the levels required by SBx7-7~~

~~(2009):~~

(2) Use ~~of~~ validated data of suitable accuracy to calculate urban retail water supplier water efficiency targets the best available data;

(3) A fair and equitable approach to ~~calculating water savings and efficient~~ water efficiency targets use for each ~~urban water customer~~ urban retail water supplier;

(4) Reflects input ~~Input~~ from stakeholders, including but not limited to urban water suppliers, local governments, business and industry associations, environmental and environmental justice organizations, and academic experts.

(g) (e) It is the intent of the Legislature that the following principles shall apply to the development and implementation of long-term efficiency standards, and the related water efficiency targets, for urban water ~~conservation and~~ use efficiency:

(1) Long-term efficiency standards, which are the factors which comprise the urban water efficiency targets, shall be consistent with objectives identified in the California Water Action Plan, and shall advance the state's goals to mitigate and adapt to climate change;

(2) Long-term efficiency standards, and the related water use targets, shall not determine or alter water rights. Section 1011 of the Water Code shall apply to water conserved through implementation of these standards;

(3) The state must adopt long-term urban water efficiency standards for water use efficiency consistent with the goals of the ~~as part of a conservation framework for urban water suppliers, consistent with the~~ April 2017 report entitled "~~m~~Making Water Conservation a California Way of Life";

(4) The state must develop the long-term efficiency standards through a diverse and robust stakeholder process with regional differentiation;

(5) Local urban retail water suppliers should have primary responsibility for meeting ~~standards-based~~ water use efficiency targets, and they must retain local ~~the~~ flexibility and decision making authority to develop their water supply portfolios, design and implement water conservation and water use efficiency strategies and programs, educate their customers, ~~and~~ enforce their rules, and design and implement water rate structures;

(6) Because recycled water is a key part of the state’s larger strategy to develop a more resilient water supply and increase regional self-reliance, recycled water must continue to be incentivized within the long-term *efficiency* standards, and the related water *efficiency* targets, ~~or~~ and through their implementation;

(7) Long term *efficiency* standards, and the related ~~standards-based~~ water *efficiency* targets, should acknowledge the shade, air quality, and heat-island reduction benefits provided to communities by trees *and other landscapes* through the support of water-efficient irrigation practices that keep trees *and landscapes* healthy.

~~(8) Statewide emergency conservation standards can be avoided if urban water suppliers increase drought resilience through improved drought planning and conservation and efficiency gains;~~

(9) Urban *retail* water suppliers ~~should~~ shall have the time and tools necessary to meet ~~standards-based~~ water ~~use~~ *efficiency* targets. State enforcement of the ~~standards-based~~ water ~~use~~ *efficiency* targets ~~should~~ shall be limited to *urban retail* water suppliers, not individual customers or other water suppliers, and ~~should~~ shall not occur until an urban *retail* water supplier has been given reasonable time, access to *data and* technical assistance, and opportunities to meet the *efficiency* standard; and

(10) The ~~state department and the board~~ shall identify opportunities for streamlined reporting *of the information and reports required by this part and other statutory and regulatory provisions*, eliminate redundant data submittals, and incentivize open access to data collected by urban and agricultural water suppliers.

~~(11) Small water suppliers and rural communities are not covered by established water shortage planning requirements~~

~~(A) Currently most counties do not address water shortages or do so minimally in their General Plan or the Hazard Mitigation Plan.~~

~~The State should provide guidance to improve drought planning for small watersuppliers and rural communities.~~

10609.1.

- (a) Nothing in this chapter alters or affects existing water rights or the full exercise of those rights.
- (b) Nothing in this chapter modifies the authority of the department or board concerning adjudicating, altering, or making decisions related to water rights, except that the board may not condition any changes to water rights or water-right permits or licenses on compliance with this chapter.
- (c) Nothing in this chapter, or an urban water supplier's actions in compliance with it, shall be used by the board department or other agency, or a court, to reduce an urban water supplier's discretion to determine the timing and use of its available water supplies, including dry year supplies, or be used as a basis for the reduction of its rights or contractual entitlements or as a basis for denial of permits or other approvals needed to use supplies the supplier has available.
- (d) Nothing in this chapter shall affect or otherwise limit an urban water supplier's rights to water conserved under applicable law, including without limitation, water conserved consistent with Section 1011, or water saved through recycled or reuse consistent with Section 1010

10609.2.

(a) An urban retail water supplier's water efficiency target shall apply to all water use within the supplier's service area other than commercial, industrial and institutional uses not served through a dedicated irrigation meter and shall be the sum of the following long-term efficiency standards: The board shall adopt long-term standards for urban water conservation and use by May 20, 2021. The standards shall include standard for all of the following:

- (1) Indoor residential water use.
- (2) Outdoor irrigation in connection with domestic, industrial, institutional, or commercial water use.

- (1) The residential population served by the urban retail water supplier multiplied by 55 gallons per person per day and the number of days in the reporting period;

(2) The irrigable landscape area served by the urban retail water supplier through residential or dedicated irrigation meters multiplied by the outdoor irrigation efficiency standard for the property-type and type of water served and the annual evapotranspiration rate for the properties served during the reporting period, The irrigation efficiency standard shall be either:

(A) (1) An evapotranspiration adjustment factor of 1.0 for parcels developed before 1992 and special landscape areas.

(2) An evapotranspiration adjustment factor of 0.8 for parcels developed between January 1, 1992, and December 31, 2009.

(3) An evapotranspiration adjustment factor of 0.7 for parcels developed between January 1, 2010, and December 31, 2015,

(4) An evapotranspiration adjustment factor of 0.45 for parcels developed after January 1, 2016.

(B) A single evapotranspiration adjustment factor that would represent an aggregate factor for all parcels in an urban retail water supplier's service area.

(3) A volume of water to account for variances taken by the urban retail water supplier due to unique situations within the urban retail water supplier's service area during the reporting period, including, but not limited to, water use associated with:

(A) Livestock.

(B) Swamp coolers.

(C) Significant transient population increases.

(D) Construction water for soil compaction and dust control.

(E) Potable water use to supplement ponds and lakes to sustain wildlife.

(F) Vegetation irrigated for fire protection.

(G) Commercial and non-commercial agricultural use.

(H) Other unique factors within the urban retail water supplier's service area.

(b) In calculating its water efficiency target under subdivision (a), an urban

retail water supplier shall consider the accuracy of the data used pursuant to Section 10609.4.

(c) An urban retail water supplier with unique conditions that make calculating a water efficiency target based on the long-term efficiency standards in subsection (a) technically, economically or administratively infeasible may calculate its water efficiency target with the option for compliance developed under subsection (h)(1)(F) upon approval by the department.

~~(A) Industrial, institutional, and commercial water use.~~

~~(b) The board, in consultation with the department, may adopt interim standards for urban water conservation and water use pending the adoption of long-term standards pursuant to subdivision (a). The board, in consultation with the department, may update the interim standards as it determines to be reasonably necessary for purposes of this section, except that the board may not set new or revised standards under this subdivision after the board adopts long-term standards pursuant to subdivision (a) or May 20, 2021, whichever occurs first.~~

~~(c) (1) Long-term standards, and any amendments to those standards, adopted by the board pursuant to subdivision (a) shall be adopted in accordance with the regular rulemaking process provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.~~

~~(2) (A) Except for long-term standards, and any amendment to those standards, adopted pursuant to subdivision (a), regulations adopted by the board pursuant to this chapter, and any amendment or subsequent adjustment to those regulations, shall be adopted by the board as emergency regulations, in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of regulations pursuant to this paragraph shall be deemed an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division~~

~~3 of Title 2 of the Government Code, an emergency regulation adopted by the board pursuant to this paragraph shall remain in effect until revised by the board.~~

~~(B) Before adopting an emergency regulation pursuant to this paragraph, the board~~

~~shall provide at least 60 days for the public to review and comment on the proposed regulation and shall hold a public hearing.~~

~~(b) (c) The department board, in consultation with the board department, shall by July 1 May 20, 2021 adopt performance measures for commercial, industrial and institutional industrial, commercial, and institutional water use which is not served through a dedicated irrigation meter. The adopted performance measures shall be designed to produce measurable water use promote water use efficiency improvements, that build upon industry practices, use of innovative technologies, and existing data on in those sectors, be cost-effective, and shall support the economic productivity of California's commercial, industrial, and institutional sectors in accordance with subsection (f). Performance measures ~~shall~~ may include, but are not limited to, water audits, converting commercial, industrial, or institutional irrigation uses mixed CH irrigation to dedicated irrigation meters where it is feasible and cost-effective and water management planning.~~

~~(d) Urban water suppliers shall: (d) (1) By July 1, 2026, an urban retail water supplier's total volume of water served, as measured through residential and dedicated irrigation during the reporting period, shall not exceed its water efficiency target for the reporting period.~~

~~(1) (2) On or before October 1, 2022, and on or before October 1 of each year thereafter, each urban retail water supplier shall calculate Calculate a water use efficiency target and no later than July 1 beginning the calendar year after the board adopts standards pursuant to subdivision (a). Each urban water supplier's water use target shall be comprised of an indoor residential volume, an outdoor irrigation volume, and a volume for water loss as specified by Water Code Section 10608.34. The outdoor irrigation volume shall exclude potable water for commercial agricultural use meeting the definition of Government Code section 51201, subdivision (b).~~

~~(2) Annually~~ submit a report to the department. The report shall describe the supplier's calculated water use target, actual water use for the uses included in the water efficiency target consistent with criteria described in subdivision (e)(1), documentation of CH implementation of performance measures in which the urban retail water supplier participates, and a narrative describing progress made towards meeting the target. At the urban retail water supplier's sole discretion, the water efficiency target and report shall cover either the twelve-month period of either the previous calendar year or the previous fiscal year.

~~(3) The department shall post the reports and information on its internet website.~~

~~(4) The deadline for an urban retail water supplier to comply with this section and the 2024 and 2026 deadlines in section 10609.3 shall be extended if the department does not release the validated final database pursuant to Section 10609.4 on or before July 1, 2020. The extension shall equal the length of time between July 1, 2020 and the date of the department's release of the final validated database.~~

~~(5) Each urban retail water supplier shall address water loss within its service area pursuant to Section 10608.34.~~

~~(6) Water use or loss caused by conditions of disaster or extreme peril to the safety of persons and property, including, but not limited to, conditions, whether natural or human caused, of fire, flood, storm, drought, epidemic, riot, earthquake, or other condition, shall be excluded from the calculation of compliance with the water efficiency target and Section 10608.34.~~

~~(e)(1)-(d)(1) The department, in coordination with the board, shall conduct necessary studies and investigations and recommend, no later than October 1, 2020, standards for indoor residential use and outdoor irrigation for adoption by the board in accordance with this chapter. After 2026, the department shall may recommend to the Legislature, if appropriate, updates to the efficiency standards, stated in subdivision (a), and performance measures based on technical changes or scientific basis that justify a change in the efficiency standards, its initial-~~

~~recommendation to the board~~ in years ending in 2 and 7 ~~to allow~~ for consideration by the board Legislature after soliciting input in accordance with subdivision (g) ~~(h)~~. The department and board may conduct additional studies, pilot projects, and other necessary actions in order to determine whether to recommend updated standards and performance measures.

(2) ~~In recommending these standards,~~ The department, in coordination with the board, shall develop guidelines and methodologies as necessary for calculating irrigable landscape area, ~~irrigated landscape area,~~ indoor water use, and the volume of water to account for standardized and non-standardized variance taken by an urban retail water supplier pursuant to subdivision (a)(3) of section 10609.2. The department ~~may develop guidelines or regulations, if necessary, to implement the water efficiency targets consistent with this chapter. for the board to consider in adoption of the efficiency standards.~~

(e) ~~(f) (1)~~ Prior to ~~adopting setting~~ performance measures for commercial, industrial, and institutional ~~(CH)~~ water use ~~but no later than December 31, 2019~~, the department, in coordination with the board, shall ~~convene a commercial, industrial, and institutional water use efficiency task force to develop a report to the department recommending appropriate performance measures for various segments of the commercial, industrial, and institutional water use sectors and shall~~ solicit broad public participation relating to:

(A) Recommendations for a ~~CH~~ classification system for California appropriate commercial, industrial, and institutional classifications that address significant uses of water and are consistent with, or easily cross-reference with, the classifications and standards developed by the North American Industry Classification System published by the United States Office of Management and Budget.

(B) Recommendations for setting minimum size thresholds and other factors for ~~converting separating mixed CH commercial, industrial, and institutional meters to provide dedicated irrigation meters where it is feasible and cost-effective~~, and evaluate and recommend technologies that could be used in lieu of requiring dedicated irrigation meters. The recommendations should include an evaluation of feasibility criteria and cost-effectiveness of separating mixed-use meters and equivalent technologies and recommendations on when separating mixed-use meters should not be required; and

(C) Recommendations for ~~commercial, industrial, and institutional CH~~ best

management practices, including, but not limited to, ~~appropriate thresholds by which urban retail water suppliers could require commercial, industrial, and institutional water users to participate in~~ water audits and water management plans ~~for CH customers over a recommended size, volume, or other threshold.~~

~~(2) The commercial, industrial, and institutional water use efficiency task force In their solicitation for public participation pursuant to paragraph (1), the department and the board shall invite include~~ representatives from throughout the state, including at least one representative from each hydrologic region, representing ~~from all the~~ following categories:

- (A) Urban retail water suppliers, including ~~a mixture of urban retail water suppliers that serve a broad spectrum of commercial, industrial and institutional customers and including urban retail water suppliers that are~~ combined retail water and wastewater agencies;
- (B) Urban wholesale water suppliers;
- (C) Academic experts;
- (D) Economic development interests;
- (E) Business community representatives;
- (F) Environmental and environmental justice organizations;
- (G) Commercial water users;
- (H) Industrial water users; and
- (I) Institutional water users.

(3) Recommendations of appropriate performance measures for commercial, industrial, or institutional water use shall consider the 2013 report to the Legislature by the ~~commercial, industrial, and institutional CH~~ Task Force entitled “Water Use Best Management Practices,” and shall support the economic productivity of California’s commercial, industrial, and institutional sectors.

~~(f)(g) The long-term efficiency standards, and implementation and measurement of compliance against a water efficiency target shall meet the following: Standards adopted by the board shall include a credit for recycled water as set forth below:~~

- ~~(1) For the outdoor irrigation standard, non-potable recycled water shall be given a special landscape allowance as set forth in the department’s Model Water Efficient Landscape~~

~~Ordinance~~ The outdoor irrigation efficiency standard for special landscape areas shall be set no lower than at an evapotranspiration adjustment factor of 1.0 x Eto.

(2) An urban retail water supplier shall receive a credit towards meeting its aggregated water efficiency target under subdivision (a) for the volume of its recycled water supply served for potable uses up to the volume needed, on an acre-foot basis, to meet its water efficiency target.

(3) The department shall use the process described in subsection (h) to establish variance procedures and criteria for special landscape areas irrigated with recycled water to provide adjustments above 1.0 x Eto for additional recycled water use necessary to protect and sustain landscaping due to recycled water quality considerations including but not limited to salinity levels and other constituents, ambient soil conditions affecting leaching requirements, adverse drainage, recycled water stranded assets, application of water to agriculture, and other relevant factors affecting irrigation application.

(4) Prior to recommending an indoor residential water use efficiency standard of less than 55 gallons per capita daily, the department shall use the process described in subsection (h) to evaluate and report to the legislature on the anticipated impacts that the combined reductions in indoor residential and commercial, industrial, and institutional water use would have on existing wastewater and recycling/reuse supply, infrastructure and operations.

~~(b) In no case shall a credit pursuant to subdivision (f)(2) exceed ten percent of the supplier's water use target.~~

~~(g) (h)(1) The department and the board shall reconvene its Urban Stakeholder Committee by July 1, 2018 to develop recommendations related to:~~

- (A) Guidelines, methodologies or regulations for implementation of the water efficiency targets,
- (B) Changes to the long-term efficiency standards and performance measures after 2026,
- (C) The definition of landscape area and guidelines and methodologies for calculating irrigable landscape area and indoor water use

(D) Guidelines, methodologies or regulations governing how an urban retail water supplier is to calculate the volume of water included in its water efficiency target under subdivision (a)(3) of section 10609.2 for a standardized and non-standardized variance, including methodologies for calculating standardized variances for:

(i) Livestock.

(ii) Swamp coolers.

(iii) Significant transient population increases.

(iv) Construction water for soil compaction and dust control.

(v) Potable water use to supplement ponds and lakes to sustain wildlife.

(vi) Vegetation irrigated for fire protection.

(vii) Commercial and non-commercial agricultural use.

(viii) Other unique factors within the urban retail water supplier's service area.

(E) Processes and standards for validating landscape data

(F) Options for compliance for urban retail water suppliers with unique conditions that make calculating a water efficiency target based on the long-term efficiency standards in section 10609.2 not feasible.

(2) The department shall compile the Urban Stakeholder Committee recommendations in a report and shall make the report available on its website by July 1, 2021.

(3) The department as part of the Urban Stakeholder Committee consultation process shall solicit broad public participation relating to the development of the long-term standards for urban water conservation and use. In the solicitation for public participation related to this section, the department and board shall invite include representatives of small, medium, and large urban retail water suppliers from throughout the state, including at least one representative from each hydrologic region; academic experts; urban water wholesale water suppliers; business organizations; environmental and environmental justice organizations; and combined retail water and wastewater agencies on the Urban Stakeholder Committee.

~~(h)(1) After 2026, the board and department shall consider, in years ending in two and seven, whether the board should update long-term standards for urban water conservation and water use and CII performance measures. Prior to proposing new standards for board adoption, the department and board shall solicit broad public participation as described in subdivision (g).~~

~~(d) (i) Notwithstanding Section 15300.2 of Title 14 of the California Code of Regulations, an action of the board taken under this chapter shall be deemed to be a Class 8 action, within the meaning of Section 15308 of Title 14 of the California Code of Regulations, provided that the action does not involve relaxation of existing water conservation or water use standards.~~

10609.2-10609.3

(a) Beginning ~~on or~~ after ~~October 1, 2024, July 1, 2022~~, the board may issue an informational order ~~pertaining to water production, water use, and water conservation to an urban retail water supplier requiring the urban retail water supplier to report on its overall progress in meeting its water efficiency target if there is significant evidence that the urban retail water supplier is not making progress toward meeting its target or if the urban retail water supplier has failed to meet its water efficiency target by July 1, 2026~~. Informational orders are intended to obtain information on supplier activities, water production, and ~~conservation water use efficiency~~ efforts in order to identify technical assistance needs and assist suppliers in meeting their water use targets. ~~The board may issue an informational order to an urban retail water supplier for failure to submit the report required under section 10609.2.~~

(1) In determining whether to issue an informational order, the ~~Board~~ board shall consider the degree to which the supplier is not meeting its water ~~efficiency use~~ target, under subdivision (a) of section 10609.2, information provided in the report required by subdivision (d)(2) of section 10609.2, and actions the supplier has implemented or will implement in order to ~~make progress toward achieving help meet~~ the water use target by ~~2025~~ July 1, 2026.

(2) The board shall share information received under subdivision (a) with the department.

(3) Urban retail water suppliers ~~Suppliers~~ may request technical assistance from the department. The technical assistance may, to the extent available, include guidance documents, tools, and data.

(b)(1) Beginning on or after ~~October 1, 2026 July 1, 2023~~, the board may issue a written notice of noncompliance to any urban retail water supplier that does not meet its water ~~efficiency use~~ target required by subdivision (a) of section 10609.2 ~~this chapter~~ or that fails to

timely respond to a board regulation or informational order issued pursuant to subdivision (f)(1). Prior to issuing a notice of non-compliance under this subdivision, the board shall take into account the level of inaccuracy in the data used for a period of not less than one year. The written notice may warn the supplier that it is not meeting its water use target ~~and is not making adequate progress in meeting the target by 2025~~, and may request that the supplier address areas of concern in its next annual report required under subdivision (c)(2) of section 10609.1. In considering whether to issue a written notice of noncompliance, the board may consider whether the supplier has received an informational order, the degree to which the supplier is not meeting its water use target, information provided in the report required by subdivision (d)(2) of section 10609.2, and actions the supplier has implemented or will implement in order to ~~make progress toward achieving help meet~~ its water use target.

(2) Within 90 days of receiving a notice of noncompliance, an urban retail water supplier shall work with the board and department to identify additional actions that should be taken to encourage users to increase water-use efficiency. The urban retail water supplier shall submit to the board a comprehensive remedial plan detailing the additional steps it will take to make progress toward achieving its overall target. The board shall review the remedial plan, work collaboratively with the urban retail water supplier to address any deficiencies identified in the plan, and shall approve the plan if it finds that plan implementation is likely to enable the urban retail water supplier to make progress toward achieving its overall target or if the plan contains the appropriate and reasonable actions the urban retail water supplier should take next. If the board does not issue a decision on a supplier's plan within 45 days of its submission to the board, the board will be deemed to have approved the plan.

(3) The board shall consider an urban retail water supplier's prior effort to meet the water efficiency target under subdivision (a) of section 10609.2, characteristics of the urban retail water supplier's service area, and the cost-benefit and economic feasibility when considering what additional actions should be taken to encourage users to increase water-use efficiency and when considering approval of an urban retail water supplier's plan. The board may waive the requirement to develop a remedial plan if it finds that an urban retail water supplier has taken reasonable and appropriate actions in an attempt to meet its water efficiency target under subdivision (a) of section 10609.2 prior to having been issued a notice of noncompliance, or if

it finds that additional actions would place an undue burden on the urban retail water supplier or the community it serves.

(4) Following remedial plan approval by the board, the urban retail water supplier shall report to the board, on a schedule to be determined by the board, regarding plan implementation. If the board determines that the urban retail water supplier has failed to implement the steps identified in the remedial plan, it may assess administrative civil penalties not to exceed \$5,000 per day until the failure to implement the plan is remedied.

~~(3) Beginning on or after July 1, 2024, the board may issue a conservation order to a water supplier that does not meet its water use target required by this chapter. A conservation order may consist of, but is not limited to, referral to the department for technical assistance, requirements for education and outreach, requirements for local enforcement, and other efforts to assist suppliers in meeting their water use targets.~~

~~(A) — In issuing a conservation order, the board shall identify specific deficiencies in a supplier's progress towards meeting its water use target, and identify specific actions to address the deficiencies.~~

(c) In addition to or as part of any board action taken under this section, the The board may request that the department provide suppliers with technical assistance to support the supplier's actions to remedy the deficiencies.

~~10609.23. The board may issue a regulation or informational order requiring a distributor of a public water supply, as that term is used in Section 350, to submit information relating to water production, water use, or water conservation.~~

(d) Because an urban retail water supplier is not required to meet its water efficiency target until July 1, 2026, pursuant to Section 10609, 2, an urban retail water supplier's failure to meet that target shall not establish a violation of law for purposes of any state administrative or judicial proceeding before July 1, 2026. Nothing in this paragraph limits the use of data reported to the department or the board in litigation or an administrative proceeding.

10609.4

(a) By July 1, 2020, the department shall provide to urban retail water suppliers, in electronic form, a database of validated aerial imagery and measured irrigable area needed to calculate a water efficiency target for compliance. Parcel based data should be made available for all residential, commercial, industrial, and institutional areas within each urban retail water supplier's service area. The database shall correlate the relevant irrigable areas with assessor parcels within each urban retail water supplier's service area and shall state the year of parcel development. The database shall contain downloadable reference evapotranspiration data with representative climate zones for all urban retail water suppliers that can be updated monthly. The database's aerial imagery data shall be suitable for determining the appropriate amount of irrigation for a variety of vegetation, including, but not limited to, large trees and irrigable area under native tree canopy. The department shall describe quantitatively the distribution of error in each data element at both the parcel and urban retail water supplier service area scale. To the extent that data is not available for a specified customer class, compliance targets will be applied only to the customer class for which data is available. The department shall update the database by December 31, 2025, and every five years thereafter.

(b) To the extent consistent with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), the department and all urban retail water suppliers shall maintain the confidentiality of the information in the department's database.

(c) Before providing the database to urban retail water suppliers, the department shall conduct a statistically valid peer review of the information in the database as defined by the Urban Stakeholder Committee in subdivision (h) of section 10609.1. In conducting this review, the department shall consult with a representative sample of urban retail water suppliers representing each of the state's hydrologic regions.

(d) An urban retail water supplier may use its own database of validated aerial imagery, measured irrigable area, and date of parcel development for properties within its service areas for purposes of calculating its water efficiency target, if the urban retail water supplier certifies that its database is of comparable or better quality than the relevant information included in

the department's database.

SEC. 9. Add to the Water Code.

The department shall, by August 1, 2020, propose to the Governor and the Legislature recommendations and guidance relating to the development and use of county-wide drought contingency plans to address small water suppliers and rural communities drought planning. The department shall consider if such plans should be included in county local hazard mitigation plans. The recommendations and guidance may include reporting and data recording, communications planning, roles and responsibilities and coordination with other relevant water management planning efforts. In formulating the proposal, the department shall utilize a public process involving state agencies, cities, counties, small communities, small water suppliers, and stakeholders.

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EXHIBIT "D"

ACWA JUNE 168, 2017 DRAFT "1442" SCA 4 (HERTZBERG) AMENDMENTS

SECTION 1. TITLE

This measure shall be known as the Water Conservation, Efficiency and Affordability Act of 2017.

SECTION 2. FINDINGS

WHEREAS, Water is critical to the health and prosperity of every Californian; and

WHEREAS, The waters of the state are a limited and renewable resource subject to ever-increasing demands; and

WHEREAS, A long-term, reliable water supply is essential to protect the productivity of California's businesses and economic climate and to increase the creation of jobs; and

WHEREAS, The recent multi-year severe drought conditions in California resulted in some of the driest years in modern ~~history-memory~~; and

WHEREAS, California's water supplies ~~dropped dipped~~ to alarmingly low levels in 2013, and even after more rain in 2016 and 2017, many wells statewide remain dry or in critical condition and the communities affected thereby may face drinking water shortages; and

WHEREAS, Many scientists caution that the unpredictable and variable nature of hydrology in California, and in other regions upon which California water systems depend, coupled with cycles of drought and water scarcity makes effective water management practices critical; and

WHEREAS, Current legal restrictions limit the flexibility local agencies need to design rates for property-related water service fees and charges that encourage water conservation and water use efficiency and reduce service fees and charges for low-income customers; and

WHEREAS, California must provide local agencies with all the tools necessary to continue and enhance their on-going water conservation and water use efficiency activities and programs, while providing safe, clean and affordable water; and

WHEREAS, To effectively address these needs, local agencies should have greater flexibility to design rates for their property-related water service fees and charges that continue and enhance their ability to encourage water conservation and water use efficiency; and

WHEREAS, Local agencies also need flexibility to design these rates to reduce the impacts ~~for~~ on low-income households ~~of~~ from the rising costs of providing water service; and

Commented [CT1]: Source – Water Code Section 10610.2(a)(1)

Commented [CT2]: Source: Water Code Section 10610.2 (a)(3) with "to increase the creation of jobs" added.

WHEREAS, When local agencies have greater flexibility to design these rates, they have a greater ability to continue to make investments in local water supplies and systems, such as replacement of old water mains that leak or rupture, which also creates jobs and spurs economic growth.

WHEREAS, Existing state laws governing the funding of water service in California were not developed with California's current water realities in mind; and

WHEREAS, The authorities authorized by this measure are intended to be purely discretionary for the purpose of permitting local public water providers to most effectively address local needs and concerns. Nothing in this measure is intended to permit the state or any agency thereof to require the use of the authorities granted herein for any purpose; and

WHEREAS, This measure:

(1) Provides additional flexibility for local agencies to establish rates for property-related water service fees and charges that continue and enhance water conservation and water use efficiency, consistent with local needs; and

(2) Authorizes local agencies to use ratepayer revenues to reduce property-related water service fees and charges for low-income customers; now, therefore, be it

Resolved by the Senate, the Assembly concurring, That the Legislature of the State of California at its 2017-18 Regular Session commencing on the fifth day of December 2016, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California that the Constitution of the State be amended as follows:

SECTION 3. Article XVII of the California Constitution is hereby added to read as follows:

SEC. 1 Local agencies should have the flexibility to design rates for property-related service fees and charges that continue and enhance their ability to encourage water conservation and water use efficiency and to reduce the impacts on low-income households from the rising costs of providing water service.

SEC. 1-2

Definitions. As used in this article:

(a) "Agency" means any county, city, city and county, including a charter city or county, any special district, or any other local or regional governmental entity.

(b) "Special district" means an agency of the State, formed pursuant to general law or a special act, for the local performance of governmental or proprietary functions with limited geographic boundaries including, but not limited to, school districts and redevelopment agencies.

(c) "Fee" or "charge" means any levy for property-related water service, other than an ad valorem tax, a special tax, or an assessment, imposed by an agency upon a parcel or upon a person as an incident of property ownership.

(d) "Property-related water service" means water service having a direct relationship to property ownership.

(e) "Property ownership" shall be deemed to include tenancies of real property where tenants are directly liable to pay the property-related water service fee or charge in question.

(f) "Water" means any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source.

SEC. ~~2-3~~ ~~Property-Related Water Service Fees and Charges and Low-Income Rate Assistance~~

(a) Notwithstanding any other provision of law, an agency that imposes a new, or extends or increases an existing property-related water service fee or charge may do either or both of the following:

(1) Allocate the cost of water service by increasing or decreasing the amount of a property-related water service fee or charge as part of a rate structure designed to do either or both of the following:

- (A) encourage water conservation;
- (B) encourage water use efficiency.

(2) Increase the amount of a property-related water service fee or charge to derive revenues to be used to reduce the fee or charge for low-income households.

(b) Local Control. The authority granted in subdivision (a) may be exercised voluntarily by, and solely at the discretion of, an agency. The State is prohibited from:

(1) Reallocating, transferring, borrowing, appropriating, restricting the use of, or otherwise using or directing the revenues of any property related water service fee or charge imposed by an agency;

(2) Requiring an agency to use a particular rate structure design for a property related water service fee or charge or to use the authority granted in subdivision (a);

(3) Conditioning or impairing an agency's rights or access to privileges granted by the State, including funding by the State, based on an agency's choice of rate structure for a property related water service fee or charge.

(c) ~~Fees and charges are not taxes.~~ Any property-related water service fee or charge imposed by an agency pursuant to the authority granted in subdivision (a) is not a special tax or a tax, within the meaning of article XIII C of the Constitution.

SECTION ~~45~~. Severability

If the provisions of this act, or part thereof, are for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect and to this end the provisions of this act are severable.

SECTION ~~56~~. Conflicting Measures

It is the intent of the people that in the event that this measure and another measure relating to the establishment of authority for imposing property related water service fees or charges appear on the same statewide election ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this measure, and if approved by the voters, this measure shall take effect notwithstanding.



EXHIBIT "E"

State of California

LITTLE HOOVER COMMISSION

Witnesses at Little Hoover Commission's August and October 2016 public hearings and participants at the November 2016 advisory committee proposed numerous recommendations for consideration. At various business meetings in 2017, the Commission discussed these and other potential recommendations. A summary of potential recommendations currently under consideration follows.

The June 22 roundtable discussion has been convened to consider if these recommendations are helpful, can be implemented or might have unintended consequences. The Commission also welcomes discussion on alternative suggestions. The primary focus of the roundtable meeting discussion will be on the recommendations related to governance and transparency, although potential recommendations focusing on climate change adaptation and healthcare districts also are included in this summary.

GOVERNANCE - POTENTIAL RECOMMENDATIONS

- The Legislature, in committee hearings and floor votes, as well as the Governor in bill signings, should curtail a growing practice of introducing bills to override LAFCO deliberative processes and decide local issues regarding special district boundaries and operations.
- The Legislature should provide one-time grant funding to pay for specified LAFCO activities, particularly to fund certain critical Municipal Service Reviews (MSRs) and to incentivize LAFCOs or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes. This grant process potentially could be overseen by the Governor's Office of Planning and Research. Funding should be tied to process completion and results, including enforcement authority for corrective action and consolidation.
- Alternatively or additionally, augment the existing LAFCO funding formula by allocating a certain percentage of local property taxes to fund LAFCOs as suggested in testimony from the California Association of Local Agency Formation Commissions (CALAFCO).
- After conducting a Municipal Service Review and finding dissolution or consolidation of special districts is warranted, provide LAFCOs the authority to initiate dissolutions or consolidations with a higher threshold for a public vote.
- Require special districts to hold a public hearing on findings and recommendations after the completion of a Municipal Service Review.
- The Legislature should provide LAFCOs the statutory authority to do reviews of inactive districts throughout California and dissolve them without the action being subject to protest and a costly election process. SB 448 (Wiekowski) would implement this recommendation. The bill was unanimously adopted by the Senate in May 2017, and currently is under consideration by the Assembly. As currently written, the bill also would require each county tax bill to list special district taxes and would require the State Controller, by 2019, to annually publish a list of all special districts in California.
- The Legislature should strengthen LAFCOs by easing a process to add special district representatives to the 28 county LAFCOs where districts have no voice.
- The Legislature should adopt legislation to give LAFCO members fixed terms, to ease political pressures in controversial votes and enhance the independence of LAFCOs.

TRANSPARENCY – POTENTIAL RECOMMENDATIONS

- Every LAFCO website should provide basic information and links to all of the special districts within each county service area, including a standardized dashboard reflecting revenues from property taxes and user fees, debt service and fund balance changes.
- Every special district should have a published policy for reserve funds, including the size and purpose of reserves and how they are invested.
- Every special district should have a website that provides the following information in an easy-to-understand format:
 - ✓ Name, location, contact data
 - ✓ Services provided
 - ✓ Governing body, including election information and the process for constituents to run for board positions
 - ✓ Compensation details – total staff compensation, including salary, pensions and benefits
 - ✓ Compensation details for the five staff with highest compensation (including salary, benefits, pensions, loans, annual leave balances, annual travel expenses)
 - ✓ Budget (including revenues and expenditures, bond debt and the source of revenues, including fees, property taxes and other assessments, as well as other revenue)
 - ✓ Reserve fund policy
 - ✓ An explanation of how the revenue sources are consistent with state law and do not constitute a permissible tax
 - ✓ Geographic area served and demographic data based on available census data
 - ✓ Average and median customer fees and other customer charges
 - ✓ Description of relationship and coordination with other local government agencies
 - ✓ Copy of most recent Municipal Service Review
 - ✓ Copy of most recent annual report provided to the State Controller’s Office
 - ✓ State and local agencies providing oversight of operations, compliance with state laws and financial reporting and audits and frequency of such reviews and links to the oversight bodies websites
- The California Special Districts Association, working with experts in public outreach and engagement, should develop best practices for independent special district outreach to the public on opportunities to serve on boards and special district elections including election results and voter participation data.
- The State Controller’s Office should disaggregate information provided by independent special districts from dependent districts, nonprofits and joint powers authorities on its By the Numbers and Employee Compensation websites. (SB 448 would require the State Controller to list all special districts on its website by 2019.)
- The State Controller’s Office should standardize definitions of special district financial reserves for state reporting purposes.
- The Secretary of State, working with county, city and special district representatives and the State Controller, should streamline or consolidate its public agency reporting requirements.

CLIMATE CHANGE ADAPTATION – POTENTIAL RECOMMENDATIONS

- The Legislature should place a requirement in statute that special districts formally include climate adaptation and climate mitigation as key operational considerations within their governing documents and missions.
- The California Special Districts Association (CSDA), in conjunction with its member districts, should document and share climate adaptation experiences with the Integrated Climate Adaptation and Resilience Program’s adaptation information clearinghouse being established within the Governor’s Office of Planning and Research (OPR). Similarly, CSDA and member districts should step up engagement in the state’s current Fourth Assessment of climate threats, a \$5 million state research project designed to support the implementation of local adaptation activities. The CSDA also should promote climate adaptation information sharing among its members to help districts with fewer resources plan for climate impacts and take actions.
- The Legislature should replicate statewide a program established by Oakland-based East Bay Municipal Utility District, in which real estate transactions trigger an inspection of sewer lines on the property and require repairs if broken. Or, as an alternative, it should commission a study of costs versus benefits – possibly by a university or the appropriate state department. Such a study would build long-term support, if feasible, for legislation.
- State regulatory agencies should explore the beginnings of a new regulatory framework and adaptive approach that incorporates moveable baselines when defining a status quo as climate impacts mount.
- The California Special Districts Association, and special districts, as some of the closest-to-the-ground local governments in California, should step up public engagement on climate adaptation, and inform and support people and businesses to take actions that increase their individual and community-wide defenses.
- The California Special Districts Association and special districts should lead efforts to seek and form regional partnerships to maximize climate adaptation resources and benefits.

HEALTHCARE DISTRICTS – POTENTIAL RECOMMENDATIONS

- The Legislature should work with the Association of California Healthcare Districts to enact proposals the association developed in 2016 to accomplish these two objectives:
 - ✓ Update the 1945 legislative “practice acts” that enabled voters to create local hospital districts, renamed healthcare districts in the early 1990s. Experts widely agree that statutory language in the acts no longer reflects rapid changes in healthcare during the past half century, especially regarding roles of healthcare districts without hospitals.
 - ✓ Make healthcare districts directly respond to local healthcare needs by conducting needs assessments every three years and demonstrate annually how they are addressing those needs. This information will be shared with the local LAFCO that oversees the district.

- The Legislature, which has been increasingly inclined to override local LAFCO processes to press changes on healthcare districts, should defer these decisions to LAFCOs, which in statute already have that responsibility.
- The Association of California Healthcare Districts and its member districts should step up efforts to define and share best practices among themselves.

July 10, 2017

Prepared and

submitted by: C. Compton

Approved by: Paul A. Cook



CONSENT CALENDAR

ELECTION OF THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION SOUTHERN NETWORK SEAT C BOARD MEMBER

SUMMARY:

An election has been called for the Southern Network Seat C representative on the California Special Districts Association (CSDA) Board of Directors. Five candidates have been nominated for the position, and ballots are due to CSDA by 5:00 p.m. on August 4, 2017. Staff recommends that the Board review the candidates for the Southern Network Seat C representative, and authorize IRWD to cast its ballot in favor of Costa Mesa Sanitary District Director Arlene Schafer, the only candidate on the ballot from an Orange County special district, before the August 4 deadline.

BACKGROUND:

The CSDA Board of Directors is comprised of representatives from its six networks. Each network has three seats on the CSDA Board of Directors. IRWD is located within the Southern Network. One of the three seats, Seat C, in the Southern Network is up for election, and CSDA has accepted nominations for the seat.

CSDA received five nominations for the Southern Network Seat C representative. The candidates are Costa Mesa Sanitary District Director Arlene Schafer, Desert Water Agency Director Kristin Bloomer, Chino Valley Independent Fire District Director John Demonaco, Mojave Water Agency Director Richard Hall and Rainbow Municipal Water District Director Michel Mack. Director Schafer is currently serving as the Seat C representative on the CSDA Board of Directors.

An election for the Seat C representative has been called, and ballots have been mailed. The ballot and candidate information mailed by CSDA is attached as Exhibit "A". Additional correspondences received from the candidates are attached as Exhibit "B".

Ballots for the Southern Network Seat C representative must be received at CSDA's office by 5:00 p.m. on August 4, 2017, to be counted. Staff recommends that IRWD proceed with submitting its ballot by the August 4 deadline, and cast its ballot in favor of Costa Mesa Sanitary District Director Arlene Schafer, the only candidate on the ballot from an Orange County special district.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on July 6, 2017.

RECOMMENDATION:

THAT THE BOARD REVIEW THE CANDIDATES FOR THE SOUTHERN NETWORK SEAT C REPRESENTATIVE ON THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) BOARD OF DIRECTORS, AND AUTHORIZE THE DISTRICT TO CAST ITS BALLOT IN FAVOR OF COSTA MESA SANITARY DISTRICT DIRECTOR ARLENE SCHAFFER AND SUBMIT IT TO CSDA NO LATER THAN THE AUGUST 4, 2017, DEADLINE.

LIST OF EXHIBITS:

Exhibit "A" – CSDA Mail Ballot and Candidate Information
Exhibit "B" – Additional Candidate Correspondences

EXHIBIT "A"



**California Special
Districts Association**
Districts Stronger Together

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION

2017 BOARD ELECTIONS

MAIL BALLOT INFORMATION

Dear Member:

A mail ballot has been enclosed for your district's use in voting to elect a representative to the CSDA Board of Directors in your Network for Seat C.

Each of CSDA's six (6) networks has three seats on the Board. Each of the candidates is either a board member or management-level employee of a member district located in your network. Each Regular Member (district) in good standing shall be entitled to vote for one (1) person to represent its network.

We have enclosed the candidate information for each candidate who submitted one. Please vote for **only one** candidate to represent your network in Seat C, **unless otherwise noted on the actual ballot**, and be sure to sign, date and fill in your member district information. If any part of the ballot is not complete, the ballot will not be valid and will not be counted.

Please utilize the enclosed return envelope to return the completed ballot. Ballots must be received at the CSDA office at 1112 I Street, Suite 200, Sacramento, CA 95814 by **5:00pm on Friday, August 4, 2017**.

If you do not use the enclosed envelope, please mail in your ballot to:
California Special Districts Association
Attn: 2017 Board Elections
1112 I Street, Suite 200
Sacramento, CA 95814

Please contact Beth Hummel at 877.924.2732 or bethh@csda.net with any questions.



**California Special
Districts Association**
Districts Stronger Together

2017 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Arlene Schafer

District/Company: Costa Mesa Sanitary District

Title: Secretary

Elected/Appointed/Staff: Elected

Length of Service with District: 20 Years

- 1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

Current member of the CSDA Board of Directors, Legislative Committee, Membership Commission Chair, Fiscal Committee and attendee of Legislative Days, Annual Conference, SDLA certificate holder.

- 2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

Member of CSAC and was a member of the League when serving on the City Council.

- 3. List local government involvement (such as LAFCo, Association of Governments, etc.):**

LAFCO member representing special districts, former Chair and Vice Chair of the ISDOC and currently serving as an Executive Committee member, OCCOG Board member.

- 4. List civic organization involvement:**

President of Harbor-Mesa Lions (2 terms), Costa Mesa Republican Federation of Women, OC Federation of Women, 3rd Vice President Ways & Means, Costa Mesa for Responsible Government member.

RE-ELECT ARLENE SCHAFER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION SOUTHERN NETWORK

Arlene Schafer—Secretary Costa Mesa Sanitary District



PREVIOUS CSDA EXPERIENCE

- ◆ Board President
- ◆ Board Vice President
- ◆ Board Secretary
- ◆ Finance Corporation
- ◆ Legislation Committee
- ◆ Fiscal Committee
- ◆ CSDA Membership Committee
- ◆ Recruitment & Planning Committee

As the former Mayor of the City of Costa Mesa, it has been an honor to serve as your representative on the California Special Districts Association (CSDA) for the past two years and now I humbly ask for your support to re-elect me to the Southern Network for another term. I believe my 28 years of experience as a local government leader that includes 20 years serving special districts in a variety of different capacities makes me the best candidate. In March, the Little Hoover Commission will release its report on special districts and its very likely the report will focus on the role Local Agency Formation Commissions play in special district formation and reorganization. CSDA was an active participant in the public hearings where commissioners learned how special districts provide vital services in our communities and are directly accountable to our voters and ratepayers. During my term as a member of the Board of Directors, CSDA successfully advocated for special districts by using the latest technology for outreaching such as CSDA's campaign website, "Districts Make the Difference" and the new online video, "Districts Empower our Communities." I believe it is extremely important for CSDA to keep its foot on the pedal on advocacy by letting legislators, media, business leaders, schools and the general public know how important we are in our communities.

Currently, I am serving on the Board of Directors for the Costa Mesa Sanitary District (CMSD) where I have been a Board member for 20 years. I am proud to be part of an organization that has been a District of Distinction since 2009, earned the Transparency Certificate of Excellence for four consecutive years and CMSD is one of few special districts in California that received Gold Recognition in Special District Governance.

If re-elected, I will continue to support CSDA's public outreach campaign about the essential services we provide and I will work collaboratively with CSDA Board of Directors and staff on providing essential training and professional development to help your agency succeed. Please vote for Arlene Schafer by **August 4, 2017**.



**California Special
Districts Association**
Districts Stronger Together

2017 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Kristin Bloomer

District/Company: Desert Water Agency

Title: Secretary-Treasurer

Elected/Appointed/Staff: Elected

Length of Service with District: 12/4/15 - Current

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I recently attended the CSDA Legislative Days event.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

I am a member of ACWA and attend their conferences.

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

City of Palm Springs Measure J Oversight Committee, Desert Water Agency Finance
and Legislative Committees

4. List civic organization involvement:

Palm Springs SunUp Rotary Club, Palm Springs Woman's Club, St. Theresa

School PTA President, Desert Roundtable

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2017 will not be included with the ballot.**

Kristin Bloomer's Candidate Statement

I was first elected to the Desert Water Agency Board in 2015 and currently serve as Secretary-Treasurer on the Board of Desert Water Agency. However, service to my community has always played an important role in my life. I am dedicated to improving the quality of life for my community. Throughout my life, influence in community affairs and local government has grown. I have focused on the priority of shaping local government to strengthen the local and regional economies and create solutions to local and regional challenges. Southern California is faced with many challenges and I believe that challenges present opportunities, and that the Southern Network cannot afford to miss capitalizing upon those opportunities.

I am a longtime Palm Springs resident. My community service started early, when as a teenager, I volunteered with The Braille Institute and the National Charity League of Palm Springs.

My dedication to community service includes:

- Palm Springs Measure J Oversight Commission Vice-Chair
- Palm Springs Sunup Rotary Club past-President and current Assistant District Governor
- Founding President of the Desert Valley Women's Club
- Member of the Palm Springs Woman's Club
- St Theresa School Parent Teacher Group Board President
- Volunteer Volleyball Coach at Palm Springs High School
- Finance and Legislative Committee of Desert Water Agency



**California Special
Districts Association**
Districts Stronger Together

2017 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: John DeMonaco

District/Company: Chino Valley Independent Fire District

Title: Director

Elected/Appointed/Staff: Elected

Length of Service with District: 11 years

- 1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

I am on the Legislative and Fiscal Committees

I have also served on the Education and Membership Committees

- 2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

I am on the Board of Directors for the Fire Districts Association of California

- 3. List local government involvement (such as LAFCo, Association of Governments, etc.):**

N/A

- 4. List civic organization involvement:**

I am a member and past Chairman of the Rotary Club of Chino. I am also a Board Member of the Chino Rotary Foundation.

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2017 will not be included with the ballot.**

I am seeking election to a seat on the Board of Directors of the California Special Districts Association.

I have served on the Board of Directors of the Chino Valley Independent Fire District for 11 years, elected in 2006. I am very proud to state that our Fire District is the **first** fire district to receive the District of Distinction Accreditation from the Special Districts Leadership Foundation (SDLF). We have been a District of Distinction since 2008. We also have obtained a District of Transparency Certificate of Excellence. I have completed the SDLF Recognition of Special District Governance.

I serve on the CSDA Legislative and the Fiscal Committees. I have previously served on the CSDA Education and Membership committees.

I am a retired Fire Chief with 33 years of Fire Service experience. I have been involved in city, county, JPAs and special districts in various capacities. I am currently on the Board of Directors of the Fire Districts Association of California and also serve on their Conference Committee. I am a Past President of the Chino Rotary Club and past Chairman of the Chino Rotary Foundation.

I understand, and I am committed to legislative advocacy for special districts. Special Districts provide one of the most effective, efficient, and accountable forms of local service. It is vital that we continue to work together to influence and monitor policy decisions affecting California special districts.

My commitment, extensive experience, and education in public service and as a special district board member and policy-maker, provides me with the ability to effectively serve as a CSDA Board Member representing all California Special Districts. I look forward to your support!

Please contact me at (909) 816-8396 or email at jdemonaco@chofire.org.

John DeMonaco



2017 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Richard Hall

District/Company: Mojave Water Agency

Title: Director, Division 3

Elected/Appointed/Staff: Elected

Length of Service with District: 17 years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

Currently serving on the Professional Development Committee and Membership Committee

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

Mojave Water Agency is a member of ACWA

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

Currently President of the Association of San Bernardino County Special Districts

4. List civic organization involvement:

member of the Elks Association, Kiwanis, Summit Valley Property Owners

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2017 will not be included with the ballot.**

CANDIDATE STATEMENT

My name is Richard Hall and I am currently a Director for the Mojave Water Agency and President of the Association of the San Bernardino County Special Districts and have served as an elected official for more than 35 years in two Special District organizations. I am interested in the CSDA Board of Directors position for Southern District Seat C – here is a list of my qualifications:

- First-hand knowledge and experience to ensure that we have safe, quality drinking water.
- Knowledge and experience in Recreation and Parks through 20 years on the Hesperia Recreation and Parks Special District board and served as president four times.
- Knowledge and experience in Property Owners Association in Summit Valley, California where I helped to bring electricity and natural gas to the owners and served as president.
- Knowledge and experience in Engineering and Management at General Dynamics Program Office working with the Federal and State government.
- Reduced taxes through leadership as well as set policy to purchase quality water, build water discharge facilities, and given tax money back to residents who helped reduce water usage.
- Continue to fight to bring 21st century technology to our Agency to study in order to better ensure management of our water resources by advanced computer systems, deep monitor wells, and other state of the art methods.
- Worked closely with community leaders and residents for best policies and strategies including getting State and Federal funding for safe, drinkable water and other needed projects and programs..
- Support funding colleges and students for research and development for continued new resource solutions for present and future issues.

I know that more needs to be done and have plans to meet these challenges. Let us protect our future and provide leadership with someone who knows how.



California Special
Districts Association
Districts Stronger Together

2017 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Michael Mack

District/Company: Rainbow Municipal Water District

Title: Director, Division 5

Elected/Appointed/Staff: Elected

Length of Service with District: 5 months

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I am the officially appointed RMWD representative for CSDA.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

I serve as the RMWD representative at both ACWA & CSDA.

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

I worked for the city of San Marcos, CA for over 30 years as Parks Superintendent.

4. List civic organization involvement:

Past President of P.T.A.

*** SEE ATTACHED STATEMENT ***

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after May 31, 2017 will not be included with the ballot.**

ENDLESS POSSIBILITIES



My name is Michael Mack and I am honored to be seeking election to be on the Board of Directors of California Special Districts Association.

I was elected to the Rainbow Municipal Water District Board of Directors in December 2016 and appointed to serve as the District's representative at both ACWA and CSDA. My background includes a degree in horticulture and worked for the City of San Marcos for over thirty years. As the Parks Department Supervisor, I had many responsibilities including reviewing plans and inspection of new park and street median installations. I was both a Certified Playground Inspector and Irrigation Auditor. One of my main responsibilities was ensuring efficient usage of water resources. I calculated, determined, and programmed water requirements for the plant material for all parks and street medians within the City.

I have learned the importance of CSDA is we are the support system to help ensure efficient and productive services to both small and large communities throughout California at the local level of city governments. As your CSDA Board Member, I see endless possibilities and promise to tackle and meet the challenges our districts face. We all must work together for present and future needs for our special districts and by doing so we can and will achieve our goals. We must be proactive with our legislators and with this energy and commitment we can make the difference between success and failure.

I am very honored to have this chance to serve all of you and given this opportunity. I feel extensive service and experience in the public sector, I will work effortlessly to make those endless possibilities become reality.

ENDLESS POSSIBILITIES



My name is Michael Mack and I am honored to be seeking election to be on the Board of Directors of California Special Districts Association.

I was elected to the Rainbow Municipal Water District Board of Directors in December 2016 and appointed to serve as the District's representative at both ACWA and CSDA. My background includes a degree in horticulture and worked for the City of San Marcos for over thirty years. As the Parks Department Supervisor, I had many responsibilities including reviewing plans and inspection of new park and street median installations. I was both a Certified Playground Inspector and Irrigation Auditor. One of my main responsibilities was ensuring efficient usage of water resources. I calculated, determined, and programmed water requirements for the plant material for all parks and street medians within the City.

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EXHIBIT "B"

Christine Compton - CSDA 2017 Board of Directors Elections

From: Christine Compton
Subject: CSDA 2017 Board of Directors Elections

Click to add a signature

From: "Arlene Schafer" <aschafer@cmsdca.gov>
Date: June 14, 2017 at 12:18:24 PDT
To: "Paul Cook" <Cook@irwd.com>, "admin@29palmscemetery.org" <admin@29palmscemetery.org>, "rbowe@29palmswater.org" <rbowe@29palmswater.org>, "kchaney@altadenalibrary.org" <kchaney@altadenalibrary.org>, "blueskyhb@aol.com" <blueskyhb@aol.com>, "bmkdig@aol.com" <bmkdig@aol.com>, "daggettcsd@aol.com" <daggettcsd@aol.com>, "jolnetc wd@aol.com" <jolnetc wd@aol.com>, "Zman8910@aol.com" <Zman8910@aol.com>, "rgarrison@applevalleyfd.com" <rgarrison@applevalleyfd.com>, "jacumbawater@att.net" <jacumbawater@att.net>, "cei@avmosquito.org" <cei@avmosquito.org>, "jhall@bbccsd.org" <jhall@bbccsd.org>, "vickis@bbmwd.net" <vickis@bbmwd.net>, "duane@bcvparks.com" <duane@bcvparks.com>, "eric.fraser@bcvwd.org" <eric.fraser@bcvwd.org>, "mwest@bdvwa.org" <mwest@bdvwa.org>, "luren.dickinson@beaumont.lib.ca.us" <luren.dickinson@beaumont.lib.ca.us>, "diane.cartwright@bigbearcityairport.com" <diane.cartwright@bigbearcityairport.com>, "blugo@blythelibrary.org" <blugo@blythelibrary.org>, "geoff@borregowd.org" <geoff@borregowd.org>, "marymac@buenapark.lib.ca.us" <marymac@buenapark.lib.ca.us>, "dana.raponi@ca.nacdnet.net" <dana.raponi@ca.nacdnet.net>, "ddemoss@calruralwater.org" <ddemoss@calruralwater.org>, "drussell@capobay.org" <drussell@capobay.org>, "eulloa@cbwcd.org" <eulloa@cbwcd.org>, "maggieg@centralbasin.org" <maggieg@centralbasin.org>, "tshackelford@chofire.org" <tshackelford@chofire.org>, "jhill@cityofmissionviejo.org" <jhill@cityofmissionviejo.org>, "ajacobs@clwa.org" <ajacobs@clwa.org>, "info@comptoncreekmad.org" <info@comptoncreekmad.org>, "rdever@crestlinesanitation.com" <rdever@crestlinesanitation.com>, "eguevara@cswaterdistrict.org" <eguevara@cswaterdistrict.org>, "kbdrew@cvwater.com" <kbdrew@cvwater.com>, "jbarrett@cvwd.org" <jbarrett@cvwd.org>, "martinz@cvwdwater.com" <martinz@cvwdwater.com>, "cruzek@deluzcsd.org" <cruzek@deluzcsd.org>, "hschultz@dhcd.org" <hschultz@dhcd.org>, "kkalman@drd.us.com" <kkalman@drd.us.com>, "cduffy@dudek.com" <cduffy@dudek.com>, "sbaca@dwa.org" <sbaca@dwa.org>, "[cgs1@earthlink.net](mailto:cds1@earthlink.net)" <cgs1@earthlink.net>, "jmura@eastvalley.org" <jmura@eastvalley.org>, "mdunbar@ebservicedistrict.com" <mdunbar@ebservicedistrict.com>, "apc wd@eee.org" <apc wd@eee.org>, "jonesp@emwd.org" <jonesp@emwd.org>, "lohlund@eocwd.com" <lohlund@eocwd.com>, "Bhill@etwd.com" <Bhill@etwd.com>, "bpalmer@fallbrookhealth.org" <bpalmer@fallbrookhealth.org>, "maryloub@fpud.com" <maryloub@fpud.com>, "tdever@glacvcd.org" <tdever@glacvcd.org>, "BombayBeach2015@gmail.com" <BombayBeach2015@gmail.com>

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Subject: CSDA 2017 Board of Directors Elections

Dear Executive Leaders,

Please forward this email to your Board of Directors. Thank you very much for your cooperation and assistance regarding this matter.

Dear Southern Network Members:

It has been an honor and a privilege to represent you on CSDA's Board of Directors for the past three years, and most recently as Secretary of the Executive Board. As one of your three Southern Network representatives, I believe we have achieved many accomplishments to help Southern Network special districts succeed in good governance by offering more training and professional development opportunities in Southern California, as some of the training opportunities are described below.

- Supervisory Skills for the Public Sector in Vista
- Financial Management for Special Districts in Rancho Cucamonga
- Hammering Out a Legal Framework for Construction and Business Matters in Fountain Valley
- Board Member Best Practices in Claremont

As your representative I am very proud to work collaboratively with CSDA Board of Directors and staff for creating "Districts Make the Difference" campaign that promote the message about special districts and the difference we make in our communities. I am also proud to serve on CSDA's Legislative and Membership Committees where we work together advocating bills from the California Legislature that support special districts and we always want to make sure your membership to CSDA is valued.

As you probably know by now, I am running for re-election to CSDA Board of Directors and I hope I can count on your support because special districts are once again, under attack by the media, legislators and oversight agencies. If re-elected, I will continue to work hard as your representative to ensure our voice is heard about the great programs and services we provide in our communities and I will continue to serve on various CSDA committees to make certain training opportunities and memberships do not diminish.

If you have any suggestions on how I can better serve the Southern Network, please don't hesitate to email me at aschafer@cmsd.ca.gov. Thank you for your consideration and please don't forget to vote by August 4, 2017.

Sincerely,

Arlene Schafer

Costa Mesa Sanitary District Board of Directors and Secretary to the Board

CSDA Board of Directors and Secretary to the Board

July 10, 2017

Prepared by: Eileen Lin *EL*

Submitted by: Cheryl Clary *CC*

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

CONSENT CALENDAR

LUMP SUM PAYMENT OPTION FOR EMPLOYER CONTRIBUTIONS FOR FY 2017-18 TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM

SUMMARY:

Staff recommends that the Board approve a lump sum payment option for employer contributions to the California Public Employees Retirement System (CalPERS) by making a one-time contribution of \$3,844,111 for the District's FY 2017-18 employer contributions to CalPERS. This recommendation is consistent with the "pre-funding approach" developed by the Board during the operating budget process and with prior years.

BACKGROUND:

The total minimum required employer contribution is the sum of the CalPERS Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) contribution amount (billed monthly in dollars). Beginning in FY 2009-10, the District elected to utilize the lump sum payment option for the total minimum required employer contribution as it benefits from not incurring interest expense at the assumed actuarial interest rate, which is currently 7.50%.

Beginning with Fiscal Year 2017-18, only the UAL portion of the employer contribution can be prepaid and is required to be paid in full no later than July 31, 2017. The Normal Cost contributions estimated to be \$2.2 million will be made as part of the payroll reporting process. CalPERS indicates that IRWD's UAL lump sum payment will be \$3,844,111 as provided in Exhibit "A". The total cost for choosing the monthly payments option is approximately \$3,985,659, so the lump sum payment option save IRWD approximately \$141,548.

The approved operating budget for FY 2017-18 includes an additional contribution of \$1,871,600 in excess of its annual required CalPERS contribution to the Irvine Ranch Water District Post-Employment Benefits Trust ("115 Trust") which will further reduce its pension liability. Staff will continue to evaluate the potential for future additional contributions.

FISCAL IMPACTS:

The District's approved operating budget for FY 2017-18 includes an employer contribution of \$6.3 million for the CalPERS requirement and a contribution of \$1,871,600 to the 115 Trust. The payments are consistent with the impacts identified in setting rates for FY 2017-18.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on July 6, 2017.

RECOMMENDATION:

THAT THE BOARD APPROVE THE LUMP SUM PAYMENT FOR EMPLOYER CONTRIBUTIONS TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS) BY MAKING A ONE-TIME CONTRIBUTION OF \$3,844,111 FOR THE DISTRICT'S FY 2017-18 EMPLOYER CONTRIBUTION.

LIST OF EXHIBITS:

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

Exhibit "A"

CALPERS ACTUARIAL VALUATION - June 30, 2015
 MISCELLANEOUS PLAN OF THE IRVINE RANCH WATER DISTRICT
 CalPERS ID: 5161985321

Required Contributions

	Fiscal Year
Required Employer Contribution	2017-18
Employer Normal Cost Rate	7.081%
<i>Plus Either</i>	
1) Monthly Employer Dollar UAL Payment	\$ 332,138
<i>Or</i>	
2) Annual UAL Prepayment Option	\$ 3,844,111
Required PEPRAs Member Contribution Rate	5.25%
<p><i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. §20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due. For additional detail regarding the determination of the required contribution for PEPRAs members, see Appendix D. Required member contributions for Classic members can be found in Appendix B.</i></p>	

	Fiscal Year 2016-17	Fiscal Year 2017-18
Normal Cost Contribution as a Percentage of Payroll		
Total Normal Cost	15.018%	14.612%
Employee Contribution ¹	7.778%	7.531%
Employer Normal Cost	7.240%	7.081%
Projected Annual Payroll for Contribution Year	\$ 29,276,537	\$ 30,555,626
Estimated Employer Contributions Based On Projected Payroll		
Total Normal Cost	\$ 4,396,751	\$ 4,464,788
Employee Contribution ¹	2,277,129	2,301,144
Employer Normal Cost	2,119,622	2,163,644
Unfunded Liability Contribution	3,531,193	3,985,659
Estimated Total Employer Contribution ²	\$ 5,650,815	\$ 6,149,303

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

² As a percentage of projected payroll the UAL contribution for Fiscal Year 2017-18 is 13.044 percent for an estimated total employer contribution rate of 20.125 percent. As determined in the June 30, 2014 valuation, the Fiscal Year 2016-17 UAL contribution is 12.062 percent for a total employer contribution rate of 19.302 percent.

July 10, 2017

Prepared by: Tony Mossbarger

Submitted by: Cheryl Clary

Approved by: Paul A. Cook

ACTION CALENDAR

INFORMATION SERVICES PROFESSIONAL SERVICES SUPPORT CONTRACT RENEWALS

SUMMARY:

IRWD requires additional resources to supplement existing staff to support and operate the Oracle Financial and Customer Care and Billing (CC&B) systems. In 2016, the Board authorized various outside service providers to assist in providing information technology services through June 2017. The providers include Infosys, who was the CC&B systems integrator, to provide managed support services and Outsource Technical to provide on-call programming, analysis, project management, and networking services. Staff has added an additional outside provider, Skoruz Technologies, experienced in providing on-call programming, analysis and project management services. Staff has identified the need to continue these support services through Fiscal Year 2018. In addition, staff has identified specific one-time CC&B-related projects for completion by Infosys.

Staff recommends the Board authorize the General Manager to execute Professional Services Agreements for the period July 1, 2017 to June 30, 2018 as follows:

- Infosys Ltd. for \$300,000 for support services and one-time special projects;
- Outsource Technical for \$225,000 for on-call programming, analysis, project management, and networking services; and
- Skoruz Technologies for \$225,000 for on-call programming, analysis, and project management services.

BACKGROUND:

Infosys Utility Billing Support Services:

A utility billing software support services contract was awarded to Infosys in June 2016 for \$340,000. The contract provided managed support services for the period of July 2016 to June 2017 and one-time projects which staff did not have the existing resources to complete.

Infosys has provided IRWD with managed support services for the Oracle CC&B system since August 2014. It provides highly skilled, experienced, and reliable resources that are very familiar with IRWD's systems, standards, and staff. Infosys has proven that it can provide additional resources to handle urgent projects with tight deadlines, as was done with the rate changes for FY 2015-16.

Staff has identified the need to continue the software support services agreement for the period July 1, 2017 through June 30, 2018. Under the proposed scope, Infosys will provide support for issues involving a high degree of complexity, while District staff will handle routine and less complex requests. The proposed software support services contract will run from July 1, 2017 through June 30, 2018, and is needed due to internal staffing and resource availability. The proposed support request is \$22,916 per month for 12 months totaling \$275,000; this proposed contract for services from Infosys is lower than last year's contract.

In addition to the software support services, staff has identified certain additional one-time projects which staff does not have the existing resources to complete. These projects include:

- Implementation of new bill formats for the revised customer bills;
- Modifications in CC&B required to integrate with Maximo Enterprise Asset Management; and
- Modifications in CC&B required for new functions in the GIS Field Mapplet application.

The cost of the additional one-time projects totals \$25,000. The scope for the software managed support services is included in Exhibit "A".

Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Infosys Ltd. for \$300,000.

On-Call Programming and Analysis Services:

Staff currently utilizes on-call programming and analysis resources to provide support to regular positions. There is an ongoing need for programming, analysis, project management, and network assistance related to the District's software systems and networks as a result of several major capital projects the District has recently undertaken, including the Maximo Enterprise Asset Management software implementation project, as well as smaller scale software and networking projects. In addition, consultants with the required skills could be retained to back fill staff vacancies where staff is working on special projects or for leaves of absence. Staff proposes to retain programmers, analysts, project managers, and network consultants who would provide services on an on-call basis.

Outsource Technical On-Call Programming and Analysis Services:

Outsource Technical has provided IRWD with on-call programming and analysis services for the District's Oracle systems since November 2012. It provides highly-skilled, experienced, and reliable resources that are very familiar with IRWD's systems, standards, and staff. Outsource Technical has proven that it can provide quality resources to handle urgent projects, as has been done with the Oracle Financial System Software Upgrade and Project Management implementation project. The pricing for on-call programming and analysis services remains the same for this year's proposed contract.

Outsource Technical's proposal with related fee schedule is attached as Exhibit "B".

Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Outsource Technical for \$225,000.

Skoruz Technologies On-Call Programming and Analysis Services:

Skoruz Technologies will provide IRWD with on-call programming and analysis services for the District's Oracle systems. It provides highly-skilled, experienced, and reliable resources that are very familiar with IRWD's systems, standards, and staff. Skoruz Technologies will provide IRWD with an alternative source to Outsource Technical for quality resources to handle urgent projects.

Skoruz Technologies' proposal with related fee schedule is attached as Exhibit "C".

Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Skoruz Technologies for \$225,000.

FISCAL IMPACTS:

These amounts are budgeted in the current fiscal year's budget or in the current expense authorizations of affected projects or will be utilized to offset regular labor until the vacant position is filled. These professional services will be charged to the appropriate projects or expense account.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on July 6, 2017.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE PROFESSIONAL SERVICES AGREEMENTS FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018 WITH INFOSYS LTD. FOR \$300,000 FOR MANAGED SUPPORT SERVICES AND ONE-TIME PROJECTS; OUTSOURCE TECHNICAL FOR \$225,000 FOR ON-CALL PROGRAMMING, ANALYSIS, PROJECT MANAGEMENT, AND NETWORKING SERVICES; AND SKORUZ TECHNOLOGIES FOR \$225,000 FOR ON-CALL PROGRAMMING, ANALYSIS, AND PROJECT MANAGEMENT SERVICES.

Action Calendar: Information Services Professional Services
Support Contract Renewals
July 10, 2017
Page 4

LIST OF EXHIBITS:

- Exhibit "A" – Infosys Scope for Managed Support Services and Change Request
- Exhibit "B" – Outsource Technical Proposal for On-Call Programming, Analysis, Project Management, and Networking Services
- Exhibit "C" – Skoruz Technologies Proposal for On-Call Programming, Analysis, and Project Management Services

Exhibit "A"

ICE: Application Support and Maintenance



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Proposed Support Model

Proposed Scope

Extended Application Support (12 months)

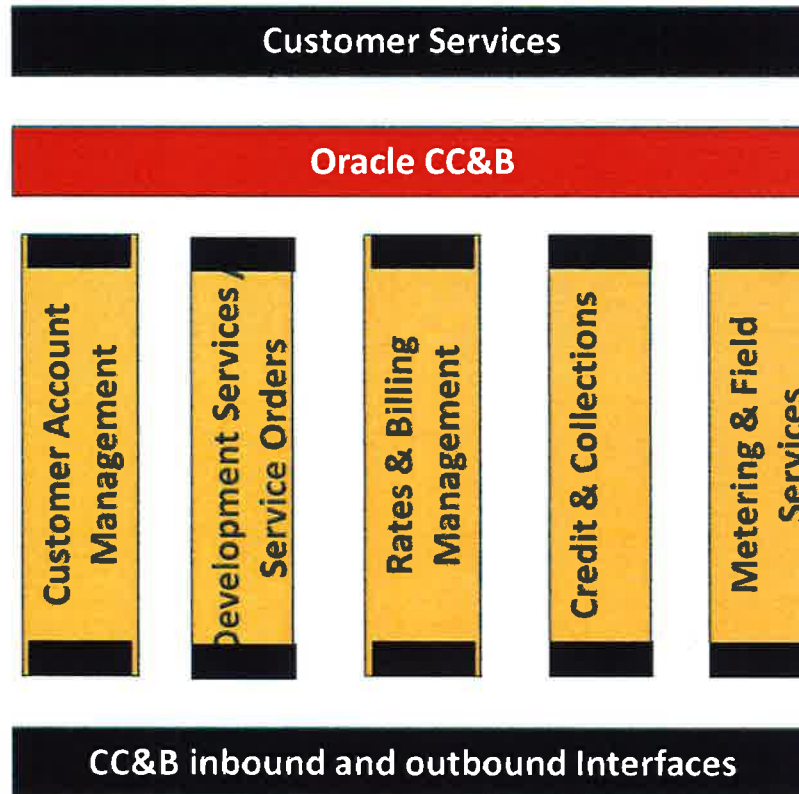
Infosys

- L2 & L3 Support
- Oracle Support Co-ordination

IRWD

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

In-scope application portfolio



In Scope / Out of Scope

In Scope

Level 2 Support Activities:

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

Level 3 Support Activities:

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

Out of Scope

Level 1 Support Activities:

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

Solution Assumptions

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

Service Level Agreement

- Total fixed price for **12 months of L2/L3 support** is **274,560 USD**
- Ticket scope and resource loading details are provided below
- In addition to tickets, 40 hours per month considered for adhoc requests
- No Enhancements hours
- Only CC&B Technical Resources are considered for the support. OUBI applications are not considered in the scope.
- Tickets per month count includes service requests, Incidents, adhoc requests and impact assessment for the change requests before they convert to approved CR's.

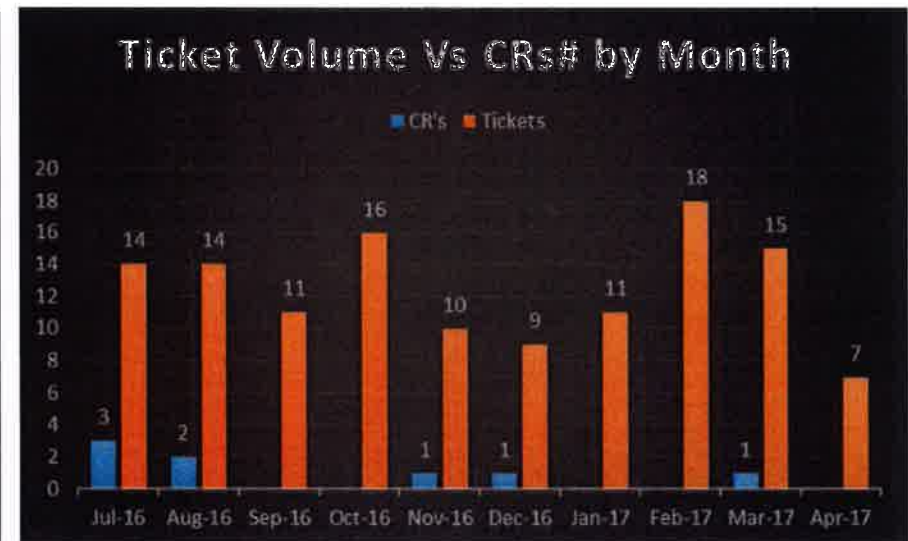
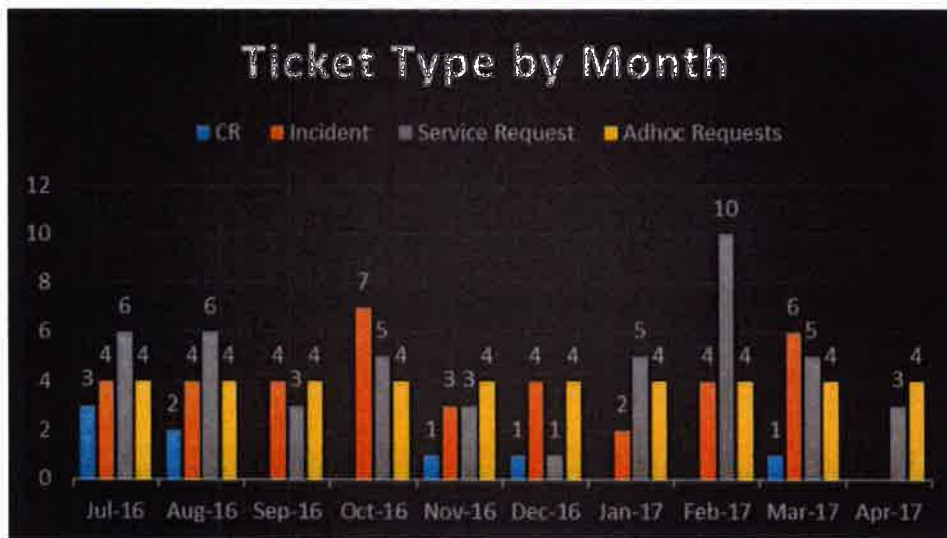
	Jul'17	Aug'17	Sep'17	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18	Mar'18	Apr'18	May'18	June'18
Tickets Per Month	13	13	13	13	13	13	13	13	13	13	13	13
Onsite Resource	1	1	1	1	1	1	1	1	1	1	1	1
Offshore Resource	1	1	1	1	1	1	1	1	1	1	1	1

Timelines and Milestones

- This New Support extension is for a period of 12 months starting 01 July, 2017 to 30 June, 2018 and below are the monthly milestones during this support period.

M#	Description	Milestone Date	Services Amount
M1	July Milestone	1-Aug-17	\$22,880.00
M2	August Milestone	1-Sep-17	\$22,880.00
M3	September Milestone	1-Oct-17	\$22,880.00
M4	October Milestone	1-Nov-17	\$22,880.00
M5	November Milestone	1-Dec-17	\$22,880.00
M6	December Milestone	1-Jan-18	\$22,880.00
M7	January Milestone	1-Feb-18	\$22,880.00
M8	February Milestone	1-Mar-18	\$22,880.00
M9	March Milestone	1-Apr-18	\$22,880.00
M10	April Milestone	1-May-18	\$22,880.00
M11	May Milestone	1-Jun-18	\$22,880.00
M12	June Milestone	28-Jun-18	\$22,880.00
		TOTAL	\$274,560.00

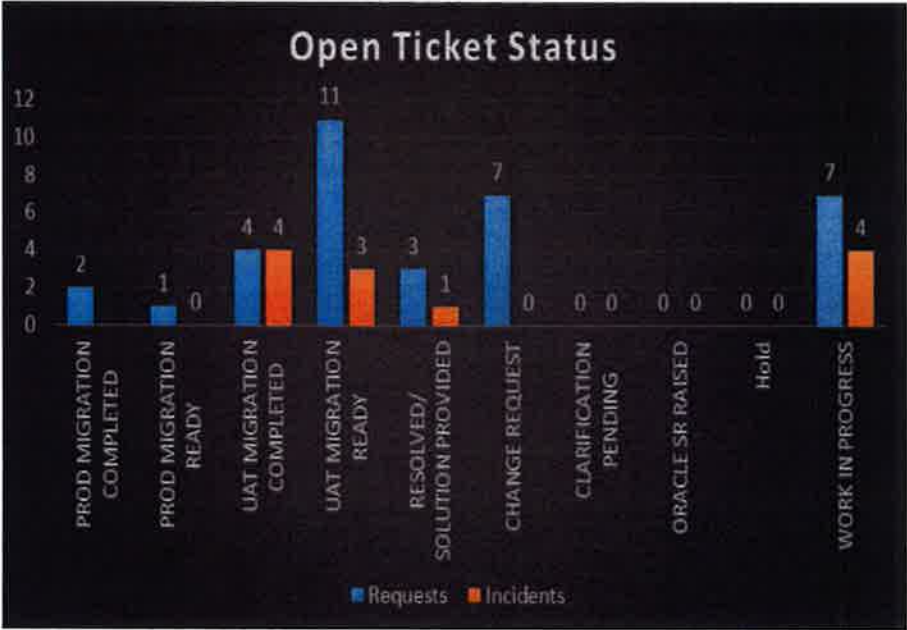
Application Support & Maintenance Ticket Trend



- Based on the inflow of tickets (Incident and Service requests), 13 tickets per month have been considered in scope for the support extension.
- Average time spent by team is considered 23 Hours per ticket.
- In addition, team has also worked on few adhoc requests 4~ per month. An average effort of 40~ Hrs. per month has been considered in scope for such adhoc requests.
- Ticket volumes captured for April is as of WSR reporting week 15th April 2017, more tickets to be added to the list by end of June.

Application Support & Maintenance Open Ticket Trend

Status Type	Status Description	Requests	Incidents
UAT / PROD	PROD MIGRATION COMPLETED	2	
	PROD MIGRATION READY	1	0
	UAT MIGRATION COMPLETED	4	4
	UAT MIGRATION READY	11	3
	RESOLVED/ SOLUTION PROVIDED	3	1
RESOLVED	RESOLVED/ SOLUTION PROVIDED	3	1
OPEN/ INPROGRESS	CHANGE REQUEST	7	0
	CLARIFICATION PENDING	0	0
	ORACLE SR RAISED	0	0
	Hold	0	0
	WORK IN PROGRESS	7	4
Totals		35	12
Grand Total			47



- ❑ Open ticket status is based on the WSR reporting week 15th April 2017
- ❑ We would have around 35~ open tickets with following status (In-Progress, Change Control Board, Clarification Pending, Oracle SR Raised), which would be carry forward to the next support Jul'17 to Jun'18. Team would continue to support these tickets for successful production deployment as per business priorities.

Thank You

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Exhibit "B"

May 3rd, 2017

Irvine Ranch Water District
Attn: Tony Mossbarger, Director of Information Technology
15600 Sand Canyon Avenue
Irvine, CA 92619-7000

Dear Mr. Mossbarger,

Proposal for Information Technology (IT) Professional Services and Consulting

OS Technical (OST) is pleased to submit this proposal to provide Information Technology Professional Services and Consulting in response to your request.

OST is an IT consulting firm providing professional services to both public and private sector clientele. Our emphasis is providing experienced technical consultants on an on-demand basis to support enterprise software projects. OST has been in business for over 19 years and is headquartered in Newport Beach, CA. We have extensive experience providing IT professional services and consultants to numerous clients who continue to do business with us year over year. A few of our clients are Newport Corporation, County of Orange, Irvine Company, PIMCO, Pacific Life and CareMore among many others.

OST has been providing IT professional services and consulting for Irvine Ranch Water District (the District) since February 2013 with an emphasis on Oracle R-12 E-Business Suite. During this time, we have provided subject matter expertise to support enterprise software implementations, customizations and quality assurance. Services include:

- Attending project meetings as requested by the District
- Producing monthly billings in a form acceptable to the District
- Participating in weekly project status phone calls with Mohit Saini, the Project Lead for the District
- Providing IT Professional Services and Consulting as requested by the District

Our staff executing the delivery of IT professional services and consulting will consist of:

Mr. Steven Shwam, Senior Account Executive - Mr. Shwam has been with OST for 9 years. He has provided IT professional services and consultants for enterprise software projects for clientele including CareMore, Molina Healthcare, Pacific Dental Services, Forever 21, and ICU Medical among others. Steven will be the primary point of contact for the District, providing delivery of IT professional services and consulting per the direction of the District.

Ms. Janet Chung, Recruiting Manager - Ms. Chung has been working with OST for 6 years. Janet has over 15 years of experience sourcing and screening technical professionals for deployment on enterprise software projects. Her competencies include Oracle EBS, .Net and Java



Work will be billed at the following rates:

Hourly Rates

Project Management	\$128.00-\$144.00
Oracle DBA	\$120.00-\$135.00
Oracle Analyst	\$115.00-\$125.00
Oracle Developer	\$105.00-\$150.00
Software QA	\$90.00-\$100.00
IT Network & Systems Support	\$65.00-\$85.00

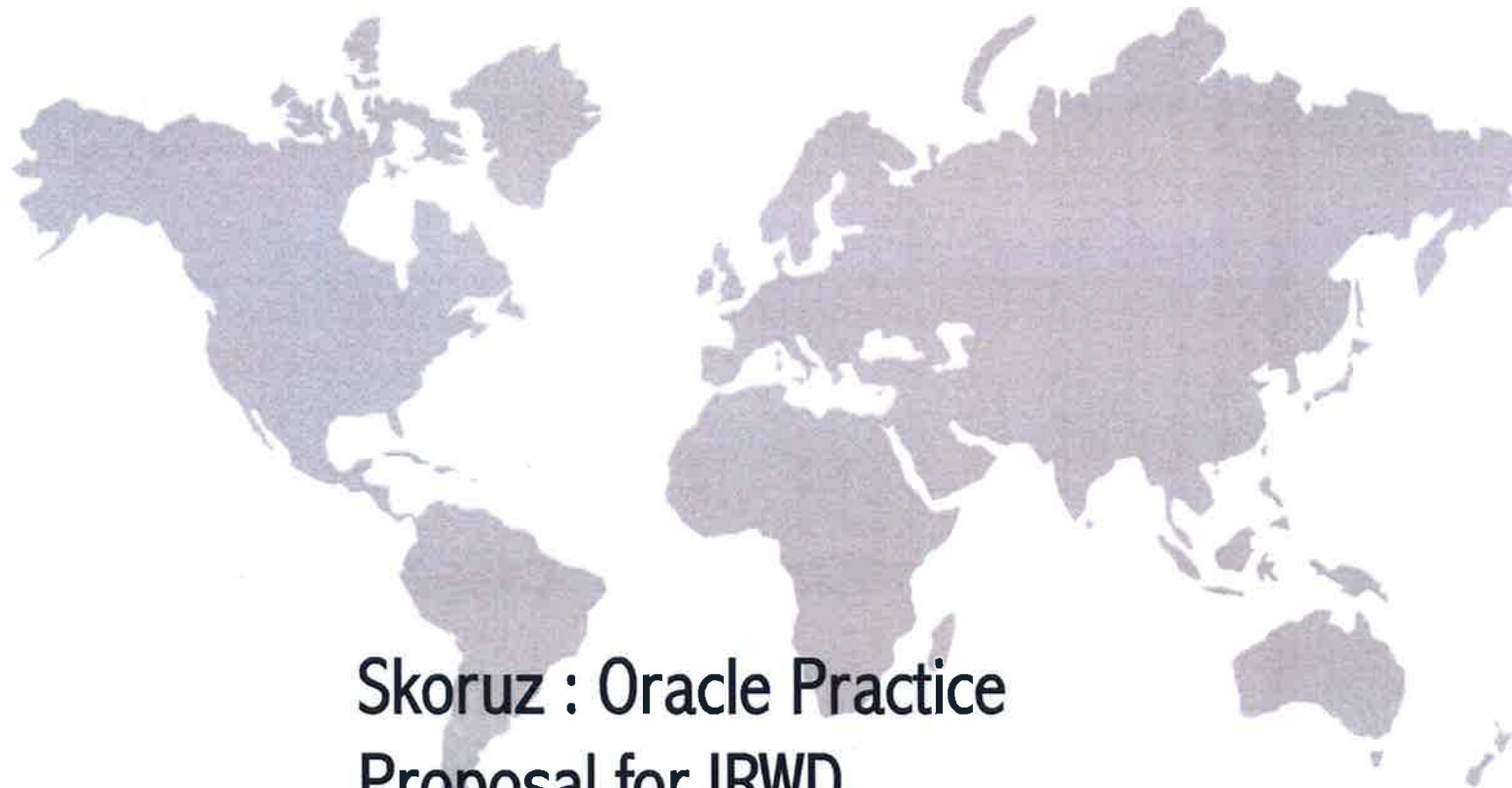
Our project delivery teams are paid current prevailing wage rates and we have insurance coverage that meets or exceeds the minimum District requirements.

If you have any questions, or I can be of further assistance, please call.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Shwam'.

Steven Shwam
Sr. Account Executive
OS Technical



Skoruz : Oracle Practice Proposal for IRWD

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2017

About Skoruz

Skoruz Technologies Inc, is a global IT solutions and services provider and a technology partner with 450+ professionals and 10 delivery centers across 6 countries. We emphasize on enabling our customers to achieve competitive advantage through our flexible global delivery models and frameworks.

Our thought leadership envisions in providing Turn-key solutions by combining far-reach and local presence to deliver optimal value for wide range of businesses.



Oracle Consulting Pricing

Engagement	Skillset/Expertise	Experience in Years	Rate Per Hour	Discounted Rate
Staffing	Technical Consultant	4+	\$80	\$72
		8+	\$90	\$81
	Functional Consultant/ Business Analyst	4+	\$90	\$81
		8+	\$120	\$108
	Techno-functional Consultant	4+	\$90	\$81
		8+	\$120	\$108
	DBA	4+	\$90	\$81
		8+	\$110	\$99
	Project Manager	10+	\$120	\$108
Implementation/ Rollout	Technical Consultant	4+	\$75	\$68
		8+	\$85	\$77
	Functional Consultant/ Business Analyst	4+	\$85	\$77
		8+	\$100	\$90
	Techno-functional Consultant	4+	\$85	\$77
		8+	\$95	\$86
	DBA	4+	\$90	\$81
		8+	\$100	\$90
Project Manager	10+	\$110	\$99	

July 10, 2017

Prepared by: M. Tetterer

Submitted by: P. Weghorst *PMW*

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

ACTION CALENDAR

RECYCLED WATER USE SITE INSPECTION AND TESTING CONSULTANT SELECTIONS

SUMMARY:

IRWD is required by the State Water Resources Control Board, Division of Drinking Water (DDW) to regularly inspect and test for cross connections at many recycled water use sites throughout its service area. Inspections and tests are performed to assure compliance with regulatory requirements and best management practices. Over the past two years, IRWD has contracted with two consulting firms to augment staff's efforts to complete inspection and testing work in a timely manner. Anticipating the need to continue using consulting services over the next two years, staff solicited proposals from firms to conduct field inspections and cross-connection testing on an on-call basis. Staff recommends the Board authorize the General Manager to execute Professional Service Agreements with Real Water Consultants and Aegis Engineering Management, each in an amount not to exceed \$350,000, to provide on-call recycled water use site field inspection and testing services for a two-year period.

BACKGROUND:

IRWD currently serves recycled water to approximately 5,700 sites that vary in size and complexity. Some sites are smaller irrigation sites such as medians and parkways that use only recycled water, while others are larger, more complex irrigation sites, such as golf courses and homeowners associations that also use potable water. IRWD also serves approximately 645 single-family lots, several industrial customers and over 80 dual-plumbed commercial buildings where recycled water is used for flushing toilets and urinals, as well as in cooling towers.

The type of recycled water use site determines the regulatory requirements for conducting visual inspections and periodic cross-connection tests. For example, dual-plumbed commercial buildings require visual inspections annually and a cross-connection test at least once every four years, whereas annual one-way cross-connection tests and inspections are required for single-family lots. The tests confirm that systems are properly identified and that recycled water systems are not connected to a potable water system. Of the nearly 5,700 IRWD recycled water use sites, approximately 720 sites are homeowners associations that are required to have inspections and cross-connection tests conducted annually.

Consultant Retention:

Over the past two years, IRWD retained John Robinson Consulting and Real Water Inc. to augment staff's efforts to perform recycled water use site inspections and tests. In FY 2016-2017, these firms provided services at approximately 1,700 sites at an average cost of \$236 per site. To continue augmenting IRWD's efforts for the next two fiscal years, staff recommends retaining the services of two qualified firms to conduct site inspection and testing.

Consultant Selection Process:

Staff issued a Request for Proposal to John Robinson Consulting, Inc., Real Water Consultants and Aegis Engineering Management to perform recycled water site inspection and testing at 13 types of recycled water use sites in IRWD's service area. The scope of work includes contacting each Site Supervisor to arrange for a field meeting, conducting the field work, completing associated paperwork, and providing Site Supervisor training; the consultants are also required to comply with prevailing wage requirements. Staff evaluated the three proposals received and interviewed each firm. Attached as Exhibit "A" is the Consultant Selection Matrix prepared as a result of these efforts.

Based on the anticipated workload and qualifications of the firms, staff recommends the selection of Real Water Consultants and Aegis Engineering Management to assist with recycled water use site inspections and tests. Equal costs were negotiated with both firms that are presented in the Scope of Work and Cost Proposal, which is attached as Exhibit "B". Staff recommends that the Board authorize the General Manager to execute Professional Services Agreements with both firms for a combined total not to exceed \$700,000 to provide on-call recycled water inspection and testing services over the next two years.

Efforts to Streamline Inspection Requirements:

IRWD is leading efforts to develop new requirements to reduce the frequency of inspection and testing of recycled water use sites by working with water recycling agencies in Orange County. The recommended requirements will be submitted to DDW in late 2017. Should DDW approve the new requirements, IRWD will be able to reduce its dependence on consulting firms to conduct recycled water use site inspections and tests.

FISCAL IMPACTS:

The FY 2017-18 Operating Budget includes \$350,000 to conduct recycled water site inspection and testing work through the use of on-call consulting services. Staff expects that \$350,000 will also be included in the FY 2018-19 budget for performing the same services. Should DDW approved reduced requirements for the inspection and testing work, IRWD can reduce its dependence on the on-call consultant contracts.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on July 6, 2017.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE PROFESSIONAL SERVICE AGREEMENTS WITH REAL WATER CONSULTANTS AND AEGIS ENGINEERING MANAGEMENT, EACH IN AN AMOUNT NOT TO EXCEED \$350,000, TO PROVIDE ON-CALL RECYCLED WATER USE SITE FIELD INSPECTION AND TESTING SERVICES FOR A TWO-YEAR PERIOD.

LIST OF EXHIBITS:

Exhibit "A" – Consultant Selection Matrix
Exhibit "B" – Scope of Work and Cost Proposal

EXHIBIT "A"

CONSULTANT SELECTION MATRIX
 RECYCLED WATER INSPECTION AND TESTING PROGRAM - FY 17/18

	Weights	John Robinson Inc.	Aegis Engineering Management	Real Water Consultant
QUALIFICATIONS	25%			
*AWWA Cross Connection Control Specialist	60%	1	3	2
*ABPA Cross Connection Control Specialist				
*USC Cross Conn. Control (40 hrs course)				
*Distribution, Irrigation & Plan check basics.	40%	3	1	2
# of Field Personnel				
Weighted Score - Qualifications		2	2	2
EXPERIENCE	25%			
Doing Inspections	30%	2	3	1
Doing Testing	30%	2	3	1
Administration	10%	3	2	1
Customer Contact / Interface	30%	2	3	1
Weighted Score - Experience		2	3	1
PROJECT UNDERSTANDING	50%			
Weighted Score - Project Understanding		3	2	1
COMBINED WEIGHTED SCORE	100%	2.5	2.3	1.3
Ranking		3	2	1

EXHIBIT "B"

ATTACHMENT "B"

COST PROPOSAL

The Consultant shall provide an hourly and per meter cost proposal to complete the tasks identified on Attachment "A" and as directed by the IRWD representative.

For Site Type 11, the Consultants should consider the ability to conduct testing at many "test only" sites at adjacent homes without homeowner contact prior to or during the one way test.

Miscellaneous: Please indicate the hourly rate the Consultant would charge IRWD to perform related tasks on an "as-needed" basis.

Hourly Rate: \$79.00

Below are descriptions of each different type of recycled water meters that IRWD currently serves. Also indicated are the approximate number of active meters for each specific type.

Type 1: *Single-supply, agricultural sites with no potable water systems within the irrigated area.*

- **Sample**: *Agriculture field located at the corner of Alton Parkway and Muirlands (south side of Alton). Irvine, CA.*
- **Method of testing**: *One-way shut down test.*
- **Quantities**: *Approximately 30 irrigation meters.*
- **Cost Proposal**:
 1. Inspection only cost per meter \$: 138.25 Assumed hours: 1.75
 2. Testing only cost per meter \$: 138.25 Assumed hours: 1.75
 3. Inspection & Testing cost per meter \$: 158.00 Assumed hours: 2.0

Type 2: *Single-supply, medians, freeway landscaping, slope areas etc.*

- **Sample**: *Median strip located at the corner of Newport Coast Drive and San Joaquin Hills Corridor. Newport Coast, CA.*
- **Method of testing**: *One-way shut down test.*
- **Quantities**: *Approximately 2600 irrigation meters.*
- **Cost Proposal**:
 1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
 2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
 3. Inspection & Testing cost per meter \$: 237.0 Assumed hours: 3.0

Type 3: *Dual-supply, agricultural sites also served by potable water meters.*

- **Sample**: *Agriculture field located east side of Portola Parkway, corner of Jeffrey Road. Irvine, CA.*
- **Method of testing**: *One-way shut down test.*
- **Quantities**: *Approximately 9 irrigation meters.*

- **Cost Proposal:**

1. Inspection only cost per meter \$: 158.00 Assumed hours: 2.0
2. Testing only cost per meter \$: 158.00 Assumed hours: 2.0
3. Inspection & Testing cost per meter \$: 177.75 Assumed hours: 3.0

Type 4: *Dual-supply, recycled and potable water meters typically serving park landscape and recreational facilities, guard shack landscape and interior, club houses, etc.*

- **Sample:** *Mason Regional Park on University Drive and Campus Drive. & Guard houses located on both entrances to the Shady Canyon Community. Irvine, CA.*
- **Method of testing:** *One-way shut down test.*
- **Quantities:** *Approximately 400 irrigation meters.*
- **Cost Proposal:**

1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.0

Type 5: *Dual-supply, multi-family homeowners association landscape where structures are served by master meters for domestic water and protected with RPPA backflow devices.*

- **Sample:** *Toscana Apartments. Multifamily units located at the corner of Jamboree Road and Michelson Drive. Irvine, CA.*
- **Method of testing:** *One-way shut down test.*
- **Quantities:** *Approximately 250 irrigation meters.*
- **Cost Proposal:**

1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.0

Type 6: *Dual-supply, homeowners' association landscape where structures served by potable waters do not have RPPA backflow protection.*

- **Sample:** *Woodbridge Pine Apartments located at the corner of Alton and Barranca Parkway. Irvine, CA.*
- **Method of testing:** *One-way shut down test.*
- **Quantities:** *Approximately 800 irrigation meters.*
- **Cost Proposal:**

1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.0

Type 7: *Dual-supply, golf courses where structures and facilities are served by potable water meters.*

- **Sample:** *Pelican Hills Golf Course. Located at the corner of Pacific Coast Highway and Newport Coast Drive. Newport Coast, CA.*
- **Method of testing:** *One-way shut down test.*
- **Quantities:** *Approximately 11 irrigation meters.*
- **Cost Proposal:**
 1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
 2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
 3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.0

Type 8: *Dual-supply, cemeteries where structures and facilities are served by potable water meters.*

- **Sample:** *Ascension Cemetery. Located on the corner of Trabuco Canyon Road and Paseo Tranquilo. Lake Forest, CA.*
- **Method of testing:** *One-way shut down test.*
- **Quantities:** *Approximately 2 irrigation meters.*
- **Cost Proposal:**
 1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
 2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
 3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.0

Type 9: *Dual-supply, industrial uses (e.g., cement batch mixing, cooling towers) where non-dual plumbed structures and facilities are served by potable water meters.*

- **Sample:** *Roberston's Ready Concrete Mix. Construction Circle. Irvine, CA.*
- **Method of testing:** *One-way shut down test or two way shut-down of Pressure differential gage test.*
- **Quantities:** *Approximately 9 irrigation meters.*
- **Cost Proposal:**
 1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
 2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
 3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.0

Type 10: *Dual-supply, landscape around commercial buildings and parking lot areas.*

- **Sample:** *Irvine Ranch Water District Headquarters parking lot irrigation system. Located at the corner of Sand Canyon Avenue & Waterworks Way. Irvine, CA*
- **Method of testing:** *One-way shut down test.*
- **Quantities:** *Approximately 700 irrigation meters.*

- **Cost Proposal:**

1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.00

Type 11: *Dual-plumbed, front and back yard landscape at single family homes (e.g., "Full Lot Irrigation"), under the control of the homeowner.*

- **Sample:** *Dual Plumbed Custom Homes located in Shady Canyon, Crystal Cove, Pelican Crest, and Pelican Hills Communities*
- **Method of testing:** *One-way shut down test.*
- **Quantities:** *Approximately 635 irrigation meters.*
- **Cost Proposal:** TEST ONLY (NO CONTACT W/ HOME OWNER) -\$50.00
 1. Inspection only cost per meter \$: 138.25 Assumed hours: 1.75
 2. Testing only cost per meter \$: 138.50 Assumed hours: 1.75
 3. Inspection & Testing cost per meter \$: 158.00 Assumed hours: 2.00

Type 12: *Dual-plumbed, non-residential ("commercial") structures where toilets, trap primers, urinals, or cooling towers are served.*

- **Sample:** *Irvine Ranch Water District Headquarters Building located at the corner of Sand Canyon Avenue and Waterworks Way. Irvine, CA.*
- **Method of testing:** *Two-way shut down test or Pressure differential gage test.*
- **Quantities:** *Approximately 71 irrigation meters.*
- **Cost Proposal:**
 1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
 2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
 3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.00

Type 13: *Dual-plumbed, industrial structures (e.g., carpet dye applications, plating, manufacturing, etc.)*

- **Sample:** *Royalty Carpets. Irvine, CA (Not active).*
- **Method of testing:** *Two-way shut down test or Pressure differential gage test.*
- **Quantities:** *1 recycled water meter.*
- **Cost Proposal:**
 1. Inspection only cost per meter \$: 217.25 Assumed hours: 2.75
 2. Testing only cost per meter \$: 217.25 Assumed hours: 2.75
 3. Inspection & Testing cost per meter \$: 237.00 Assumed hours: 3.00

July 10, 2017

Prepared by: A. McNulty

Submitted by: F. Sanchez/P. Weghorst

Approved by: Paul A. Cook



ACTION CALENDAR

VARIANCE NO. 4 TO SYNERGY COMPANIES AGREEMENT FOR WATER-ENERGY GRANT-RELATED CUSTOMER PROGRAMS

SUMMARY:

In October 2015, IRWD was awarded a Water-Energy Grant from the California Department of Water Resources (DWR). The grant provides funding for a program that offers customers the opportunity to upgrade their homes with efficient energy and water fixtures. In 2015, IRWD entered into an agreement with Synergy Companies to install indoor water efficient fixtures for the program. Since January 2017, over 1,000 IRWD customers have registered to participate in the program. To continue providing funding for single-family customers and to extend the program to include multi-family customers, staff recommends the Board authorize the General Manager to execute Variance No. 4 to the District's agreement with Synergy Companies in the amount of \$950,000. IRWD expenditures through the Synergy Companies agreement will be fully reimbursed to IRWD by DWR from grant funds.

BACKGROUND:

In October 2015, DWR awarded a Water-Energy Grant to IRWD in the amount of \$1,932,621 for the development and implementation of a water and energy efficiency device installation program. Upon receiving the grant, IRWD has worked in collaboration with Southern California Edison (SCE) and Southern California Gas Company (SoCalGas) to implement a program that provides customers in single-family homes with the opportunity to upgrade their homes with efficient energy and water fixtures. This program is called the "One-Stop Shop for Water and Energy Efficiency Program".

The DWR grant is used to reimburse IRWD for the cost of installing toilets, showerheads and faucet aerators. Funding for the energy efficient devices is provided by SCE and SoCalGas. All devices are installed under the District's agreement with Synergy Companies, a full-service energy management organization that assists with controlling energy demands. IRWD, SCE and SoCalGas maintain separate contracts with Synergy Companies for the installation of utility-specific devices under the program.

Agreement with Synergy Companies:

In August 2015, IRWD entered into an agreement with Synergy Companies to install water efficient toilets, showerheads, and aerators as a pilot program for customers in a small mobile home park in the District's service area. The pilot was successful and the participating customers were satisfied with Synergy's installation work. Customers also provided positive feedback on the program partnership. In January 2017, the second phase of the program began and included installing water efficient fixtures in single-family residences. The Agreement for Non-Consultant Services Between IRWD and Synergy Companies is attached as Exhibit "A".

Variance Request:

Variance No. 1 to the agreement with Synergy Companies was executed in October 2016 to extend the program to single-family customers and to accommodate requirements of the DWR grant without increasing costs. Variance No. 2 was approved by the Board in January 2017, which increased the program budget by \$500,000 bringing the total program budget to \$580,000. Variance No. 3 was executed in March 2017 to clarify fixture flow rates without modifying the program budget.

Variance No. 4, which is attached as Exhibit "B", increases program funding by \$950,000 to continue providing funding for single-family customers and to extend the program to include multi-family customers. The One-Stop Shop program currently has commitments for approximately \$615,000 to complete installations at registered single-family participant homes. These installations will exhaust the remaining program budget and will require an additional \$327,000. The \$950,000 increase in program funding will cover the \$327,000 for previously committed installations and will provide an additional \$623,000 for expansion of the program to multi-family homes along with approximately 300 additional single-family customers. Program funding is fully reimbursable through the DWR Water-Energy Grant. Staff recommends the Board authorize the General Manager to execute Variance No. 4.

FISCAL IMPACTS:

Funding for the One-Stop Shop for Water and Energy Efficiency Program is included in the FY 2017-18 Operating Budget. The District will be fully reimbursed for Synergy Companies' work through the DWR Water-Energy Grant.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on July 6, 2017.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 4 TO THE AGREEMENT FOR NON-CONSULTANT SERVICES BETWEEN IRWD AND SYNERGY COMPANIES IN THE AMOUNT OF \$950,000 TO CONTINUE PROVIDING FUNDING FOR SINGLE-FAMILY CUSTOMERS AND TO EXTEND THE PROGRAM TO INCLUDE MULTI-FAMILY CUSTOMERS, WHICH WILL BE FULLY REIMBURSED THROUGH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES WATER-ENERGY GRANT.

Action Calendar: Variance No. 4 To Synergy Companies Agreement for Water-Energy Grant-related Customer Programs

July 10, 2017

Page 3

LIST OF EXHIBITS:

Exhibit "A" – Agreement for Non-Consultant Services Between IRWD and Synergy Companies

Exhibit "B" – Non-Consultant Services Variance No. 4 to the IRWD Agreement with Synergy Companies

EXHIBIT "A"

AGREEMENT FOR NON-CONSULTANT SERVICES BETWEEN IRVINE RANCH WATER DISTRICT AND SYNERGY COMPANIES

This AGREEMENT FOR NON-CONSULTANT SERVICES ("Agreement") is made and entered into this 10 day of AUGUST, 2015 by and between the IRVINE RANCH WATER DISTRICT, a California Water District formed and existing pursuant to the California Water District Law ("District"), and SYNERGY COMPANIES ("Contractor"), who agree as follows:

1. Agreement. The following documents (if applicable) are incorporated into this Agreement by this reference:

Certificate(s) of Insurance, Endorsements and Payment Bond

In the event of conflict between any of the terms and conditions contained in the above-listed documents and any of the terms and conditions contained in this Agreement, the parties agree that the terms and conditions contained in this Agreement will control.

2. Services. Subject to the terms and conditions set forth in this Agreement, Contractor agrees to provide District the services described in the Scope of Services, attached hereto as Exhibit 1 ("Services"). Contractor must, at its sole cost and expense, furnish all equipment that may be required for furnishing the Services. Contractor will not be compensated for services outside the scope of the Services as described in Exhibit 1, and in the Contractor's proposal, unless prior to the commencement of such out of scope services: (a) Contractor notifies District and District agrees that such services are out of scope services; (b) Contractor estimates the additional compensation required for such out of scope services; and (c) District, after notice, approves in writing a variance in the form attached hereto as Exhibit 6, specifying such out of scope services and amount of compensation for performing those out of scope services. District does not have any obligations whatsoever under this Agreement and/or any variance unless and until this Agreement and/or any variance is approved by the District's General Manager or authorized designee. Specific authorization to proceed with the Services shall be granted in writing by District. Contractor shall not proceed with the Services unless authorized. If it is specified in the Scope of Services as described in Exhibit 1 that the Services are to be performed in phases as authorized, Contractor shall not proceed with any phase unless it is separately authorized.

3. Exhibits. The following exhibits are attached to this Agreement and incorporated into this Agreement by this reference:

- ___ Exhibit 1 – Scope of Services
- ___ Exhibit 2 – Fee Schedule (including Schedule of Charges for Services)
- ___ Exhibit 3 – Insurance Requirements
- ___ Exhibit 4 – Public Works Requirements
- ___ Exhibit 5 – Special Provisions
- ___ Exhibit 6 – Non-consultant Services Variance

4. Payment. District must pay Contractor for the Services in the manner specified in Exhibit 2. The payments specified in Exhibit 2 are the only payments to be made to Contractor for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, District approves additional compensation for additional services. Contractor must submit all billings for said services to District in the manner specified in Exhibit 2.

5. No Guarantee of Compensation for On-Call Services. If this Agreement is an agreement for “on-call” Services, District makes no guarantee to Contractor as to the amount of Contractor-provided on-call Services will be requested by the District or the amount of compensation that will be provided Contractor pursuant to this Agreement. Under no circumstances, will Contractor or any of its subcontractors be entitled to or compensated for any direct or indirect loss arising from or relating to District’s failure to authorize performance of services under this Agreement. Such direct and indirect loss includes, but is not limited to, loss of expected profits, business overhead, loss of productivity, and loss of opportunity to work on other projects.

6. Standards of Performance. Contractor must perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of Contractor’s industry in California. Contractor must prepare all deliverables provided to District pursuant to this Agreement in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor’s industry, and must be provided in accordance with any schedule of performance specified in Exhibit 1. Contractor must assign only competent personnel to perform Services. Contractor must also devote such time and effort to the performance of Services as is necessary for the satisfactory and timely performance of Contractor’s obligations under this Agreement. Neither party will be deemed in default of this Agreement, to the extent that party’s performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.

7. Independent Contractor. It is understood and agreed that Contractor (including Contractor’s employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever.

Neither Contractor nor Contractor's assigned personnel shall be entitled to any benefits payable to employees of District. District is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Agreement. It is further understood and agreed by the parties hereto that Contractor, in the performance of its obligations hereunder, is subject to the control and direction of District as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by Contractor for accomplishing such results. To the extent that Contractor obtains permission to, and does, use District facilities, space, equipment or support services in the performance of this Agreement, this use is at the Contractor's sole discretion based on the Contractor's determination that such use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the District does not require that Contractor use District facilities, equipment or support services or work in District locations in the performance of this Agreement. If, in the performance of this Agreement, any third persons are employed by Contractor, then Contractor must ensure that such persons are entirely and exclusively under Contractor's direction, supervision, and control.

8. Contractor Not Agent of District. Except as District may specify in writing, Contractor and Contractor's personnel do not have authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Contractor and Contractor's personnel do not have the authority, express or implied, to bind District to any obligations whatsoever.

9. Conflicts of Interest. Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the interests of District or that would in any way hinder Contractor's performance of the Services. Contractor further covenants that in the performance of this Agreement, no person having any such interest will be employed by Contractor as an officer, employee, agent or subcontractor, without the written consent of District. Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of District at all times during the performance of this Agreement.

10. Licenses and Permits. Except for any licenses, permits, or approvals which are expressly provided by the Scope of Services to be obtained by the District, Contractor represents and warrants that Contractor has all licenses, permits, qualifications, and approvals that are legally required for Contractor to provide the Services. Contractor represents and warrants that Contractor will, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and

approvals that are legally required for Contractor to provide the Services. Without limiting the generality of the foregoing, if Contractor is an out-of-state corporation, Contractor warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.

11. Indemnification. Contractor agrees to defend, hold harmless and indemnify District, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably attorney fees and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by Contractor, any subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the negligence or willful misconduct of District.

12. Insurance Requirements. During the entire term of this Agreement, Contractor must maintain the insurance coverage described in Exhibit 3.

13. Public Works Requirements. If the Services include "public work" subject to the requirements of the California Labor Code or other applicable statutes (generally, any of the following paid for by the District, with a contract amount of \$1,000 or more: construction work (including inspection and land surveying), alteration work, demolition work, installation work, street or other improvement work, repair work, certain refuse hauling for disposal, and maintenance work other than routine or recurring janitorial or custodial work), Contractor shall comply with the requirements set forth in Exhibit 4, to the extent applicable to any of the Services.

14. Non-Discrimination. Contractor represents and warrants that it has and adheres to a policy of equal opportunity non-discrimination, and non-harassment of all persons regardless of race, religion, color, national origin, ancestry, disability, medical condition, marital status, gender, age, veteran status, or sexual orientation. Such policy must be in conformance with applicable State and Federal guidelines including the California

Government Code "Section 12940(h), 12940(i)," and the Federal Equal Opportunity Clause "Section 60-1.4 of Title 41, Part 60 of the Code of Federal Regulations" and must apply to all employment practices including recruitment, candidate selection, training, compensation, promotion, demotion, and recreation. Contractor will designate a specific person responsible for assuring nondiscrimination and non-harassment as provided in the Agreement. That named individual will be responsible for investigating all complaints directed to him/her by District. District will refer complaints in writing, and investigations will be deemed concluded only upon submission of a written investigation report from the Contractor to the District. The scope of such investigations includes not only officers, employees, and agents of the Contractor, but also all subcontractors, subcontractors, material, men, and suppliers of the Contractor. In cases where such investigation results in a finding of discrimination, harassment, or hostile work environment, Contractor must take prompt, effective disciplinary action against the offender. Failure to take appropriate action may be considered a material breach of the Agreement.

15. Compliance with Laws. In the performance of this Agreement, Contractor must at all times comply with all applicable governmental laws, statutes, ordinances, rules, codes, regulations, orders and other requirements. Upon the District's request, Contractor must provide the District with documentation demonstrating Contractor's compliance with such governmental requirements. After reasonable notice and under reasonable conditions, Contractor agrees that the District has the right to inspect and copy any records of Contractor regarding such compliance. Contractor represents and warrants that neither Contractor nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any government department or agency.

16. Term; Suspension; Termination. This Agreement will become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and continues in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein. District must have the right at any time to temporarily suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. If District gives such notice of suspension, Contractor must immediately suspend its activities under this Agreement, as specified in such notice. District may terminate this Agreement at any time by giving at least 10-days prior written notice of termination to Contractor. If District gives such notice of termination, Contractor must immediately cease rendering Services pursuant to this Agreement. If District terminates this Agreement, Contractor must, no later than five days after such notice of termination, deliver to District all Work Product

prepared pursuant to this Agreement. District must pay Contractor the reasonable value of Services rendered by Contractor prior to termination.

17. Confidentiality of District Information. During performance of this Agreement, Contractor may gain access to and use District information regarding personnel, future plans, business affairs, governmental affairs, processes, trade secrets, security of facilities, customer account information, and other sensitive information (hereafter collectively referred to as "District Information"). Contractor agrees to protect all District Information and treat it as strictly confidential, and further agrees not at any time, either directly or indirectly, to divulge, disclose or communicate in any manner any District Information to any third party without the prior written consent of District. A violation by Contractor of this Section is a material violation of this Agreement and must justify legal and/or equitable relief.

18. Ownership of Work Product. Contractor agrees that District has full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor pursuant to this Agreement ("Work Product"). Contractor is not responsible for any unauthorized modification or use of such Work Product for other than its intended purpose by District. Contractor agrees to fully defend, indemnify and hold harmless District, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights.

19. California Public Records Act. All proprietary and other information received from Contractor by District, whether received in connection with Contractor's proposal to District or in connection with any Services performed by Contractor, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to District, District must give notice to Contractor of any request for the disclosure of such information. The Contractor has five (5) days from the date it receives such notice to enter into an agreement with the District, satisfactory to the District Counsel, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by District in any legal action to compel the disclosure of such information under the California Public Records Act. The Contractor has sole responsibility for defense of the actual "trade secret" designation of such information. The failure of Contractor to respond to the notice provided by District constitutes a complete waiver by Contractor of any rights regarding

the information designated "trade secret" by Contractor, and such information will be disclosed by District pursuant to the California Public Records Act.

20. Severability. The parties agree that if any portion of this Agreement or the application thereof to any person or circumstance is held invalid or unenforceable, then the remainder of this Agreement will remain effective and is enforceable to the greatest extent permitted by law.

21. Waiver. Neither District acceptance of, or payment for, any Service or Additional Service performed by Contractor, nor any waiver by either party of any default, breach or condition precedent, may be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

22. Choice of Law and Venue. The parties agree that this Agreement is to be governed, construed and enforced in accordance with the laws of the State of California. The parties also agree that the venue of any litigation arising out of or connected with this Agreement will lie exclusively in the state trial court or Federal District Court located in Orange County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

23. No Assignment. The expertise and experience of Contractor are material considerations for this Agreement. District has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor must not assign any right or obligation pursuant to this Agreement without the written consent of the District. Any attempted or purported assignment without District's written consent is void and of no effect.

24. Survival of Terms. The provisions of Section 5, 7, 8, 9, 10, 11, 15, and 17 through 26, survive termination of this Agreement.

25. Binding Effect. This Agreement is binding on the heirs, executors, administrators, successors and assigns of the parties.

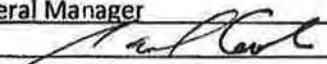
26. Entire Agreement. This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement is valid unless approved in the form of a written variance signed by an authorized representative of Contractor and District.

27. Authority. The person signing this Agreement for Contractor hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Contractor and to bind Contractor to the performance of its obligations hereunder.

EXECUTED AS OF THE DATE FIRST STATED ABOVE.

IRVINE RANCH WATER DISTRICT

Approved as to form:

Name: Paul Cook
Title: General Manager
Signature: 



Contractor:

Name of Firm: Synergy Companies
Federal I.D. No.: 87-0389611
State I.D. No.: C2420016

Type of Business Entity (check one):

Individual/Sole Proprietor


Partnership

Corporation (i.e. either corporate president must sign or two corporate officers)

Limited Liability Company

Other (please specify: _____)

Name of Firm's Authorized Representative: Steve Shallenberger

Title: President
Signature: 

(If the firm is a corporation and its president did not sign above, then another corporate officer must sign below)

Name of Firm's Authorized Representative: David Shallenberger

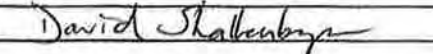
Title: Legal Counsel
Signature: 

EXHIBIT 1
SCOPE OF SERVICES

1. Representatives.

a. The District Representative for this Agreement is:

Amy McNulty, Water Efficiency Manager
15600 Sand Canyon Avenue
Irvine, CA 92618
(949) 453-5634
mcnulty@irwd.com

All Contractor questions pertaining to this Agreement must be referred to the District Representative or the District Representative's designee.

b. The Contractor Representative for this Agreement is:

Matthew Clark, Project Director
90 Business Park Drive
Perris, CA 92571
(951) 230-6425
matt.clark@synergycompanies.org

All District questions pertaining to this Agreement must be referred to the Contractor Representative. All correspondence to Contractor must be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the District must be addressed to the District Representative.

2. Scope of Services.

The scope of services for the Water-Energy Combined Manufactured Homes Direct Install Program and One-Stop Shop Program will consist of the direct installation of high efficiency toilets, low-flow showerheads, and kitchen and bathroom faucet aerators within the manufactured homes and single-family homes of Irvine Ranch Water District customers. The program will consist of multiple phases depending on customer participation rates. Each phase will have a not-to-exceed amount of \$80,000. Each phase requires separate authorization by the District to proceed. Any additional phases will be considered sequentially, when the prior phase is completed, and the determination to authorize each such phase will be at the District's sole discretion. The District's authorization to proceed with a subsequent phase will include a Notice to Proceed for such phase.

Manufactured Homes Direct Install Program

The Contractor will engage in the following activities to acquire customer participation: manufactured housing clubhouse presentations, direct outreach and customer

enrollment. Clubhouse presentations consist of collaboration with manufactured housing community managers to promote the event through flyers, newsletters and manufactured housing television channels. The presentation will be given by trained presenters with audiovisual slide show and video to educate the attendees and answer questions courteously and thoughtfully. Attendees are encouraged to enroll in the program throughout the presentation.

After the presentation, marketing associates politely contact community residents through door-to-door and phone outreach. Interested residents are educated by the marketing associate, enrolled electronically on the program and given an appointment date and time with reminder card. Contractor will work with IRWD to develop a customer participation form.

Contractor replaces the existing 1.6 gallon per flush (gpf) or greater toilet with a more water efficient model. The existing toilet is also removed from the site and recycled. The contractor installs a 0.8 gpf toilet including the toilet seat, wax ring, seal and hose. If site conditions prohibit the installation of the 0.8 gpf toilet model, IRWD staff will be contacted to approve the installation of the 1.28 gpf model as an alternative.

Single-Family One-Stop Shop Program

The Contractor will manage the customer intake process via the program web portal developed by IRWD. The Contractor will be responsible for contacting customers who register via the portal to schedule an on-site appointment to determine customer's eligibility for the direct installation of high efficiency toilets, low-flow showerheads, and kitchen and bathroom faucet aerators within the single-family homes. After performing the installation for qualified customers, the Contractor will leave behind outreach materials for rebates and other programs for additional outdoor direct installation measures as determined by IRWD. The Contractor will provide the names and addresses of customers interested in outdoor measures to IRWD.

The Contractor will replace existing 1.6 gpf or greater toilets with a more water efficient model. The existing toilet is also removed from the site and recycled. The contractor installs a 0.8 gpf toilet including the toilet seat, wax ring, seal and hose. If site conditions prohibit the installation of the 0.8 gpf toilet model, IRWD staff will be contacted to approve the installation of the 1.28 gpf model as an alternative. Showerheads and faucet aerators that do not meet current plumbing code requirements will be replaced with low-flow 1.8 gallon per minute (gpm) or higher efficiency model showerheads, kitchen faucet aerators with 1.5 gpm or higher efficiency model, and bathroom faucet aerators with 0.5 gpm or higher efficiency models. The Contractor will remove the existing showerhead and aerators from the site and recycle if able. The contractor performs post installation tests to ensure the new water efficient toilets, kitchen and bath faucet aerators, and showerheads are functioning properly.

Multi-Family One-Stop Shop Program

The Contractor will manage the customer intake process via the program web portal developed by IRWD. The Contractor will be responsible for contacting customers who register via the portal to schedule an on-site appointment to determine customer's eligibility for the direct installation of high efficiency toilets, low-flow showerheads, kitchen and bathroom faucet aerators, and at the Districts direction, high efficiency clothes washers within multi-family properties. After performing the installation for qualified customers, the Contractor will leave behind outreach materials for rebates and other programs for additional IRWD programs.

The Contractor will replace existing 1.6 gpf or greater toilets with a more water efficient model. The existing toilet is also removed from the site and recycled. The contractor installs a 0.8 gpf toilet including the toilet seat, wax ring, seal and hose. If site conditions prohibit the installation of the 0.8 gpf toilet model, IRWD staff will be contacted to approve the installation of the 1.28 gpf model as an alternative. Showerheads and faucet aerators that do not meet current plumbing code requirements will be replaced with low-flow 1.8 gallon per minute (gpm) or higher efficiency model showerheads, kitchen faucet aerators with 1.5 gpm or higher efficiency model, and bathroom faucet aerators with 0.5 gpm or higher efficiency models. The Contractor will remove the existing showerhead and aerators from the site and recycle if able. The contractor performs post installation tests to ensure the new water efficient toilets, kitchen and bath faucet aerators, and showerheads are functioning properly. High efficiency clothes washers will be installed at qualifying sites as determined by IRWD.

Payment

Invoices will be submitted routinely and include information on the customer name, address, old toilet gpf, new toilet gpf, old bath and kitchen faucet aerator gpm, new bath and kitchen faucet aerator gpm, old showerhead gpm, new showerhead gpm, **old clothes washer water factor, new clothes washer water factor**, quantity of toilets installed, quantity of bath and kitchen faucet aerators installed, quantity of showerheads installed, **quantity of clothes washers installed**, installation date, customer water account number, and the signed customer participation agreement.

3. Time of Performance.

The time from the onset of program marketing to complete installation varies depending on customer participation. Payments are made for completed installations only.

4. Additional Services. If the District requests Contractor to provide services in addition to those specified above, Contractor shall develop a scope of work detailing the specific tasks to be completed and the estimated costs to complete those tasks. Contractor shall not perform any additional services unless authorized to provide those additional services are specified in a variance to this Agreement signed by both parties.

EXHIBIT 2

FEE SCHEDULE

1. Contractor's Compensation. The parties agree that the total of all fees paid to the Contractor for the performance of all services set forth in Exhibit 1, including normal revisions (hereafter the "Services"), and for all authorized reimbursable expenses, must not exceed the total sum of ~~\$580,000~~ \$950,000.

2. Billable Rates. Contractor must be paid for the performance of Services on an hourly rate, daily rate, flat fee, lump sum or other basis, as set forth in the Schedule of Charges for Services, attached hereto and incorporated by this reference.

3. Contractor's Reimbursable Expenses. Reimbursable expenses are limited to actual expenditures of Contractor for expenses that are necessary for the proper completion of the Services and are only be payable if specifically authorized in writing in advance by District.

4. Payments to Contractor.

a. Undisputed invoices must be paid by the District within 30 days after receipt of such invoices. Contractor must be responsible for the cost of supplying all documentation necessary to verify the invoiced amounts to the satisfaction of District.

b. All invoices submitted by Contractor must contain the following information:

- i. Date of Invoice Issuance
- ii. Sequential Invoice Number
- iii. Purchase Order Number
- iv. Total Agreement Not-to-Exceed Amount
- v. Amount of this Invoice (Itemize all reimbursable expenses, if any)
- vi. Database with customer address, name, water account number, model and gallons per flush of toilet installed, model and gallons per minute of showerhead installed model and gallons per minute of faucet aerator installed, and the installation date.

c. Billings that do not conform to the format outlined above must be returned to Contractor for correction. District must not be responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described below.

d. Requests for payment must be sent to the District Representative.

5. Contractor's Accounting Records. During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, Contractor must maintain all accounting and financial records related to this Agreement, including, but not limited to, records of Contractor's costs for all Services and Additional Services performed under this Agreement and records of Contractor's Reimbursable Expenses, in accordance with generally accepted accounting practices, and must keep and make such records available for inspection and audit by representatives of the District upon reasonable written notice.

SCHEDULE OF CHARGES FOR SERVICES FOR IRVINE RANCH WATER DISTRICT

PRICE PER INSTALLATION

(INCLUDES EQUIPMENT, INSTALLATION, TOILET RECYCLING, TAXES AND ANY ADDITIONAL FEES)

	COST EACH	MaP SCORE
Tank-Style High Efficiency Toilet	\$ 487.92	
Make and Model: Niagara Stealth .8 GPF		600
Tank-Style High Efficiency Toilet	\$ 437.92	
Make and Model: Western Pottery 1.28 GPF		900
Handheld Low-Flow Showerhead	\$ 34.95	
Make and Models: Earth N2945CH or N2945 1.5 GPM		
Evolve EV3030-CP150-SB or EV3040-CP150-SB 1.5 GPM		
Evolve EV3030-CP175-SB or EV3040-CP175-SB 1.75 GPM		
Standard Low-Flow Showerhead	\$ 19.95	
Make and Models: Evolve EV3010-CP150-SB or EV3020-CP150-SB 1.5 GPM		
Evolve EV3010-CP175-SB or EV3020-CP175-SB 1.75 GPM		
Swivel Kitchen Faucet Aerator	\$ 13.95	
Make and Model: Niagara Conservation N3115-P 1.5 GPM		
Standard Kitchen Faucet Aerator	\$ 9.95	
Make and Models: AM Conservation FA014CPB1 1.0 GPM		
AM Conservation FA012CPB1 1.5 GPM		
Bathroom Faucet Aerator	\$ 9.95	
Make and Model: Niagara Conservation N3205N-PC 0.5 GPM		
<u>High Efficiency Clothes Washer</u>	<u>Cost</u>	<u>Water Factor</u>
<u>Eligible models (listed below)</u>	<u>Not to exceed \$850 each</u>	<u>≤ 3.7</u>

High Efficiency Clothes Washers Qualified Products List

BRAND	MODEL	BRAND	MODEL
Amana	NFW5800D*+	Crosley	CFWH4084G**
Electrolux	EFLS517****	Electrolux	EFLS617****
Electrolux	EFLW317****	Electrolux	EFLW417****
Electrolux	EIFLS55IIW	Frigidaire	FFFS5115***
Frigidaire	FFFW5000QW	Frigidaire	FFFW5100**
Ge	GFW400S*K***	Ge	GFW450S*K***
Ge	GFW490R*K***	Ge	GFWH1200H***
Ge	GFWN1100H***	Ge	GFWN1300J***
Ge	GFWN1600J***	Ge	GFWR2700H***
Ge	GFWR2705H***	Ge	GFWR4800F***
Ge	GFWR4805F***	Ge	GFWS1600H***
Ge	GFWS1605H***	Ge	GFWS1700H***
Ge	GFWS1705H***	Ge	GFWS2600F***
Ge	GTW810S*J***	Ge	GTW860S*J***
Huebsch	YFNE5BJP113+	Huebsch	YFNE5RSP113+
Huebsch	YTEE5ASP173+	Huebsch	YTEE5ASP283+
Huebsch	YTGE5ASP093+	Huebsch	YTGE5ASP113+
Huebsch	ZFNE9BSP113+	Ipso	BFNE6BJP113+
Ipso	BTEE6ASP173+	Ipso	BTEE6ASP283+
Ipso	BTGE6ASP093+	Ipso	BTGE6ASP113+
Kenmore	3142#	Kenmore	3142#41#
Kenmore	3146#	Kenmore	3146#41#
Kenmore	3155#	Kenmore	4100#
Kenmore	4107#	Kenmore	4107####
Kenmore	4116#	Kenmore	4116####
Kenmore	4126#	Kenmore	4130#
Kenmore	4138#	Kenmore	4138####
Kenmore	4139#	Kenmore	4148#
Kenmore	4148####	Kenmore	4158#
Kenmore	4158####	Kenmore	4168#
Kenmore	417.4112	Kenmore	4196#
Kenmore	4198#	Kenmore	4198####
Lg	WM3050C*	Lg	WM3075C*
Lg	WM3085C*	Lg	WM3170C*
Lg	WM3175C*	Lg	WM3180C*
Lg	WM3270C*	Lg	WM3270H*A
Lg	WM3275C*	Lg	WM3370H*A
Lg	WM3475H*A	Lg	WM3570H*A
Lg	WM3575C*	Lg	WM3650H**
Lg	WM3670H*A	Lg	WM3770H*A
Lg	WM3997H**	Lg	WM4270H*A
Lg	WM4370H*A	Lg	WM5000H*A
Lg	WM5005H*A	Lg	WM8000H**
Lg	WM8100H*A	Lg	WM8500H**
Lg	WM9000H*A	Lg	WM9500H*A
Lg	WT1150C*	Lg	WT1301C*
Lg	WT1501C*	Lg	WT1701C*

BRAND	MODEL	BRAND	MODEL
Lg	WT1801H*A	Lg	WT1901C*
Lg	WT5270C*	Lg	WT5275C*
Lg	WT5480C*	Lg	WT5680H*A
Lg	WT7200C*	Lg	WT7500C*
Lg	WT7600H*A	Lg	WT7700H*A
Lg	WT7710H*A	Lg	WT9000H*A
Lg Electronics	WM1832C*	Maytag	MHW3100D*+
Maytag	MHW3500F**	Maytag	MHW3505F**
Maytag	MHW4100D*+	Maytag	MHW4300D*+
Maytag	MHW5100D*+	Maytag	MHW5400D*+
Maytag	MHW5500F**	Maytag	MHW7100D*+
Maytag	MHW8100D*+	Maytag	MHW8150E**
Maytag	MHW8200F**	Maytag	MVWB955F**
Primus	PFNE3BJP113+	Primus	PFNE3RSP113+
Primus	PTEE3FSP173+	Primus	PTGE3FSP113+
Samsung	WA50K86**A*	Samsung	WA52J806*A*
Samsung	WF42H50**A*	Samsung	WF42H51**A*
Samsung	WF42H52**A*	Samsung	WF42H54**A*
Samsung	WF42H55**A*	Samsung	WF42H56**A*
Samsung	WF42H57**A*	Samsung	WF457A*GS**
Samsung	WF45H61**A*	Samsung	WF45H63**A*
Samsung	WF45K62**A*	Samsung	WF45K65**A*
Samsung	WF45M51**A*	Samsung	WF45M55**A*
Samsung	WF50K75**A*	Samsung	WF56H91**A*
Samsung	WF56H91**C*	Samsung	WV55M96**A*-L
Samsung	WV60M99**A*-L	Speed Queen	AFN50RSP113+
Speed Queen	AFNE8RSP113+	Speed Queen	AFNE9BSP113+
Speed Queen	AFNE9RSP113+	Speed Queen	ATEE9AGP173+
Speed Queen	ATEE9ASP283+	Speed Queen	ATGE9AGP113+
Speed Queen	ATGE9ASP093+	Speed Queen	LFN50RSP113+
Speed Queen	LFNE5BJP113+	Speed Queen	LFNE5BSP113+
Speed Queen	LFNE5RSP113+	Speed Queen	LTE50FSP173+
Speed Queen	LTEA5FSP153**04	Speed Queen	LTEA5FSP153+
Speed Queen	LTEA5FSP173**04	Speed Queen	LTEA5FSP173+
Speed Queen	LTEE5ASP153+	Speed Queen	LTEE5ASP173+
Speed Queen	LTEE5ASP283+	Speed Queen	LTGA5FSP113+
Speed Queen	LTGE5ASP093+	Speed Queen	LTGE5ASP113+
Unimac	UFNE5BJP113+	Unimac	UTEE5ASP173+
Unimac	UTEE5ASP283+	Unimac	UTGE5ASP113+
Whirlpool	WFW7590FW	Whirlpool	WFL98HEB**
Whirlpool	WFW3090G**	Whirlpool	WFW5090G**
Whirlpool	WFW61HEB**	Whirlpool	WFW72HED*+
Whirlpool	WFW7540F**	Whirlpool	WFW7590F**
Whirlpool	WFW75HEF**	Whirlpool	WFW81HED*+
Whirlpool	WFW8540F**	Whirlpool	WFW85HEF**
Whirlpool	WFW8740D*+	Whirlpool	WFW87HED*+
Whirlpool	WFW90HEF**	Whirlpool	WFW9290F**
BRAND	MODEL	BRAND	MODEL
Whirlpool	WFW92HEF**	Whirlpool	WFW95HED*+
Whirlpool	WFW97HED*+	Whirlpool	WTW9500E**

EXHIBIT 3

INSURANCE REQUIREMENTS

- 1. General.** CONTRACTOR shall not commence or continue to perform any Services unless they, at their own expense, have in full force and effect all required insurance. CONTRACTOR shall not permit any Subcontractor to perform Services on this project until the same insurance requirements have been complied with by such Subcontractor.
- 2. Types of Insurance.** CONTRACTOR shall obtain and maintain for the full period of the Agreement are Worker's compensation insurance, commercial general liability insurance, and business automobile liability insurance.
- 3. Insurer Rating.** Insurers shall have financial and size ratings of at least an "A", VIII in accordance with the most current Best's Key Rating Guide, Property Casualty.
- 4. Evidence of Insurance.** As evidence that specified insurance coverage has been obtained for the period of the Agreement, the CONTRACTOR shall provide, on forms satisfactory to District, including endorsements providing that policies cannot be canceled or reduced except on thirty (30) calendar days written notice by the insurance carrier of cancellation or non-renewal (ten (10) calendar days notice for non-payment of premium). Industry standard forms for "certificate on insurance" from ACORD are accepted, provided that appropriate language regarding notice of non-renewal or cancellation is provided on the form. Contractor shall provide proof that policies of insurance required herein expiring or terminated during the term of this Agreement have been renewed or replaced with other policies providing coverage meeting the requirements hereof. Such proof will be furnished at least fourteen (14) calendar days prior to the expiration of termination of the coverages. No alteration or substitution of said forms will be allowed. Certified copies of insurance policies from the insurance company affording coverage shall be provided by CONTRACTOR upon request.
- 5. Noncompliance.** DISTRICT reserves the right to withhold payments to CONTRACTOR in the event of material noncompliance with insurance requirements.
- 6. Limitation of Contractor liability.** The requirements set forth herein as to the types and limits of insurance coverage to be maintained by the CONTRACTOR and any approval of said insurance by the DISTRICT or its insurance consultant(s) is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the CONTRACTOR pursuant to the Agreement, including but not limited to the provisions concerning indemnification.
- 7. Worker's Compensation Insurance.** CONTRACTOR shall provide worker's compensation insurance coverage for no less than the statutory limits and employer's liability insurance coverage, with limits not less than those listed in 7.A, for all persons

whom CONTRACTOR employs or may employ in carrying out the Services. This insurance shall be in strict accordance with the requirements of the most current and applicable state worker's compensation insurance laws.

- A. Employer's Liability Insurance shall be for not less than:
 - \$1,000,000 Each Accident
 - \$1,000,000 Each Disease – Policy Limit
 - \$1,000,000 Each Disease – Each Employee

B. Notwithstanding the requirements of Section 3, above, DISTRICT will accept Workers Compensation Insurance from the State Compensation Fund (State Fund) that is not rated and that is evidenced on the State Fund's certificate form. Except as provided above with respect to State Fund, all other insurance shall comply with all requirements of this Exhibit.

8. Waiver of right of subrogation. The worker's compensation insurance shall include a waiver of right of subrogation against the DISTRICT, the District Board of Directors, DISTRICT's Representative, the Engineer/Architect, owners of record of all private properties on which entry will be made, and their consultants, and each of their officers, agents, and employees but only while acting in their capacity as such and only in respect to operations of the original named insured, their Subcontractors, agents, officers, and employees in the performance of the Services.

9. Commercial General Liability Insurance. CONTRACTOR shall provide commercial general liability insurance coverage equivalent to Insurance Services Office Form CG 00 01, with limits not less than those specified in 9.A.

- A. Commercial General Liability Insurance shall be for not less than:

Bodily Injury	Products/Completed
Property Damage	Completed
Personal Injury	Operations
<u>(Occur/Aggr)</u>	<u>(Occur/Aggr)</u>
\$1M/\$2M	\$1M/\$2M

B. Included in such insurance shall be blanket contractual liability coverage and severability of interests (no cross suits exclusion).

C. The commercial general liability insurance shall be primary and non-contributory and include as additional insureds: DISTRICT, the District Board of Directors, DISTRICT's Representative, the State of California, its officers, agents, and employees, the Engineer/Architect, owners of record of all private properties on which entry will be made, and their consultants, and each of their officers, agents, and employees but only while acting in their capacity as such and only in respect to

operations of the original named insured, their Subcontractors, agents, officers, and employees in the performance of the Services and shall be evidenced by ISO CG 20 33 07 04 endorsement form or equivalent.

D. Such insurance shall have a deductible or self insured retention not to exceed \$25,000.

10. Automobile Liability Insurance. CONTRACTOR shall provide business automobile liability insurance coverage equivalent to Insurance Services Office Form CA 00 01, with limits not less than those specified in 10 A. Business automobile liability insurance coverage shall be provided for all owned, non-owned and hired vehicles.

A. Automobile liability insurance shall be for not less than:

\$2,000,000 Bodily injury and property damage each occurrence.

B. The same requirements stated in 9.C shall apply to the automobile liability insurance.

11. CONTRACTOR's Responsibility Not Limited by Insurance. Nothing contained in these insurance requirements is to be construed as limiting the extent of the liability of CONTRACTOR or CONTRACTOR's sureties.

12. Maintaining Insurance. The maintenance of proper insurance in conformity with the Contract Documents is a material element of this Agreement. If at any time during the life of the Agreement, including the guarantee period, or any extension, CONTRACTOR fails to maintain the required insurance in full force and effect, the Services shall be discontinued immediately and all payments due or that become due to CONTRACTOR shall be withheld until notice is received by DISTRICT that the required insurance has been restored to full force and effect and that the premiums have been paid for a period satisfactory to DISTRICT. Failure to maintain or renew coverage or to provide evidence of renewal upon request of DISTRICT may be treated by DISTRICT as a material breach of contract.

EXHIBIT 4

SUPPLEMENTARY CALIFORNIA PUBLIC WORKS REQUIREMENTS

If the Scope of Work includes construction work to be performed during the construction phase or design and preconstruction phases of construction, including, but not limited to, inspection and land surveying work, or work to be performed during the post-construction phases of construction, including, but not limited to, all cleanup work at the jobsite, or any other work that has been determined by the California Director of Industrial Relations to constitute "public work," that portion of the Scope of Work is subject to the following provisions which amend and supplement the contract, or to the extent of any inconsistency supersede and take precedence over the contract.

SECTION 1. Bidding Requirements. The requirements of this Section apply to the public work portion of the Scope of Work if the contract is to be obtained by competitive bidding.

1.01 *Additive and Deductive Bid Items.* (applicable if a bid contains additive or deductive items – Public Contract Code 20103.8)

If a schedule of work items includes bid items or schedule(s) of bid items that may be added to ("Additive Items") or deducted from ("Deductive Items") the bids, the lowest responsible bidder will be determined by adding all Additive Items to, and deducting all Deductive Items from, the total of the base bid, unless another method is provided in the bid documents. IRWD reserves the right to award the Work to the lowest responsible bidder based on any single schedule or combination of schedules of bid items deemed by IRWD, in its sole discretion, to be in IRWD's best interest.

1.02 *Listing of Subcontractors.* (applicable if bids are taken – Public Contract Code 4104)

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 1/2 of 1 percent (0.5%) of the bidder's total Bid, and the portion of the Work which will be done by each subcontractor shall be set forth in the bid. CONTRACTOR agrees that except to the extent that subcontractors were set forth in its bid, that all work in excess of one-half of one percent shall be performed by CONTRACTOR. It is agreed and acknowledged that should CONTRACTOR fail to conform hereto or with any of the requirements of Section 4100 through and inclusive of Section 4114 of the Public Contract Code, Contractor shall be subject to the requirements and penalties of Section 4106 of the Public Contract Code.

1.03 *Registration.* (applicable if bids are taken – Labor Code 1725.5)

Qualification to bid on this project or to be listed as a subcontractor (if required by Section 1.02), or to engage in the performance of any of the work requires proof of the contractor's or subcontractor's current registration and qualification to perform public work pursuant to Labor Code Section 1725.5. A bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor's or subcontractor's current registration.

1.04 *Non-Collusion Affidavit.* (applicable if bids are taken – Public Contract Code 4104)

SECTION 2. Bonding. This Section applies to the direct contractor awarded a public works contract exceeding \$25,000. This requirement does not apply to a design professional.

2.01 *Payment and Performance Bond.* Before commencing performance of the work, CONTRACTOR shall furnish a payment bond and a faithful performance bond approved by IRWD, each in an amount not less than one hundred (100%) percent of the Contract Price, from a surety company satisfactory to IRWD and who is authorized to transact business in California. CONTRACTOR shall use the bond forms provided by IRWD. A certified copy of power of attorney must be attached to each bond.

SECTION 3. Labor. The requirements of this Section apply to the public work portion of the Scope of Work, if more than \$1,000 (Labor Code 1771).

3.01 *Compliance Monitoring; Registration; Notices.* The project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

Qualification to engage in the performance of any of the work requires that CONTRACTOR and subcontractors maintain their current registration to perform public work pursuant to Labor Code Section 1725.5.

CONTRACTOR shall post on the jobsite all notices as prescribed by law or regulation.

3.02 *Prevailing Wage Requirements.* Under the provisions of the California Labor Code, the Director of the Department of Industrial Relations has determined the prevailing rate of wages for the locality in which the Work is to be performed and IRWD has adopted said prevailing rate of wages. A copy of these prevailing rates is on file at the office of IRWD and shall be made available to any interested party on request. A copy of such prevailing wage rates shall be posted on the jobsite by CONTRACTOR.

CONTRACTOR shall comply with Labor Code Section 1775. In accordance with said Section 1775, CONTRACTOR shall forfeit as a penalty to IRWD, up to two hundred dollars (\$200), as determined by the Labor Commissioner, for each calendar day or

portion of a day for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed for any work done under the contract by them or, except as provided by the Labor Code, by any Subcontractor under them in violation of the provisions of the Labor Code, and in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to Section 1775, the difference between the stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion of a day for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by CONTRACTOR.

CONTRACTOR shall forfeit as a penalty to IRWD \$25 for each worker employed in the execution of the Work by CONTRACTOR or any Subcontractor under them for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code, in particular, Section 1810 to Section 1815 thereof, inclusive, except that work performed by employees of CONTRACTOR in excess of eight (8) hours per day and forty (40) hours during any one (1) week shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day at not less than one and one half (1 1/2) times the basic rate of pay as provided in said Section 1815.

3.03 *Payroll Records.* CONTRACTOR and each of their Subcontractors shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by them in connection with the Work. The records shall be in a format prescribed by the Labor Commissioner. The records may consist of printouts of payroll data maintained as computer records, if the printouts are in a format prescribed by the Labor Commissioner and are verified as required under this paragraph. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating that (1) the information contained in the payroll record is true and correct, and (2) CONTRACTOR (or the Subcontractor, as the case may be) has complied with the requirements of Sections 1771, 1811 and 1815 of the Labor Code for any of the work performed by their employees. The payroll records shall be submitted monthly to IRWD and directly to the Labor Commissioner and shall be available for inspection at all reasonable hours at the principal office of CONTRACTOR (or the Subcontractor, as the case may be) to the employee or their authorized representative on request, to the Division of Labor Standards Enforcement on request, and the public, provided that requests by the public must be made through IRWD or the Division of Labor Standards Enforcement in accordance with the requirements of Labor Code Section 1776. Copies shall be provided to the requesting entity within ten (10) days after receipt of a written request. Any copy of a payroll record made available to the public or any public agency by IRWD shall be marked or obliterated to prevent disclosure of individual workers' names, addresses and social security numbers. CONTRACTOR shall inform IRWD of the location address of payroll records of CONTRACTOR and each Subcontractor and notify

IRWD of a change in any such location within five (5) working days. In the event CONTRACTOR or a subcontractor fails to comply with the above-specified 10-day period, CONTRACTOR or the subcontractor shall forfeit as a penalty to IRWD one hundred dollars (\$100) for each calendar day or portion of a day for each worker until strict compliance is effectuated. CONTRACTOR is not subject to a penalty under this paragraph due to the failure of a subcontractor to comply with this paragraph.

3.04 *Apprentices.* (applicable if contract is \$30,000 or more) CONTRACTOR and any Subcontractor under them shall comply with the requirements of Sections 1777.5 and 1777.6 of the Labor Code in the employment of apprentices. Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Department of Industrial Relations. Willful violations of Section 1777.5 will result in forfeiture of one hundred dollars (\$100) for each calendar day of noncompliance, or up to three hundred dollars (\$300) for each calendar day of noncompliance for second and subsequent violations within a three-year period that result in apprenticeship training not being provided as required by the Labor Code, and may also result in debarment sanctions in the case of violations, as determined by the Labor Commissioner pursuant to Section 1777.7. Section 1777.7 also imposes requirements that, if not observed by CONTRACTOR, will result in CONTRACTOR's liability for Subcontractor violations of Section 1777.5.

3.05 *Subcontracting.* CONTRACTOR is prohibited from performing any of the work with a subcontractor who is ineligible to perform such Work pursuant to Section 1777.1 or 1777.7 of the Labor Code. CONTRACTOR agrees that in accordance with Public Contract Code Section 6109, a subcontract with an ineligible subcontractor is void as a matter of law, amounts paid to the subcontractor shall be returned to IRWD, and CONTRACTOR is responsible for paying wages of the subcontractor's employees if the subcontractor is allowed to perform any part of the work.

3.06 *CONTRACTOR'S Certificate Regarding Workers' Compensation* (Labor Code Section 1861): I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract.

SECTION 4. Site Conditions. The requirements of this Section apply to the public work portion of the Scope of Work, subject to the applicability further specified below.

4.01 *Utilities* (applicable if the contract with IRWD is made pursuant to an invitation for bids and includes removal, relocation or protection of main or trunkline utility facilities – Government Code Section 4215)

CONTRACTOR shall be compensated by IRWD for the costs of locating, repairing damage not due to the failure of CONTRACTOR to exercise reasonable care, and removing, relocating, protecting, or temporarily maintaining main or trunk line utility facilities not indicated with reasonable accuracy in the plans and specifications, and for equipment in the project necessarily idled during such work. Alternatively IRWD may change the project grade or alignment to avoid such removal, relocation or protection or make arrangements with the owner of the utility for such work to be done at no cost to CONTRACTOR. No forfeiture due to delay shall be made because of any delays in the completion of the Work due to the failure of IRWD or the owner of a utility to provide for removal or relocation of main or trunk line facilities not indicated in the plans or specifications with reasonable accuracy.

IRWD is not responsible for removal, relocation or temporary maintenance of (i) main or trunk line utilities or other structures which are in the position shown on the plans, or (ii) service connections, and CONTRACTOR shall bear all expenses incidental thereto. Such work shall be done in a manner satisfactory to the owner of the utility or service connection, it being understood that the owner has the option of doing such work with their own forces or permitting the work to be done by CONTRACTOR. It shall be the responsibility of CONTRACTOR to investigate to find out whether or not this cost is required to be borne by the owner of the utility.

4.02 *Excavation Plans for Worker Protection* (applicable if the public work portion is over \$25,000, and involves excavation of any trench five (5) feet or more in depth – Labor Code Section 6705)

CONTRACTOR shall submit to IRWD for acceptance, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of any trench or trenches five (5) feet or more in depth. The plan shall be prepared specifically for the work by a registered civil or structural engineer who is licensed by the State of California. The plan shall be in an original format, not a reproduced copy, and shall include the engineer's original signature and seal. As a part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the CAL OSHA Construction Safety Orders, or stating that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping, or other provisions of the safety orders.

All shoring submittals shall include surcharge loads from adjacent embankments, construction loads and spoil bank. The submittal shall indicate the minimum horizontal distance from the top of trench to the edge of all surcharge loads for all cases of shoring and side slopes.

The detailed plan showing the design of shoring, etc., which CONTRACTOR is required to submit to IRWD for acceptance in advance of excavation, will not be accepted if the plan

is based on subsurface conditions which are more favorable than those revealed by the investigations made by IRWD or the Engineer/Architect or their consultants; nor will the plan be accepted if it is based on soils related design criteria that are less restrictive than the criteria set forth in the report on the investigations of subsurface conditions.

Nothing contained in this paragraph shall be construed as relieving CONTRACTOR of the full responsibility for providing shoring, bracing, sloping, or other provisions which are adequate for worker protection.

4.03 *Differing Physical Conditions.* (applicable if the public work portion involves excavation more than four (4) feet in depth – Public Contract Code Section 7104)

CONTRACTOR shall promptly notify IRWD of the following work site conditions (hereinafter called differing physical conditions), in writing, upon their discovery and before they are disturbed: (1) any material that CONTRACTOR believes may be material that is a hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions differing from those indicated by information about the site made available to bidders prior to the deadline for submitting bids; (3) unknown physical conditions of any unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character being performed.

IRWD will promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in CONTRACTOR's cost of, or the time required for, performance of any part of the work, shall issue a change order under the procedures described in the Contract.

In the event that a dispute arises between IRWD and CONTRACTOR whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in CONTRACTOR's cost of, or time required for, performance of any part of the work, CONTRACTOR shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all work to be performed under the Contract. CONTRACTOR shall retain any and all rights provided either by the Contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

CONTRACTOR shall not be required to resume work in connection with a condition involving hazardous waste until after IRWD has obtained any required permits related thereto and delivered to CONTRACTOR written notice specifying any special conditions under which such work may be resumed safely.

SECTION 5. Materials. The requirements of this Section apply to the public work portion of the Contract, pursuant to Public Contract Code §3400.

5.01 *Substitutions*. Whenever materials or equipment are specified or described in the Plans or specifications by using the name of a proprietary item or the name of a particular supplier, the naming of the item is intended to establish the type, function and quality required. Unless the name is followed by words indicating that no substitution is permitted, the name shall be deemed to be followed by the words “or approved equivalent” and materials or equipment of other suppliers may be accepted by IRWD if sufficient information is submitted by CONTRACTOR to allow IRWD to determine that the material or equipment proposed is equivalent to that named. Approval of proposed equivalent materials or equipment is at the sole discretion of IRWD. No substitute shall be ordered or installed without IRWD’s prior written acceptance.

CONTRACTOR assumes sole responsibility for verifying the proposed substitute items are in accordance with the requirements of the contract documents, and that the dimensions, arrangement, design and construction details and all other features of substitute items are suitable for their intended purpose.

In the event that a substitute item, and said difference was not expressly identified in CONTRACTOR’s request for the substitution, or the incorporation of the substitute into the work results in a change(s) to the work or in the function or general design of the project, which was not expressly identified in CONTRACTOR’s request for the substitution, IRWD may require the removal and replacement of the substitute at CONTRACTOR’s sole expense.

CONTRACTOR may submit data substantiating requests for substitutions of equivalent items at any time after notice of award. Under no circumstances shall CONTRACTOR be entitled to an increase in Contract Time as a result of the submission or review of a substitution request.

SECTION 6. Claims. The requirements of this Section apply to the public work portion of the Contract, pursuant to Public Contract Code §20104.

6.01 *Resolution of Construction Claims*. (applicable to a claim meeting the below-described criteria – Public Contract Code Section 20104)

This Section is intended as a summary of the provisions of Article 1.5 (commencing with Section 20104) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code (“Claims Resolution Statute”) and is subject to the actual provisions of the Claims Resolution Statute. This Section shall govern the resolution of any claim of \$375,000 or less which may be made by CONTRACTOR.

“Claim” is defined as CONTRACTOR’s demand for (i) a time extension, (ii) money or damages arising from the work, payment for which is not otherwise expressly provided for or CONTRACTOR is not otherwise entitled to, or (iii) an amount disputed by IRWD.

CONTRACTOR shall make all claims in writing and include the necessary substantiating documents. Any claim which is intended to invoke the procedures under the Claims Resolution Statute shall specify that the claim is being made pursuant to the Claims Resolution Statute. All claims by CONTRACTOR must be filed on or before the date of final payment.

IRWD shall respond in writing, within forty-five (45) days of receipt of a claim less than \$50,000 and within sixty (60) days of receipt of a claim over \$50,000 and less than \$375,000, or IRWD may request, in writing, within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims IRWD may have against CONTRACTOR. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of IRWD and CONTRACTOR. If IRWD requests additional documentation, IRWD’s written response to the claim shall be submitted to CONTRACTOR, (i) within fifteen (15) days after receipt of the additional documentation for a claim less than \$50,000 and within thirty (30) days after receipt of the additional documentation for a claim over \$50,000 and less than \$375,000, or (ii) within the same time period as used by CONTRACTOR in producing the additional documentation, whichever is greater.

If CONTRACTOR disputes IRWD’s written response, or IRWD fails to respond within the time prescribed, CONTRACTOR may, by giving written notice to IRWD within fifteen (15) days of receipt of IRWD’s response (or within fifteen (15) days of IRWD’s failure to respond), demand an informal conference to meet and confer for settlement of the issues in dispute. Upon such demand, IRWD shall schedule a “meet and confer” conference within thirty (30) days.

If after the “meet and confer” conference, any portion of the claim remains in dispute, CONTRACTOR may file a claim pursuant to Government Code Section 900 et seq. If a court action is thereafter filed to resolve the claim, the court must, within the time specified by law, submit the matter to nonbinding mediation unless waived by mutual stipulation of IRWD and CONTRACTOR. If after the mediation process, the matter remains in dispute, the case must then be submitted to judicial arbitration pursuant to the applicable law.

6.02 *Third Party Claims.* In accordance with Public Contract Code Section 9201, IRWD shall timely notify CONTRACTOR if IRWD receives any third-party claim relating to the Work. IRWD shall be entitled to recover from CONTRACTOR the reasonable costs incurred by IRWD in providing such notification.

SECTION 7. Payment and Retention. The requirements of this Section apply to construction contracts.

7.01 Progress Payments.

The following is a summary of the provisions of Article 1.7 of Chapter 1 of Part 3 of Division 2 (commencing with Section 20104.50) of the Public Contract Code, regarding progress payments, and is subject to the actual provisions of that statute. For purposes of this Section, a “progress payment” includes all payments due CONTRACTOR, except that portion of the final payment designated under this Agreement as retention.

If IRWD fails to make any progress payment within thirty (30) days after receipt of an undisputed and properly submitted progress payment request from CONTRACTOR, IRWD shall pay interest to CONTRACTOR equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the Civil Code of Procedure.

Upon receipt of a progress payment request, IRWD shall (i) review each payment request as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request, and (ii) return to CONTRACTOR, as soon as practicable but not later than seven (7) days after receipt, any payment request determined not to be a proper payment request suitable for payment. A request returned pursuant to this paragraph shall be accompanied by a document setting forth in writing why the payment request is not proper. The number of days available to IRWD to make a payment without incurring interest shall be reduced by the number of days by which IRWD exceeds the seven (7) day return requirement.

7.02 Progress Payment Retention. (Applies if performance retention will apply.) IRWD shall retain five (5) percent of such estimated value as part security for fulfillment of the Contract by CONTRACTOR and shall pay to CONTRACTOR the balance of such estimated value after deducting all previous payments and all sums to be kept or retained under the terms of the Contract. Nothing herein shall require payment of a disputed amount or limit IRWD’s ability to withhold an amount in respect of a disputed amount as provided for in Section 7107 of the Public Contract Code. The retention payment shall not be due and payable until the expiration of thirty-five (35) days from the date of IRWD’s recording of a notice of completion of the work in the office of the County Recorder.

7.03 Substitution of Securities for Amounts Withheld. Pursuant to Section 22300 of the Public Contract Code, CONTRACTOR may substitute securities for any monies withheld by IRWD to ensure performance of the Work. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with IRWD or with a state or federally chartered bank in California as the escrow agent. Such securities shall be released to CONTRACTOR at the same time as amounts retained would be released upon satisfactory completion of the work, to the extent such

securities have not previously been utilized or are not then being held by IRWD or the escrow agent for purposes as provided in this Contract. Alternately, CONTRACTOR may request, and IRWD shall make, payment of retention earned directly to the escrow agent at the expense of CONTRACTOR.

If the securities are deposited with IRWD, IRWD shall determine their value. IRWD shall also be entitled in their discretion to sell, redeem, or otherwise convert them or portions thereof to cash in order to apply them to any of the purposes set forth in the Contract for which amounts may be withheld from CONTRACTOR and used. CONTRACTOR shall furnish such documents as are deemed necessary by IRWD to enable IRWD to make such sales, redemptions, or conversions. If the securities are deposited with an escrow agent, CONTRACTOR, escrow agent and IRWD shall execute IRWD's form entitled "Escrow Agreement for Security Deposits in Lieu of Retention."

SECTION 8. Miscellaneous. The requirements of this Section apply as specified.

8.01 *Audit.* (applicable if the contract exceeds \$10,000 – Government Code 8546.7)

Pursuant to Government Code Section 8546.7, this contract, and CONTRACTOR and IRWD as the contracting parties, are subject to the examination and audit of the California State Auditor, at the request of IRWD or as part of any audit of IRWD, for a period of three years after the final payment under the contract.

8.02 *Notice of Taxable Possessory Interest.*

The terms of this contract may result in the creation of a possessory interest. If such a possessory interest is vested in CONTRACTOR, CONTRACTOR may be subjected to the payment of property taxes levied on such interest.

8.03 *Antitrust Claims Assignment.* (applicable if contract is awarded by competitive bidding)

In entering into a public works contract or subcontract to supply goods, services, or materials pursuant to a public works contract, CONTRACTOR or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to CONTRACTOR, without further acknowledgment by the parties.

8.04 *License.*

CONTRACTOR shall possess a State of California license for the contracting class(es) applicable to the work.

8.05 *Delays.* (Applies if contract documents specify damages for failure to complete work by applicable contract times.)

No forfeiture due to delay shall be made because of any delays in the completion of the work due to unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR (including but not restricted to acts of God or of the public enemy, acts of the government, acts of IRWD, or acts of another contractor in the performance of a contract with IRWD, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays caused by the failure of IRWD, or the owner of a utility to provide for removal or relocation of main or trunk line facilities not indicated in the plans or specifications with reasonable accuracy). Any such delays shall not entitle CONTRACTOR to any additional compensation, and the sole remedy of CONTRACTOR shall be an extension of time obtained in accordance with the contract; the only exception shall be if the delay has been caused solely by acts for which IRWD is responsible and which delay is unreasonable under the circumstances involved, is not within the contemplation of the parties, and continues after CONTRACTOR's notice to IRWD of such acts.

8.06 DRUG-FREE WORKPLACE CERTIFICATION

Certification of Compliance: By signing the Agreement For Non-Consultant Services Between Irvine Ranch Water District and Synergy Companies, dated August 10, 2015 ("Agreement"), Contractor, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 *et seq.*) and have or will provide a drug-free workplace by taking the following actions:

- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a)(1).
- b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - i) The dangers of drug abuse in the workplace,
 - ii) Contractor's policy of maintaining a drug-free workplace,
 - iii) Any available counseling, rehabilitation, and employee assistance programs, and
 - iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code Sections 8355(a)(3), that every

employee, contractor, and/or subcontractor who works under this Grant Agreement:

- i) Will receive a copy of Contractor's drug-free policy statement, and
- ii) Will agree to abide by terms of Contractor's condition of employment, contract or subcontract.

8.07 Right to Inspection

The State of California shall have the right to inspect the work being performed under this Agreement and any subcontracts at any and all reasonable times during the term of the District's agreement with the State to obtain grant funding for the Services. This right shall extend to any subcontracts entered into pursuant to this Agreement.

EXHIBIT 5

SPECIAL PROVISIONS

(e.g., project schedule, form of customer participation releases and other items not covered elsewhere)

EXHIBIT 6

NON-CONSULTANT SERVICES VARIANCE

Purpose. This procedure shall be used to identify, estimate, and report variances to the scope of work in non-consultant services agreements between IRWD and a contracting engineer or other type of contractor. A variance may be initiated by either IRWD's Project Manager or by the Engineer/Contractor.

Variance. The Variance shall be used to identify all changes to the original scope of work, budget, and schedule for any study, design, or construction phases services.

Engineer/Contractor Initiates Variance. If a Variance is initiated by the Engineer/Contractor, the Engineer/Contractor shall prepare the Variance including the Description of Variance, the Engineering & Management Cost Impact, the Schedule Impact, and the Required Approval Determination sections. The Engineer/Contractor shall then sign the Variance and submit it to the IRWD Project Manager for action.

IRWD Initiates Variance. If a Variance is initiated by IRWD's Project Manager, the IRWD Project Manager shall complete the Description of Variance and fill-in the Total Original Contract amount and Previous Variances amount (if any). The Variance shall then be given to the Engineer/Contractor to complete the Cost Impact, the Schedule Impact, and the Required Approval Determination sections. The Engineer/Contractor shall then sign the Variance and submit it to the IRWD Project Manager for action.

Variance Processing. Once a Variance is signed and submitted by the Engineer/Contractor, the IRWD Project Manager shall:

1. Enter the Variance's details onto a Variance Register for the project,
2. Review, sign, and date the Variance, and
3. Obtain appropriate approvals.

Notice to Proceed. Work covered by a Variance may proceed upon signing by the department Director. A copy of the Variance, signed by the Director, shall be the Engineer's/Contractor's Notice to Proceed with the required work.

Contractual Authorization. Work covered by a Variance which has been signed by the Director may require final approval from the General Manager, Committee, or Board based upon the requirements of the Procurement Policy. These approvals may be obtained after the Engineer/Contractor has been given a copy of the Variance signed by the Director (the Engineer's/Contractor's Notice to Proceed). The IRWD Project Manager shall promptly thereafter prepare a memo to the General Manager, Committee and/or Board agenda items(s) for approvals as required. Once the Variance is properly approved, it modifies the existing Engineer's/Contractor's agreement.

Financial Authorization. An approved Variance may require any of the following:

1. A Capital Budget increase,
2. A new Expenditure Authorization,
3. An extension to an existing Purchase Order, and/or
4. A new Purchase Order.

It is the IRWD Project Manager's responsibility to process the necessary paperwork to grant the required financial authorization

**IRVINE RANCH WATER DISTRICT
NON-CONSULTANT SERVICES VARIANCE**

Project Title: _____ File No.: _____
 _____ Date: _____
 _____ Variance No.: _____
 Project No.: _____ Project No.: _____
 Purchase Order No.: _____

Originator: IRWD ENGINEER/CONTRACTOR Other (Explain) _____

Description of Variance (*attach any back-up material*):

Engineering & Management Cost Impact:

Classification	Manhours	Billing Rate	Labor \$	Direct Costs	Subcon. \$	Total \$
Total \$ =						

Schedule Impact:

Task No.	Task Description	Original Schedule	Schedule Variance	New Schedule

Required Approval Determination:

Total Original Contract \$ _____ Previous Variances \$ _____ This Variance \$ _____ Total Sum of Variances \$ _____ New Contract Amount \$ _____ Percentage of Total Variances to Original Contract _____%	<input type="checkbox"/> General Manager: Single Variance less than or equal to \$30,000. <input type="checkbox"/> Committee: Single Variance greater than \$30,000, and less than or equal to \$60,000. <input type="checkbox"/> Board: Single Variance greater than \$60,000. <input type="checkbox"/> Board: Cumulative total of Variances greater than \$60,000, or 30% of the original contract, whichever is higher.
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ENGINEER/CONTRACTOR: _____ IRVINE RANCH WATER DISTRICT
 Company Name

Project Engineer/Manager _____ Date _____ Department Director _____ Date _____
 Engineer's/Contractor's Management _____ Date _____ General Manager/Comm./Board _____ Date _____

**IRVINE RANCH WATER DISTRICT
NON-CONSULTANT SERVICES VARIANCE REGISTER**

Project Title: _____

Project No.: _____ Project Manager: _____

Variance No.	Description	Dates		Variance Amount
		Initiated	Approved	

EXHIBIT "B"

IRVINE RANCH WATER DISTRICT NON-CONSULTANT SERVICES VARIANCE

Project Title: DWR Water-Energy Grant 4600011091 File No.: _____
Water-Energy Combined Customer Programs Date: July 6, 2017
 Project No.: 6703 (DWR Grant) Variance No.: 4
 Purchase Order No.: _____ Project No. _____
 Originator: IRWD ENGINEER/CONTRACTOR Other (Explain) _____

Description of Variance (*attach any back-up material*): Increase to agreement amount of \$950,000 to extend the One-Stop Shop for Water and Energy Efficiency Program to additional single-family homes, expand the program to include multi-family customers, and add clothes washers for eligible sites. Changes to Exhibit 1 are indicated with strikethrough text and bold underlined text. Funding is provided by a grant from the Department of Water Resources (DWR).

Engineering & Management Cost Impact:

Classification	Manhours	Billing Rate	Labor \$	Direct Costs	Subcon. \$	Total \$
Agreement Increase Amount for Program Expansion				\$950,000		\$950,000
Total \$ =						\$950,000

Schedule Impact:

Task No.	Task Description	Original Schedule	Schedule Variance	New Schedule

Required Approval Determination:

Total Original Contract <u>\$80,000</u> Previous Variances <u>\$ 500,000</u> This Variance <u>\$ 950,000</u> Total Sum of Variances <u>\$ 1,450,000</u> New Contract Amount <u>\$ 1,530,000</u> Percentage of Total Variances to Original Contract <u>1813</u> %	<input type="checkbox"/> General Manager: Single Variance less than or equal to \$30,000. <input type="checkbox"/> Committee: Single Variance greater than \$30,000, and less than or equal to \$60,000. <input type="checkbox"/> Board: Single Variance greater than \$60,000. <input checked="" type="checkbox"/> Board: Cumulative total of Variances greater than \$60,000, or 30% of the original contract, whichever is higher.
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ENGINEER/CONTRACTOR: Synergy Companies
 Company Name

IRVINE RANCH WATER DISTRICT

 Project Engineer/Manager Date

 Department Director Date

 Engineer's/Contractor's Management Date

 General Manager/Comm./Board Date

**IRVINE RANCH WATER DISTRICT
NON-CONSULTANT SERVICES VARIANCE REGISTER**

Project Title: DWR Water-Energy Grant 4600011091 Water-Energy Combined Customer Programs

Project No.: 6703 Project Manager: Amy McNulty

Variance No.	Description	Dates		Variance Amount
		Initiated	Approved	
1	Changes to Exhibit 1	10/20/16	10/25/16	\$0; extend eligibility to single-family homes
1	Changes to Exhibit 2	10/20/16	10/25/16	\$0; include pricing for installation and materials of showerheads and aerators
1	Changes to Exhibit 3, Section 9.C and 10.B	10/20/16	10/25/16	\$0; extend liability insurance coverage to State and make conforming change to auto liability coverage requirements
1	Changes to Exhibit 4, Section 8.06	10/20/16	10/25/16	\$0; add drug-free workplace certification
1	Changes to Exhibit 4, Section 8.07	10/20/16	10/25/16	\$0; add State right of inspection
2	Program Expansion to approximately 350 single-family homes	1/12/17	01/23/16	\$500,000
3	Changes to Exhibit 1	03/08/17	03/08/17	\$0; extend eligibility to 1.6 or greater gpf toilets
4	Program Expansion to include additional single-family customers and expand to include multi-family customers.	07/06/17		\$950,000;
4	Changes to Exhibit 1	07/06/17		\$0; extend eligibility to multi-family homes
4	Changes to Exhibit 2	07/06/17		\$0; addition of high efficiency clothes washers

July 10, 2017

Prepared by: H. Cho/M. Cortez

Submitted by: K. Burton *REM*

Approved by: Paul Cook *[Signature]*

ACTION CALENDAR

NEWPORT COAST LIFT STATION REHABILITATION BUDGET INCREASE, CONSTRUCTION AWARD AND CONSULTANT SELECTION

SUMMARY:

The Newport Coast Lift Station Rehabilitation project will recoat the lift station wet well, construct a building to house electrical cabinets and an odor control system, construct a stairway into the lift station dry well and rehabilitate the original ductile iron force main. Staff recommends that the Board:

- Authorize a budget increase for Project 05470 in the amount of \$703,300, from \$1,432,200 to \$2,135,500, and a budget increase for Project 06400 in the amount of \$595,400, from \$2,059,200 to \$2,654,600;
- Authorize the General Manager to execute a construction contract with Pacific Hydrotech Corporation in the amount of \$3,239,300; and
- Authorize the General Manager to execute a Professional Services Agreement with GHD for construction phase services in the amount of \$199,642 for the Newport Coast Lift Station Rehabilitation.

BACKGROUND:

The Newport Coast Lift Station was constructed in 1990 to pump sewage through a 12-inch ductile iron (DI) force main in Newport Coast Drive that subsequently connects to an Orange County Sanitation District trunk sewer in Pacific Coast Highway. A location map is shown in Exhibit "A". In 2005, a redundant 12-inch PVC force main was constructed to be used as the primary force main, and the original 12-inch DI force main would be used as the secondary force main.

This lift station has operated nearly 30 years, and requires substantial rehabilitation. The Newport Coast Lift Station Rehabilitation project will provide the following improvements:

- *Recoating of the wet well and access shafts:* The lift station wet well was originally coated with an epoxy liner that has degraded;
- *New flow meter and pressure transmitter:* The discharge piping pump header does not include a flow meter which is needed for remote monitoring;
- *A new building to house the lift station's electrical cabinets including the motor control cabinets and Programmable Logic Controller (PLC):* The new building will also house a tank and pump for odor control chemicals;
- *Relining the entire 3,000-foot length of the 12-inch DI force main:* Portions of the existing lining have detached from the pipe, preventing its use as a secondary force main. The liner installation will require two new manholes spaced at intermediate intervals; and

- *New stairway to provide a safer primary access into the dry well:* The dry well is 25 feet below grade and is currently accessible via a vault hatch, ladder and Safe-T Climb.

Construction Award:

The District’s consultant, GHD, completed the design in April 2017, and the project was advertised for construction bidding to a select bidders list of 15 contractors. The bid opening was held June 20, 2017, with bids received from five contractors. Bids ranged from \$3,239,300 to \$4,991,920, and the engineer’s estimate of probable construction cost was \$3,524,000. Pacific Hydrotech Corporation (PHC) is the apparent low bidder with a bid amount of \$3,239,300. Staff reviewed PHC’s bid and determined that it is responsive. Staff recommends awarding a construction contract to PHC in the amount of \$3,239,300. The Bid Summary is attached as Exhibit “B.”

Consultant Selection for Construction Phase Services:

Staff solicited a proposal from GHD for construction phase engineering services and negotiated a fee in the amount of \$199,642, as shown in Exhibit “C”. The proposed fee is about 6% of the construction contract amount. Staff finds the amount reasonable due to the complexities of the project, which include a sewer bypass system and extensive electrical and instrumentation improvements. Staff recommends executing a Professional Services Agreement with GHD for construction phase services.

FISCAL IMPACTS:

The cost for the project is split between Projects 05470 and 06400. The coating of the sewage lift station and the sewer force main rehabilitation will be funded by Project 05470, and the work on the sewage lift station improvements will be funded by Project 06400. Projects 05470 and 06400 are included in the FY 2017-18 Capital Budget. Budget increases are required to fund the project’s construction as shown in the table below.

Project No.	Current Budget	Addition <Reduction>	Total Budget
05470	\$1,432,200	\$703,300	\$2,135,500
06400	\$2,059,200	\$595,400	\$2,654,600
Total	\$3,491,400	\$1,298,700	\$4,790,100

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; Section 15303 which provides an exemption for construction of location of new small facilities; and Section 15282 provides an

exemption for the installation of new pipeline or maintenance, repair restoration, removal, or demolition of an existing pipeline as set forth in Section 21080.21 of the Public Resources Code, as long as the project does not exceed one mile in length. A Notice of Exemption for the project was filed with the County of Orange on October 19, 2015.

COMMITTEE STATUS:

Construction awards are not routinely taken to Committee prior to submittal to the Board. The selection of GHD to provide construction phase services was reviewed by the Engineering and Operations Committee on May 16, 2017.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE A BUDGET INCREASE IN THE AMOUNT OF \$703,300, FROM \$1,432,200 TO \$2,135,500, FOR PROJECT 05470, AND A BUDGET INCREASE IN THE AMOUNT OF \$595,400 FROM \$2,059,200 TO \$2,654,600 FOR PROJECT 06400; AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$3,239,300 WITH PACIFIC HYDROTECH CORPORATION; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH GHD FOR CONSTRUCTION PHASE SERVICES IN THE AMOUNT OF \$199,642 FOR THE NEWPORT COAST LIFT STATION REHABILITATION, PROJECTS 05470 AND 06400.

LIST OF EXHIBITS:

- Exhibit "A" – Site Location Map
- Exhibit "B" – Bid Summary
- Exhibit "C" – GHD Proposal

EXHIBIT "A"
Newport Coast Lift Station and Force Main



EXHIBIT "B"

Item No.	Description	Qty	Unit	Engineer's Estimate		1 Pacific Hydrotech Corporation Perris, CA		2 Schuler Constructors, Inc. Corona, CA		3 RC Foster Corporation Corona, CA	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1	Mobilization, demobilization and clean-up.	1	LS	\$39,000.00	\$39,000.00	\$227,200.00	\$227,200.00	\$160,000.00	\$160,000.00	\$125,000.00	\$125,000.00
2	Site demolition including, but not limited to: demolition of hardscape, softscape, clearing and grubbing, piping, dry well wall for doorway, ventilation system, electrical conduit, dry well sump pumps system, and hauling off materials and debris, spoils disposal.	1	LS	\$24,000.00	\$24,000.00	\$27,400.00	\$27,400.00	\$27,000.00	\$27,000.00	\$90,000.00	\$90,000.00
3	Earthwork inside IRWD Newport Coast Life Station including, but not limited to: excavations, hauling, backfill, compaction, and grading.	1	LS	\$136,000.00	\$136,000.00	\$39,300.00	\$39,300.00	\$285,000.00	\$285,000.00	\$25,000.00	\$25,000.00
4	Perform wet well sewer bypassing, including but not limited to: bypass pumps, bypass piping and hoses, bends, reducers, valves, control panel, backup pumps, backup generator, inflatable plug, fabricated bulkhead, and emergency sewer spill materials.	1	LS	\$344,000.00	\$344,000.00	\$250,200.00	\$250,200.00	\$390,000.00	\$390,000.00	\$375,000.00	\$375,000.00
5	Perform wet well coating rehabilitation, including but not limited to: scaffolding, scaffolding inspection, removal and disposal of existing coating, concrete surface preparation, abrasive blasting, resin face concrete with a mortar, primer and coating, inspection and testing of coating, cleanup, and appurtenant work as identified in the construction plans and specifications, complete in place.	1	LS	\$245,000.00	\$245,000.00	\$88,700.00	\$88,700.00	\$84,000.00	\$84,000.00	\$150,000.00	\$150,000.00
6	Construct concrete masonry unit (CMU) building including, but not limited to: the CMU building, structural concrete, structural steel, prefabricated metal truss roof, interior walls, exterior doors, tile roofing, and all appurtenant building items as identified in the construction plans complete in place.	1	LS	\$310,000.00	\$310,000.00	\$240,400.00	\$240,400.00	\$280,000.00	\$280,000.00	\$250,000.00	\$250,000.00
7	Construct underground stairwell including, but not limited to: the structural concrete, structural steel, aluminum metal grating stair, handrails, and all appurtenances as identified in the construction plans, complete in place.	1	LS	\$281,000.00	\$281,000.00	\$243,900.00	\$243,900.00	\$230,000.00	\$230,000.00	\$283,000.00	\$283,000.00
8	Construct dry well mechanical piping, valving, and appurtenances, including, but not limited to the DIP piping, DIP fittings, plug valves, magnetic meter, restrained joints, pipe hangers, pipe supports, eye bolt, and painting and coating of all new and existing piping, as identified in the construction plans, complete in place.	1	LS	\$134,000.00	\$134,000.00	\$91,100.00	\$91,100.00	\$75,000.00	\$75,000.00	\$100,000.00	\$100,000.00
9	Furnish and install Motor Control Center including, but not limited to: start up and testing, as identified in the construction plans, complete in place.	1	LS	\$36,000.00	\$36,000.00	\$87,700.00	\$87,700.00	\$140,000.00	\$140,000.00	\$200,000.00	\$200,000.00
10	Furnish and install outdoor main switchboard including, but not limited to: start up and testing, as identified in the construction plans, complete in place.	1	LS	\$225,000.00	\$225,000.00	\$17,500.00	\$17,500.00	\$22,000.00	\$22,000.00	\$20,000.00	\$20,000.00
11	Furnish and install main control panel including, but not limited to: start up and testing, as identified in the construction plans, complete in place.	1	LS	\$150,000.00	\$150,000.00	\$88,800.00	\$88,800.00	\$49,000.00	\$49,000.00	\$110,000.00	\$110,000.00
12	Furnish and install instrumentation including, but not limited to: level instrumentation, pressure instrumentation, and gas detection equipment including configuration, calibration, start up and testing, as identified in the construction plans, complete in place.	1	LS	\$43,000.00	\$43,000.00	\$103,100.00	\$103,100.00	\$94,000.00	\$94,000.00	\$125,000.00	\$125,000.00
13	Electrical and Controls Installation including, but not limited to: supply and installation of the lights, receptacles and grounding system, supply and installation of all field wiring, termination of field wiring at field equipment and at the control panel, MCC and switchboard, supply and installation of general electrical equipment such as relay and contractor panels, HVAC and lighting controls, pull boxes, radio antenna, conduits and appurtenances, trenching, start up and testing, as identified in the construction plans, complete in place.	1	LS	\$179,000.00	\$179,000.00	\$276,400.00	\$276,400.00	\$260,000.00	\$260,000.00	\$330,000.00	\$330,000.00

Item No.	Description	Qty	Unit	Engineer's Estimate		1 Pacific Hydrotech Corporation Perris, CA		2 Schuler Constructors, Inc. Corona, CA		3 RC Foster Corporation Corona, CA	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
14	Furnish and install odor control chemical feed system including, but not limited to: bulk storage odor control FRP tank, complete peristaltic pump system, complete pump skid assembly, emergency eyewash, ducting, tubing, wiring, conduits, all appurtenances, system startup and testing, complete in place.	1	LS	\$59,000.00	\$59,000.00	\$50,200.00	\$50,200.00	\$46,000.00	\$46,000.00	\$50,000.00	\$50,000.00
15	Furnish and install ventilation including, but not limited to: the duct piping, blower fans, supply fans, air conditioner, support brackets, straps, and appurtenances and wiring, as identified in the construction plans complete in place.	1	LS	\$92,000.00	\$92,000.00	\$50,700.00	\$50,700.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
16	Furnish and install sewer overflow pipeline, including, but not limited to: 15 linear feet of 12" sewer PVC, one 12" gate valve, concrete wall penetration, and testing, as identified in the construction plans, complete in place.	1	LS	\$10,000.00	\$10,000.00	\$26,900.00	\$26,900.00	\$33,000.00	\$33,000.00	\$15,000.00	\$15,000.00
17	Furnish and install erosion control measures including, but not limited to: sandbags and appropriate devices, complete in place.	1	LS	\$5,000.00	\$5,000.00	\$4,300.00	\$4,300.00	\$12,000.00	\$12,000.00	\$5,000.00	\$5,000.00
18	Perform sewer force main CIPP lining rehabilitation, including but not limited to: pre-cleaning and CCTV inspection, demolition of one existing sewer force main inspection manhole, CIPP lining material, and seals in pipe ends, testing, and post CCTV inspection, as identified in the construction plans, complete in place.	1	LS	\$580,000.00	\$580,000.00	\$623,200.00	\$623,200.00	\$687,000.00	\$687,000.00	\$675,000.00	\$675,000.00
19	Furnish and install sewer DIP & Bends, including, but not limited to: 81 linear feet of 12" sewer DIP, two 12" 45-degree sewer DIP bends, fittings, restrained joints, plug valves, concrete wall penetration, testing, pavement removal, and backfill within the trench limit as identified in the construction plans, complete in place.	1	LS	\$38,000.00	\$38,000.00	\$58,500.00	\$58,500.00	\$88,000.00	\$88,000.00	\$50,000.00	\$50,000.00
20	Furnish and install four sewer force main inspection manholes, including, but not limited to: sewer manhole, DIP tee and blind flange, fittings, connections, all appurtenant work, testing, pavement removal, and backfill within the trench limit as identified in the construction plans, complete in place.	1	LS	\$94,000.00	\$94,000.00	\$155,400.00	\$155,400.00	\$194,000.00	\$194,000.00	\$120,000.00	\$120,000.00
21	Furnish and install excavation safety measures, including, but not limited to: sheeting, shoring and bracing for the underground stairwell excavation, for the CIPP lining rehabilitation excavations, and for the sewer DIP excavations, and safety measures to protect open excavations.	1	LS	\$59,000.00	\$59,000.00	\$134,700.00	\$134,700.00	\$11,000.00	\$11,000.00	\$230,000.00	\$230,000.00
22	Perform Traffic Control including, but not limited to: permitting, construction signs, portable changeable message signs, barricades, delineators, warning lights, stripes, markings, legends, and all other devices and methods in accordance to the MUTCD (latest edition) and the WATCH Manual (latest edition).	1	LS	\$184,000.00	\$184,000.00	\$123,600.00	\$123,600.00	\$87,000.00	\$87,000.00	\$300,000.00	\$300,000.00
23	Perform Utility Locating prior to any excavations as required to complete the work as identified in the construction plans.	1	LS	\$31,000.00	\$31,000.00	\$9,600.00	\$9,600.00	\$18,000.00	\$18,000.00	\$20,000.00	\$20,000.00
24	Miscellaneous site improvements, including, but not limited to: concrete swale, concrete sidewalk repair, relocate the backflow preventer 1-1/2" copper water service and connections, as identified in the construction plans, complete in place.	1	LS	\$9,000.00	\$9,000.00	\$23,000.00	\$23,000.00	\$52,000.00	\$52,000.00	\$20,000.00	\$20,000.00
25	Pavement Replacement inside Newport Coast Drive including, but not limited to: asphalt pavement and concrete pavement, as identified in the construction plans, complete in place.	1	LS	\$65,000.00	\$65,000.00	\$54,500.00	\$54,500.00	\$64,000.00	\$64,000.00	\$40,000.00	\$40,000.00
26	Slurry Seal inside Newport Coast Drive as required by the City of Newport Beach, complete in place.	2,600	SF	\$3	\$8,000.00	\$1.00	\$2,600.00	\$14.50	\$37,700.00	\$5.80	\$15,080.00

Item No.	Description	Qty	Unit	Engineer's Estimate		1 Pacific Hydrotech Corporation Perris, CA		2 Schuler Constructors, Inc. Corona, CA		3 RC Foster Corporation Corona, CA	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
27	Site Pavement inside IRWD Newport Coast Lift Station right-of-way including, but not limited to: asphalt pavement, slurry seal, concrete pavement, and concrete entry pad in front of CMU building, as identified in the construction plans, complete in place.	1	LS	\$10,000.00	\$10,000.00	\$11,800.00	\$11,800.00	\$18,000.00	\$18,000.00	\$15,000.00	\$15,000.00
28	Replace dry well sump pumps and control panel including, but not limited to: new sump pumps, new control panel, piping, new steel plate covering, removal of vent piping, system startup and testing, as identified in the construction plans, complete in place.	1	LS	\$30,000.00	\$30,000.00	\$13,000.00	\$13,000.00	\$8,500.00	\$8,500.00	\$10,000.00	\$10,000.00
29	Furnish and install temporary electrical and instrumentation cabling including, but not limited to: conduits, connections, wall penetrations, dry well hatch penetrations, appurtenances, and testing, as identified in the construction plans, complete in place.	1	LS	\$31,000.00	\$31,000.00	\$63,900.00	\$63,900.00	\$125,000.00	\$125,000.00	\$73,000.00	\$73,000.00
30	Furnish and install new safety railing and access hatches, including, but not limited to: aluminum safety railing, aluminum toe guards, three double-door access hatches, brackets, and fittings, as identified in the construction plans, complete in place.	1	LS	\$14,000.00	\$14,000.00	\$38,800.00	\$38,800.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
31	Temporary Construction Power.	1	LS	\$39,000.00	\$39,000.00	\$5,900.00	\$5,900.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
32	Prepare Operation & Maintenance Manuals.	1	LS	\$2,000.00	\$2,000.00	\$2,100.00	\$2,100.00	\$500.00	\$500.00	\$1,500.00	\$1,500.00
33	Operator Training.	1	LS	\$7,000.00	\$7,000.00	\$2,300.00	\$2,300.00	\$1,000.00	\$1,000.00	\$2,500.00	\$2,500.00
34	Prepare Final Record Drawings.	1	LS	\$11,000.00	\$11,000.00	\$2,600.00	\$2,600.00	\$500.00	\$500.00	\$1,000.00	\$1,000.00
Subtotal					\$3,524,000.00		\$3,239,300.00		\$3,659,200.00		\$3,906,080.00
Adjustment (+ or -)							\$0.00		\$0.00		\$0.00
TOTAL AMOUNT OF BID					\$3,524,000.00		\$3,239,300.00		\$3,659,200.00		\$3,906,080.00
				Item	Manufacturers:		Manufacturers:		Manufacturers:		
				Motor Control Center Panels	Allen Bradley		Allen Bradley		Allen Bradley		
				Switchboards	Eaton		Square D		Eaton		
				Programmable Logic Controllers	Modicon		Modicon		Modicon		
				Sump Pump Control Panel	GP Haul		Soffa		SJE Rhombus		
				Magnetic Meter	ABB		ABB		ABB		
				Radar Level Transmitters	Endress & Hauser		Vega		Endress & Hauser		
				Fiberglass Reinforced Plastic Tank	Diamond		Diamond		Diamond Fiberglass		
				Odor Control Chemical Pump	Blue White		Blue White / D & H Water Systems		Blue White		
				Odor Control Chemical Pump Skid	D & H Water Systems		D & H Water Systems		D & H Water Systems		
				Subcontractors:		Subcontractors:		Subcontractors:			
				Electrical/Instrumentation: CSI Electric		Electrical: Leed Electric		Electrical: CSI Electric			
				Coatings: MC Painting		Painting & Coating: MC Painting		Painting: MC Painting			
				HVAC: AMS		HVAC: MVAC		HVAC: Anderson Air			
				Rebar: Harris Rebar		Rebar: ASP		Plasticring: Brady Company			
				Pipe Cleaning: Pipe - Tech		Masonry: Winegardner Masonry		Masonry: Winegardner Masonry			
				CIPP Lining: Insituform Technologies, LLC		CIPP & Sewer Bypassing: Butch King Company		CIPP Lining: Insituform Technologies, LLC			
				Earth Shoring: McBratney Company		Demo: Concrete Conng		Shoring: August Construction Shoring			
				Roof: Chapman Coast		Roofing: Fairweather Roofing		Bypass Pump: Xylem			
				Off Site Paving: Wheeler Paving		Paving: Regan Paving		Paving: Regan Paving			
				Wet Well Rehab: Sancon Engineering		Wet Well Lining: Sancon Engineering		Wet Well Coating: Sancon Engineering			
								Traffic Control: A Cone Zone			

Item No.	Description	Qty	Unit	4		5	
				Stanek Constructors, Inc.		Shimmick Construction Company, Inc.	
				Carlsbad, CA		Irvine, CA	
				Unit Price	Total Amount	Unit Price	Total Amount
1	Mobilization, demobilization and clean-up	1	LS	\$50,000.00	\$50,000.00	\$700,000.00	\$700,000.00
2	Site demolition including, but not limited to: demolition of hardscape, softscape, clearing and grubbing, piping, dry well wall for doorway, ventilation system, electrical conduit, dry well sump pumps system, and hauling off materials and debris, spoils disposal.	1	LS	\$100,000.00	\$100,000.00	\$95,000.00	\$95,000.00
3	Earthwork inside IRWD Newport Coast Life Station including, but not limited to: excavations, hauling, backfill, compaction, and grading.	1	LS	\$80,000.00	\$80,000.00	\$97,000.00	\$97,000.00
4	Perform wet well sewer bypassing, including but not limited to: bypass pumps, bypass piping and hoses, bends, reducers, valves, control panel, backup pumps, backup generator, inflatable plug, fabricated bulkhead, and emergency sewer spill materials.	1	LS	\$400,000.00	\$400,000.00	\$660,000.00	\$660,000.00
5	Perform wet well coating rehabilitation, including but not limited to: scaffolding, scaffolding inspection, removal and disposal of existing coating, concrete surface preparation, abrasive blasting, resurface concrete with a mortar, primer and coating, inspection and testing of coating, cleanup, and appurtenant work as identified in the construction plans and specifications, complete in place.	1	LS	\$68,000.00	\$68,000.00	\$88,000.00	\$88,000.00
6	Construct concrete masonry unit (CMU) building including, but not limited to: the CMU building, structural concrete, structural steel, prefabricated metal truss roof, interior walls, exterior doors, tile roofing, and all appurtenant building items as identified in the construction plans complete in place.	1	LS	\$482,000.00	\$482,000.00	\$285,000.00	\$285,000.00
7	Construct underground stairwell including, but not limited to: the structural concrete, structural steel, aluminum metal grating stair, handrails, and all appurtenances as identified in the construction plans, complete in place.	1	LS	\$323,000.00	\$323,000.00	\$250,000.00	\$250,000.00
8	Construct dry well mechanical piping, valving, and appurtenances, including, but not limited to the DIP piping, DIP fittings, plug valves, magnetic meter, restrained joints, pipe hangers, pipe supports, eye bolt, and painting and coating of all new and existing piping, as identified in the construction plans, complete in place.	1	LS	\$209,000.00	\$209,000.00	\$139,000.00	\$139,000.00
9	Furnish and install Motor Control Center including, but not limited to: start up and testing, as identified in the construction plans, complete in place.	1	LS	\$130,000.00	\$130,000.00	\$155,000.00	\$155,000.00
10	Furnish and install outdoor main switchboard including, but not limited to: start up and testing, as identified in the construction plans, complete in place.	1	LS	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
11	Furnish and install main control panel including, but not limited to: start up and testing, as identified in the construction plans, complete in place.	1	LS	\$42,000.00	\$42,000.00	\$55,000.00	\$55,000.00
12	Furnish and install instrumentation including, but not limited to: level instrumentation, pressure instrumentation, and gas detection equipment including configuration, calibration, start up and testing, as identified in the construction plans, complete in place.	1	LS	\$81,000.00	\$81,000.00	\$91,000.00	\$91,000.00
13	Electrical and Controls Installation including, but not limited to: supply and installation of the lights, receptacles and grounding system, supply and installation of all field wiring, termination of field wiring at field equipment and at the control panel, MCC and switchboard, supply and installation of general electrical equipment such as relay and contractor panels, HVAC and lighting controls, pull boxes, radio antenna, conduits and appurtenances, trenching, start up and testing, as identified in the construction plans, complete in place.	1	LS	\$310,000.00	\$310,000.00	\$354,000.00	\$354,000.00

Item No.	Description	Qty	Unit	4		5	
				Stanek Constructors, Inc.		Shimmick Construction Company, Inc.	
				Carlsbad, CA		Irvine, CA	
				Unit Price	Total Amount	Unit Price	Total Amount
14	Furnish and install odor control chemical feed system including, but not limited to: bulk storage odor control FRP tank, complete peristaltic pump system, complete pump skid assembly, emergency eyewash, ducting, tubing, wiring, conduits, all appurtenances, system startup and testing, complete in place.	1	LS	\$40,000.00	\$40,000.00	\$57,000.00	\$57,000.00
15	Furnish and install ventilation including, but not limited to: the duct piping, blower fans, supply fans, air conditioner, support brackets, straps, and appurtenances and wiring, as identified in the construction plans complete in place.	1	LS	\$56,000.00	\$56,000.00	\$114,000.00	\$114,000.00
16	Furnish and install sewer overflow pipeline, including, but not limited to: 15 linear feet of 12" sewer PVC, one 12" gate valve, concrete wall penetration, and testing, as identified in the construction plans, complete in place.	1	LS	\$37,000.00	\$37,000.00	\$19,000.00	\$19,000.00
17	Furnish and install erosion control measures including, but not limited to: sandbags and appropriate devices, complete in place.	1	LS	\$15,000.00	\$15,000.00	\$48,000.00	\$48,000.00
18	Perform sewer force main CIPP lining rehabilitation, including but not limited to: pre-cleaning and CCTV inspection, demolition of one existing sewer force main inspection manhole, CIPP lining material, and seals in pipe ends, testing, and post CCTV inspection, as identified in the construction plans, complete in place.	1	LS	\$590,000.00	\$590,000.00	\$718,000.00	\$718,000.00
19	Furnish and install sewer DIP & Bends, including, but not limited to: 81 linear feet of 12" sewer DIP, two 12" 45-degree sewer DIP bends, fittings, restrained joints, plug valves, concrete wall penetration, testing, pavement removal, and backfill within the trench limit as identified in the construction plans, complete in place.	1	LS	\$75,000.00	\$75,000.00	\$73,000.00	\$73,000.00
20	Furnish and install four sewer force main inspection manholes, including, but not limited to: sewer manhole, DIP tee and blind flange, fittings, connections, all appurtenant work, testing, pavement removal, and backfill within the trench limit as identified in the construction plans, complete in place.	1	LS	\$180,000.00	\$180,000.00	\$181,500.00	\$181,500.00
21	Furnish and install excavation safety measures, including, but not limited to: sheeting, shoring and bracing for the underground stairwell excavation, for the CIPP lining rehabilitation excavations, and for the sewer DIP excavations, and safety measures to protect open excavations.	1	LS	\$185,000.00	\$185,000.00	\$200,000.00	\$200,000.00
22	Perform Traffic Control including, but not limited to: permitting, construction signs, portable changeable message signs, barricades, delineators, warning lights, stripes, markings, legends, and all other devices and methods in accordance to the MUTCD (latest edition) and the WATCH Manual (latest edition).	1	LS	\$70,000.00	\$70,000.00	\$150,000.00	\$150,000.00
23	Perform Utility Locating prior to any excavations as required to complete the work as identified in the construction plans.	1	LS	\$40,000.00	\$40,000.00	\$31,000.00	\$31,000.00
24	Miscellaneous site improvements, including, but not limited to: concrete swale, concrete sidewalk repair, relocate the backflow preventer 1-1/2" copper water service and connections, as identified in the construction plans, complete in place.	1	LS	\$12,000.00	\$12,000.00	\$30,000.00	\$30,000.00
25	Pavement Replacement inside Newport Coast Drive including, but not limited to: asphalt pavement and concrete pavement, as identified in the construction plans, complete in place.	1	LS	\$55,000.00	\$55,000.00	\$82,000.00	\$82,000.00
26	Slurry Seal inside Newport Coast Drive as required by the City of Newport Beach, complete in place.	2,600	SF	\$15.00	\$39,000.00	\$4.20	\$10,920.00

Item No.	Description	Qty	Unit	4		5	
				Stanek Constructors, Inc. Carlsbad, CA		Shimmick Construction Company, Inc. Irvine, CA	
				Unit Price	Total Amount	Unit Price	Total Amount
27	Site Pavement inside IRWD Newport Coast Lift Station right-of-way including, but not limited to: asphalt pavement, slurry seal, concrete pavement, and concrete entry pad in front of CMU building, as identified in the construction plans, complete in place.	1	LS	\$19,000.00	\$19,000.00	\$23,000.00	\$23,000.00
28	Replace dry well sump pumps and control panel including, but not limited to: new sump pumps, new control panel, piping, new steel plate covering, removal of vent piping, system startup and testing, as identified in the construction plans, complete in place.	1	LS	\$12,000.00	\$12,000.00	\$18,000.00	\$18,000.00
29	Furnish and install temporary electrical and instrumentation cabling including, but not limited to: conduits, connections, wall penetrations, dry well hatch penetrations, appurtenances, and testing, as identified in the construction plans, complete in place.	1	LS	\$165,000.00	\$165,000.00	\$135,000.00	\$155,000.00
30	Furnish and install new safety railing and access hatches, including, but not limited to: aluminum safety railing, aluminum toe guards, three double-door access hatches, brackets, and fittings, as identified in the construction plans, complete in place.	1	LS	\$23,000.00	\$23,000.00	\$73,000.00	\$73,000.00
31	Temporary Construction Power	1	LS	\$15,000.00	\$15,000.00	\$31,000.00	\$31,000.00
32	Prepare Operation & Maintenance Manuals.	1	LS	\$5,000.00	\$5,000.00	\$2,000.00	\$2,000.00
33	Operator Training.	1	LS	\$5,000.00	\$5,000.00	\$3,500.00	\$3,500.00
34	Prepare Final Record Drawings.	1	LS	\$5,000.00	\$5,000.00	\$3,000.00	\$3,000.00
Subtotal					\$3,938,000.00		\$4,991,920.00
Adjustment (+ or -)					\$0.00		\$0.00
TOTAL AMOUNT OF BID					\$3,938,000.00		\$4,991,920.00
				Manufacturers:		Manufacturers:	
				Allen Bradley		Allen Bradley	
				Square D		Allen Bradley	
				Modicon		Schneider Electric / Modicon M340	
				Soffa		Multi W Systems	
				ABB		ABB	
				Vega		Vega	
				D & H Water Systems		Diamond Manufacturing	
				D & H Water Systems		Blue White Peristaltic Pump	
				D & H Water Systems		D & H Water Skid	
				Subcontractors:		Subcontractors:	
				Electrical: Leed Electric		Reinforcing Steel: Gerdau	
				Painting: MC Painting		HMA Paving: Western Paving Contractors	
				HVAC: Christian Brothers Mechanical Services		HVAC: ACCO Engineered System	
				Rebar: Quality Rebar		Plaster Insulation: Infinity Drywall Contractors	
				Masonry: Winegardner Masonry		Masonry: Frank S. Smith Masonry, Inc.	
				CIPP/Pipeline: Charles King Company		CIPP: Insituform Technologies, LLC	
				Shoring: Blue Iron, Inc.			
				Roofing: Sylvester Roofing			
				Doors/Windows: Accurate Door Solutions			
				Wet Well Coating: Sancon Engineering			
				Stucco: Brady Company			

EXHIBIT "C"



April 26, 2017 (Revised May 3, 2017)

Harry Cho, P.E.
Irvine Ranch Water District (IRWD)
3512 Michelson Drive
Irvine, CA 92612

**SUBJECT: IRWD Newport Coast Sewer Lift Station Rehabilitation Project (Project)
Proposal for Construction Phase Services**

Dear Mr. Cho,

Per our discussions and based on your email requests, GHD is pleased to submit this letter proposal to perform Construction Phase Services for the Newport Coast Sewer Lift Station Rehabilitation Project (Project). It is our understanding that the construction phase services work will be performed under a new Professional Services Agreement with IRWD. This letter presents the scope of work and fee for the construction phase services as described below.

Scope of Work

Task 1.1 Construction Meetings

- One GHD staff will attend up to fifteen (15) construction meetings of a duration of two (2) hours each at IRWD's Sand Canyon office, construction site office, or as requested by IRWD. It is assumed that construction meeting #1 is the Pre-construction meeting.
- It is assumed that all meeting planning, scheduling, and coordination, and preparation of meeting minutes, will be the responsibility of the Contractor or IRWD.

Task 1.2 Contractor's Requests for Information (RFI)

- GHD will provide responses to RFI initiated by the Contractor and forwarded by IRWD. Our responses will be completed on IRWD's standard form submitted electronically (Word file) to IRWD's construction manager via email.
- The budget for this task is based on a total of responding to forty (40) RFIs.

Task 1.3 Preparation of Conformed Construction Documents

- GHD will provide minor plan revisions to the construction drawings as needed in preparation of a "Conformed" set of construction drawings and Project Manual prior to the commencement of the work, as needed.
- The budget for this task is based on a total of sixty (60) hours of GHD staff time, and a single submission of up to four (4) hard-copy sets of the Conformed documents.



Task 1.4 Site Visits

- Up to two GHD staff will accompany IRWD staff to the construction site on up to ten (10) site visits of a duration of up to two (2) hours each visit as requested by IRWD.
- It is assumed GHD will not be asked to provide any direction to the Contractor at the site visits, and GHD may bring up any observed construction quality issues and safety issues immediately to the attention to IRWD.

Task 1.5 Shop Drawings

- GHD will review shop drawings submitted by the Contractor per the specifications and forwarded by IRWD. Our review comments will be completed on IRWD's standard form submitted electronically (Word file) to IRWD's construction manager via email.
- The budget for this task is based on a total of reviewing one hundred twenty-five (125) shop drawing submittals. It is assumed a total of sixty (60) shop drawings will be resubmitted for a second review.

Task 1.6 Record Drawings

- GHD will provide CAD drafting services to prepare record drawings from a single consolidated set of marked up red-line drawings approved and provided by IRWD after the construction has been completed. The red-line drawings shall be clear and legible of the design changes during construction on up to 58 design drawings, excluding traffic control.
- The budget for this task is based on preparing a final set of record drawings on 24-inch by 36-inch mylars, reissued signed mylars (as needed), a single combined PDF file on CD, and AutoCAD electronic files on CD.

Task 1.7 Miscellaneous Construction Support

- GHD will provide ongoing construction support to assist IRWD with construction issues, contractor questions, reviewing change orders, and other general engineering support throughout the construction period, as needed.
- The budget for this task has been established by IRWD at an allowance amount of \$50,000.

Task 1.8 CCTV Video Review

- GHD's NASSCO certified staff will review the CCTV inspection video of the force main CIPP after the completion of the CIPP work. It is assumed we will submit one Technical Memorandum to IRWD for information only that summarizes our findings from our CCTV video review.
- The budget for this task is based on a total of forty (40) hours of GHD staff time.

Task 1.9 Project Management

- GHD will prepare monthly billing for a duration of fifteen (15) months covering the entire period from the construction notice-to-proceed to the submission of our final invoice following the completion of the record drawings.
- The first 13 months of the 15 months duration is the current construction schedule of 13 months (390 calendar days) from the Contractor's date of the notice to proceed.



Fee

Based on the scope of work herein, GHD's proposed fee to perform construction phase services is a not-to-exceed amount of \$199,642 on a times-and-materials basis as shown in the attached man-hour breakdown and fee table. Extra work beyond the scope of work described herein can be performed at the request of IRWD upon mutual agreement of additional budget.

If you have any questions regarding this proposal, please contact me anytime at **(949) 585-5215** or greg.watanabe@ghd.com.

Sincerely,

GHD Inc.

A handwritten signature in black ink, appearing to read "Greg Watanabe", written over a horizontal line.

Greg Watanabe, P.E.
Project Manager

Irvine Ranch Water District
Newport Coast Sewer Lift Station Rehabilitation
Fee Proposal – Construction Phase Services
April 26, 2017 (Revised May 3, 2017)



Task Description	Project Manager	Sr. Civil / Structural	Civil / Structural	Electrical / I & C / HVAC	CAD Designer	Project Assistant	Total Hours	Labor	Other Direct Costs	Total
Hourly Rates	\$215	\$205	\$160	\$160	\$119	\$94				
Task 1 – Construction Phase Services										
Task 1.1 – Construction Meetings (15 Meetings)	30	-	-	-	-	-	30	\$ 6,450	\$ 180	\$ 6,630
Task 1.2 – Contractor's RFIs (40 total)	-	20	30	45	-	-	95	\$ 16,100	\$ 570	\$ 16,670
Task 1.3 – Preparation of Conformed Docs (60 hours total)	4	8	12	12	24	-	60	\$ 9,196	\$ 1,110	\$ 10,306
Task 1.4 – Site Visits (10 site visits)	20	20	-	-	-	-	40	\$ 8,400	\$ 240	\$ 8,640
Task 1.5 – Shop Drawings (125 initial/60 resubmittals)	20	64	180	190	-	8	462	\$ 77,270	\$ 2,769	\$ 80,039
Task 1.6 – Record Drawings (58 sheets, No Traffic Control)	2	6	8	8	88	2	114	\$ 14,880	\$ 684	\$ 15,564
Task 1.7 – Miscellaneous Construction Support (\$50k)	40	40	96	96	-	8	280	\$ 48,272	\$ 1,728	\$ 50,000
Task 1.8 – CCTV Video Review (40 hours total)	2	8	28	-	-	2	40	\$ 6,738	\$ 240	\$ 6,978
Task 1.9 – Project Management (15 months)	15	-	-	-	-	15	30	\$ 4,635	\$ 180	\$ 4,815
Total Construction Phase Services (Not-to-Exceed)	133	166	354	351	112	35	1,151	\$ 191,941	\$ 7,701	\$ 199,642