

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

April 8, 2013

PLEDGE OF ALLEGIANCE

CALL TO ORDER

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

ROLL CALL

Directors Matheis, LaMar, Swan, Withers and President Reinhart

Teleconferencing with President Reinhart will be used to connect meeting locations from the IRWD Board Room, 15600 Sand Canyon Avenue, Irvine, CA
This agenda will be posted at 3251 Chateau Rd., #24, Mammoth Lakes, CA 93546
Phone: 760.924.2690
All votes shall be taken by roll call.

NOTICE

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

COMMUNICATIONS TO THE BOARD

1. A. Written:

B. Oral: Mrs. Joan Irvine Smith relative to the Dyer Road Wellfield.

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

Recommendation: Determine that the need to discuss and/or take immediate action on item(s) introduced come to the attention of the District subsequent to the agenda being posted.

PRESENTATION

3. **CAL STATE FULLERTON PUBLIC SECTOR LEADERSHIP**

Sally Starr, Director, Corporate Relations and Workplace Solutions, and Kim Tang, Program Developer with the University Extended Education, California State University, Fullerton, will be giving a brief presentation about their series entitled "Leadership Development for Public Agencies" and honoring IRWD's most recent employees to complete the program: Julie Bendzick-Sin, Jeff Bertsch, Steve Habiger, and Jenny Pan.

WORKSHOP

4. FISCAL YEAR 2013-14 OPERATING BUDGET AND PROPOSED RATES AND CHARGES

Recommendation: That the Board review and provide comments on the proposed FY 2013-14 Operating Budget and proposed rates and charges.

CONSENT CALENDAR

Next Resolution No. 2013-13

Items 5-9

5. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the March 25, 2013 Regular Board Meeting be approved as presented.

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

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

7. 2013 STATE LEGISLATIVE UPDATE

Recommendation: That the Board have IRWD continue to work with Assemblymember Marc Levine's office to develop a solution favorable to the District in AB 1200; take a position in "SUPPORT" of OCWD's efforts to amend its District Act through SB 658 (Correa); take an "OPPOSE" position on AB 543 (Campos) and to work through the District's association and industry partners to oppose the bill; and take an "OPPOSE" position on AB 823 (Eggman) and to work through the District's association and industry partners to oppose the bill.

8. MAIN STREET MANHOLE BID REJECTION

Recommendation: That the Board reject the bids received for the Main Street Manhole, project 21134 (4256).

9. WELLS 21 AND 22 DESALTER PROJECT PIPELINES FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Wells 21 and 22 Desalter Project Pipelines, project 10286 (1081); authorize the filing of a Notice of Completion; and authorize the payment of the retention 35 days after the date of recording the Notice of Completion.

ACTION CALENDAR

10. DISCOVERY SCIENCE CENTER AGREEMENT

Recommendation: That the Board authorize the General Manager to execute a renewal agreement with the Discovery Science Center for a three-year term effective July 1, 2013 at a total cost of \$149,685 for water education programs to schools within the IRWD service area.

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.

11. A. General Manager's Report

B. Directors' Comments

C. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL RELATIVE TO ANTICIPATED LITIGATION – Government Code Section 54956.9(d)(2) – significant exposure to litigation (one potential case).

D. Adjourn.

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Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Irvine Ranch Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection in the District's office, 15600 Sand Canyon Avenue, Irvine, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available at the entrance to the Board of Directors Room of the District Office.

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

April 8, 2013

Prepared by: Christopher Smithson

Submitted by: Cheryl Clary

Approved by: Paul Cook 

WORKSHOP

FISCAL YEAR 2013-14 OPERATING BUDGET AND PROPOSED RATES AND CHARGES

SUMMARY:

The proposed Fiscal Year (FY) 2013-14 Operating Budget for Irvine Ranch Water District is \$117.1 million, representing an increase of \$6.0 million, or 5.4%, over FY 2012-13.

The goal of the District's budgeting process is to appropriately fund the resources required to provide excellent service to its customers as cost-efficiently as possible. Over the past two years, increases to the District's operating budget have been kept to a minimum by aggressively pursuing reductions in expenses to offset uncontrollable expenses, such as pass-through rate increases from outside agencies. With the Wells 21 and 22 Desalter Project coming into operation for its first full fiscal year, the FY 2013-14 Operating Budget includes increases in the expenses for purchasing the electricity and chemicals required to operate this facility; it also reflects a corresponding reduction in IRWD's purchase of water from the Municipal Water District of Orange County (MWDOC), from 11,400 acre-feet (AF) in the FY 2012-13 budget to 9,400 AF in the FY 2013-14 budget. (Note: The FY 2012-13 Operating Budget assumed the Wells 21 and 22 Desalter project would operate for nine months of that year.) The FY 2013-14 Operating Budget also reflects the first full fiscal year of operation of the expanded Michelson Water Recycling Plant (MWRP).

Rate increases are necessary to fund anticipated shortfalls in both the water and sewer/recycled water systems. In the Irvine and Orange Park Acres rate areas, the proposed adjustment to the base commodity rate is \$0.03 per ccf, with a \$0.55 increase in the fixed water service charge. In the Los Alisos rate area, because of its dependence on imported water and the cost increases expected from the Metropolitan Water District of Southern California (MWD), the proposed adjustment to the base commodity rate is \$0.10 per ccf, with a \$0.25 increase on the fixed water service charge for most residential meter sizes. The proposed increase to the uniform sewer fixed charge is \$1.20 per month.

Based on the recommended increases, the Irvine Ranch Rate Area will result in an expected rate increase to the average residential customer of \$2.05 or 4.4% from \$46.18 to \$48.23 per month, the Los Alisos Rate Area will result in an overall rate increase to the average residential customer of \$2.45 or 4.0% from \$60.52 to \$62.97 per month, and the Orange Park Acres Rate Area will result in an expected rate increase to the average residential customer of \$1.09 or 2.1% from \$52.10 to \$53.19 per month. More detailed rate information is described below.

Staff recommends the Board review and provide comments on the proposed Operating Budget and rates and charges for further review by the full Board at its workshop on April 22, 2013.

BACKGROUND:

The proposed Operating Budget (attached as Exhibit “A”) has been organized into seven major functional areas, plus separate sections for proposed general plant purchases and labor changes. A draft of the PowerPoint presentation is included as Exhibit “B”. As noted above, this draft budget represents an increase of \$6.0 million over the FY 2012-13 Operating Budget. The proposed increase over last year’s budget is driven primarily by the following:

<u>Primary Drivers</u>	<u>Expenses</u> (millions)
<ul style="list-style-type: none"> • Increases in labor costs (including overtime and temporary labor) to hire or staff additional personnel primarily in the operations groups to operate the expanded MWRP and the Wells 21 and 22 Desalter, as well as increases in other areas (some of which were partially offset by reductions in temporary labor costs and overtime) 	\$1.7
<ul style="list-style-type: none"> • Increases in employee benefits due primarily to increases in health care costs and Workers’ Compensation insurance: <ul style="list-style-type: none"> - Health care staff coverage increased by 4% and average District-paid costs increased by 11% over the prior FY - Workers’ Compensation insurance is expected to increase by approximately \$105,000 as well as claim losses which were not budgeted in FY 2012-13. Based on current claim rates, staff expects claims will be approximately \$350,000 	\$0.7
<ul style="list-style-type: none"> • Increase in the cost of water, primarily due to anticipated rate increases from outside agencies 	\$1.4
<ul style="list-style-type: none"> • Full year of operations for Wells 21 and 22 and MWRP as well as an increase in energy costs due to anticipated rate increases from outside agencies 	\$0.8
<ul style="list-style-type: none"> • Higher conservation expenses (will be offset by over-allocation revenue and a reduction in the conservation reserve) 	\$0.2
<ul style="list-style-type: none"> • Decrease in chemicals utilized as a result of the MWRP expansion 	(\$0.3)
<ul style="list-style-type: none"> • All other increases, less than \$200,000 each 	\$1.0
<i>Total proposed budget increases in FY 2013-14:</i>	<i>\$6.0</i>

While the District is not required to adopt its FY 2013-14 operating budget until June 2013, notices of rate increases (in compliance with Proposition 218) need to be approved by the Board and mailed by the first week in May in order to be effective for a July 1, 2013 rate adjustment.

Year over Year Change in System Operating Results:

The following table provides a year over year comparison identifying the change by system in operating expenses with the rate increases necessary to meet operating demands. The enhancement and replacement component was increased significantly for the sewer system for Fiscal Year 2013-14. The one driving factor is that approximately half of the \$220 million

Biosolids project will most likely be funded from user rates, and the Finance and Personnel Committee preferred stepping the rate up over several years rather than a one-time increase when the project is completed.

Systems Expenses (in 000's)					Conserve/ NTS ¹	Capital & Non-Oper.
	Treated	Untreated	Sewer	Recycled		
FY 2012-13	\$52,285	\$681	\$25,444	\$12,654	\$4,942	\$15,099
FY2013-14	\$54,885	\$1,285	\$25,929	\$11,551	\$5,460	\$17,950
Total Change	(\$2,600)	(\$604)	(\$485)	\$1,103	(\$518)	(\$2,851)
Enhance and Replace		(\$266)		(\$3,185)		
Revenue Applied:						
Change from Prior Year		\$1,020		\$17	\$0	
Rate Increases		\$2,450		\$2,550	\$518	
Total Additional Revenue		\$3,470		\$2,567	\$518	
Net		\$0		\$0	\$0	

Impact on IRWD’s Proposed Rates and Charges:

Prior to consideration of any rate changes for FY 2013-14, the water system’s projected expenses are anticipated to exceed revenue by approximately \$2,450,000 and the sewer/recycled water system’s projected expenses are anticipated to exceed revenue by approximately \$2,550,000.

Staff has prepared proposed rate changes to meet revenue requirements while including increases for enhancement and replacement capital project funding. Page A-13 in Exhibit “A” identifies the impact to rates for the Irvine Ranch, Los Alisos, and Orange Park Acres Rate Areas.

Based upon an average residential usage of 18 ccf per month, the recommended increases in the Irvine Ranch Rate Area will result in an expected rate increase to the average residential customer of \$2.05 or 4.4% from \$46.18 to \$48.23 per month.

The recommended increases in the Los Alisos Rate Area (based upon average residential usage of 18 ccf per month) will result in an overall rate increase to the average residential customer of \$2.45 or 4.0% from \$60.52 to \$62.97 per month.

The recommended increase in the Orange Park Acres Rate Area (based upon average residential usage of 18 ccf per month) will result in an overall rate increase to the average residential customer of \$1.09 or 2.1% from \$52.20 to \$53.29 per month.

Water System:

Irvine Ranch Rate Area

The Irvine Ranch Rate Area treated system experienced an increase in the cost of purchased water from MWD and the Orange County Water District (OCWD), and an increase in funds set aside to build enhancement and replacement capital.

¹ Natural Treatment System (NTS)

The significant reductions in many areas helped to substantially eliminate the potential impact to commodity rates. Staff recommends an increase of \$0.03 per ccf of water, reflecting additional costs derived from an expected MWDOC rate increase for imported water (\$850 to \$893 per AF) and a \$11.00 per AF increase in the groundwater Replenishment Assessment (\$266 to \$277 per AF). The fixed service charge includes a \$0.55 per month increase, of which \$0.10 per month will be used to fund the planned increases for enhancement and replacement capital needs.

Los Alisos Rate Area

The Los Alisos Rate Area experienced cost increases in water since almost all source water used in this rate area is imported water purchased from MWD through MWDOC. MWD is expected to raise its rates by 5% effective January 1, 2014 and other components (ready to serve and capacity charge) will have a net increase of 15% for IRWD. As a result, staff recommends a commodity rate increase of \$0.10 per ccf. The fixed service charge includes a \$0.25 per month increase, of which \$0.10 per month will be used to fund the planned increases for enhancement and replacement capital needs. The large meter service charge in the Los Alisos area still remains lower than equivalent meters in the Irvine Ranch Rate Area. Beginning with FY 2010-11, the District began gradually escalating the Los Alisos Rate Area’s larger meter fixed charges to bring them closer to the Irvine Ranch fixed service charges. The District expects to continue applying rate increases to the large meter charges until such time as the Los Alisos and Irvine Ranch Rate Areas are at parity (estimated at approximately two years).

Orange Park Acres Rate Area

In FY 2007-08, the District consolidated with the Orange Park Acres Mutual Water Company. The agreement provided that rates within the new Orange Park Acres Rate Area (OPA) will be changed by the amount necessary to maintain a constant dollar amount of the difference between commodity and fixed charges in relation to the overall District. Therefore, rate increases applied to the Irvine Ranch Rate Area will be applied at the same nominal rate to OPA, rather than matching a percentage increase. Page A-13 in Exhibit “A” shows the indexed changes to the OPA rates, based upon the proposed changes to the Irvine Ranch Rate Area.

The following table summarizes the current and proposed water rates for the different rate areas within IRWD:

<u>Revenue Source</u>	<u>Rate Area</u>	<u>Current</u>	<u>Proposed</u>
Base commodity rate	Irvine Ranch	\$ 1.24/ccf	\$ 1.27/ccf
Base commodity rate	Los Alisos	\$ 2.14/ccf	\$ 2.24/ccf
Base commodity rate	OPA	\$ 1.76/ccf	\$ 1.79/ccf
Residential Service rate	Irvine Ranch	\$ 9.30/meter	\$ 9.85/meter
Residential Service rate	Los Alisos	\$ 9.60/meter	\$ 9.85/meter
Residential Service rate	OPA	\$17.80/meter	\$18.35/meter

Untreated Water Rates

The untreated system demands have decreased each year over the last six years and this trend is expected to continue as more customers are converting to recycled water. The trend of reduced system demands could eventually lead to water needs being met solely by native water. Setting the untreated rate based exclusively on native water costs would result in a rate below recycled water, thereby eliminating the incentive for converting to the recycled system.

The current rate of \$1.12 per ccf was set \$0.01 above the recycled rate of \$1.11 per ccf. The purpose in setting this rate was to help promote conversion from the untreated system to the recycled system while providing a reasonable cost of water for those customers on the system with no alternative. Staff recommends maintaining the current rate for the untreated system at \$488 per AF or \$1.12 per ccf.

Sewer/Recycled Water System:

The consolidated sewer system has significant replacement capital needs over the coming years based on the District's Replacement Planning Model and the generation of the Biosolids treatment facility. As a result, the District will continue to implement increases in the monthly service charges to adequately fund the Sewer Replacement Fund.

The FY 2013-14 Operating Budget reflects the first full fiscal year of operation of the expanded Michelson Water Recycling Plant. Staff is recommending no increase to the \$1.11 per ccf base commodity rate for recycled water. For the fixed monthly service charge, staff is recommending an overall increase of \$1.20 per month. While overall monthly operating costs in FY 2013-14 decreased by \$0.25 as a result of the expansion of the recycling plant and resulting savings from not sending the waste to the Orange County Sanitation District, this was more than offset by recommended increases of \$1.45 per month to fund the planned increases for enhancement and replacement capital needs, again, with an emphasis for funding a significant portion of the Biosolids project. These are detailed in Exhibit "A" starting on page A-13.

Tiered Rate Structure Cost Allocation:

In the tables below, staff has provided the detailed methodology for allocating costs to the tiered rates consistent with Proposition 218 requirements.

Irvine Ranch Rate Area

The District moved to an allocation-based rate structure in 1991 and established the over-allocation use tiers with rates increasing from tier to tier that had the benefit of incentivizing water conservation. This approach resulted in immediate and sustained reductions in water consumption that exceeded 10%, and it laid the groundwork for the efficient use of water by IRWD customers that is firmly established today. The over-allocation use tiers provide funding for many programs that are geared toward preserving the water conservation approach established years ago including funding:

- The difference between the Base Rate and the Low Volume (LV) rate;
- Conservation programs and incentives;
- Conservation outreach efforts that include identifying and working with Excessive and Wasteful tier users and providing education on conservation for all users; and
- Maintenance and management of NTS sites.

The methodology utilizes the five tiers beginning with a low volume tier and three over-allocation tiers. The allocation of costs associated with the tiers follow:

IRVINE RANCH RATE AREA METHODOLOGY	
Tiers	Proposed
Low Volume	70% of the melded cost of pumped water Deep Aquifer Treatment System (DATS), Dyer Road Well Field (DRWF)
Base Rate	Melded cost of budgeted sales
Inefficient	Increased MWD rate + 20% x (LV differential, Conservation, NTS, and Recycled Conversions) / Inefficient usage
Excessive	Loaded MWD rate + 35% x (LV differential, Conservation, NTS, and Recycled Conversions) / Excessive usage
Wasteful	Loaded MWD rate + 45% x (LV differential, Conservation, NTS, and Recycled Conversions) / Wasteful usage

When this approach is applied to the budgeted revenues and expenses within each tier, the resulting proposed rates for the Irvine Ranch Rate Area for FY 2013-14 follows in the table below:

Tiers	Current Rate (FY 12-13) (per ccf)	Proposed Rate (FY 13-14) (per ccf)	Difference	Description
Low Volume	\$0.91	\$0.91	\$0.00	70% of the pumped water melded cost (DRWF, DATS)
Base Rate	\$1.24	\$1.27	\$0.03	All sources melded cost of budgeted water
Inefficient	\$2.76	\$2.86	\$0.10	Increased MWD rate (\$2.24) + 20% of various conservation programs (\$0.62)
Excessive	\$4.70	\$4.80	\$0.10	Loaded MWD rate (\$2.58) + 35% of various conservation programs (\$2.22)
Wasteful	\$9.84	\$9.84	\$0.00	Loaded MWD rate (\$2.58) + 45% of various conservation programs (\$7.26)

Los Alisos Rate Area

The Los Alisos Rate Area converted to a tiered rate structure for commodity revenues in FY 2012-13. The methodology used for the Los Alisos Rate Area differs from the one identified for Irvine Ranch in the Low Volume, Base Rate, and first over-allocation use tier. This is due primarily to the difference in source water for these rate areas. The proposal continues to utilize five tiers beginning with a low volume tier and three over-allocation use tiers. The allocation of costs associated with the tiers follow:

LOS ALISOS RATE AREA METHODOLOGY	
Tiers	Proposed
Low Volume	70% of the all-in cost for MWDOC Water
Base Rate	Melded cost of budgeted sales
Inefficient	Loaded MWD rate + 20% x (LV differential, Conservation, NTS, and Recycled Conversions) / Inefficient usage
Excessive	Loaded MWD rate + 35% x (LV differential, Conservation, NTS, and Recycled Conversions) / Excessive usage
Wasteful	Loaded MWD rate + 45% x (LV differential, Conservation, NTS, and Recycled Conversions) / Wasteful usage

Currently, each tier would pay the uniform rate so the variance between the current and proposed rates grow substantially in each successive over allocation use tier. This provides the motivation for customer conservation. The proposed rate structure for the Los Alisos Rate Area follows:

Tiers	Current Rate (FY 12-13) (per ccf)	Proposed Rate (FY 13-14) (per ccf)	Difference	Description
Low Volume	\$1.54	\$1.54	\$0.00	70% of the all-in cost for MWDOC
Base Rate	\$2.14	\$2.24	\$0.10	Melded cost of budgeted sales (\$2.24)
Inefficient	\$3.16	\$3.20	\$0.04	Loaded MWD rate (\$2.35) + 20% of various conservation programs (\$0.85)
Excessive	\$4.70	\$4.80	\$0.10	Loaded MWD rate (\$2.35) + 35% of various conservation programs (\$2.45)
Wasteful	\$9.84	\$9.84	\$0.00	Loaded MWD rate (\$2.35) + 45% of various conservation programs (\$7.49)

Orange Park Acres Rate Area

As stated previously, rate increases applied to the Irvine Ranch Rate Area will be applied at the same nominal rate to OPA, rather than matching a percentage increase. The proposed base rate for the Irvine Ranch Rate Area is increasing by \$0.03 per ccf; therefore, all three commodity tiers for OPA will increase by the same amount.

Tiers	Current Rate (FY 12-13) (per ccf)	Proposed Rate (FY 13-14) (per ccf)	Difference	Description
Standard Tier I	\$1.76	\$1.79	\$0.03	Existing rate increased by the proposed base rate increase for the Irvine Ranch Rate Area.
Excess Tier II	\$2.10	\$2.13	\$0.03	Existing rate increased by the proposed base rate increase for the Irvine Ranch Rate Area.
Excess Tier III	\$2.65	\$2.68	\$0.03	Existing rate increased by the proposed base rate increase for the Irvine Ranch Rate Area.

FISCAL IMPACTS:

Planned operating expenses in the FY 2013-14 Proposed Operating Budget reflect an increase of \$6.0 million from the adopted Operating Budget for FY 2012-13. The proposed rate increases will result in a contribution to the enhancement and replacement funds of approximately \$3.8 million and \$14.4 million for water and sewer, respectively.

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 March 8, March 20, and April 1, 2013.

RECOMMENDATION:

THAT THE BOARD REVIEW AND PROVIDE COMMENTS ON THE PROPOSED FY 2013-14 OPERATING BUDGET AND PROPOSED RATES AND CHARGES.

LIST OF EXHIBITS:

- Exhibit “A” – Proposed Operating Budget for Fiscal Year 2013-14
- Exhibit “B” – Workshop PowerPoint Presentation (draft)

Exhibit "A"

DRAFT

**IRVINE RANCH WATER DISTRICT
OPERATING BUDGET
FISCAL YEAR 2013-14**



"PROPOSED"

April 8, 2013



OPERATING BUDGET

Assumptions as of April 8, 2013 Fiscal Year 2013-14

The goal of the District's budgeting process remains to fund the resources required to provide services to the District's customers as cost-efficiently as possible. Over the past two years, the District's operating budget has increased marginally by aggressively pursuing reductions in expenses to offset uncontrollable expenses such as pass-through rate increases from outside agencies on which the District depends for the purchase of water and the treatment of wastewater and biosolids. With significant additional capital facilities coming online in FY 2013-14, the recommended increases in the operating budget reflect additional expenses associated with operating those facilities.

This document is a preliminary summary of the major assumptions driving the development of the operating budget for FY 2013-14 for input by the Board.

I. REVENUES

Growth Estimates:

Residential development growth was considered primarily in the apartment sector with single family homes returning in projections for FY 2013-14. The unit estimate is based on the most current projections received from the major developers in the service area. Current apartment estimates identify approximately 1,900 coming on line in FY 2013-14. Just over 500 additional units are included in current projections as part of the redevelopment estimate that has clearly not met projections in the past three years. As a result, the growth factor for residential development was estimated at 1% for FY 2013-14.

Commercial volume has been flat which is consistent with commercial vacancy factors. The FY 2012-13 budget anticipated a return of the base that was lost previously from the economy. Although customer counts increased, it did not match the growth budgeted for FY 2012-13. Current development projections for the commercial/industrial sector identify nearly 30 acres of development occurring in FY 2013-14 as well as 35 acres developing in the current fiscal year. The higher than average vacancy factors do not support meeting these development targets. Staff recommends no assumed growth rate for commercial and industrial development for FY 2013-14. Revenue assumptions used to estimate sewer revenue match the assumptions included for potable water.

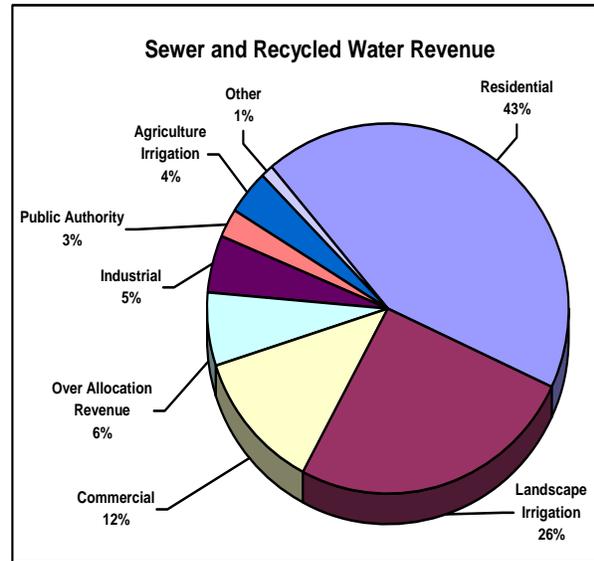
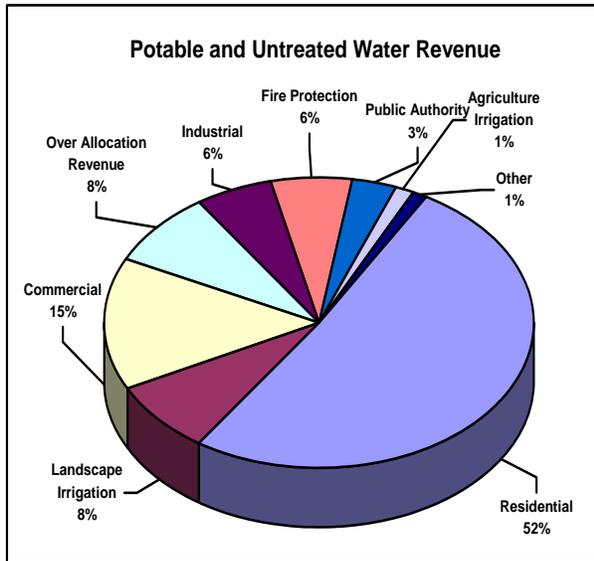


OPERATING BUDGET

*Assumptions as of April 8, 2013
Fiscal Year 2013-14*

FY 2013-14 Estimate for Operating Revenue Sources, by Customer Type (in thousands):

Customer Type	Water	Sewer/ Recycled Water	Total
Residential	\$31,334	\$22,583	\$53,917
Landscape Irrigation	4,904	13,596	18,499
Commercial	8,912	6,364	15,276
Over Allocation Revenue	5,170	3,340	8,510
Industrial	3,612	2,652	6,264
Fire Protection	3,731		3,731
Public Authority	1,904	1,314	3,218
Agriculture Irrigation	837	2,006	2,843
Other	757	576	1,333
Total	\$61,161	\$52,430	\$113,591



The projected revenue sources and their respective percentage of the total are presented in the graph above. Total Residential, Landscape, Commercial, and Industrial revenue constitute over 85% of the total operating revenues.

The "Other" category in the chart above includes revenue from the following sources in the order of total estimated receipts:

- Construction/Temporary accounts
- United States Department of the Navy contribution for the Shallow Ground Water Unit identified as Irvine Desalter Project (IDP) Reimbursements
- Recycled water sales to the Santa Margarita Water District
- Green Acres Project (GAP) recycled water sales
- Recycled Water Conversion Loan payments



OPERATING BUDGET

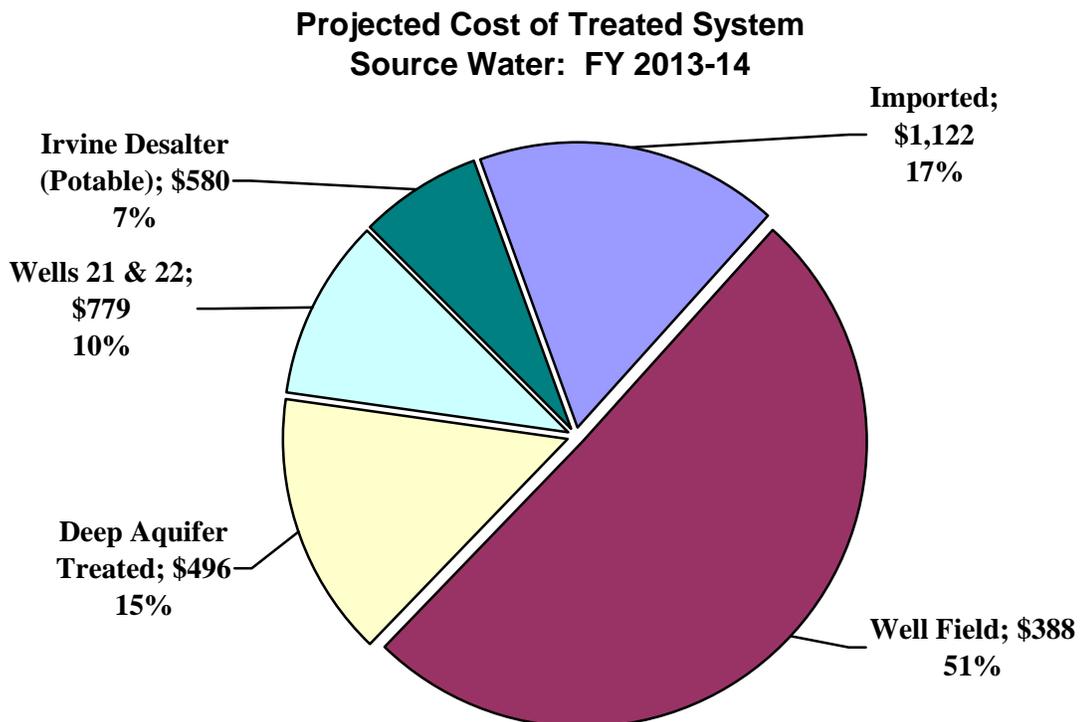
*Assumptions as of April 8, 2013
Fiscal Year 2013-14*

II. OPERATING EXPENSES

Notable expected changes in operating expenses are addressed below by system and function:

A. Treated Water

The cost per acre-foot (AF) from each of the sources and their respective share of the total water purchased are identified in the graph.



Groundwater Production

The major assumptions associated with the respective sources of water include the following:

- The current Replenishment Assessment (RA) is \$277 per AF. The Orange County Water District is considering a basin production percentage (BPP) from 68% to 70% and an RA from \$282 per AF down to \$266 per AF.
- The Dyer Road Well Field (DRWF) pumping costs:
 - Actual energy usage will be factored with a rate increase of 5%.
 - Chemical expense is relatively flat with the most significant increase associated with a full year of operation for Wells 21 & 22.
- Primary changes in costs include a \$11 per AF estimated rate increase for RA and a 5% increase in energy for the Irvine Desalter Project (IDP),



OPERATING BUDGET

Assumptions as of April 8, 2013 Fiscal Year 2013-14

the Potable Treatment Plant (PTP), and the Deep Aquifer Treatment System (DATS).

- Wells 21 & 22 Desalter will come online before year end in FY 2012-13 and is expected to provide 5,700 AF net of water lost to production. This source, similar to IDP and DATS, will have a BPP exemption allowing the District to maximize usage of this source which has a lower operating cost than imported water purchased from the Municipal Water District of Orange County (MWDOC).

Treated Water – Metropolitan Water District of Southern California (MWD)

- MWD is expected to increase its rates again on January 1, 2014 by 5% and other components will have a net increase of 13% for IRWD. Readiness-to-Serve (RTS) will increase by 15%, the capacity charge (CC) will decrease by 13% and the meter charge will increase by 10%.
 - RTS from \$1.24 million to 1.42 million;
 - CC from \$0.31 million \$0.27 million; and
 - The meter charge will increase 10% from \$7.25 to \$8.00 per meter.
- Staff assumes no substantial change to the costs associated with the IRWD Reservoir Management Systems.
- Los Alisos rate area demands are met almost entirely from MWD/MWDOC imported water.

Untreated Water

The sources for untreated water for FY 2013-14 will include purchased water and native water stored in the Irvine Lake.

- Native water, MWDOC purchases, and Santiago Aqueduct Commission (SAC) water is expected to be used to meet all untreated demands.
- Any MWDOC increases addressed in the treated water system will also apply to purchases for the untreated system.

B. Sewer and Recycled Water

Sewer:

Production and storage generated from operations at the Michelson Water Recycling Plant (MWRP) and Los Alisos Water Recycling Plant (LAWRP) are expected to provide 25,734 AF of recycled water for FY 2013-14.

Recycled:

- Total recycled demand is estimated at 27,920 AF.
- The Irvine Desalter will provide an additional 3,050 AF net of water lost through treatment.



OPERATING BUDGET

Assumptions as of April 8, 2013 Fiscal Year 2013-14

- SAC water will provide an additional 282 AF of water.
- The recycled water system is expected to purchase 258 acre-feet of supplemental water from the untreated system.

C. Salaries and Benefits

- Each year, staff prepares a labor budget based upon the total positions in the organization chart, expected merit and cost of living increases, and promotional allowances.
 - Each salary is identified and included in January and then projected forward adding merit increases that are based on prior review ratings where necessary in order to reach a starting July salary base.
 - New Positions and promotions are added and all salaries are projected forward on a month by month basis.
 - In December, a COLA and promotional factor are applied to all salaries - Assumed at 3.0%.
 - In FY 2012-13, staff eliminated the 3% vacancy factor used previously. Although staffing is well below the current budget, staff anticipates all positions being occupied by FY 2013-14. A 1% vacancy factor was included to manage time in between new employees being hired to fill vacant positions.

Regular Salaries and Wages	
FY 2012-13 Labor	\$26,158
Additions	704
Promotions	19
COLA	407
Merit	253
Vacancy Factor at 1%	(320)
Total	\$27,221



OPERATING BUDGET

Assumptions as of April 8, 2013 Fiscal Year 2013-14

The following table identifies the current and proposed contribution of the District toward employee benefits.

Additional Contributions Provided by the District		
	FY 12-13	FY 13-14
PERS Employer Contribution	16.1%	16.8%
PERS in Excess of ARC	<u>8.9%</u>	<u>8.2%</u>
Combined Total	25.0%	25.0%
District Employee Contribution	2.0%	1.0%
District's Senior Staff Contribution	0.0%	0.0%
401A Matching Contribution of 3%	2.8%	2.8%

- Health and dental insurance premiums are expected to increase by 11%, offset in part by expected increases to employee contributions.

III. USE OF OTHER FUNDS

A. Over Allocation Revenue

Over Allocation Revenue is used to offset three primary expenses:

- The low volume shortfall is the rate difference between the low volume rate and the base rate. Over allocation revenue is used to offset this differential.
- Budgeted conservation expenses are funded from over allocation revenue and conservation funds if expense exceeds actual revenue.
- Urban runoff (NTS) and San Joaquin Marsh maintenance expenses are the third and final component of expenses funded using over allocation revenue and conservation funds.
- Total conservation expense is expected to exceed over allocation revenue in FY 2013-14. The conservation fund (\$19.1M) will provide funding for conservation expense that exceeds over allocation revenue.

B. Enhancement Fund User Rate Component

The current enhancement fund contribution for both the water and sewer system for FY 2012-13 was a combined \$1.30 per month (\$0.65 each for water and sewer) for the average residential customer. Staff assumes an increase of \$0.05 for water and sewer respectively, for a combined enhancement component of \$1.40. The estimated net change in the fund excluding other revenue sources other than 1% receipts follows:

Estimated Fund Balance as of June 30, 2013 (in millions)	\$21.0
Capital Expenditures	(5.0)
1% Receipts	6.4
Enhancement Component from User Rates	<u>3.3</u>
Projected Replacement Fund as of June 30, 2014	<u>\$25.7</u>



OPERATING BUDGET

Assumptions as of April 8, 2013 Fiscal Year 2013-14

C. Replacement Fund User Rate Component

Consistent with the Board's direction in recent years, staff assumed increases to the current replacement fund contributions. The current sewer service charge of \$4.65 per month for the average residential customer in FY 2012-13 will increase by \$1.40 to \$6.05, to provide additional funding for the bio-solids project. Staff assumes an increase of \$0.05 on the water service charge replacement component to \$0.70 for the typical residential customer. The estimated net change in the fund excluding other revenue sources other than 1% receipts follows:

Estimated Fund Balance as of June 30, 2013 (in millions)	\$ 175.0
Capital Expenditures	(24.2)
1% Receipts	8.6
Investment Income (JPA Closeout)	30.5
Replacement Component from User Rates	<u>15.0</u>
Projected Replacement Fund as of June 30, 2014	<u>\$ 204.9</u>

IV. **ALLOCATION OF COSTS BETWEEN IRWD & LOS ALISOS RATE AREAS**

- A. Costs that are directly related to providing service or are clearly associated with the Irvine Ranch or Los Alisos rate areas for treated water are allocated to the respective system expenses of that rate area.
- B. Those costs that are attributable to system operations but that are not unique to one rate area are allocated based upon the ratio of the budgeted acre-feet.
- C. All direct labor costs are allocated General & Administrative (G&A) charges based upon the budgeted G&A factor.

Consolidated Operating Budget for All Departments FY 2013-14

Expense Name	2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Salaries & Benefits					
Labor Expense RT	24,726,528	10,774,385	26,158,800	27,221,420	1,062,620
Labor Expense OT	1,702,381	734,454	804,920	1,131,560	326,640
Employee Benefits	11,905,562	5,914,911	13,726,350	15,094,100	1,367,750
Temp & Contract Labor	1,107,649	735,135	911,300	1,216,550	305,250
Total	39,442,120	18,158,886	41,601,370	44,663,630	3,062,260
Purchased Water & Utilities					
Water Purchases	26,936,168	14,441,126	24,968,060	26,352,300	1,384,240
Electrical Usage	8,573,911	4,336,483	10,932,200	11,690,640	758,440
Fuel	105,661	357,086	677,500	730,500	53,000
Telecommunication	275,738	144,915	293,840	394,300	100,460
Other Utilities	72,744	29,932	101,700	110,500	8,800
Total	35,964,222	19,309,542	36,973,300	39,278,240	2,304,940
Material & Supplies					
Chemicals	2,978,308	1,524,367	3,147,480	2,867,190	(280,290)
Operating Supplies	444,481	453,049	1,090,460	1,122,760	32,300
Printing	361,973	84,004	341,500	362,150	20,650
Postage Services	426,662	241,955	524,120	507,720	(16,400)
Permits, Licenses and Fees	661,936	459,217	689,670	753,945	64,275
Office Supplies	75,955	24,330	99,800	91,600	(8,200)
Duplicating Equipment	181,815	70,062	176,000	189,000	13,000
Equipment Rental	136,346	58,538	101,900	114,860	12,960
Total	5,267,476	2,915,522	6,170,930	6,009,225	(161,705)
Professional Services					
Rep & Maint Other Agencies	10,716,626	4,813,255	11,577,890	11,217,740	(360,150)
Rep & Maint IRWD	6,066,646	3,602,823	6,113,905	6,595,580	481,675
Insurance	672,011	256,231	650,000	702,500	52,500
Legal Fees	437,726	122,046	367,500	417,500	50,000
Engineering Fees	429,175	177,864	525,860	505,800	(20,060)
Accounting Fees	69,678	73,076	82,500	84,500	2,000
Data Processing	1,127,209	672,041	1,176,950	1,326,500	149,550
Personnel Training	762,190	256,427	915,140	895,530	(19,610)
Personnel Physicals	19,759	15,706	35,200	39,000	3,800
Other Professional Fees	1,402,696	660,653	1,735,420	1,924,420	189,000
Directors' Fees	140,067	54,984	142,200	142,200	0
Equipment Usage	1,495,186	256,594	0	0	0
Total	23,338,969	10,961,700	23,322,565	23,851,270	528,705

Consolidated Operating Budget for All Departments FY 2013-14

Expense Name	2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Other					
Mileage Reimbursement	130,498	47,659	114,200	117,000	2,800
Collection Fees	15,926	8,449	21,000	20,000	(1,000)
Election Expense	100,000	50,000	100,000	30,000	(70,000)
Safety	97,363	35,112	106,310	100,180	(6,130)
Alarm and Patrol Services	90,880	37,382	130,000	130,000	0
Biosolids Disposal	153,754	114,079	251,880	291,000	39,120
Commuter Program	102,365	52,720	120,000	142,000	22,000
Computer Backup Storage	21,103	11,556	19,000	21,000	2,000
Contract Meter Reading	1,174,120	600,013	1,228,920	1,230,980	2,060
Other	20,436	12,521	17,500	18,100	600
Conservation	835,823	324,644	929,000	1,157,000	228,000
Total	2,742,268	1,294,135	3,037,810	3,257,260	219,450
GRAND TOTAL	106,755,055	52,639,785	111,105,975	117,059,625	5,953,650

SOURCES AND USES OF FUNDS

CONSOLIDATED OPERATING BUDGET

Fiscal Year Ending June 30, 2014

In (000's)

Revenues:	Water	Sewer	Total
Residential	\$ 31,340	\$ 22,580	\$ 53,920
Commercial	8,910	6,360	15,270
Industrial	3,610	2,650	6,260
Public Authority	1,900	1,310	3,210
Construction/Temporary	760	50	810
Fire Protection	3,730		3,730
Landscape Irrigation	4,900	13,600	18,500
Agriculture Irrigation	840	2,010	2,850
Recycled Loans		10	10
Green Acres			-
SMWD Sewer			-
IDP Reimbursements		520	520
Over Allocation Revenues	2,970	2,010	4,980
Over Allocation Funds	2,200	1,330	3,530
Funded by Proposed User Rate Increase	2,450	2,550	5,000
 Total Revenues	 \$ 63,610	 \$ 54,980	 \$ 118,590
 Proposed Enhancement & Replacement Capital Project Contribution	 (3,830)	 (14,400)	 (18,230)
 Net Revenues	 \$ 59,780	 \$ 40,580	 \$ 100,360
 Expenses:			
Water	\$ 33,450	\$ 10,970	\$ 44,420
Salaries & Benefits	5,910	3,790	9,700
Materials & Supplies	7,060	6,830	13,890
OCSD - O & M		9,640	9,640
General and Admin Expense	9,750	6,250	16,000
General Plant	360	890	1,250
Marsh/NTS/Conservation	3,250	2,210	5,460
 Total Expenses	 \$ 59,780	 \$ 40,580	 \$ 100,360
 Income (Loss) From Operations	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

SOURCES AND USES OF FUNDS

CONSOLIDATED WATER OPERATING BUDGET

Fiscal Year Ending June 30, 2014

In (000's)

Revenues:	Irvine Area	Los Alisos Area	Total
Residential	\$ 25,130	\$ 6,210	\$ 31,340
Commercial	7,730	1,180	8,910
Industrial	3,610		3,610
Public Authority	1,860	40	1,900
Construction/Temporary	730	30	760
Fire Protection	3,460	270	3,730
Landscape Irrigation	3,140	1,760	4,900
Agriculture Irrigation	730	110	840
Recycled Loans			-
Green Acres			-
SMWD Sewer			-
IDP Reimbursements			-
Over Allocation Revenues	2,460	510	2,970
Over Allocation Funds	2,150	50	2,200
Funded by Proposed User Rate Increase	1,910	540	2,450
Total Revenues	\$ 52,910	\$ 10,700	\$ 63,610
Proposed Enhancement & Replacement Capital Project Contribution	(3,380)	(450)	(3,830)
Net Revenues	\$ 49,530	\$ 10,250	\$ 59,780
Expenses:			
Water	\$ 26,350	\$ 7,100	\$ 33,450
Salaries & Benefits	5,220	690	5,910
Materials & Supplies	6,300	760	7,060
OCSD - O & M			-
General and Admin Expense	8,610	1,140	9,750
General Plant	360		360
Marsh/NTS/Conservation	2,690	560	3,250
Total Expenses	\$ 49,530	\$ 10,250	\$ 59,780
Income (Loss) From Operations	\$ 0	\$ 0	\$ 0



NON-OPERATING

SUMMARY OF SOURCES AND USES

(,000s omitted)

	<u>Total</u>
Non-operating Sources:	
Property Taxes	\$37,355
Investment Income	1,353
Connection Fees	11,600
JPA Investment Income	47,618
Real Estate Income	12,032
Other Income	6,448
Total Sources	<u>\$116,405</u>
Non-operating Uses:	
Interest Expense	\$21,721
JPA Interest Expense	15,121
Real Estate Expense	4,694
Other Expenses	2,812
Total Uses	<u>\$44,349</u>
Net Sources & Uses	<u><u>\$72,056</u></u>



Selected Comparison of Current and Proposed Residential Rates

Before Rate Adjustment:	Irvine Ranch		Los Alisos		Orange Park Acres
	Potable	Wastewater	Potable	Wastewater	Potable
Current Residential Rates:	Water	Sewer/ Recycled Water	Water	Sewer/ Recycled Water	Water
Commodity Rate	\$1.24	\$1.11	\$2.14	\$1.11	\$1.76
Residential Service	\$9.30	\$17.20	\$9.60	\$17.20	\$0.00
Operations	\$7.90	\$11.90	\$8.20	\$11.90	\$2.10
Enhancements	\$0.65	\$0.65	\$0.65	\$0.65	\$16.40
Replacements	\$0.75	\$4.65	\$0.75	\$4.65	\$0.65
Total Service Charge	<u>\$9.30</u>	<u>\$17.20</u>	<u>\$9.60</u>	<u>\$17.20</u>	<u>\$17.80</u>
Commodity (18 ccf)	<u>\$19.68</u>		<u>\$33.72</u>		<u>\$34.40</u>
Current Monthly	<u><u>\$46.18</u></u>		<u><u>\$60.52</u></u>		<u><u>\$52.20</u></u>
Proposed Residential Rate Adjustment:					
Base Commodity Rate	\$1.27	\$1.11	\$2.24 ⁽¹⁾	\$1.11	\$1.79
Operations	\$8.35	\$11.65	\$8.35 ⁽¹⁾	\$11.65	\$2.13
Enhancements	\$0.70	\$0.70	\$0.70	\$0.70	\$16.85
Replacements	\$0.80	\$6.05	\$0.80	\$6.05	\$0.70
Total Service Charge	<u>\$9.85</u>	<u>\$18.40</u>	<u>\$9.85</u>	<u>\$18.40</u>	<u>\$0.80</u>
Commodity	<u>\$19.98</u>		<u>\$34.72</u>		<u>\$18.35</u>
Proposed Monthly	\$48.23		\$62.97		\$53.29
Current Monthly	<u>\$46.18</u>		<u>\$60.52</u>		<u>\$52.20</u>
Difference	\$2.05		\$2.45		\$1.09
Change %	4.4%		4.0%		2.1%

⁽¹⁾ The larger meter service charge in the Los Alisos rate area are much lower than equivalent meters in the Irvine Ranch rate area. In anticipation of establishing a uniform rate, the larger meters are being increased by a greater percentage. Meters larger than 1" will have a service charge increase of 19.5%.



REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

	FY 2012-13	Usage Change	Proposed Rate Inc.	FY 2013-14
Water				
Service	\$ 20,334,000	\$ (98,200)	\$ 1,245,000	\$ 21,480,800
Enhancement	1,675,450	(21,150)	133,000	1,787,300
Replacement	1,933,450	(24,650)	133,000	2,041,800
Commodity	30,014,400	1,014,800	892,900	31,922,100
Low Volume	1,792,900	130,000	46,100	1,969,000
Over Allocation Revenue	4,531,000	(1,330,000)	-	3,201,000
Pumping Surcharge	634,600	114,200	-	748,800
Miscellaneous	554,900	(95,200)	-	459,700
	\$ 61,470,700	\$ (310,200)	\$ 2,450,000	\$ 63,610,500
AF	54,640	1,197		55,837
User Type				
Residential	\$ 31,092,100	\$ 242,200	\$1,394,300	\$ 32,728,600
Commercial	8,799,200	113,000	424,200	9,336,400
Industrial	3,601,700	9,900	129,000	3,740,600
Public Authority	1,837,900	65,900	70,000	1,973,800
Construction/Temp.	644,100	113,300	38,900	796,300
Fire Protection	3,712,100	18,600	187,500	3,918,200
Landscape Irrigation	4,464,100	439,500	179,600	5,083,200
Agriculture Irrigation	995,600	(158,700)	26,500	863,400
Over Allocation Revenue	6,323,900	(1,153,900)	-	5,170,000
	\$ 61,470,700	\$ (310,200)	\$ 2,450,000	\$ 63,610,500



REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

	FY 2012-13	Usage Change	Proposed Rate Inc.	FY 2013-14
Sewer and Recycled				
Service	\$ 25,279,100	\$ (102,700)	\$ (635,000)	\$ 24,541,400
Enhancement	1,380,800	(5,400)	110,000	1,485,400
Replacement	9,878,000	(38,600)	3,075,000	12,914,400
Commodity	11,296,500	46,200	-	11,342,700
Low Volume	1,010,200	123,200	-	1,133,400
Over Allocation Revenue	507,000	1,700,000	-	2,207,000
Pumping Surcharge	371,300	65,000	-	436,300
Miscellaneous	471,100	(71,200)	-	399,900
IDP Reimbursements	519,900	-	-	519,900
	\$ 50,713,900	\$ 1,716,500	\$ 2,550,000	\$ 54,980,400
AF	27,680	240		27,920
User Type				
Residential	\$ 22,242,700	\$ 340,200	\$ 1,185,700	\$ 23,768,600
Commercial	6,335,200	28,500	334,100	6,697,800
Industrial	3,116,700	(464,800)	139,200	2,791,100
Public Authority	1,539,100	(225,300)	69,000	1,382,800
Landscape Irrigation	12,951,100	644,700	713,800	14,309,600
Recycled Loans	10,200	(5,000)	300	5,500
Agriculture Irrigation	2,014,400	(8,200)	105,200	2,111,400
Construction/Temp.	59,500	(8,900)	2,700	53,300
Green Acres	172,900	(172,900)	-	0
SMWD	235,000	(235,000)	-	0
IDP Reimbursements	519,900	-	-	519,900
Over Allocation Revenue	1,517,200	1,823,200	-	3,340,400
	\$ 50,713,900	\$ 1,716,500	\$ 2,550,000	\$ 54,980,400

COST OF WATER

BUDGETED COST OF WATER

	FY 2012-13		FY 2013-14		Change	
	Acre Feet	Total	Acre Feet	Total	Acre Feet	Total
Irvine Ranch Rate Area						
<u>TREATED</u>						
Purchased from MWDOC	4,986	\$ 6,605,300	2,467	\$ 3,457,000	(2,519)	\$(3,148,300)
Dyer Road Well Field	27,457	10,102,400	28,000	10,848,400	543	746,000
Deep Aquifer Treatment System	8,594	3,685,700	8,400	3,747,100	(194)	61,400
Lost to Production	(859)		(840)		19	
Wells 21 & 22 Desalter	5,266	3,584,300	6,300	4,414,800	1,034	830,500
Lost to Production	(527)		(630)		(103)	
Irvine Desalter Project	3,673	1,876,500	4,200	2,190,000	527	313,500
Lost to Production	(551)		(420)		131	
Water Banking		94,800		288,300	-	193,500
DATS Capital Cost Refunding		596,600		596,600		-
Total Shrinkage	(2,288)		(963)		1,325	
<u>UNTREATED</u>						
Purchased from MWDOC	71	\$ 49,800	1,090	\$ 652,600	1,019	\$ 602,800
Native Water	3,106	178,100	1,367	143,500	(1,739)	(34,600)
Santiago Aqueduct Commission	180	127,700	180	134,400	-	6,700
Transfer to RW System	(434)	(205,900)	(258)	(122,600)	176	83,300
Total Shrinkage	(168)		(132)		36	
Total Irvine Ranch	48,506	\$ 26,695,300	48,761	\$ 26,350,100	255	\$ (345,200)
Los Alisos Rate Area						
Purchased from MWDOC	6,414	6,110,900	6,945	7,100,200	531	989,300
Well Water	500	25,800	432	0	(68)	(25,800)
Total Shrinkage	(345)	0	(301)	0	44	-
Total Los Alisos	6,569	\$ 6,136,700	7,076	\$ 7,100,200	507	\$ 963,500
Total Potable and Untreated Water	55,075	\$ 32,832,000	55,837	\$ 33,450,300	761	\$ 618,300

Assumptions:

OCWD - replenishment assessment estimate - \$277/acre foot.

MWDOC - Includes a 5.0% increase that will be effective January 1, 2014 from MWD.

COST OF WATER

BUDGETED COST OF RECYCLED WATER

	FY 2012-13		FY 2013-14		Change	
	Acre Feet	Total	Acre Feet	Total	Acre Feet	Total
MWRP / LAWRP Production	24,413		25,734		1,321	
Groundwater	1,080	344,000	-	-	(1,080)	(344,000)
Irvine Desalter Project	3,380	1,839,900	3,380	1,706,700	-	(133,200)
SAC Water	282	199,200	282	336,800	-	137,600
Tertiary Process	24,413		25,734	8,804,300	1,321	8,804,300
Transfer from Untreated System	434	205,900	258	122,300	(176)	(83,600)
<i>Total Shrinkage</i>	(1,892)		(1,734)		158	
Total Recycled	<u>27,697</u>	<u>\$2,589,000</u>	<u>27,920</u>	<u>\$10,970,100</u>	<u>223</u>	<u>\$8,381,100</u>
Total Cost of Water for Billed Usage	<u>82,772</u>	<u>\$35,421,000</u>	<u>83,757</u>	<u>\$44,420,400</u>	<u>984</u>	<u>\$8,999,400</u>

Assumptions:

OCWD - replenishment assessment estimate - \$277/acre foot.

Metropolitan Water District Includes a 5% increase that will be effective January 1, 2014.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Program Description

The General Manager's Office implements the policies established and direction provided by the Board of Directors and, in so doing, provides overall direction to staff to complete that effort.

The General Manager's office also:

- Provides direct services to and communications with the Board of Directors;
- Produces and distributes Board, Board Committee and Ad Hoc Committee meeting packets;
- Schedules all Board, Board Committee, Ad Hoc Committee and annual/special independent corporation meetings;
- Produces the minutes of all Board meetings;
- Maintains all Board resolutions;
- Schedules other meetings and functions on behalf of the Board members and makes travel arrangements, as needed;
- Maintains records of all inter-agency agreements, deeds and easements;
- Maintains records for the various independent corporations;
- Maintains necessary inter-governmental relations;
- Responds to, or directs response to, all media inquiries; and
- Responds to all public information requests.

The General Manager's Office works with the Board of Directors and staff to establish Goals and Objectives for all departments across the District. On December 18, 2012, the Board approved Goals and Objectives for the calendar year, summarized as follows:

Strategic Objectives: Water Reliability, Cost Effectiveness, Innovation, Water Policy

Irvine Ranch Water District (IRWD) Groundwater Development Program:

- Complete the water quality testing, environmental permitting, design and construction of groundwater production facilities and well head treatment, as required, to produce water at or above IRWD's allowable Basin Production Percentage (BPP). Proceed with the projects identified as priorities in the Groundwater Work Plan.
- Develop a program and schedule for rehabilitating, refurbishing, and replacing Dyer Road Well Field facilities;
- Participate in discussions to encourage more availability of replenishment water for local groundwater replenishment efforts and for IRWD water banking efforts;
- Work with Orange County Water District (OCWD) to complete and circulate for public comment a draft environmental document regarding the annexation of additional areas of IRWD into OCWD;
- Develop strategy for the inclusion of recycled water demands in OCWD's calculation of the BPP as the highest priority; and
- Pursue the investigation of a joint well project with East Orange County Water District.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

IRWD Water Banking Program:

- Identify, evaluate, and secure additional land to be incorporated into the District's water banking projects in Kern County;
- Obtain Metropolitan Water District of Southern California's (MWD) consent for a Long-Term Exchange Agreement with Dudley Ridge Water District (DRWD) that will facilitate unbalanced exchanges from the Jackson Ranch to the Strand Ranch Integrated Banking Project;
- Develop and execute a Delivery Agreement between DRWD, California Department of Water Resources (DWR) and MWD for delivery of State Water Project (SWP) water from the Jackson Ranch to the Strand Ranch Project;
- Develop, execute, and obtain MWD's consent for developing long term unbalanced exchange agreements with Carpinteria Valley Water District and/or Antelope Valley-East Kern Water Agency and subsequent unbalanced exchanges to the Strand Ranch Project;
- Finalize and gain approval of a template IRWD/MWD Wheeling Agreement for exchange delivery of non-SWP water from the Strand Ranch Project to IRWD's service area;
- Successfully wheel 1,000 AF of Kern River Water from the Strand Ranch to IRWD's service area, through MWD, for the purposes of exercising the exportability of the non-SWP water and the Wheeling Agreement with MWD;
- Complete and certify an Environmental Impact Report for a Joint Integrated Stockdale Water Banking and Exchange Project with Rosedale that also incorporates construction and operation of water banking facilities on additional lands secured by the District in 2013;
- Procure design services for the recovery facilities on the Stockdale West property as well as recharge and recovery facilities on new lands secured by the District in 2013 for water banking project purposes;
- Develop a long-term exchange agreement with Rosedale for a Joint Integrated Stockdale Water Banking and Exchange Project.
- Develop and obtain approval of a long-term exchange agreement with Buena Vista Water Storage Agreement for the delivery and storage of high flow Kern River Water to the proposed Stockdale Water Banking on a two-for-one basis;
- Complete the development of a master plan for IRWD's water banking projects and programs; and
- Negotiate and execute long-term farm lease agreements for portions of the Jackson Ranch to make use of water to be returned from unbalanced exchanges at the Strand Ranch Project as well as water available to the leasee's from their own water supply portfolios.

Baker Plant Water Treatment Plant:

- Complete the final design of the Baker Water Treatment Plant and solicit construction bids;
- Complete agreements among project participants to buy/sell ownership rights in the Baker Pipeline to be consistent with ownership capacities of the Baker Water Treatment Plant;
- Complete revisions to the agreement among project participants for construction, operation and maintenance of Baker Water Treatment Plant;
- Review and revise Santiago Aqueduct Commission (SAC) agreements related to Irvine Lake spillage;



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- Complete Environmental Impact Report (EIR) addenda for non-reclaimable waste handling facilities; and
- Coordinate final design efforts and interrelationship with Serrano Summit real estate project.

Irvine Lake:

- Continue discussions with Serrano Water District (SWD) to update the methodology used to account for evaporative losses for water stored in Irvine Lake, execute an amended agreement with SWD to reflect the new methodology, and apply the methodology prospectively;
- Complete the seismic analysis of Santiago Creek Dam to determine the extent of the seismic upgrades required for the outlet tower; and
- Develop an operations plan to maximize the utilization of storage capacity in Irvine Lake, taking into account the use of this water as an alternate source of supply for the Baker Water Treatment Plant.

Strategic Objectives: Sewage Collection and Treatment Reliability, Cost Effectiveness, Environmental Commitment, Innovation

Biosolids Dewatering and Energy Recovery Facilities:

- Complete the bidding process and initiate construction of the Michelson Water Recycling Plant (MWRP) Biosolids and Energy Recovery Facilities;
- Develop odor monitoring and response plan for the proposed project.
- Develop staffing and training plan for the MWRP Biosolids and Energy Recovery Facilities.
- Establish a marketing program for the future sale and distribution of pellets;
- Initiate preparation of a preliminary design report for the Los Alisos Water Recycling Plant (LAWRP) biosolids dewatering system upgrades;
- Develop a marketing plan for biosolids pellets; and
- Discuss potential Orange County Sanitation District (OCSD) to participation in MWRP Biosolids facilities on an interim basis.

San Diego Creek Flood Protection for Michelson Water Recycling Plant:

- Complete construction of 200-year flood wall to protect the MWRP;
- Obtain Letter of Map Revision (LOMR) once the improvements are completed; and
- Advocate for the relocation of mitigation habitat out of the San Diego Creek channel in an environmentally sensitive manner;
- Continue to advocate and create an administrative record of the County of Orange's responsibilities to perform maintenance in San Diego Creek to maintain flow capacity while maintaining the option to seek full or partial reimbursement from the County of Orange.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Wastewater Treatment, Disposal and Recycled Water Supply Optimization:

- Continue to implement a comprehensive long-term wastewater management strategy to minimize sewage treatment cost and maximize the use of recycled water; and
- Develop alternatives for long-term off-season storage/use options of recycled water, specifically through the expansion of the Syphon Reservoir.

Sewer System Reliability Improvements:

- Update the Sewer System Management Plan, which includes upgrades to the IRWD Sewer Emergency Response Plan, to include the most up-to-date information regarding the collections system and the watershed in which key facilities are located. The update will also identify where the collections system is vulnerable to failure, review options for parallel sewer bypasses redundant and assess the probable impacts from such a failure to the environment and to public safety, with zero tolerance for sewer spills; and
- Develop a work plan, retain a consultant, and complete a preliminary Inflow and Infiltration (I/I) Study for IRWD's wastewater collection system.

Strategic Objective: Water Quality, Innovation

Salt Management Plan:

- Develop a work plan and retain a consultant to prepare an IRWD Salt Management Plan; and
- Evaluate and implement opportunities, in conjunction with the necessary funding mechanisms, to manage salt loading within IRWD's service area.

Research Business Plan:

- Continue to support basic research, knowledge management, applied research, and pilot studies that will improve IRWD's ability to provide services safely, reliably, and cost effectively; and
- Ensure that resources dedicated to research and/or pilot studies provide a commensurate level of value to address current and/or future IRWD challenges; and
- Assess the value of Isle Utilities' Technology Approval Group (TAG) process to IRWD and recommend whether IRWD should participate in Southern California TAGs for water and wastewater technologies.

Strategic Objective: Employee Satisfaction / Development, Cost Effectiveness

Safety Awareness Program:

- Continue with activities associated with the new Safety Awareness Program.

Security Improvements:

- Develop integrated security plan for significant IRWD facilities including the MWRP and LAWRP.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Employee Training:

- Provide employee training which results in continuous improvement and maintains a productive and highly motivated work
- Implement an optional employee enrichment training program.

Performance Management:

- Redesign existing performance appraisal methodology to create and present job-specific annual performance reviews to employees based on job descriptions and requirements;
- Implement NEOGOV web-based software solution for 360 degree performance appraisals; and
- Integrate key data elements from NEOGOV performance appraisals into Oracle human resources records and compensation information.

Succession Planning:

- Promote and manage active implementation of the key components of the IRWD Succession Plan to effectively align employee career development with IRWD's goals and objectives;
- Complete a four-year manpower plan including a gap analysis of manpower needs to continue effective operation of IRWD's existing and future facilities;
- Continue partnerships with outside entities to promote careers in the water/wastewater industry (e.g., Santiago Canyon College, CORO) and to assist in growing IRWD's current employees for future promotional opportunities (e.g., Leadership Tomorrow and Leadership Development for Public Agencies sponsored by California State University, Fullerton);
- Continue to promote voluntary cross-training opportunities; and
- Assess the feasibility of developing a systematic cross-training and job rotation program.

Pension and Health Benefits Study:

- Complete the Health Benefits study using objectives identified and approved by the Board;
- Ensure that IRWD is well positioned to comply with requirements associated with national health care legislation;
- Implement changes, if any, to existing health benefits on timetables identified through the course of the study; and
- Follow the policy principles established by the Board in June 2010, advocate for appropriate pension reform to eliminate pension spiking or other similar practices that are financially detrimental to IRWD and the CalPERS system.

Strategic Objective: Cost Effectiveness, Water Policy

Enterprise Resource Planning Software Optimization:

- Optimize Oracle eBusiness Suite Enterprise Resource Plan (ERP) implementation for financial and human resources applications, including training and additional reporting ;
- Identify and implement additional business intelligence capabilities;
- Evaluate and implement other business process efficiencies utilizing E Business Suite capabilities;



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- Evaluate and implement solutions for improved capital budgeting and planning; and
- Evaluate and implement appropriate staffing levels resulting from the ERP implementation.

Utility Billing Software Implementation:

- Begin Phase 1 of the Oracle CC&B software system implementation; and
- Develop a high-level scope for providing outside water agencies with utility billing services.

Enterprise Asset Management System:

- Select the appropriate Enterprise Asset Management (EAM) system software based on IRWD's functional needs and develop a work plan to implement the software system.
- Evaluate staffing and resource needs for EAM system implementation and maintenance.

State and Federal Funding:

- Secure federal funding authorization under a re-authorized Water Resources Development Act (WRDA) for Army Corps of Engineering funding for the Syphon Reservoir Recycled Water Storage project; and
- Continue to seek grants for renewable energy and other key projects through federal stimulus funding and other sources.

IRWD Long-Term Financing Strategy:

- Adopt policy principles and strategy for long-term capital funding.

Debt and other Financial Instruments:

- As market conditions warrant, seek authorization from the Finance and Personnel Committee to execute a basis swap trade consistent with the parameters established by the Board; and
- Continue to evaluate opportunities to capture and lock in historically low interest rates on the District's debt portfolio.

Real Estate Asset Development:

- Continue with the entitlement process for the Lake Forest/Serrano Summit Property.
- Seek primary build-to-suit tenant to develop Phase 2 of the Sand Canyon Office Development;
- Complete a detailed reference guide of all District real property interests including current use, site description, title restrictions/constraints and property location.

Strategic Objectives: Environmental Commitment, Innovation

Natural Treatment Systems (NTS):

- Evaluate the design, configuration, and maintenance costs of a pilot low-impact development bioretention facility as part of the NTS Program;
- Continue to work with partners in Newport Bay Executive Committee to develop and implement the elements of the Nitrogen Selenium Management Plan; and



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- Prepare an Annual Report of NTS Operations including nutrient removal performance at each NTS facility, operational objectives, and recommendations for adaptive changes to the NTS program.

Water Use Efficiency Programs:

- Implement enhanced outreach and cost-effective demand management programs.
- Actively engage in statewide policy discussions addressing the water-energy nexus.

Recycled Water Customer Development:

- Complete development of the on-line site supervisor training for recycled water customers;
- Evaluate the feasibility satellite recycling plants in remote areas not served by the recycled water distribution system;
- Pursue partnerships with neighboring agencies to sell them recycled water (e.g. City of Tustin, City of Orange);
- Work with upper Santa Ana River Watershed agencies to develop regional recycled water goals. Review and revise policy position on Santa Ana River Watershed Grant Funding Prioritization as necessary;
- Assist WaterReuse California with its legislative agenda which includes allowing discharge of recycled water from impoundments during storm events;
- Fully develop the Recycled Water Use Site Inspection and Testing Program;
- Determine whether recycled water can be cost-effectively served to the remaining Irvine Lake Pipeline customers; and
- Obtain approvals for dual-plumbing of condominiums and apartment properties.

Development of a Solar Power Project:

- Negotiate an agreement with a qualified solar developer for the development of a financially beneficial solar power project on a portion of the Jackson Ranch in Kings County.
- Apply to PG&E for the development of a Power Purchase Agreement for a proposed solar project on the Jackson Ranch under new feed-in tariffs to be approved by the Public Utilities Commission.

Strategic Objectives: Communication, Customer Satisfaction, Water Policy

Government Relations/Legislation:

- Implement the IRWD 2013 state legislative strategy as developed by staff and discussed with the Water Resources Policy and Communications Committee. Conduct advocacy activities on legislation impacting IRWD, the water industry and special district interests.
- Continue to build relationships with federal, state and local elected and appointed officials and their staff members, as well as community leaders to support IRWD initiatives.



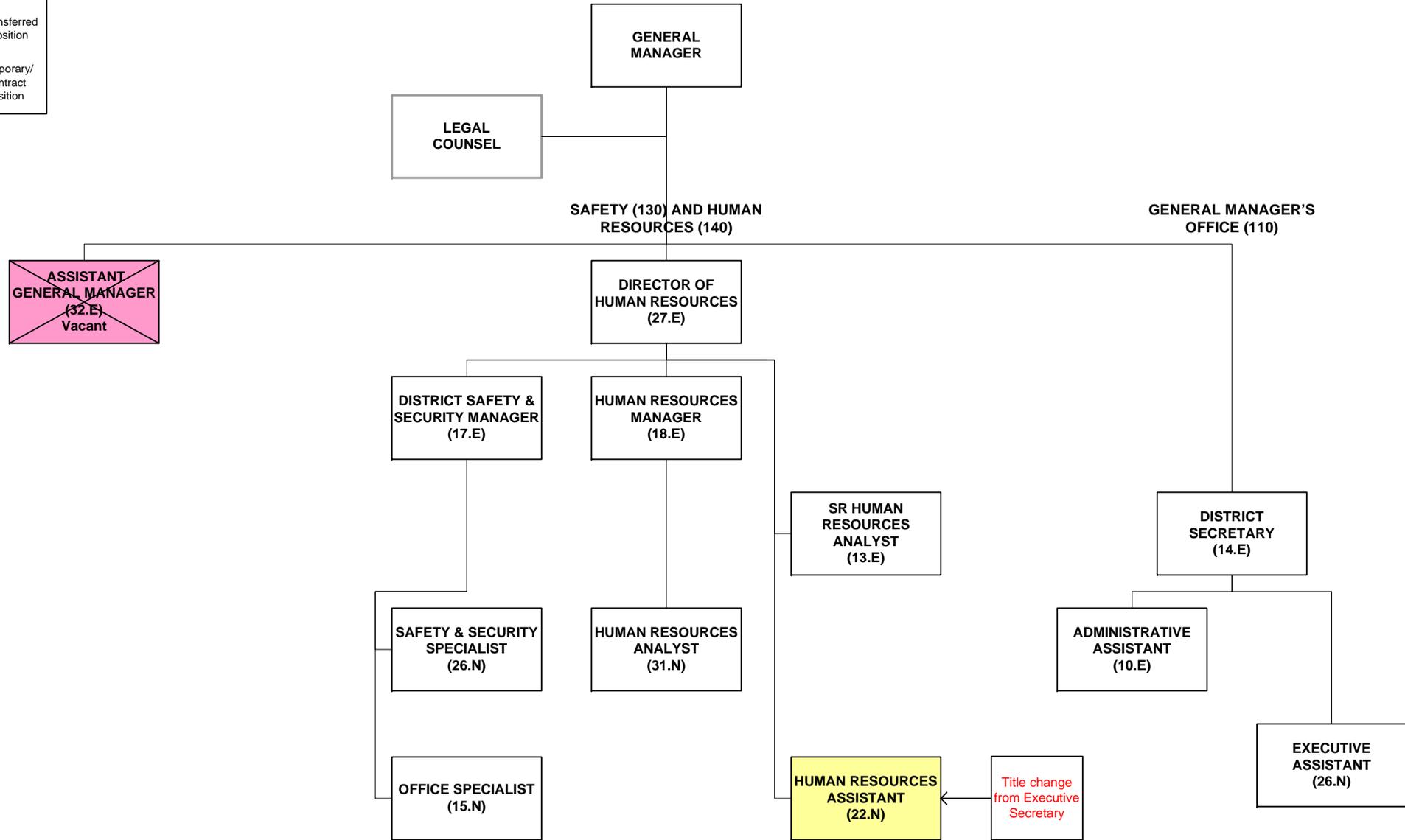
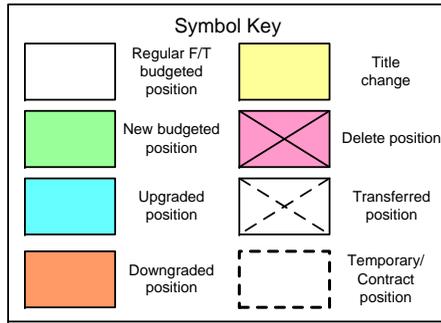
GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Enhanced Internal and External Communication and Education Programs:

- Focus on further development of communications programs, specifically Community Outreach and Education Program, Construction Project Community Relations, Transparency Enhancements, Water Use Efficiency, Customer Service, and Employee Outreach.

**IRVINE RANCH WATER DISTRICT
ADMINISTRATION
PROPOSED FISCAL YEAR 2013-14**



Consolidated Operating Expense Budget for FY 2013-14

Administration		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
110	Labor Expense RT	442,567	247,308	502,800	518,310	15,510
110	Labor Expense OT	1,455	192	2,000	1,000	(1,000)
110	Employee Benefits	0	50,991	160,100	0	(160,100)
110	Operating Supplies	0	35	0	0	0
110	Printing	0	0	2,500	0	(2,500)
110	Postage Services	154	42	200	200	0
110	Permits, Licenses and Fees	96,365	89,756	89,000	93,000	4,000
110	Office Supplies	3,827	900	4,000	4,000	0
110	Legal Fees	365,714	56,597	317,500	317,500	0
110	Personnel Training	166,043	107,220	190,500	185,500	(5,000)
110	Other Professional Fees	432,401	100,231	320,400	280,400	(40,000)
110	Directors' Fees	140,067	54,984	142,200	142,200	0
110	Election Expense	100,000	50,000	100,000	30,000	(70,000)
Total . . . General Managers Office		1,748,593	758,256	1,831,200	1,572,110	(259,090)



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

Program Description

The Safety and Security Department provides necessary resources to promote a safe and healthful work environment for District employees through required safety training as mandated in Cal-OSHA Regulations. The Department is committed to ensuring, to the extent possible, that all employees are provided adequate training to safely perform their jobs, both on-site and in the field. The Safety and Security Department continually monitors current and pending legislation affecting the District. Appropriate policies are developed or revised to ensure the constant pursuit and maintenance of a safe and healthful workplace that is in compliance with regulations. The primary goal for the Safety Program is to insure compliance to HR Policy 33, Illness & Injury Prevention Program.

The Safety "Awareness" program continues to encourage employees to constantly think about safety. The Safety & Security Department works to increase employee involvement throughout at all levels of the District utilizing All Hands Meetings, Tailgate Safety Meetings and safety training sessions, workplace evaluations, industrial hygiene evaluations and the General Safety Committee Meetings. A major component of the Safety Awareness Program is maintenance of electronic message and bulletin boards. Through all of these messaging devices and programs, the intent is to promote safety awareness at all levels within the district toward the common goal of occupational injury and illness prevention.

The Safety & Security Office maintains all required Cal-OSHA record keeping and ensures the annual posting of the Cal-OSHA 300A Form- Summary of Work-Related Illness & Injuries. The department is responsible for Hazardous Material Disclosures and annual fire prevention inspections.

The Safety & Security office administers the district Commuter Trip Reduction (Ridesharing) Plan under HR Policy 37 including oversight of the vanpool program insuring compliance with Air Quality Management Control District and securing monthly subsidy dollars from Orange County Transit Authority.

The Safety & Security office administers, oversees and coordinates operations and services of IRWD Emergency Operations Center (primary and secondary locations). The office represents IRWD to cities within the service area, Water Emergency Response Orange County (WEROC), the County Operational Area (OA), State Emergency Management and Federal Emergency Management Agencies for emergency management coordination and declarations.

The Safety and Security Department is also tasked with managing the security program for the District. This responsibility includes development and maintenance of security polices in concert



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

with district staff requirements and federal Threat Level Alerts developed by the U.S. Department of Homeland Security and establishing video surveillance where required for assurance of safety of potable water system and IRWD staff. Additionally, the Safety & Security Department has the responsibility of coordinating security responses as needed to the Vulnerability Assessment under a requirement of the Bioterrorism Act of 2002 and Homeland Security Directive of 2008. The Safety & Security Department chairs the District Security Process Team comprised of several members of Senior Staff. This team is tasked with review and developing district policy changes affecting the security of district assets and its employees.

Major Goals

- Ensure that all employees continue to receive training as required by appropriate regulatory requirements, i.e., CPR/First Aid/Blood Borne Pathogens, Respiratory Protection, Confined Space Entry, Lockout/Tagout, HazMat, Fire/Evacuation, Hazard Communication, Hazardous Materials, Hearing Conservation, Mobile Crane training, Traffic Control etc.
- Submit Hazardous Material Disclosures and update as necessary
- Update Electronic Message Boards & Bulletin Boards
- Ensure proper training for HAZMAT team – conducting two Hazmat exercises annually
- Maintain HAZMAT trailer for “READY” status at all times
- Edit and distributes Emergency Call Out Directory to all IRWD employees
- Updates and distribution of IRWD Emergency Plan (red binder)
- Maintain accurate and updated MSDS’s (as required by law) and continue to make electronically available
- Conduct evacuation drills as required for all District facilities
- Develop and implement required security procedures/policies based on Security Process Team
- Maintain security training programs tailored to specific audiences
- Maintain and oversee installation of security monitoring at District facilities (alarms, video surveillance)
- Continue development of Energy Control Procedures with appropriate departments and continue have them available electronically
- Facilitate emergency exercises and continue compliance activities with National Incident Management System (NIMS) and Standardized Emergency Management System (SEMS)
- Maintain EOC facilities and equipment; standardize and maintain supplies for primary and secondary locations for IRWD’s Emergency Operations Center (EOC)
- Coordinate with the OA Emergency Preparedness for plan specific response; example work with Orange County Fire Authority, the Inter-Canyon League and IRWD Operations to review the Wild Land Interface Response within the IRWD fire and flood plans
- Conduct Employee New Hire Orientations that includes orientation to NIMS and SEMS Training and familiarization to the Emergency Operations Center (EOC)
- Investigate incidents and provide recommendations as appropriate



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

- Maintain rider participation to ensure OCTA subsidy within vanpool program; coordinate with Fleet (for fuel use), Toll Roads (for transponder usage) and IRWD van riders (for participation logs)
- Maintain current agreements of employee participation in the rideshare program
- (both written record and database)
- Maintain compliance with California Accidental Release Program (Cal-ARP)
- Provide opportunities for employees to obtain vaccinations for potential exposures
- Ensure IRWD stocks the appropriate Personal Protective Equipment for employees (per SWP 5)
- Maintain and update SWP manual and all included procedures to ensure compliance to CAL OSHA regulations
- Record and recognize employee Safety Performance in conjunction with Safety "Awareness" Program

Consolidated Operating Expense Budget for FY 2013-14

Administration		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
130	Labor Expense RT	189,451	105,872	246,300	248,420	2,120
130	Labor Expense OT	2,788	1,226	0	0	0
130	Employee Benefits	(557)	24,963	78,400	0	(78,400)
130	Temp & Contract Labor	30,613	35,129	0	13,000	13,000
130	Operating Supplies	65,169	14,720	84,000	86,400	2,400
130	Printing	8,153	0	7,900	10,000	2,100
130	Postage Services	50	56	400	400	0
130	Permits, Licenses and Fees	12,207	2,238	20,000	20,000	0
130	Office Supplies	1,653	406	2,200	2,200	0
130	Rep & Maint IRWD	119	307	5,000	5,000	0
130	Personnel Training	80,917	10,245	102,850	81,700	(21,150)
130	Personnel Physicals	11,276	10,360	23,200	24,000	800
130	Other Professional Fees	12,126	11,090	37,000	41,000	4,000
130	Equipment Usage	0	0	0	0	0
130	Safety	68,045	21,350	70,000	50,000	(20,000)
130	Alarm and Patrol Services	90,880	37,382	130,000	130,000	0
130	Commuter Program	102,365	52,720	120,000	142,000	22,000
130	Other	11,490	4,030	9,000	9,600	600
Total . . . Safety and Security		686,745	332,095	936,250	863,720	(72,530)



HUMAN RESOURCES

OPERATING BUDGET SUMMARY

Program Description

Human Resources provides comprehensive personnel management in order to maximize the potential of the District's human resources and overall employee satisfaction. Human Resources is responsible for attracting, developing and sustaining a motivated, productive and highly qualified work force. Human Resources ensures that the District provides a competitive compensation and benefits package; continuous improvement through employee training; fair and consistent policies, procedures and guidelines; and a program that rewards and recognizes employees for their contribution to District goals. Human Resources promotes an open exchange of information and communication throughout the District in order to build trust, enhance understanding and provide for resolution of problems and complaints.

Major Goals

- Recruit to fill all vacant and newly budgeted positions and temporary positions to meet staffing needs
- Continue stabilization and optimization activities related to new Oracle software
- Continue implementation of District-wide Succession Plan to actively and successfully align employee career development with District goals and objectives to enhance retention and development of key employees and to ensure that current and future business needs are met
- Continue implementation of mentoring program
- Conduct supervisory skill training, policy training, career planning training and Employee Enrichment training
- Continue to update position descriptions as needed
- Continue to monitor cost effectiveness of self-funded Workers' Compensation program
- Review compensation, benefits, and levels of productivity for selected positions
- Review and monitor all policies and procedures for appropriateness and ensure compliance with constantly changing laws and regulations
- Meet and confer with IRWDEA
- Design and implement updated Wellness Program
- Complete review of Compensation Survey methodology and conduct compensation review and present recommendations in 2014-15 operating budget

Consolidated Operating Expense Budget for FY 2013-14

Administration		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
140	Labor Expense RT	557,849	196,758	562,800	558,740	(4,060)
140	Labor Expense OT	8,670	8,585	5,000	5,000	0
140	Employee Benefits	11,906,119	3,318,538	5,572,450	15,094,100	9,521,650
140	Temp & Contract Labor	0	5,753	2,500	2,500	0
140	Operating Supplies	6	12	0	0	0
140	Printing	4,038	318	4,000	4,000	0
140	Postage Services	0	0	100	0	(100)
140	Office Supplies	1,394	581	2,500	2,500	0
140	Rep & Maint IRWD	0	0	100	100	0
140	Legal Fees	62,733	65,449	50,000	100,000	50,000
140	Personnel Training	264,029	71,071	323,500	325,750	2,250
140	Personnel Physicals	8,483	5,346	12,000	15,000	3,000
140	Other Professional Fees	55,296	32,690	87,000	100,500	13,500
140	Mileage Reimbursement	99	0	0	0	0
140	Other	370	0	0	0	0
Total . . . Human Resources		12,869,086	3,705,100	6,621,950	16,208,190	9,586,240
Total . . . Administration		15,304,424	4,795,451	9,389,400	18,644,020	9,254,620



FINANCE AND TREASURY

OPERATING BUDGET SUMMARY

Program Description

The Finance Department is responsible for the official accounting records of the Irvine Ranch Water District, and for providing all financial management of the District's fixed-income and real estate investments, new and existing debt issues, and deferred compensation programs. In addition, this department provides a wide range of accounting and financial services including payroll, accounts payable, accounts receivable, project accounting, utility billing, financial analysis, financial reporting and coordination of the District's annual Board-approved operating budget and preparation of the Comprehensive Annual Financial Report. The Finance Department oversees risk management and insurance issues as well as reviews and audits of major contracts.

The mission of the Finance Department is to safeguard assets and to provide financial and accounting services in a timely, reliable, and cost-effective manner that meets the requirements of the District's customers.

Major Goals

ACCOUNTING AND BUDGETING

- Prepare and submit accurate financial reports and relevant tax returns to federal, state, county and district agencies within established legal deadlines and requirements
- Prepare and submit accurate and timely financial operating reports to the District's Board of Directors explaining significant budget variations and update fiscal forecasts
- Coordinate the District's annual financial statement audit
- Prepare the Comprehensive Annual Financial Report (CAFR) and submit to the Government Finance Officer's Association (GFOA) for a certificate of award
- Prepare the new fiscal year Operating Budget for the Board of Directors including setting adequate rate levels to ensure financial strength and stability
- Lead customer noticing effort for Proposition 218 compliance (operating budget, rates and charges)
- Prepare accounts payable and payroll checks and process remittances on a timely basis
- Complete the stabilization and optimization phases of the District-wide Financial Management System implementation. This effort is intended to increase management visibility and accountability at level of detail that is not currently tracked in our financial systems, eliminate duplicate data entry, and enable greater analytical decision support. Provide adequate user training.
- Refine contract auditing process; identify major contracts for additional review



FINANCE AND TREASURY

OPERATING BUDGET SUMMARY

FINANCE & ADMINISTRATION

LONG-TERM FINANCING STRATEGY

- Adopt policy principles and strategy for long-term capital funding

INVESTMENTS AND CASH MANAGEMENT

- Invest District funds in a prudent and professional manner that will provide maximum security of principal, an optimal rate of return and sufficient liquidity to meet working capital requirements
- Prepare and submit accurate investment reports and the annual investment policy to the Board of Directors and other interested parties within established time frames
- Improve short and long-term cash flow models and cash management practices
- Execute, monitor and report on interest rate swap transactions as appropriate

REAL ESTATE

- Monitor and report on the performance of all real estate assets
- Complete final map approval process for property located in Lake Forest
- Continue development of Sand Canyon office project in Irvine, when market conditions warrant

DEBT ISSUANCE AND ADMINISTRATION

- Issue long-term debt to fund capital facilities as needed
- Prepare and submit continuing disclosure materials on debt issues to appropriate parties
- Monitor variable interest rates set by remarketing agents on District debt and make adjustments as appropriate

INSURANCE

- Ensure the District has adequate insurance to appropriately safeguard assets
- Handle claims and coordinate legal matters in a timely manner

Consolidated Operating Expense Budget for FY 2013-14

Finance & Administrative Services		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
210	Labor Expense RT	2,028,228	802,182	2,041,700	2,123,460	81,760
210	Labor Expense OT	116,615	19,932	5,000	32,000	27,000
210	Employee Benefits	0	207,357	651,000	0	(651,000)
210	Temp & Contract Labor	80,460	139,212	0	70,000	70,000
210	Operating Supplies	336	74	2,500	0	(2,500)
210	Printing	64,568	0	48,500	67,000	18,500
210	Postage Services	14,510	3,259	15,000	7,500	(7,500)
210	Permits, Licenses and Fees	0	2,016	0	10,000	10,000
210	Office Supplies	5,918	1,264	8,000	2,500	(5,500)
210	Insurance	672,011	256,231	650,000	702,500	52,500
210	Legal Fees	9,279	0	0	0	0
210	Accounting Fees	69,678	73,076	82,500	84,500	2,000
210	Data Processing	49,140	32,760	66,000	42,000	(24,000)
210	Personnel Training	27,804	10,780	22,500	46,000	23,500
210	Other Professional Fees	190,168	138,584	210,000	304,000	94,000
210	Equipment Usage	0	256,588	0	0	0
210	Mileage Reimbursement	15	0	0	0	0
210	Collection Fees	15,224	8,080	20,000	20,000	0
Total . . . Finance and Treasury		3,343,954	1,951,395	3,822,700	3,511,460	(311,240)



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

Program Description

The Administrative Services group provides a wide range of support services that include Customer Service, Purchasing and Information Services.

The mission of the Customer Service Department is to provide the highest level of customer satisfaction by providing reliable, courteous and efficient service. The Customer Service Department provides new account entry, account billing, account support and mail distribution services.

The mission of the Purchasing Department is to provide its customers with reliable quality service and materials in a professional and timely manner using ethical procurement standards, in order to achieve a high level of customer satisfaction. The Purchasing Department provides procurement of materials and services for all departments within the District.

The mission of the Information Services Department is to research, develop, integrate and support reliable, cost effective information systems that meet the current and future business requirements of our customers and provide a high level of customer satisfaction. The Information Services Department provides implementation, management and support for the District's information systems, voice and data communications systems.

Major Goals

CUSTOMER SERVICE

- Ensure the Customer Service staff receives on-going training and re-training on delivering exceptional customer service both internally and externally
- Receive and process all orders for new service and discontinuation of service on a daily basis
- Create and process all new residential/commercial accounts with accurate billing information
- Flow test and verify new meter sets for commercial accounts and master metered condos and apartments
- Perform meter lid replacements and meter dig outs to ensure the condition of the service is up to District standards for accurate reading and free of hazardous conditions
- Coordinate with Engineering on the GPS project
- Update customer service procedures to reflect current processes
- Review billing error queries to ensure accurate billing
- Process daily walk-in payments and reconcile cash drawer
- Scan and index documents in WebDocs
- Create and track all applications for temporary construction meters
- Read and process all temporary construction meter reads for monthly billing
- Accept payments for processing temporary construction meters, applications for fire flow tests, and customer water bills



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

- Coordinate and control the meter reading of approximately 103,444 meters with readings scheduled and performed on a daily basis
- Process all meter reads from ACS and IRWD for accurate billing
- Process all special billings for looped and sub metered accounts
- Process and insure the printing and mailing of all water/sewer bills in a timely manner (2 days from printer to Post Office)
- Receive, route and deliver all District mail, and process all outgoing mail
- Respond in person, via telephone, and through written correspondence to customer complaints and inquiries in the field and in the office
- Monitor and respond to customerservice@irwd.com and eBill@irwd.com inquiries
- Analyze and resolve billing problems and calculate appropriate adjustments as necessary
- Process variance requests for additional water allocation
- Respond to field problems (leaks, no water complaints, high/low pressure, water quality, sewer problems, line breaks, etc.) maintaining continuous interaction with District personnel via two-way radio and paging system
- Manage delinquent customer accounts and perform shut-offs on a weekly basis
- Distribute weekly customer satisfaction surveys and maintain 90% customer satisfaction
- Input Customer Satisfaction percent results into District's strategic measures Dashboard
- Maintain the CSR computer system
- Improve and enhance customer web access, and electronic billing and presentment to ensure convenience and ease of use
- Evaluate the existing water bill and work with other departments to improve the look and content provided to customers during the CC&B implementation to ensure that maximum benefit is delivered from the software to the customer

PURCHASING

- Purchase materials, supplies and services as required in a timely manner with respect to quality, best pricing and meeting the needs and satisfaction of our internal customers
- Process material/service requests timely and efficiently to meet the requirements of our customers
- Maintain warehouse inventory fill rate at 100% and review slow moving inventory
- Continue to update and expand the Purchasing section of the District website as processes change
- Provide bi-annual procurement process training for all internal customers
- Update purchasing procedures and manuals to reflect the Oracle implemented processes
- Streamline Oracle processes when possible to lessen the impact on our internal customers
- Attain the achievement of excellence in purchasing award from the National Purchasing Institute
- Provide ongoing customer support of the Oracle eBusiness Suite applications for procurement and inventory management
- Scan Closed PO's, Supplier Assessment, Cal Cards, and Certificate of Insurance into Web Docs
- Successfully close Oracle FY 2013-14 PO's at year end



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

- Evaluate all Oracle Open PO's before creating new FY 2013-14 Open PO's
- Continue ongoing evaluation of potential suppliers for IRWD
- Review and expand participation in cooperative purchasing agreements
- Reconfigure material storage layout of the Purchasing warehouse yard due to Biosolids project
- Review Oracle processes with Finance for efficiencies and proper controls

INFORMATION SERVICES

- Provide helpful, courteous and timely support to all District staff
- Provide internal and external software training that meets the needs of District staff
- Provide a reliable network of servers, personal computers, printers and software applications that meet the needs of District staff
- Provide reliable voice, data and wireless communications services to District staff
- Develop new and improve existing software applications to meet the requirements of District staff
- Complete scheduled hardware and software upgrades to District servers, personal computers, printers, network equipment and software applications
- Complete implementation of the Help Desk software system
- Complete implementation of the Interactive Voice Response (IVR) system for Utility Billing
- Complete stabilization of Oracle Financial and Human Resources applications
- Complete stabilization of the Oracle Business Intelligence applications
- Complete implementation of the Identity and Access Management software system
- Complete the Oracle Customer Care and Billing (CC&B) detailed functional software requirements analysis and issue a request for proposal for implementation services
- Begin Phase 1 of the Oracle CC&B software system implementation
- Begin implementation of the Enterprise Asset Management Business Strategy to maximize the utilization of IRWD's infrastructure assets while minimizing lifecycle costs
- Begin implementation of the Oracle Business Intelligence Dashboard
- Begin Implementation of the Conservation Customer Field Survey Automation process

Consolidated Operating Expense Budget for FY 2013-14

Finance & Administrative Services		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
220	Labor Expense RT	1,385,681	597,748	1,497,900	1,437,010	(60,890)
220	Labor Expense OT	57,193	34,571	20,000	30,000	10,000
220	Employee Benefits	0	152,085	477,600	0	(477,600)
220	Temp & Contract Labor	65,196	126,258	40,000	109,500	69,500
220	Operating Supplies	1,260	1,827	2,000	2,000	0
220	Printing	39,503	21,199	38,750	42,000	3,250
220	Postage Services	401,508	232,603	498,100	486,000	(12,100)
220	Office Supplies	3,844	2,310	5,500	6,000	500
220	Equipment Rental	58,390	19,769	37,380	40,000	2,620
220	Rep & Maint IRWD	198	755	0	0	0
220	Personnel Training	6,339	2,341	3,000	5,000	2,000
220	Other Professional Fees	773	1,335	1,000	1,000	0
220	Collection Fees	702	369	1,000	0	(1,000)
220	Contract Meter Reading	1,174,120	600,013	1,228,920	1,230,980	2,060
Total . . . Customer Service		3,194,707	1,793,183	3,851,150	3,389,490	(461,660)

Consolidated Operating Expense Budget for FY 2013-14

Finance & Administrative Services		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
240	Labor Expense RT	646,132	256,782	655,900	652,480	(3,420)
240	Labor Expense OT	33,571	6,908	4,000	4,000	0
240	Employee Benefits	0	66,946	210,200	0	(210,200)
240	Temp & Contract Labor	15,300	14,433	4,000	4,000	0
240	Chemicals	0	0	0	0	0
240	Operating Supplies	(375,836)	37,218	104,000	94,000	(10,000)
240	Printing	11,508	2,113	10,000	10,000	0
240	Postage Services	2,529	1,665	3,500	3,500	0
240	Office Supplies	21,281	8,624	24,000	24,000	0
240	Duplicating Equipment	181,815	70,062	176,000	189,000	13,000
240	Equipment Rental	12,725	2,333	16,000	16,000	0
240	Rep & Maint IRWD	0	0	0	0	0
240	Personnel Training	4,569	1,648	6,500	6,500	0
240	Other Professional Fees	0	15	2,000	2,000	0
240	Equipment Usage	0	0	0	0	0
Total . . . Purchasing		553,594	468,748	1,216,100	1,005,480	(210,620)

Consolidated Operating Expense Budget for FY 2013-14

Finance & Administrative Services		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
250	Labor Expense RT	794,697	339,650	1,000,000	1,358,130	358,130
250	Labor Expense OT	20,851	8,828	15,000	15,000	0
250	Employee Benefits	0	101,680	319,200	0	(319,200)
250	Temp & Contract Labor	207,896	145,130	192,000	368,000	176,000
250	Telecommunication	220,189	116,562	236,000	332,900	96,900
250	Other Utilities	0	3,610	0	8,000	8,000
250	Operating Supplies	404	6	0	0	0
250	Printing	48,618	19,506	52,000	52,000	0
250	Postage Services	(18)	328	500	500	0
250	Office Supplies	0	0	1,000	1,000	0
250	Rep & Maint IRWD	246,432	318,648	233,500	250,700	17,200
250	Data Processing	1,078,069	629,111	1,110,950	1,284,500	173,550
250	Personnel Training	5,656	869	23,000	37,500	14,500
250	Other Professional Fees	40,701	29,168	1,000	31,000	30,000
250	Computer Backup Storage	21,103	11,556	19,000	21,000	2,000
Total . . . Information Services		2,684,598	1,724,651	3,203,150	3,760,230	557,080
Total . . . Finance & Administrative Services		9,776,853	5,937,976	12,093,100	11,666,660	(426,440)



ENGINEERING

OPERATING BUDGET SUMMARY

Program Description

The Engineering Department provides planning, design and construction coordination to produce the water, wastewater and recycled water facilities necessary to provide the highest level of service to the customers of the District. In addition, the Department provides technical support to all other departments including Operations, Finance, Planning, Public Affairs, Water Quality and Administration.

Planning: The Planning and Technical Services group of the Department is responsible for all master planning, water and sewer demand projections, water supply planning, preliminary facility planning studies for new facilities, and preparation of the District's annual Capital Budget. The Planning group provides GIS services to the other groups of the District, which includes the development and support of GIS based applications, facility and atlas maps, and GIS based analysis and the maintenance of the District's digital record drawings plan system. In addition the Planning group is responsible for managing District property and rights of way.

Capital Projects: The Capital Projects group designs and constructs major water, wastewater and recycled water treatment and transmission facilities necessary to improve the quality and reliability of service to existing and future customers of the District. This group is responsible for the expansion and improvement of water and wastewater treatment projects; design and construction of pipelines; expansion of recycled water production; design and construction of projects to integrate service areas acquired through agency consolidations; and design of storage facilities as well as many other projects.

Development Services: The Development Services group facilitates the land development process within the District by designing and bidding the water and wastewater facilities necessary to support that development. These facilities are coordinated with development schedules so that projects are not impeded by a lack of water and wastewater facilities. Temporary and interim facilities, when necessary, are coordinated through this group. The group also reviews developer submittals for quality and conformance with District specifications and assesses and collects appropriate fees.

Operations Support: The Operations Support group is responsible for providing technical support to the Operations and Water Quality Departments in their projects to expand and rehabilitate existing facilities. This group is also responsible for the design and construction of small to medium size water, wastewater and recycled water facilities.

Inspection Services: The Inspection Services group provides construction inspection services to other groups of the Department to insure the highest level of constructed quality. These services include constructability review, pre-construction paperwork, progress payment processing, field inspection, change order evaluation and processing, and final acceptance coordination. The group is responsible for coordinating specialized construction support services such as surveying and geotechnical testing and inspection.



ENGINEERING

OPERATING BUDGET SUMMARY

MWRP Construction: The MWRP Construction group is responsible for the construction of the Michelson Water Recycling Plant Expansion and the MWRP Biosolids and Energy Recovery Facilities.

Major Goals

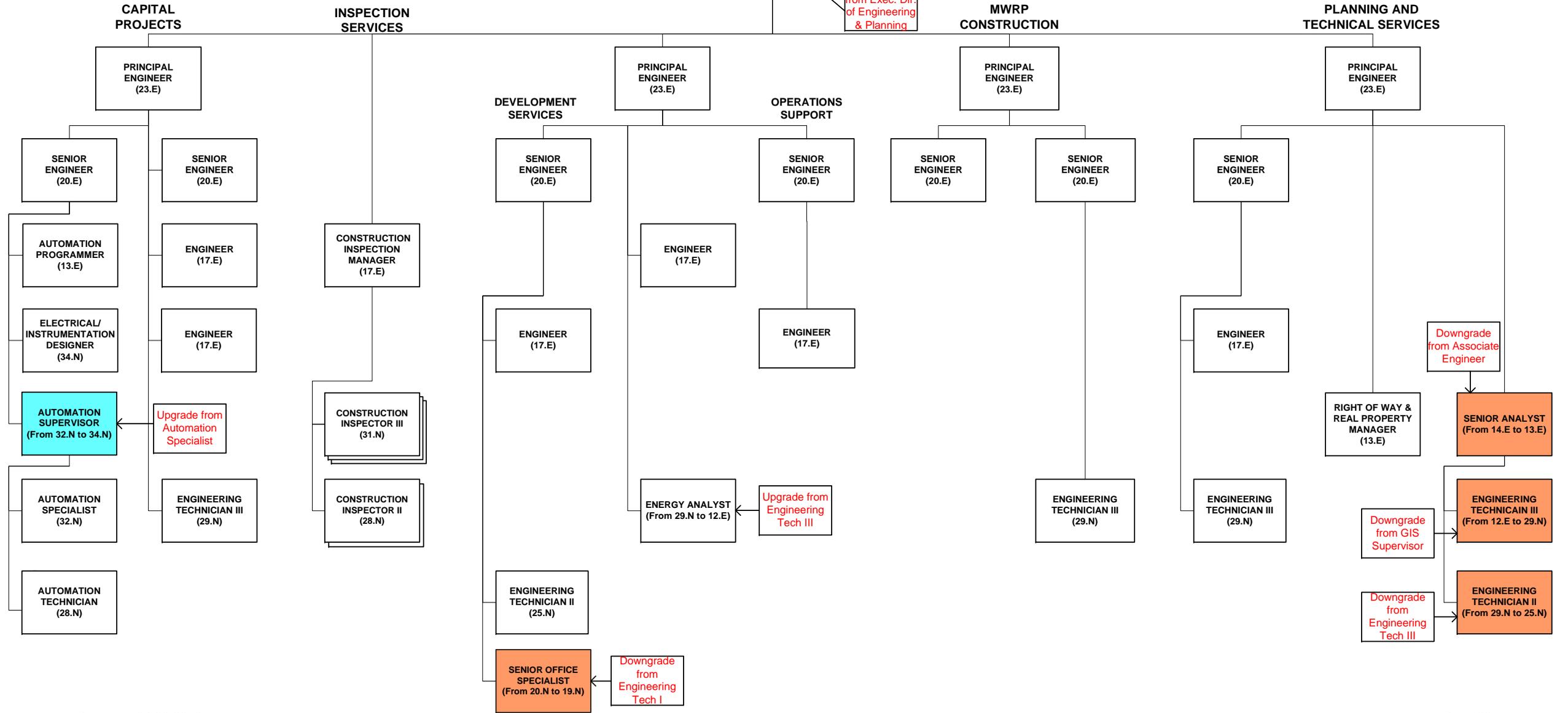
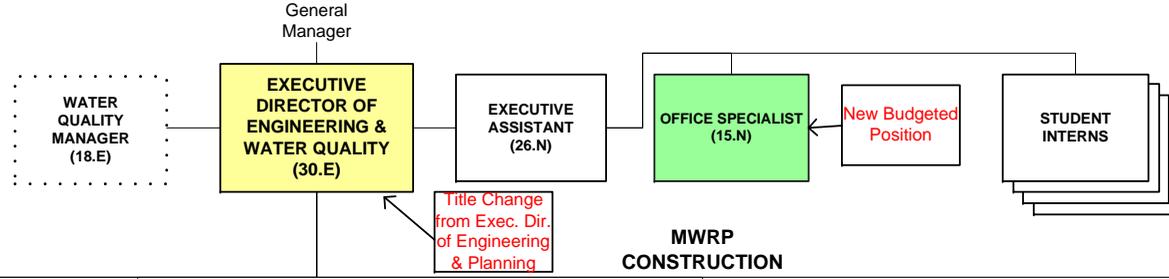
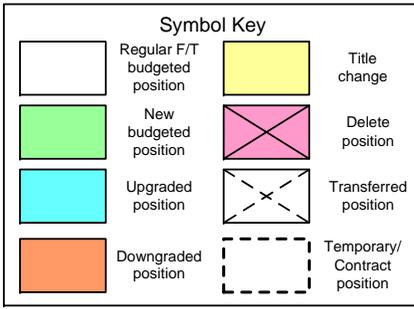
PLANNING

- Domestic and Recycled Water Systems Hydraulic Modeling
- Provide Inter-agency technical support
- Continue Great Park planning and coordination
- Develop alternative water supplies
- Water Resources Master Plan update

ENGINEERING

- MWRP Biosolids and Energy Recovery Facilities construction
- Baker Water Treatment Plant construction
- Well 115 construction
- Jeffrey Road Pipelines construction
- Sand Canyon Avenue Railroad Grade Separation construction
- Syphon Reservoir Interim Facilities construction
- Orange Park Acres Well OPA-1 design and construction
- Planning Area 18 South Domestic and Recycled Water Pump Stations design and construction
- IDF Chlorine Injection Pipeline Replacement design and construction
- LAWRP Biosolids Facilities design
- Planning Area 5 Pump Stations design
- Wells 51, 52 and 53 Feasibility Study

**IRVINE RANCH WATER DISTRICT
ENGINEERING
PROPOSED FISCAL YEAR 2013-14**



Consolidated Operating Expense Budget for FY 2013-14

Engineering		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
300	Labor Expense RT	3,708,079	1,572,169	4,182,400	4,145,990	(36,410)
300	Labor Expense OT	110,455	48,598	69,000	125,000	56,000
300	Employee Benefits	0	423,531	1,329,800	0	(1,329,800)
300	Temp & Contract Labor	189,255	61,598	168,000	147,500	(20,500)
300	Chemicals	(1)	0	0	0	0
300	Operating Supplies	19,790	5,088	11,200	16,840	5,640
300	Printing	115,172	21,504	54,500	48,500	(6,000)
300	Postage Services	237	43	120	120	0
300	Permits, Licenses and Fees	0	3,065	0	2,000	2,000
300	Office Supplies	11,289	4,091	20,000	17,000	(3,000)
300	Rep & Maint IRWD	25,645	14,398	41,800	40,200	(1,600)
300	Engineering Fees	0	0	3,200	3,200	0
300	Personnel Training	25,507	7,375	30,000	30,000	0
300	Other Professional Fees	14,551	992	4,200	4,000	(200)
300	Equipment Usage	0	1	0	0	0
300	Mileage Reimbursement	98	0	200	0	(200)
Total . . . Engineering and Planning		4,220,077	2,162,453	5,914,420	4,580,350	(1,334,070)
Total . . . Engineering		4,220,077	2,162,453	5,914,420	4,580,350	(1,334,070)



WATER QUALITY

OPERATING BUDGET SUMMARY

Program Description

The Water Quality Department provides a wide range of support services that include Water Quality Analysis, Regulatory Compliance, and Water Quality Administration and Projects.

Water Quality Analysis provides our internal and external customers with high quality data in a professional and timely manner. The Water Quality Analysis Department utilizes state-of-the-art, United States Environmental Protection Agency (EPA) and California Department of Public Health (CDPH) approved analytical methods to provide data for regulatory monitoring and reporting, process control, research projects and capital projects.

Regulatory Compliance plans and manages District-wide programs to ensure the District complies with all environmental regulations governing water, wastewater and groundwater discharges. Staff collects all required samples of water, wastewater and recycled water from distribution systems, treatment facilities, storage reservoirs, wetland operations and customer facilities to assure quality services and products are served to our customers. This sub-department also responds to customer service issues and concerns regarding water quality. In addition to water-related programs, Regulatory Compliance staff manages other regulatory compliance programs such as Hazardous Waste, Underground Storage Tanks, Aboveground Petroleum Storage Tanks, Universal Waste and Industrial Waste. Regulatory Compliance also participates with the Orange County Sanitation District and South Orange County Wastewater Authority to address watershed and permit issues including environmental evaluation and permitting.

Water Quality Projects conducts research, develops projects and provides process control support and problem solving to enhance the performance of the District's domestic and recycled water supply, treatment, distribution, storage and compliance objectives. It provides similar support to the District's wastewater collection/treatment, recycled water and urban runoff treatment systems.

Water Quality Administration assists all Water Quality and Environmental sub-departments in carrying out their missions; provides Water Quality related support to the operations and maintenance of all water and sewer collections systems; and ensures that all District operations are conducted in a safe, reliable, cost-effective, environmentally sensitive manner to achieve a high level of customer satisfaction.



WATER QUALITY

OPERATING BUDGET SUMMARY

Major Goals

WATER QUALITY ANALYSIS

- Perform necessary analyses to determine compliance with all applicable federal, state and local environmental and water quality laws and regulations
- Provide process control data to assist operating groups in meeting their regulatory requirements
- Complete and submit all regulatory monitoring data by the specified due dates
- Complete analyses within specified hold times and meet quality control specifications
- Research and implement new testing methods where justified, specifically methods routinely sent out to contract laboratories and screening methods for system security and general water quality concerns
- Maintain the laboratory's Environmental Laboratory Accreditation Program (ELAP) certification by submitting the renewal application by the prescribed due date and successfully completing the site audit
- Successfully complete all required water, wastewater, hazardous waste and DMR proficiency testing samples and submit the data by the prescribed due date
- Research and implement, where appropriate, improved means to communicate water quality data to internal and external customers
- Be environmentally responsible in the selection, procurement and disposal of reagents utilized in the laboratory
- Seek to improve established contacts with regulatory agencies

REGULATORY COMPLIANCE

- Ensure the District operates in full compliance with all applicable federal, state and local environmental and water quality laws and regulations
- Respond to Water Quality Customer Service Requests and investigate the customer's concern
- Determine required monitoring programs to address all regulatory requirements for potable, wastewater and recycled water
- Coordinate with other agencies with respect to Industrial Waste Programs and other projects
- Plan, organize and supervise the work of the Compliance Monitoring Group
- Collect potable system distribution and storage samples to comply with the CDPH monitoring plan and to proactively identify any developing quality issues in the system
- Collect MWRP and LAW RP samples to assure proper operation of the treatment facilities and compliance with each facilities' NPDES permit
- Assist and provide resources to other departments with environmental and water permitting issues
- Prepare and submit environmental permit applications for routine activities and projects
- Administer the environmental reporting on the District's wetlands development and operations
- Assist in the development of environmental quality projects and coordinate research and development activities.



WATER QUALITY

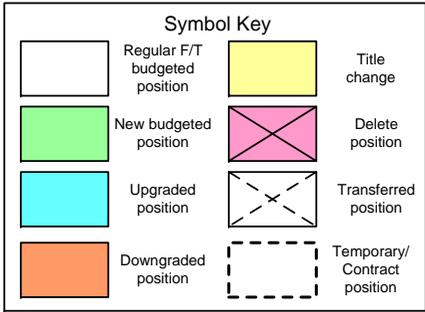
OPERATING BUDGET SUMMARY

WATER QUALITY PROJECTS

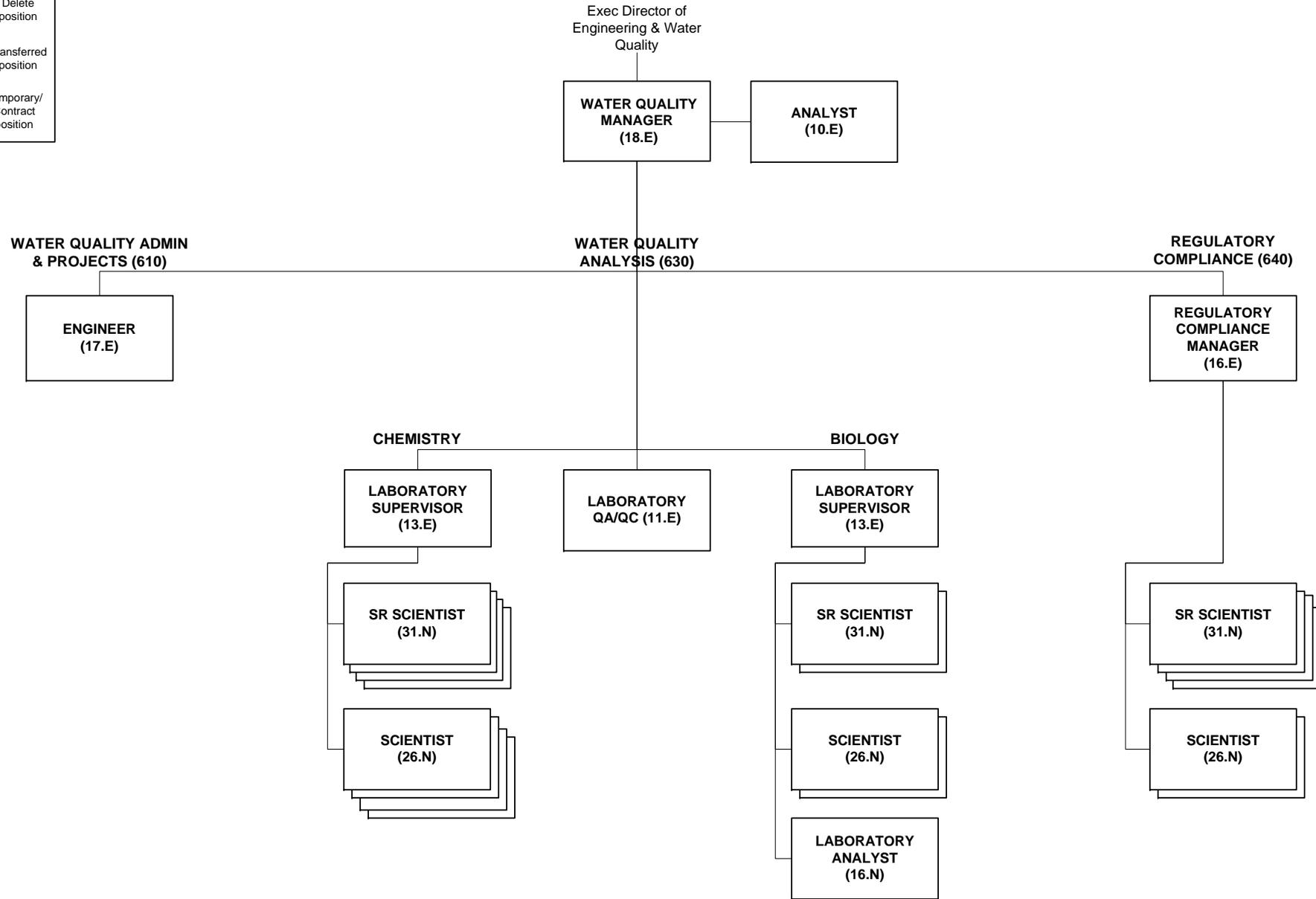
- Evaluate process control and water quality monitoring data to assess, correct or recommend performance improvement of the IRWD membrane treatment facilities, including IDP-SGU, IDP-PAP, IDP-PTP, DATS, CATS and the Wells 21/22 Desalter Plant
- Develop test protocols, standard operating protocols and procedures, operate, perform sample collection and monitoring of bench, pilot and full-scale process facilities, including the Cienega demonstration subsurface filtration project and other applicable IRWD pilot and demonstration research projects
- Actively monitor operation and perform troubleshooting of full scale and partial RMS installed at 19 IRWD domestic water reservoirs
- Act as a liaison and administer reporting IRWD groundwater extraction and treatment operations for removal of the TCE plume from the Irvine sub-basin groundwater at the IDP Principal Aquifer wells, IDP-PAP and IDP-SGU to the Department of the Navy (DON), local and state regulatory agencies
- Train Plant and Systems Operations staff on process control procedures, monitoring and troubleshooting in the various water treatment and monitoring applications
- Provide engineering assistance to IRWD staff in the administration, planning, design, construction and operation of water, wastewater and irrigation facilities
- Develop and analyze alternative approaches for meeting water quality regulations
- Assist in the development and coordinate district wide research, pilot and demonstration projects
- Administer Water Quality potable, wastewater and recycled water planning reserves projects

WATER QUALITY ADMINISTRATION

- Ensure the District operates in full compliance with all applicable federal, state and local environmental and water quality laws and regulations



**IRVINE RANCH WATER DISTRICT
WATER QUALITY
PROPOSED FISCAL YEAR 2013-14**



Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
461	Labor Expense RT	256,897	111,788	205,900	0	(205,900)
461	Employee Benefits	0	20,950	65,800	0	(65,800)
461	Temp & Contract Labor	3,423	0	0	0	0
461	Operating Supplies	4	0	0	0	0
461	Postage Services	1,702	1,382	500	0	(500)
461	Permits, Licenses and Fees	(296)	0	0	0	0
461	Office Supplies	3,365	445	2,500	0	(2,500)
461	Personnel Training	1,243	1,406	10,000	0	(10,000)
461	Other Professional Fees	106,821	61,688	77,000	0	(77,000)
Total . . . Water Quality Administration *		373,159	197,659	361,700	0	(361,700)

*Amounts transferred to Dept 610

Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
462	Labor Expense RT	113,076	51,886	114,700	0	(114,700)
462	Employee Benefits	0	11,927	37,500	0	(37,500)
462	Operating Supplies	184	179	850	0	(850)
462	Postage Services	139	0	0	0	0
462	Engineering Fees	0	0	7,900	0	(7,900)
462	Personnel Training	15,302	625	4,800	0	(4,800)
462	Other Professional Fees	125	1,802	55,300	0	(55,300)
462	Safety	3	0	0	0	0
Total . . . Water Quality Projects *		128,829	66,419	221,050	0	(221,050)

*Amounts transferred to Dept 610

Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
463	Labor Expense RT	1,122,629	444,942	1,285,500	0	(1,285,500)
463	Labor Expense OT	39,354	26,543	12,600	0	(12,600)
463	Employee Benefits	0	130,596	410,200	0	(410,200)
463	Temp & Contract Labor	139,269	88,722	35,100	0	(35,100)
463	Operating Supplies	266,861	136,274	316,540	0	(316,540)
463	Postage Services	4,524	2,154	5,100	0	(5,100)
463	Permits, Licenses and Fees	7,331	5,975	7,300	0	(7,300)
463	Office Supplies	16	0	0	0	0
463	Equipment Rental	5,168	2,301	0	0	0
463	Rep & Maint IRWD	186,428	130,684	179,335	0	(179,335)
463	Engineering Fees	85,121	50,211	148,300	0	(148,300)
463	Personnel Training	3,413	902	16,100	0	(16,100)
463	Other Professional Fees	4,195	150	1,500	0	(1,500)
463	Safety	3,083	1,549	1,710	0	(1,710)
Total . . . Water Quality Analysis *		1,867,392	1,021,003	2,419,285	0	(2,419,285)

*Amounts transferred to Dept 630

Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
464	Labor Expense RT	567,143	284,351	612,900	0	(612,900)
464	Labor Expense OT	83,067	21,692	55,000	0	(55,000)
464	Employee Benefits	0	60,907	191,800	0	(191,800)
464	Temp & Contract Labor	11,060	0	25,000	0	(25,000)
464	Operating Supplies	47,349	23,940	47,000	0	(47,000)
464	Permits, Licenses and Fees	95,721	44,958	134,200	0	(134,200)
464	Office Supplies	90	0	0	0	0
464	Rep & Maint IRWD	31,972	23,553	65,500	0	(65,500)
464	Engineering Fees	3,409	2,300	6,000	0	(6,000)
464	Personnel Training	6,016	1,747	14,500	0	(14,500)
464	Other Professional Fees	827	1,026	1,250	0	(1,250)
464	Equipment Usage	0	1	0	0	0
464	Safety	391	0	2,000	0	(2,000)
Total . . . Regulatory Compliance *		847,045	464,475	1,155,150	0	(1,155,150)

*Amounts transferred to Dept 640

Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
466	Labor Expense RT	22,823	0	0	0	0
466	Employee Benefits	0	17,569	0	0	0
466	Permits, Licenses and Fees	191,437	189,703	190,700	0	(190,700)
466	Rep & Maint IRWD	25,036	8,846	30,000	0	(30,000)
466	Engineering Fees	18,755	17,318	26,000	0	(26,000)
466	Other Professional Fees	532	0	0	0	0
Total . . . Environmental Projects *		258,583	233,436	246,700	0	(246,700)

*Amounts transferred to Dept 640

Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
610	Labor Expense RT	0	0	0	324,910	324,910
610	Operating Supplies	0	0	0	1,500	1,500
610	Postage Services	0	0	0	2,000	2,000
610	Office Supplies	0	0	0	2,500	2,500
610	Rep & Maint IRWD	0	0	0	10,000	10,000
610	Engineering Fees	0	0	0	52,000	52,000
610	Personnel Training	0	0	0	23,800	23,800
610	Other Professional Fees	0	0	0	97,850	97,850
610	Safety	0	0	0	100	100
Total . . . Water Quality Administration and Proj *		0	0	0	514,660	514,660

*Amounts transferred from Dept 461 and Dept 462

Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
630	Labor Expense RT	0	0	0	1,259,500	1,259,500
630	Labor Expense OT	0	0	0	12,880	12,880
630	Temp & Contract Labor	0	0	0	115,350	115,350
630	Operating Supplies	0	0	0	336,360	336,360
630	Postage Services	0	0	0	6,900	6,900
630	Permits, Licenses and Fees	0	0	0	5,975	5,975
630	Equipment Rental	0	0	0	5,000	5,000
630	Rep & Maint IRWD	0	0	0	190,560	190,560
630	Engineering Fees	0	0	0	149,000	149,000
630	Personnel Training	0	0	0	2,200	2,200
630	Other Professional Fees	0	0	0	1,200	1,200
630	Safety	0	0	0	5,880	5,880
Total . . . Water Quality Analysis *		0	0	0	2,090,805	2,090,805

*Amounts transferred from Dept 463

Consolidated Operating Expense Budget for FY 2013-14

Water Quality		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
640	Labor Expense RT	0	0	0	601,160	601,160
640	Labor Expense OT	0	0	0	55,000	55,000
640	Temp & Contract Labor	0	0	0	54,000	54,000
640	Operating Supplies	0	0	0	52,020	52,020
640	Permits, Licenses and Fees	0	0	0	369,600	369,600
640	Rep & Maint Other Agencies	0	0	0	2,000	2,000
640	Rep & Maint IRWD	0	0	0	83,500	83,500
640	Engineering Fees	0	0	0	39,100	39,100
640	Personnel Training	0	0	0	4,700	4,700
640	Other Professional Fees	0	0	0	1,500	1,500
640	Safety	0	0	0	2,000	2,000
Total . . . Regulatory Compliance *		0	0	0	1,264,580	1,264,580
Total . . . Water Quality		3,475,008	1,982,993	4,403,885	3,870,045	(533,840)

*Amounts transferred from Dept 464 and Dept 466



WATER OPERATIONS

OPERATING BUDGET SUMMARY

Program Description

The Water Operations Department provides operation, maintenance and repair of the District's domestic (treated) water, recycled water, untreated water and Natural Treatment Systems. These systems include the Dyer Road Wellfield, Deep Aquifer Treatment System, Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant and Shallow Groundwater Unit), Manning Water Treatment Plant and the San Joaquin Marsh. The Water Operations Department also provides maintenance for all District facilities, vehicle and other rolling equipment.

The mission of the Water Operations Department is to operate and maintain the District's infrastructure in an efficient, cost effective and environmentally sensitive manner that provides a high level of customer satisfaction.

Major Goals

ADMINISTRATION

- Provide overall management and administrative services to the Water Operations Department
- Prepare, monitor and manage the Department's Operating, General Plant and Capital budgets
- Continue efficient operation and maintenance of Irvine Lake and the Irvine Lake Pipeline
- Ensure efficient operation of all IRWD wells and pumping facilities
- Manage, operate and maintain the SAC/Baker system
- Prevent lost time accidents and recordable injuries through continuous improvement and the completion of safety meetings in accordance with Safety Department guidelines
- Continue operation, maintenance and improvement of the District's cathodic protection program
- Ensure safe dam operation through the monitoring and surveillance program

SYSTEM OPERATIONS

- Assist with the SCADA upgrade implementation
- Maintain the Dyer Road Wellfield and DATS domestic water flows in accordance with the Wellfield Pumping Plan on a monthly and annual basis
- Maintain zero water quality non-compliance events
- Budget, maintain and reduce energy costs in accordance with Southern California Edison's current rate structure
- Assist the Engineering Department with the design and startup of domestic and recycled water system facilities
- Operate the Irvine Desalter Project (PTP, SGU and PAP) in accordance with the joint agency agreement and submit periodic reports as required
- Operate the 21/22 Treatment Plant in accordance with the plant design and Health Department requirements



WATER OPERATIONS

OPERATING BUDGET SUMMARY

- Complete Cross-Connection Control Program annual inspections and back-flow device maintenance in accordance with the California Administrative Code, Title 17, Public Health

NATURAL TREATMENT SYSTEMS

- Provide cost effective operations with an emphasis on vegetation, sediment, management and wildlife/habitat management for the Natural Treatment System (NTS) facilities

CONSTRUCTION AND REPAIR SERVICES

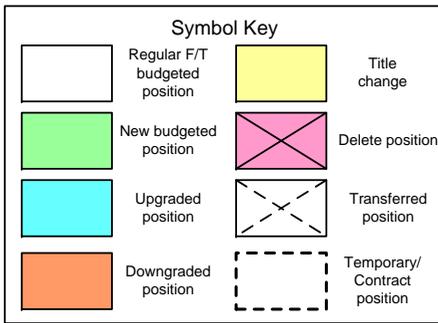
- Provide construction and repair services to internal and external customers in a safe, efficient, cost effective and environmentally sensitive manner
- Maintain a high level of customer satisfaction by responding to and repairing water leaks with minimum impact to customers
- Maintain a maximum of 100 minutes no-service per month for the potable and non-potable systems

PREVENTIVE MAINTENANCE

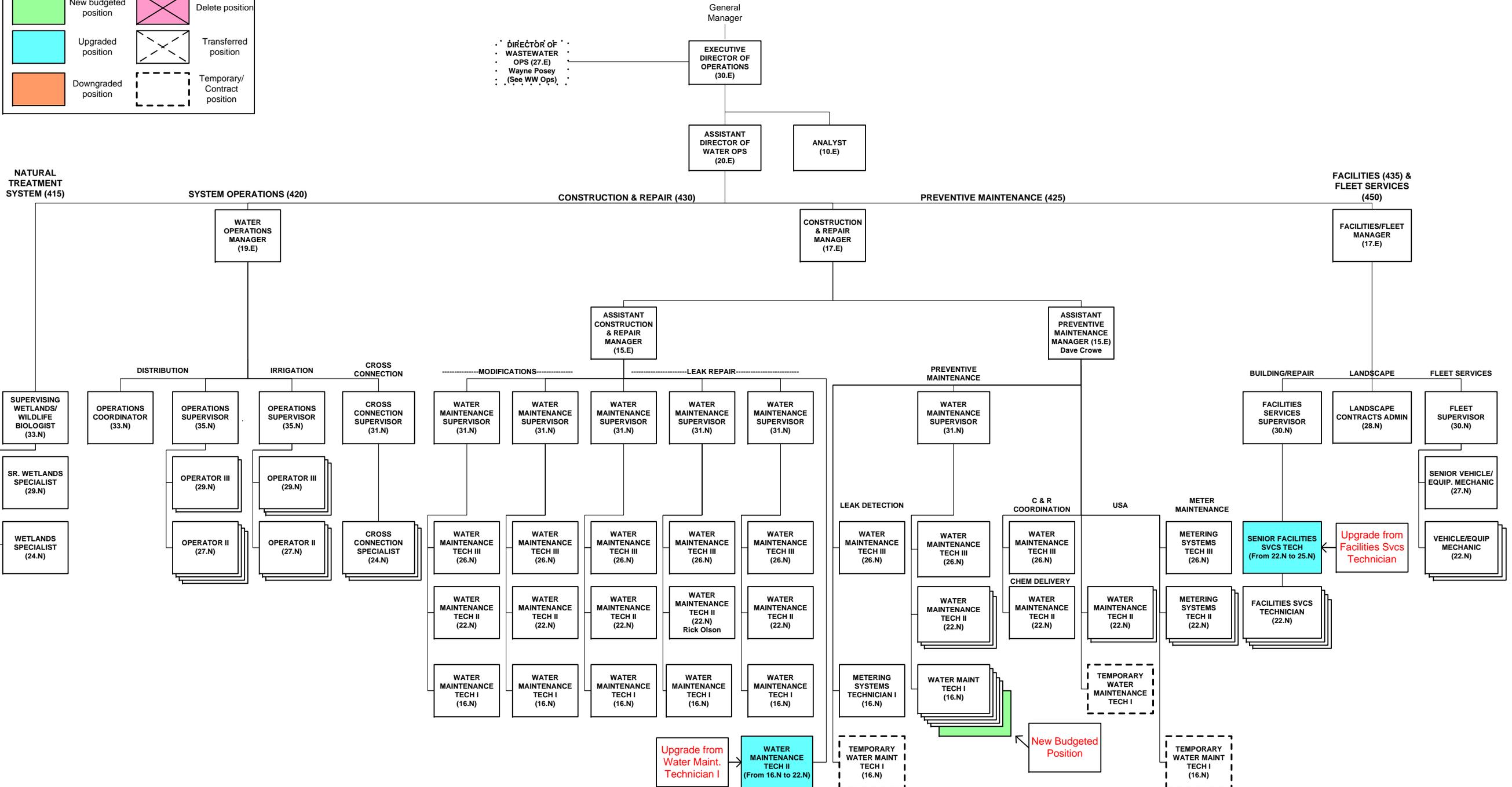
- Complete annual preventive maintenance programs on distribution pipelines and appurtenances throughout the District including valve exercising, cathodic protection test station reading, pressure reducing valve maintenance, hydrant flushing, bottom drain flushing, air/vac maintenance, meter maintenance and leak detection
- Mark the District's underground facilities in response to Underground Service Alert (USA) tickets to prevent potential damages to the facilities from construction activities
- Set and complete annual maintenance goals in accordance with AWWA and industry standards
- Replace 5/8" residential and 3/4" residential meters on a 17-year cycle
- Replace 1" residential/commercial meters on an 18-year cycle
- Replace 1.5" and 2" commercial meters on a 15-year cycle

FACILITIES AND FLEET MAINTENANCE

- Manage the maintenance of all District properties and facilities
- Provide the maintenance for all District vehicles and rolling equipment



**IRVINE RANCH WATER DISTRICT
OPERATIONS
PROPOSED FISCAL YEAR 2013-14**



Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
410	Water Purchases	2,335	4,837	0	0	0
410	Labor Expense RT	387,031	173,475	405,500	408,940	3,440
410	Employee Benefits	0	41,543	130,700	0	(130,700)
410	Other Utilities	4,214	1,851	2,400	5,800	3,400
410	Operating Supplies	2,372	87	4,500	4,500	0
410	Printing	69	0	500	300	(200)
410	Postage Services	32	0	0	0	0
410	Permits, Licenses and Fees	84,863	15,474	86,550	87,550	1,000
410	Office Supplies	5,771	1,159	8,000	8,000	0
410	Equipment Rental	13,999	5,365	0	0	0
410	Rep & Maint Other Agencies	575,034	599,547	1,033,100	1,060,100	27,000
410	Engineering Fees	141,931	41,543	92,000	92,000	0
410	Personnel Training	22,351	12,826	18,990	19,890	900
410	Other Professional Fees	13,283	6,113	7,600	9,600	2,000
410	Equipment Usage	0	0	0	0	0
410	Safety	19	0	0	0	0
Total . . . Water Operations Administration		1,253,304	903,820	1,789,840	1,696,680	(93,160)

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
415	Labor Expense RT	126,252	102,852	219,200	257,750	38,550
415	Labor Expense OT	3,879	1,737	4,000	4,000	0
415	Employee Benefits	0	22,306	70,100	0	(70,100)
415	Electrical Usage	3,301	2,106	11,900	19,700	7,800
415	Operating Supplies	4,618	3,635	5,710	6,520	810
415	Permits, Licenses and Fees	0	100	0	0	0
415	Equipment Rental	4,438	2,610	9,520	6,660	(2,860)
415	Rep & Maint Other Agencies	7,879	5,740	11,000	14,000	3,000
415	Rep & Maint IRWD	691,346	309,953	776,700	778,700	2,000
415	Engineering Fees	845	0	74,460	27,500	(46,960)
415	Equipment Usage	0	0	0	0	0
415	Safety	0	1,939	2,000	5,000	3,000
415	Other	8,491	8,491	8,500	8,500	0
Total . . . NTS Operations		851,049	461,470	1,193,090	1,128,330	(64,760)

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
420	Water Purchases	26,933,833	14,436,289	24,968,060	26,352,300	1,384,240
420	Labor Expense RT	1,520,742	706,132	1,600,600	1,594,140	(6,460)
420	Labor Expense OT	210,190	134,571	70,460	200,000	129,540
420	Employee Benefits	0	162,132	509,200	0	(509,200)
420	Temp & Contract Labor	95	0	0	0	0
420	Electrical Usage	5,519,004	2,994,080	7,258,100	8,077,180	819,080
420	Fuel	28,513	11,447	25,500	25,500	0
420	Telecommunication	46,008	18,404	39,240	41,000	1,760
420	Other Utilities	8,866	0	9,600	9,600	0
420	Chemicals	723,637	338,089	1,143,430	1,123,450	(19,980)
420	Operating Supplies	27,279	20,399	26,250	31,490	5,240
420	Permits, Licenses and Fees	10,114	7,530	6,220	6,220	0
420	Office Supplies	56	0	0	0	0
420	Equipment Rental	10,075	0	9,000	9,000	0
420	Rep & Maint Other Agencies	(35,298)	(14,602)	0	0	0
420	Rep & Maint IRWD	204,543	38,846	200,000	290,000	90,000
420	Engineering Fees	46,279	3,992	18,000	23,000	5,000
420	Data Processing	0	10,170	0	0	0
420	Personnel Training	690	0	0	0	0
420	Other Professional Fees	1,817	873	1,000	0	(1,000)
420	Equipment Usage	0	0	0	0	0
420	Safety	224	449	3,000	3,000	0
Total . . . System Operations		35,256,667	18,868,801	35,887,660	37,785,880	1,898,220

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
425	Labor Expense RT	1,175,751	639,417	1,327,400	1,497,570	170,170
425	Labor Expense OT	112,644	69,161	13,400	112,000	98,600
425	Employee Benefits	0	134,679	422,900	0	(422,900)
425	Temp & Contract Labor	82,045	27,787	78,000	100,000	22,000
425	Chemicals	2,676	1,585	5,000	4,000	(1,000)
425	Operating Supplies	60,099	28,995	83,700	88,700	5,000
425	Permits, Licenses and Fees	44,752	4,091	11,000	11,000	0
425	Office Supplies	45	0	0	0	0
425	Equipment Rental	0	0	2,000	2,000	0
425	Rep & Maint IRWD	271,911	133,919	219,000	230,000	11,000
425	Equipment Usage	0	0	0	0	0
Total . . . Preventive Maintenance		1,749,923	1,039,634	2,162,400	2,045,270	(117,130)

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
430	Labor Expense RT	1,472,542	636,192	1,510,500	1,658,570	148,070
430	Labor Expense OT	290,381	118,079	152,000	152,000	0
430	Employee Benefits	0	153,496	482,100	0	(482,100)
430	Temp & Contract Labor	28,713	22,372	0	0	0
430	Other Utilities	6,623	0	0	0	0
430	Chemicals	2,453	238	1,200	740	(460)
430	Operating Supplies	99,930	59,343	113,500	118,500	5,000
430	Permits, Licenses and Fees	25,023	18,326	56,000	50,000	(6,000)
430	Equipment Rental	21,100	13,727	11,000	20,000	9,000
430	Rep & Maint IRWD	650,486	531,595	365,750	500,000	134,250
430	Personnel Training	0	1,692	0	0	0
430	Other Professional Fees	5,689	0	0	0	0
430	Equipment Usage	0	0	0	0	0
Total . . . Construction and Repair Services		2,602,940	1,555,061	2,692,050	2,499,810	(192,240)

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
435	Labor Expense RT	420,353	151,188	607,200	608,800	1,600
435	Labor Expense OT	27,887	5,077	11,200	11,200	0
435	Employee Benefits	0	61,406	193,100	0	(193,100)
435	Temp & Contract Labor	84,736	17,872	66,000	25,000	(41,000)
435	Fuel	156	73	0	0	0
435	Telecommunication	200	78	0	0	0
435	Other Utilities	22,774	12,525	19,700	17,100	(2,600)
435	Operating Supplies	22,673	2,974	26,000	24,000	(2,000)
435	Rep & Maint IRWD	1,041,186	510,130	1,006,260	938,920	(67,340)
435	Personnel Training	25,570	3,949	0	0	0
435	Equipment Usage	244,964	0	0	0	0
Total . . . Facilities Services		1,890,499	765,272	1,929,460	1,625,020	(304,440)

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
440	Labor Expense RT	56,048	32,728	0	0	0
440	Labor Expense OT	13,458	6,597	6,000	6,000	0
440	Temp & Contract Labor	4,900	1,527	0	0	0
440	Electrical Usage	146,355	65,689	135,000	132,700	(2,300)
440	Fuel	10,117	3,155	10,000	10,000	0
440	Other Utilities	5,927	2,893	5,000	5,000	0
440	Operating Supplies	19,913	7,740	22,000	22,000	0
440	Rep & Maint IRWD	337,798	126,601	189,200	285,200	96,000
440	Personnel Training	167	0	0	0	0
Total . . . Sand Canyon Property Maintenance		594,683	246,930	367,200	460,900	93,700

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
445	Labor Expense RT	113,001	74,805	0	0	0
445	Labor Expense OT	3,218	301	4,000	4,000	0
445	Temp & Contract Labor	12,482	2,875	0	0	0
445	Fuel	18,111	3,954	30,000	30,000	0
445	Other Utilities	24,340	9,053	20,000	20,000	0
445	Operating Supplies	32,122	17,548	35,000	20,000	(15,000)
445	Rep & Maint IRWD	234,076	182,997	223,200	244,700	21,500
Total . . . Operations Center Property Maintena		437,350	291,533	312,200	318,700	6,500

Consolidated Operating Expense Budget for FY 2013-14

Water Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
450	Labor Expense RT	392,156	141,267	349,900	337,900	(12,000)
450	Labor Expense OT	12,321	7,880	4,000	4,000	0
450	Employee Benefits	0	35,669	111,900	0	(111,900)
450	Temp & Contract Labor	2,430	3,001	0	0	0
450	Fuel	0	307,928	570,000	627,000	57,000
450	Other Utilities	0	0	45,000	45,000	0
450	Operating Supplies	4,183	2,237	11,460	8,550	(2,910)
450	Postage Services	42	0	0	0	0
450	Permits, Licenses and Fees	3,200	1,626	3,500	6,700	3,200
450	Office Supplies	52	0	0	0	0
450	Equipment Rental	8,365	7,701	5,000	5,000	0
450	Rep & Maint IRWD	258,732	172,894	539,600	490,100	(49,500)
450	Personnel Training	913	55	0	0	0
450	Other Professional Fees	55	26	0	0	0
450	Equipment Usage	1,250,222	0	0	0	0
450	Mileage Reimbursement	129,928	47,631	114,000	117,000	3,000
Total . . . Fleet Services		2,062,599	727,915	1,754,360	1,641,250	(113,110)
Total . . . Water Operations		46,699,014	24,860,435	48,088,260	48,920,240	831,980



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

Program Description

WASTEWATER OPERATIONS AND MAINTENANCE ADMINISTRATION (510)

The Wastewater Operations Department provides cost-effective, reliable and compliant operation and maintenance of the District's two wastewater recycling treatment plants, the MWRP power generation facility, and the collection system. The Department also manages the FOG Program for the District, provides mechanical and electrical services for all District facilities as well as maintenance, modifications and technical support for the District's water, sewer and recycled water systems to ensure optimal reliability, efficiency, ease of operation and life expectancy.

ELECTRICAL SERVICES (520)

The Electrical Services Department provides electrical maintenance for all District pumping systems, process equipment, control systems and facilities. The department provides timely and cost effective testing, repair, maintenance, modification and installation of electrical power distribution, motors and motor controls, as well as analytical and process instrumentation. Electrical Services utilizes a Computerized Maintenance Management System (CMM) which, along with predictive maintenance tools such as infrared thermal imaging, aid in the prioritizing and tracking of work flow. Electrical Services is also heavily invested in the safety function of the District. Staff works with the Safety Office to provide up to date Electrical and Lockout/Tagout SWPs and writing and implementing Electrical Standard Operating Procedures (ESOPs). Staff constantly strives to stay on the cutting edge of regulatory and safety developments.

MECHANICAL SERVICES (540)

The Mechanical Services Department provides mechanical maintenance for all of the Districts pumping systems, stationary engines, and process equipment. This Department is managed utilizing preventive, predictive, and proactive maintenance within a computerized reliability based maintenance environment. Mechanical Services has the ability to overhaul, modify, and redesign all rotating equipment to fully optimize performance. This section also provides fabrication and machine shop services District wide to ensure efficient effective services are met in a timely fashion with close attention to detail. This high level of service assures satisfaction to our valued customers.

MWRP OPERATIONS (550)

The MWRP Operations Department provides for the operation and upkeep of a 28 MGD designed flow tertiary recycling plant. This department has the expertise and experience to effectively and efficiently operate and maintain the treatment facility to meet reclaimed water distribution demands, while meeting all regulatory requirements.

COLLECTION SYSTEM (570)

The Collection System Department operates and maintains the sewer collection system in a safe, efficient, reliable and cost effective manner to prevent spills and interruptions in an environmentally safe manner with the highest customer satisfaction.



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

LAWRP OPERATIONS (590)

The Los Alisos Water Reclamation Plant (LAWRP) provides for the treatment of sewer flows from Lake Forest and a portion of Mission Viejo. The LAWRP is rated to treat 7.5MGD of secondary effluent that can be discharged to an ocean outfall, or subsequently the capacities to treat demands of 5.5MGD for reclaim water to secondary users. The department's function is to provide the necessary resources to operate and maintain the facility's ability to treat wastewater cost effectively and meet all regulatory compliance.

Major Goals

SUPPORT SERVICES (510)

- Achieve 100% compliance with all NPDES permits
- Provide administration support to the Wastewater Operations Department
- Work with the Information Services Department to provide tools for 80% planned maintenance
- Administer and coordinate departmental database systems (CMMS and SCADA)
- Manage the wastewater operations and plant operations for the District
- Manage the IRWD FOG Program
- Continue to investigate biosolids disposal/reuse options
- Oversee the operations of the Electrical Services, Mechanical Services, Collection Systems
- LAWRP and MWRP Operations Departments

ELECTRICAL SERVICES (520)

- Support the MWRP Phase 2 expansion and Biosolids projects
- Support the selection and implementation of the new Enterprise Asset Management Software
- Support over fifteen Engineering projects such as the Baker Treatment Facility, Wells 21 and 22 Desalter, and Santiago Canyon Generator Installation to name a few
- Improve and streamline calibration and maintenance record keeping including record storage on the share drive for easy access
- Continue our in-house infrared thermography program to efficiently identify and correct issues before they cause a failure
- Improve the maintenance and troubleshooting of magnetic flow meters by using in-situ calibration verification and the VeriMaster software package
- Continue an aggressive schedule of planned SCE outages to allow access for the cleaning and preventative maintenance of District pump stations
- Maintain an aggressive internal training program to support newly hired technicians
- Send one technician to medium voltage (5kV) training
- Send one technician to level III thermography training
- Investigate and expand the use of radar level measurement to improve the reliability of such systems as surge tank level controls
- Maintain all RMS, chloramination and analyzer/mixer installations



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

- Perform annual servicing of variable frequency drives (VFDs) and motor soft starters throughout the district
- Perform annual servicing of generator automatic transfer switches (ATS) at facilities throughout the District

MECHANICAL SERVICES (540)

- Continue to perform annual pump efficiency testing on all District equipment and analyze the data to evaluate pump system optimization
- Continue to perform annual pump vibration analysis on all District equipment 100>Hp and analyze the data to evaluate pump system conditions
- Continue to perform oil analysis on all rotating equipment to ensure optimum machine health
- Perform annual servicing and load testing on all District stationary emergency generators
- Complete the Sand Canyon Zone 1-3 pump/motor upgrades
- Complete the Newport Coast Lift Station pump/motor upgrades
- Continue to provide assistance to MWRP Operations concerning plant expansion and equipment replacement
- Continue to provide support for the Biosolids project
- Continue to provide support for the Baker Plant/21-22 Desalter projects
- Assist with the rehabilitation of Well 110
- Provide engineering and field support for the re-drilling of wells 115 and OPA
- Provide engineering and field support for the rehabilitation of Dyer Wells 2 & 5
- Continue the scheduled pump overhaul program as directed by the use of reliability and performance measuring tools
- Continue to assist with the selection of a new CMMS program to accommodate asset management and provide information for better maintenance analysis
- Continue to maintain and improve all field chlorination and ammonia disinfecting system to ensure safety and reliability
- Investigate and implement energy saving projects within the District

MWRP OPERATIONS (550)

- Produce quality tertiary effluent to meet reclaimed water distribution requirements
- Minimize OCSO flows and CORF charges to consistently produce a minimum 20.0 MGD of reclaimed water
- Achieve 100% NPDES Permit Compliance
- Assist Engineering, Black & Veatch and contractors with coordination of construction activities for the MWRP Energy Recovery and Biosolids Facility
- Assist Engineering with Concrete Repairs and Replacement of Anoxic Baffles for Aeration Tanks and Secondary Clarifiers
- Perform Annual San Diego Creek and San Joaquin Marsh Floodwall and Floodgate Inspection and Maintenance



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

- Assist with the commissioning of MWRP Phase 2 Expansion (new) Membrane Bioreactor (MBR) Facility
- Replace Filter Effluent Gates with Weir Plates
- Perform Annual Inspection and Cleaning of Aeration Tanks
- Perform Annual Inspection, Cleaning and Coating Repair of Circular Clarifier
- Perform Annual Tertiary Filter Surveillance Program
- Perform Annual Replenishment of Tertiary Filter Media
- Perform Annual Chlorine Contact Tank Cleaning
- Perform Monthly and Annual Cleaning of UV Disinfection Facility
- Perform Quarterly CIP Membrane Cleaning and Annual Inspection and Cleaning of MBR System
- Perform Annual Calibration of Effluent Flow Metering

COLLECTION SYSTEM (570)

- Maintain the collection system in an efficient and reliable manner to prevent problems for IRWD customers
- Maintain the collection system to prevent any sewer system overflows (SSO) from occurring
- Clean the entire collection system consisting of twenty-one inch pipelines and under on an annual basis
- Identify sewer collection system reliability by identifying areas with an accumulation Fats, Oils and Grease (FOG) and mitigate
- Maintain sewer collection system reliability by identifying areas with excessive root growth and mitigate
- Monitor and inspect all lift stations within the collection system to ensure efficient and reliable operation
- Monitor H₂S levels throughout the collection system to identify sources for mitigation, and to ensure efficient and effective H₂S control
- Monitor sewer flows throughout the collection system to ensure sufficient capacity
- Conduct CCTV inspections of at least 20% of all existing pipelines on an annual basis
- Identify sewer collection system deficiencies using CCTV inspection equipment and schedule infrastructure repairs as needed
- Provide our Engineering Department with timely and accurate CCTV inspections of all existing and newly constructed sewer pipelines
- Identify areas within the collection system which require the application of vector control chemicals
- Provide our employees with training necessary to fulfill the goals of IRWD succession planning program
- Provide our employees a safe work environment and recognition for their contributions



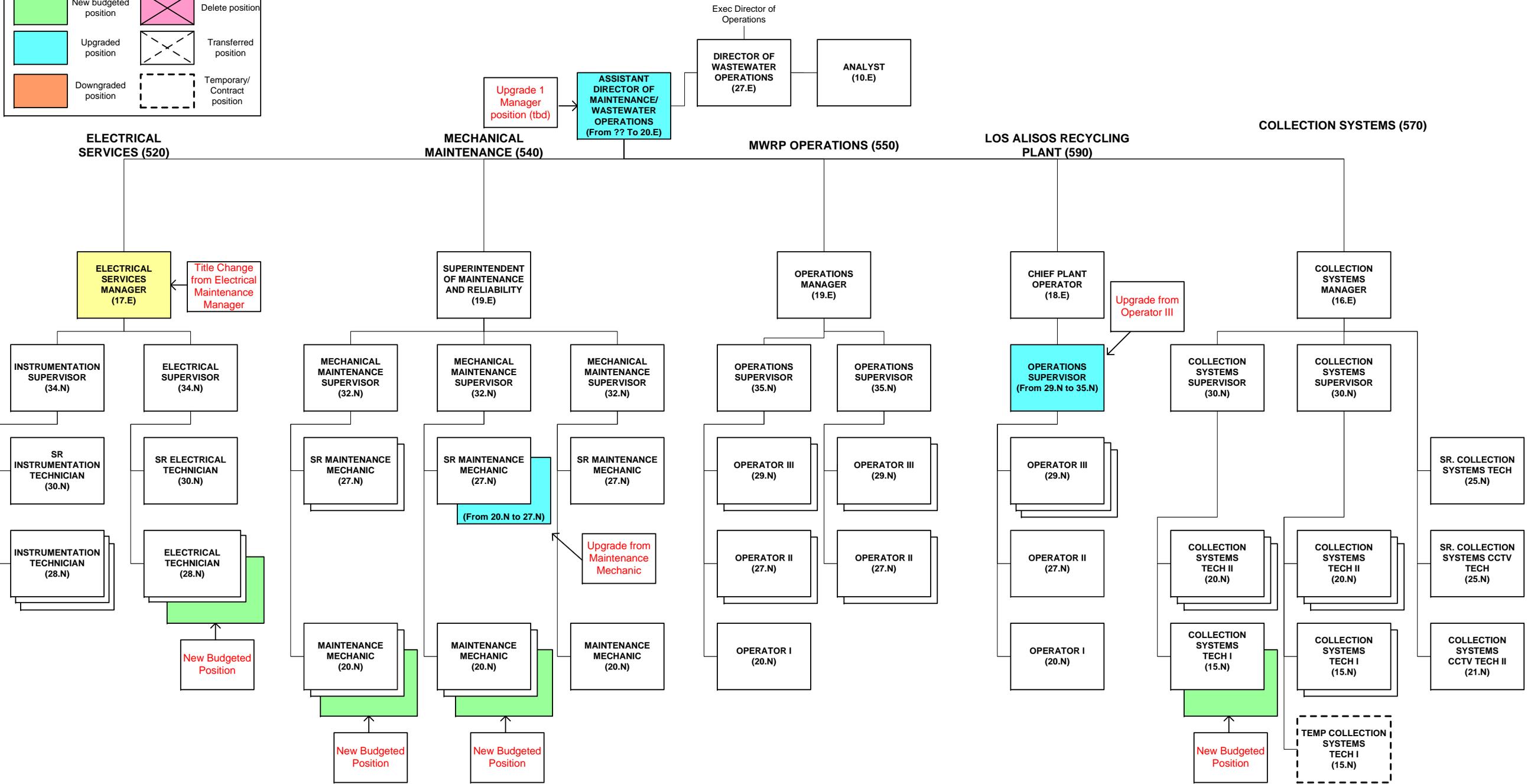
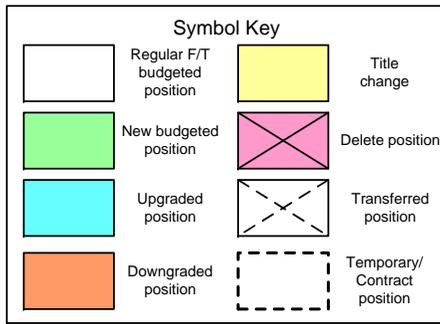
WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

LAWRP OPERATIONS (590)

- Achieve 100% NPDES permit compliance
- Emphasize employee safety awareness
- Maintain consistent solids dewatering operations to maintain or reduce the current solids inventory within Pond-3
- Develop a plan for removing the settled solids from Pond-5
- Retro-fit the Zone 'A' reclaim effluent pump station with a variable frequency drive
- Replace the windows at LAWRP's main office building
- Paint and replace the floor covering of the LAWRP's main office building
- Rehabilitate or replace each of the 30-inch ground valve assemblies integral to the diversion piping at Ponds 3 and 4
- Repair the damaged cement mortar lining on the face of the effluent launder support pilings, clarifier sludge withdrawal channels, clarifier effluent distribution channel and tertiary filters
- Continue pursuing a strategy to provide an emergency backup power source for the Pond-5 and SOCWA pump stations
- Work toward reducing energy costs by working with the Automation Group to develop a programmable timer function within the LAWRP SCADA system that controls the run status of the pond aerators within manually set time intervals

IRVINE RANCH WATER DISTRICT WASTEWATER OPERATIONS PROPOSED FISCAL YEAR 2013-14



Consolidated Operating Expense Budget for FY 2013-14

Wastewater Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
510	Labor Expense RT	237,041	108,731	259,100	263,500	4,400
510	Employee Benefits	0	8,780	82,700	0	(82,700)
510	Temp & Contract Labor	542	0	2,000	2,000	0
510	Electrical Usage	2,054,227	872,550	2,501,100	2,476,600	(24,500)
510	Fuel	11,191	3,606	10,000	10,000	0
510	Telecommunication	1,201	526	1,400	1,400	0
510	Operating Supplies	31	0	500	500	0
510	Printing	0	0	2,000	2,000	0
510	Postage Services	86	73	0	0	0
510	Office Supplies	7,452	1,213	7,600	7,200	(400)
510	Rep & Maint Other Agencies	9,865,718	4,139,172	10,223,350	9,831,200	(392,150)
510	Rep & Maint IRWD	154,627	99,460	118,000	200,000	82,000
510	Personnel Training	5,608	489	5,500	2,000	(3,500)
510	Other Professional Fees	2,195	14,599	5,500	2,200	(3,300)
Total . . . Wastewater Operations and Maintena		12,339,919	5,249,199	13,218,750	12,798,600	(420,150)

Consolidated Operating Expense Budget for FY 2013-14

Wastewater Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
520	Labor Expense RT	735,830	307,156	845,500	914,660	69,160
520	Labor Expense OT	71,875	32,064	74,000	71,300	(2,700)
520	Employee Benefits	0	85,114	267,300	0	(267,300)
520	Temp & Contract Labor	15,219	0	30,000	0	(30,000)
520	Operating Supplies	33,272	28,337	37,300	41,800	4,500
520	Rep & Maint IRWD	492,172	308,175	436,000	466,500	30,500
520	Personnel Training	13,733	713	11,250	11,250	0
520	Other Professional Fees	1,116	371	1,900	1,900	0
520	Equipment Usage	0	1	0	0	0
520	Safety	9,022	2,474	8,000	8,000	0
Total . . . Electrical Maintenance		1,372,239	764,405	1,711,250	1,515,410	(195,840)

Consolidated Operating Expense Budget for FY 2013-14

Wastewater Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
540	Labor Expense RT	864,715	416,223	999,400	1,145,880	146,480
540	Labor Expense OT	25,152	12,533	21,780	22,100	320
540	Employee Benefits	0	101,757	319,300	0	(319,300)
540	Temp & Contract Labor	71,988	40,185	84,000	0	(84,000)
540	Operating Supplies	34,756	17,304	52,800	59,380	6,580
540	Office Supplies	90	0	0	0	0
540	Equipment Rental	0	4,732	0	4,000	4,000
540	Rep & Maint IRWD	518,618	348,530	464,200	691,700	227,500
540	Personnel Training	7,871	1,764	12,000	12,400	400
540	Other Professional Fees	1,828	203	3,120	3,120	0
540	Equipment Usage	0	0	0	0	0
540	Safety	4,668	4,615	6,800	7,600	800
Total . . . Mechanical Maintenance		1,529,686	947,845	1,963,400	1,946,180	(17,220)

Consolidated Operating Expense Budget for FY 2013-14

Wastewater Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
550	Labor Expense RT	938,920	393,758	970,900	1,000,780	29,880
550	Labor Expense OT	164,240	56,514	92,000	97,900	5,900
550	Employee Benefits	0	98,643	309,700	0	(309,700)
550	Fuel	36,483	26,691	31,000	27,000	(4,000)
550	Chemicals	1,684,132	849,953	1,531,250	1,135,000	(396,250)
550	Operating Supplies	18,452	6,712	19,200	19,200	0
550	Equipment Rental	2,086	0	12,000	7,200	(4,800)
550	Rep & Maint Other Agencies	(175)	0	0	0	0
550	Rep & Maint IRWD	153,289	128,132	249,360	170,360	(79,000)
550	Personnel Training	5,431	2,032	10,800	12,840	2,040
550	Other Professional Fees	2,057	654	1,300	2,000	700
550	Equipment Usage	0	1	0	0	0
550	Safety	3,488	2,376	5,200	5,500	300
550	Biosolids Disposal	0	0	63,000	63,000	0
Total . . . MWRP Operations		3,008,403	1,565,466	3,295,710	2,540,780	(754,930)

Consolidated Operating Expense Budget for FY 2013-14

Wastewater Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
570	Labor Expense RT	909,591	487,800	1,005,800	1,078,810	73,010
570	Labor Expense OT	170,517	62,180	103,960	103,960	0
570	Employee Benefits	0	102,100	320,700	0	(320,700)
570	Temp & Contract Labor	40,278	3,282	83,200	41,600	(41,600)
570	Electrical Usage	102,613	41,637	124,700	86,000	(38,700)
570	Telecommunication	8,140	9,345	16,800	18,600	1,800
570	Chemicals	334,701	200,877	350,000	375,000	25,000
570	Operating Supplies	46,261	30,117	44,000	50,800	6,800
570	Printing	134	0	0	0	0
570	Postage Services	17	0	0	0	0
570	Permits, Licenses and Fees	1,094	547	0	0	0
570	Rep & Maint Other Agencies	1,805	0	0	0	0
570	Rep & Maint IRWD	264,589	111,456	343,000	329,000	(14,000)
570	Personnel Training	3,864	1,187	7,500	7,500	0
570	Other Professional Fees	2,124	806	1,500	1,500	0
570	Equipment Usage	0	1	0	0	0
570	Safety	7,913	0	5,000	5,000	0
Total . . . Collection Systems		1,893,641	1,051,336	2,406,160	2,097,770	(308,390)

Consolidated Operating Expense Budget for FY 2013-14

Wastewater Operations		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
590	Labor Expense RT	596,420	240,626	590,900	573,700	(17,200)
590	Labor Expense OT	95,387	41,606	46,820	46,820	0
590	Employee Benefits	0	59,601	187,300	0	(187,300)
590	Temp & Contract Labor	5,323	0	14,500	0	(14,500)
590	Electrical Usage	748,411	360,421	868,900	815,200	(53,700)
590	Fuel	1,090	232	1,000	1,000	0
590	Telecommunication	0	0	400	400	0
590	Chemicals	230,710	133,625	116,600	229,000	112,400
590	Operating Supplies	9,508	6,748	32,000	32,000	0
590	Permits, Licenses and Fees	85	0	0	0	0
590	Office Supplies	347	91	0	0	0
590	Rep & Maint Other Agencies	301,663	83,398	295,440	295,440	0
590	Rep & Maint IRWD	108,992	64,054	179,700	130,000	(49,700)
590	Personnel Training	196	718	4,300	4,300	0
590	Other Professional Fees	620	170	1,500	1,500	0
590	Safety	507	360	2,600	8,100	5,500
590	Biosolids Disposal	153,754	114,079	188,880	228,000	39,120
590	Other	85	0	0	0	0
Total . . . LAWRP Operations		2,253,098	1,105,728	2,530,840	2,365,460	(165,380)
Total . . . Wastewater Operations		22,396,986	10,683,980	25,126,110	23,264,200	(1,861,910)



WATER POLICY AND RESOURCES

OPERATING BUDGET SUMMARY

Program Description

The Water Policy and Resources Department is responsible for developing and implementing water resource supply and demand management programs to enhance the reliability of water supplies for District customers. The department is also responsible for managing the District's environmental compliance programs and regulatory requirements.

Water Use Efficiency: Demand management programs directly offset the need for developing additional water supplies and are critical elements in meeting the District's water resources/reliability objectives. IRWD has provided industry leadership through the development of innovative and aggressive demand management programs focusing on wastewater recycling and water use efficiency. Water Use Efficiency is aggressively implementing the six elements of the "Water Conservation Business Plan" during the current fiscal year. These efforts will continue during the 2013-14 fiscal year, with modifications implemented as necessary based on review of the effectiveness of the Plan. Budget requests associated with the Plan are included in various sections of the budget. Additional conservation efforts including development of an on-line water use efficiency training program, and participation in innovative pilots and research that maintain IRWD's leadership position are also incorporated into the 2013-14 fiscal year budget.

Recycled Water: IRWD is recognized as a national leader in recycled water based in large part on the many years IRWD of experience with recycled water and the number of meters served. IRWD currently serves almost 5,000 recycled water meters including over 45 commercial dual-plumbed buildings where recycled water is used for flushing toilets and urinals. The recycled water group continues to pursue additional uses for recycled water in the service area and is actively pursuing several additional industrial customers which represent large scale customers for IRWD. IRWD is also recognized for its support of recycled water through organizations such as WateReuse, a national recycled water advocacy group. IRWD, in concert with WateReuse, is active in state-wide policy, legislation, regulation and support for other agencies which face challenges as their programs are initiated or are being expanded.

Government Relations: IRWD strives to develop and advocate for policies at the federal, state and local levels that promote a reliable high quality, and cost effective water supply for IRWD customers and demonstrates the efficient use of resources. These efforts enhance IRWD services through federal, state and local government relations and initiatives. The Government Relations staff provides policy leadership and technical expertise to the legislative process, particularly on issue of water recycling, water use efficiency, water supply reliability, and governance, among others.



WATER POLICY AND RESOURCES

OPERATING BUDGET SUMMARY

Strategic Initiatives for 2013-14

RECYCLED WATER

- Complete development of the on-line site supervisor training for recycled water customers
- Evaluate the feasibility satellite recycling plants in remote areas not served by the recycled water distribution system
- Assess the feasibility of serving recycled water to UCI for use in their cooling towers
- Pursue partnerships with neighboring agencies to sell them recycled water (e.g. City of Tustin, City of Orange)
- Work with upper Santa Ana River Watershed agencies to develop regional recycled water goals. Review and revise policy position on Santa Ana River Watershed Grant Funding Prioritization as necessary
- Amend the Basin Plan to allow for discharge of recycled water with increased levels of TDS
- Assist WateReuse California with its legislative agenda which includes allowing discharge of recycled water from impoundments during storm events
- Fully develop the Recycled Water Use Site Inspection and Testing Program
- Determine whether recycled water can be cost-effectively served to the remaining Irvine Lake Pipeline customers
- Obtain approvals for dual-plumbing of condominiums and apartment properties

WATER USE EFFICIENCY

- Implement enhanced outreach and cost-effective demand management programs
- Develop partnerships with private and public entities to leverage the effectiveness and reach of water efficiency programs
- Research and implement, as appropriate, new technologies and innovative programs to assist customers with improving their water use efficiency, with a special emphasis on outdoor water use
- Continue to partner with commercial, industrial and institutional customers to implement cost-effective water use efficiency programs
- Evaluate the effectiveness of pilot programs using of enhanced customer engagement and reporting as a tool to motivate additional water use efficiency
- Research and implement, as appropriate, the use of enhanced GIS data to improve customer allocation-setting, outreach and programs targeted toward outdoor water use; and Implement the pilot water-energy conservation programs in partnership with Southern California Edison
- Actively participate in statewide policy discussions addressing the water-energy nexus
- Actively engage in statewide policy discussions regarding implementation of SBx7-7 (20 x 2020) and implementation of Demand Management Measures required by the Urban Water Management Planning Act
- Work with the California Urban Water Conservation Council (CUWCC) on statewide conservation issues, refinements to the Best Management Practices (BMP), including the rates BMP, and potential alignment of the CUWCC with state mandated water efficiency



WATER POLICY AND RESOURCES

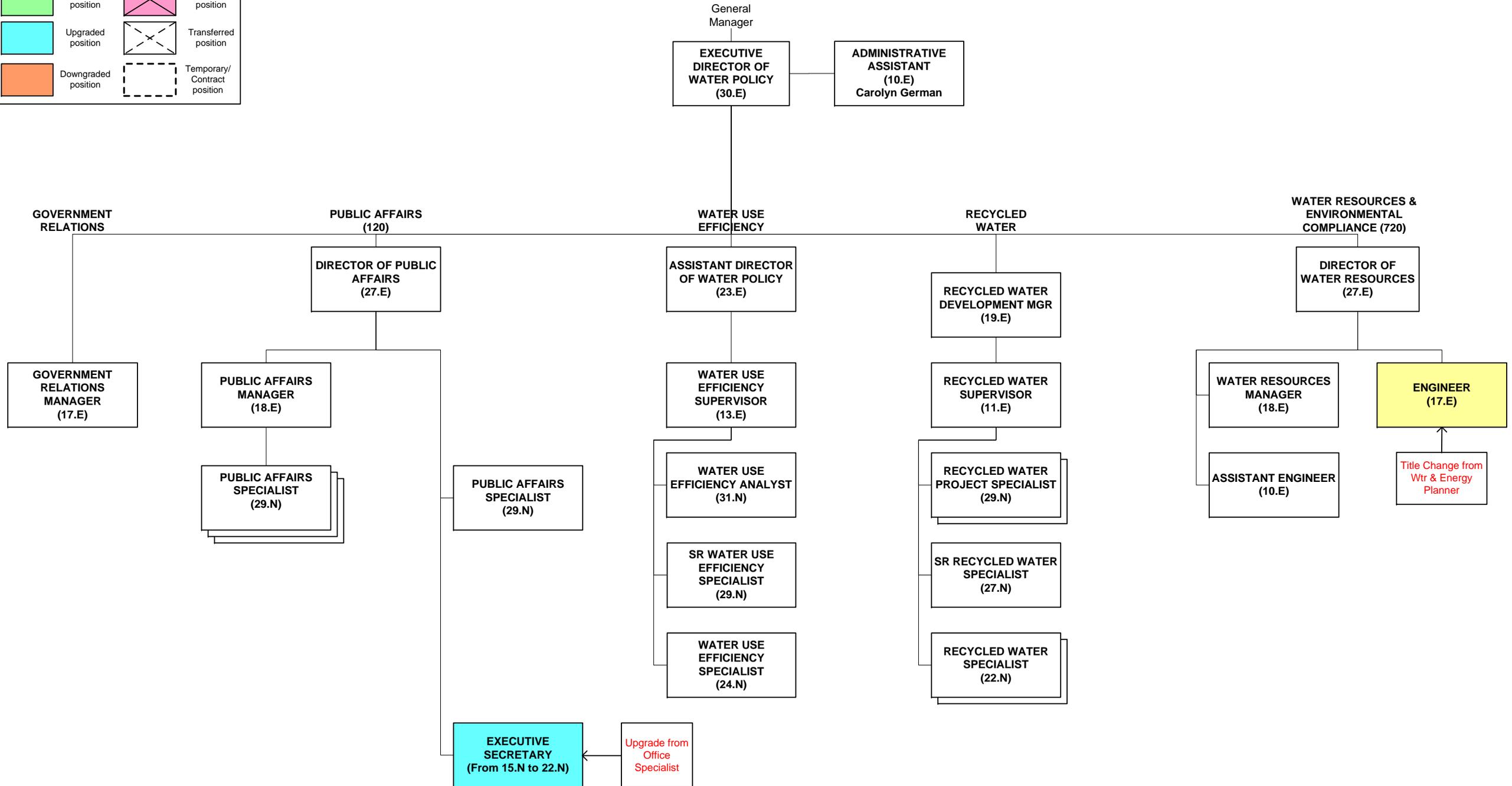
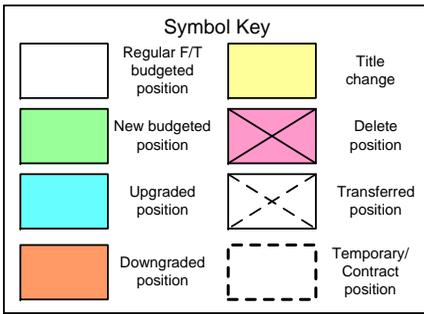
OPERATING BUDGET SUMMARY

- Analyze the effectiveness of IRWD's water use efficiency program, including completing the evaluation and update of the Conservation Business Plan, updating IRWD's 20 x 2020 targets, and incorporating water use efficiency objectives into overall planning documents
- Evaluate the design, configuration, and maintenance costs of a pilot low-impact development bioretention facility as part of the NTS Program
- Continue to work with partners in Newport Bay Executive Committee to develop and implement the elements of the Nitrogen Selenium Management Plan
- Prepare an Annual Report of NTS Operations including nutrient removal performance at each NTS facility, operational objectives, and recommendations for adaptive changes to the NTS program

GOVERNMENTAL RELATIONS

- Implement the state legislative strategy as developed by staff and discussed with the Water Resource Policy and Communications Committee
- Conduct advocacy activities on legislation impacting IRWD, the water industry and special district interests
- Secure federal funding authorization under a re-authorized Water Resources Development Act (WRDA) for Army Corps of Engineering funding for the Syphon Reservoir Recycled Water Storage project
- Continue to build relationships with federal, state and local elected and appointed officials and their staff members, as well as community leaders to support IRWD initiatives

**IRVINE RANCH WATER DISTRICT
WATER RESOURCES AND POLICY
PROPOSED FISCAL YEAR 2013-14**



Consolidated Operating Expense Budget for FY 2013-14

Water Resources and Policy		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
710	Labor Expense RT	2,268,824	655,709	1,438,500	1,477,370	38,870
710	Labor Expense OT	7,205	1,087	6,400	6,400	0
710	Employee Benefits	0	146,403	458,600	0	(458,600)
710	Temp & Contract Labor	16,426	0	2,000	79,100	77,100
710	Operating Supplies	2,904	1,004	6,350	3,600	(2,750)
710	Printing	1,232	496	0	5,500	5,500
710	Postage Services	696	319	400	400	0
710	Permits, Licenses and Fees	90,040	(5,585)	10,000	0	(10,000)
710	Office Supplies	7,031	1,212	8,500	8,500	0
710	Rep & Maint IRWD	168,451	13,995	19,800	21,500	1,700
710	Engineering Fees	132,835	62,500	150,000	120,000	(30,000)
710	Personnel Training	34,655	12,000	68,100	47,250	(20,850)
710	Other Professional Fees	67,711	108,883	356,300	478,900	122,600
710	Equipment Usage	0	1	0	0	0
710	Mileage Reimbursement	166	28	0	0	0
710	Conservation	835,823	324,644	929,000	1,157,000	228,000
Total . . . Water Resources and Policy		3,633,999	1,322,697	3,453,950	3,405,520	(48,430)



PUBLIC AFFAIRS

OPERATING BUDGET SUMMARY

Program Description

The Public Affairs Department is responsible for communicating accurate and timely information about Irvine Ranch Water District services, projects, activities and programs. The department uses multiple media platforms, including print, personal contact, education programs, publications, tours, as well as electronic and social media outlets. The IRWD communication program serves the District and our customers by:

- creating and maintaining credibility and public trust
- increasing customer awareness of the services we provide
- promoting the District's value, activities and events of significance
- ensuring that accurate and timely information is conveyed to the public regarding incidents and issues of a controversial and/or sensitive nature
- promoting transparency and easy to access information

Strategic Initiatives for 2013-14

ALWAYS WATER SMART PROGRAM

- Promote and educate customers on efficient water use practices using multiple outreach platforms including resident tours of IRWD facilities, Always Business Smart practices both inside and outside the home
- Provide students in the IRWD service area with learning opportunities regarding water supply, water reliability and water use efficiency programs
- Promote educational programs to schools in the IRWD service area

COMMUNITY OUTREACH AND MEDIA PROGRAMS

- Refine, update and create effective multi-pronged social media outreach programs aimed at providing extended information channels for IRWD customers, the media, business partners, IRWD employees and other government entities
- Enhance communications with customers through a targeted media outreach and public communications program including consistent and timely updates for construction and maintenance projects
- Provide enhanced customer outreach initiatives based on customer feedback programs

BUSINESS OUTREACH PROGRAM

- Develop strong working relationships with the business community by hosting a series of meetings for area businesses and those who are interested in working with IRWD. Meetings will feature IRWD facilities and projects, procurement/contract program and partnership opportunities as well as information on smart water practices.

EMPLOYEE COMMUNICATION PROGRAM

- Develop and maintain active employee communication programs
- Develop an intranet site to facilitate information sharing, enhance collaboration and cut costs

Consolidated Operating Expense Budget for FY 2013-14

Water Resources and Policy		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
120	Labor Expense RT	676,059	271,020	646,100	675,030	28,930
120	Labor Expense OT	20,008	7,992	7,300	10,000	2,700
120	Employee Benefits	0	65,572	205,900	0	(205,900)
120	Temp & Contract Labor	0	0	85,000	85,000	0
120	Operating Supplies	581	496	2,100	2,100	0
120	Printing	68,978	18,868	120,850	120,850	0
120	Postage Services	454	31	200	200	0
120	Office Supplies	2,434	1,860	6,000	6,000	0
120	Personnel Training	34,303	2,741	20,750	20,750	0
120	Other Professional Fees	445,685	148,689	552,330	528,530	(23,800)
120	Mileage Reimbursement	192	0	0	0	0
Total . . . Public Affairs		1,248,694	517,269	1,646,530	1,448,460	(198,070)



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

Program Description

The Water Resources and Environmental Compliance Department is responsible for the development of water supply programs and banking projects outside of the local Orange County area. These programs and projects are increasing the diversity and reliability of the District's water supplies by securing water supplies from sources outside of Orange County during wet periods and storing them for future use in groundwater banking projects in Kern County. The District's efforts in the development of these non-local programs and projects are needed in response to risks of water supply interruptions and continued pressure on water supplies from an expanding statewide population as well as legislative requirements tying water supply with new development.

This department is responsible for the design and construction of the District's water banking projects. In addition, this department is responsible for the the negotiation and development of agreements with other agencies and entities throughout the State of California for water transfer and exchanges that facilitate the recharge, storage and recovery of water at the water banking projects. The department is also responsible for the negotiation and the development of agreements that facilitate the delivery of water recovered from the water banking projects to IRWD's service area through facilities owned by the California Department of Water Resources and Metropolitan Water District of Southern California.

Other responsibilities of the Water Resources and Environmental Compliance department include the management of the District's environmental and regulatory compliance programs and managing the District's energy efficiency and renewable energy planning activities. The environmental and regulatory compliance programs focus on the operation of potable water and wastewater systems operations, facility replacements and the construction of new facilities.

Strategic Initiatives for 2013-14

WATER RESOURCES

- Identify, evaluate and secure additional land to be incorporated into the District's Water Banking Projects in Kern County
- Obtain Metropolitan Water District of Southern California's (MWD) consent for a Long-Term Exchange Agreement with Dudley Ridge Water District (DRWD) that will facilitate unbalanced exchanges from the Jackson Ranch to the Strand Ranch Integrated Banking Project
- Develop and execute a Delivery Agreement between DRWD, California Department of Water Resources (DWR) and MWD for delivery of State Water Project (SWP) water from the Jackson Ranch to the Strand Ranch Project
- Develop, execute, and obtain MWD's consent for developing long term unbalanced exchange agreements with Carpinteria Valley Water District and/or Antelope Valley-East Kern Water Agency



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

- Identify and implement opportunities for securing additional SWP Table A allotments through permanent transfers of water for use on the Jackson Ranch and subsequent unbalanced exchanges to the Strand Ranch Project
- Finalize and gain approval of a template IRWD/MWD Wheeling Agreement for exchange delivery of non-SWP water from the Strand Ranch Project to IRWD's service area
- Successfully wheel 1,000 AF of Kern River Water from the Strand Ranch to IRWD's service area, through MWD, for the purposes of exercising the exportability of the water and the Wheeling Agreement with MWD
- Develop a Long-term Exchange Agreement with Rosedale for a Joint Integrated Stockdale Water Banking and Exchange Project with Rosedale
- Procure the Professional Engineer Services for the design of recovery facilities on the Stockdale West property as well as recharge and recovery facilities on new lands secured by the District in 2013 for water banking project purposes
- Develop and obtain approval of a long-term exchange agreement with Buena Vista Water Storage Agreement for the delivery and storage of high flow Kern River Water to the proposed Stockdale Water Banking on a two-for-one basis
- Complete the development of a master plan for IRWD's water banking projects and programs
- Negotiate and execute long-term farm lease agreements for portions of the Jackson Ranch to make use of water to be returned from unbalanced exchanges at the Strand Ranch Project as well as water available to the leasee's from their own water supply portfolios

ENVIRONMENTAL COMPLIANCE

- Complete and certify an Environmental Impact Report for a Joint Integrated Stockdale Water Banking and Exchange Project with Rosedale that also incorporates construction and operations of water banking facilities on additional lands secured by the District in 2013
- Complete and obtain Board approval of a Mitigated Negative Declaration for a Solar Project on the Jackson Ranch in Kings County
- Fulfill the District's environmental and regulatory compliance requirements for capital projects, replacements and operations including the development and approval of Mitigated Negative Declarations, Environmental Impact Reports and Notices of Exemption

ENERGY PLANNING

- Negotiate an agreement with a qualified solar developer for the development of a financially beneficial solar power project on a portion of the Jackson Ranch in Kings County
- Apply to PG&E for the development of a Power Purchase Agreement for a proposed solar project on the Jackson Ranch under new feed-in tariffs to be approved by the Public Utilities Commission

Consolidated Operating Expense Budget for FY 2013-14

Water Resources and Policy		2011-12 Actual	2012-13 Actual thru 12/31/12	2012-13 Orig Budget	2013-14 Prop Budget	Incr/(Decr)
Dept No	Expense Nam					
720	Labor Expense RT	0	223,868	473,500	499,910	26,410
720	Employee Benefits	0	47,670	150,800	0	(150,800)
720	Electrical Usage	0	0	32,500	83,260	50,760
720	Permits, Licenses and Fees	0	79,397	75,200	91,900	16,700
720	Office Supplies	0	174	0	200	200
720	Rep & Maint Other Agencies	0	0	15,000	15,000	0
720	Rep & Maint IRWD	0	24,895	228,900	248,840	19,940
720	Personnel Training	0	32	8,700	8,700	0
720	Other Professional Fees	0	495	5,720	30,720	25,000
Total . . . Water Resources		0	376,531	990,320	978,530	(11,790)
Total . . . Water Resources and Policy		4,882,693	2,216,497	6,090,800	5,832,510	(258,290)
GRAND TOTAL		106,755,055	52,639,785	111,105,975	116,778,025	5,672,050



GENERAL PLANT

SUMMARY

	Fiscal Year 2012-13	Fiscal Year 2013-14	Increase (Decrease)	% Inc/(Dec)
Information Systems	\$ 754,000	\$ 573,500	\$ (180,500)	-23.94%
Transportation Equipment	590,000	750,500	160,500	27.20%
Tools, Shop and Work Equipment	-	-	-	-
Other General Plant Including Safety Equipment	29,450	40,272	10,822	36.75%
Laboratory, Stores and Communication Equipment	211,620	258,835	47,215	22.31%
Office Furniture and Equipment	41,170	-	(41,170)	-100.00%
Structures/Improvements - Sand Canyon/MWRP	13,000	17,500	4,500	-
Work Equipment/Class IV, V, VI	87,100	510,900	423,800	486.57%
Sub-Total	1,726,340	2,151,507	425,167	24.63%
Less: Vehicle Salvage Value	(26,800)	(48,000)	(21,200)	79.10%
Total General Plant	\$ 1,699,540	\$ 2,103,507	\$ 403,967	23.77%

Fiscal Year 2013-14

Funded by User Charges	\$1,253,535	59.59%
Funded by Capital Funds	849,972	40.41%

Total Fiscal Year 2013-14 **\$ 2,103,507**

Fiscal Year 2012-13

Funded by User Charges	\$ 1,154,350	67.92%
Funded by Capital Funds	545,190	32.08%

Total Fiscal Year 2012-13 **\$ 1,699,540**



GENERAL PLANT

ANALYSIS

Description	Administration	Finance & Administrative Services	Engineering & Planning	Operations	Water Policy	Total
Information Systems	\$ -	\$ 573,500	\$ -	\$ -	\$ -	\$ 573,500
Laboratory Equipment	-	-	-	258,835	-	258,835
Other General Plant	-	-	-	40,272	-	40,272
Office Furniture & Equipment	-	-	-	-	-	-
Work Equipment/Class IV, V, VI	-	-	-	510,900	-	510,900
Transportation Equipment	-	-	-	750,500	-	750,500
Structures/Improvements - Sand Canyon/MWRP	-	-	-	17,500	-	17,500
Subtotal	\$ -	\$ 573,500	\$ -	\$ 1,578,007	\$ -	\$ 2,151,507
Less Vehicle Salvage Value	-	-	-	(48,000)	-	(48,000)
Total Fiscal Year 2013-14	\$ -	\$ 573,500	\$ -	\$ 1,530,007	\$ -	\$ 2,103,507
Total Fiscal Year 2012-13	-	764,170	-	935,370	-	1,699,540
Increase/(Decrease)	\$ -	\$ (190,670)	\$ -	\$ 594,637	\$ -	\$ 403,967



CONSOLIDATED

GENERAL PLANT BUDGET

	<u>TASK</u>	<u>Item Description</u>	<u>Quantity</u>	<u>Price</u>	<u>Proposed 2013-14</u>
Department:	INFORMATION SERVICES				
250	8041.250.1	PC Replacement	96	\$ 1,200	\$ 115,200
250	8041.250.2	Laptop Computer Replacement	17	\$ 1,600	\$ 27,200
250	8031.250.1	SCADA Network Server and Storage Replacement	1	\$ 25,000	\$ 25,000
250	8031.250.2	SCADA Change Management Software	1	\$ 45,000	\$ 45,000
250	8031.250.3	ArcGIS Spacial Analyst Software	1	\$ 2,500	\$ 2,500
250	8031.250.4	Field Mapplet Software	6	\$ 1,500	\$ 9,000
250	8031.250.5	Tablet Computers	6	\$ 2,000	\$ 12,000
250	8041.250.3	iPad 64 GB	6	\$ 1,000	\$ 6,000
250	8031.250.6	Help Desk Software Replacement	1	\$ 35,000	\$ 35,000
250	8031.250.7	Identity and Password Management Software Replacement	1	\$ 105,000	\$ 105,000
250	8031.250.8	Network Disk Storage Expansion	1	\$ 15,000	\$ 15,000
250	8031.250.9	Enterprise Server Replacement	1	\$ 68,000	\$ 68,000
250	8031.250.10	Patch Management Server Software Upgrade	1	\$ 8,000	\$ 8,000
250	8031.250.11	SCADA Server Replacement - LAWRP	1	\$ 37,000	\$ 37,000
250	8031.250.12	SCADA Server Upgrade Wells 21/22	1	\$ 37,000	\$ 37,000
250	8031.250.13	Additional SCADA Software	1	\$ 6,600	\$ 6,600
250	8031.250.14	Sand Canyon Computer Room Fire Suppression Control Panel Replacement	1	\$ 20,000	\$ 20,000
Sub-Total					\$ 573,500
Department:	NTS OPERATIONS				
415	8036.415.1	Refrigerated All-weather Sampling Unit w/ Dissolved Oxygen Meter	1	\$ 9,000	\$ 9,000
415	8036.415.2	Sample/Specimen Macroimaging Unit	1	\$ 20,000	\$ 20,000
415	8036.415.3	Stereo Microscope	1	\$ 14,000	\$ 14,000
415	8036.415.4	Solar Powered Water Circulator	1	\$ 24,000	\$ 24,000
415	8036.415.5	Dewatering Pumps w/Hose Kits	1	\$ 4,400	\$ 4,400
Sub-Total					\$ 71,400



CONSOLIDATED

GENERAL PLANT BUDGET

TASK	Item Description	Quantity	Price	Proposed 2013-14
Department: PREVENTIVE MAINTENANCE				
425	8036.425.1 Long Reach Valve Operator and Vaccum System.	1	\$ 36,500	\$ 36,500
Sub-Total				\$ 36,500
Department: FACILITIES SERVICES				
435	8036.435.1 Bypass Panel and Air Handler Variable Frequency Drive.	1	\$ 17,500	\$ 17,500
Sub-Total				\$ 17,500
Department: FLEET SERVICES				
450	8055.450.1 9,100 GVW, 2WD, Utility Van, w/interior workspace and 50 foot antenna mast	1	\$ 48,500	\$ 48,500
450	8055.450.2 13,300 GVW, Standard Cab, 2WD, w/utility bed and ladder rack.	1	\$ 39,000	\$ 39,000
450	8055.450.3 10,000 GVW, Extra Cab, 4WD, Pickup Truck.	1	\$ 30,500	\$ 30,500
450	8055.450.4 Compact Excavator	1	\$ 31,000	\$ 31,000
450	8056.450.1 Wheeled Loader	1	\$ 74,500	\$ 74,500
450	8056.450.2 60,000 GVW compressed natural gas powered combination sewer cleaner. (R570)	1	\$ 488,000	\$ 488,000
Sub-Total				\$ 711,500
Department: ELECTRICAL MAINTENANCE				
520	8055.520.1 13,300 GVW, Standard Cab, 2WD, w/utility bed and ladder rack.	1	\$ 39,000	\$ 39,000
520	8031.520.1 Fluke 435 Series II Power Quality and Energy Analyzer	1	\$ 8,131	\$ 8,131
520	8031.520.2 Rigid SeekTech SR-60 Locator with Rigid SeekTech ST-33Q Transmitter	1	\$ 6,941	\$ 6,941
520	8031.520.3 Endress & Hauser Proline Prosonic Flow 93W	1	\$ 12,000	\$ 12,000
Sub-Total				\$ 66,072



CONSOLIDATED

GENERAL PLANT BUDGET

	TASK	Item Description	Quantity	Price	Proposed 2013-14
Department:	COLLECTION SYSTEMS				
570	8037.570.1	1,980 foot by 12 inch sewer bypass pipeline system and pump. (N570)	1	\$ 403,000	\$ 403,000
570	8031.570.1	CCTV Portable Sewer Lateral Camera Flexiprobe P341 2" NTSC System	1	\$ 8,300	\$ 8,300
570	8031.570.2	Portable H2S Gas Monitor Detection Instruments OdaLog RTx H2S Monitor 0-1000 ppm	1	\$ 4,900	\$ 4,900
Sub-Total					\$ 416,200
Department:	WATER QUALITY ANALYSIS				
630	8036.630.1	Laboratory instrumentation for future Biosolids and Energy Recovery Project.	1	\$ 75,000	\$ 75,000
630	8036.630.2	Existing Laboratory Equipment Replacement	1	\$ 125,000	\$ 125,000
630	8031.630.1	Misc. Laboratory Equipment -from Planning Reserves	1	\$ 27,000	\$ 27,000
630	8031.630.2	Micro Dist Distillation Apparatus	1	\$ 6,000	\$ 6,000
630	8031.630.3	Microscope	1	\$ 4,000	\$ 4,000
Sub-Total					\$ 237,000
Department:	REGULATORY COMPLIANCE				
640	8031.640.1	Two (2) Portable discrete samplers with pH and conductivity sensor options.	2	\$ 7,668	\$ 15,335
640	8031.640.2	Equipment for unplanned projects or regulatory requirements.	1	\$ 6,500	\$ 6,500
Sub-Total					\$ 21,835
Salvage Value					\$ (48,000)
Total General Plant					<u><u>\$2,103,507</u></u>

General Plant Description and Justification

FY 2013-14 Operating Budget

	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation			Asset Description	Justification
						Fund Source		System		
						New	Replace	% Water %Sewer/ Recycle		
1	Machinery and Equipment	8041.250.1	4	250	\$115,200	100%	50%	50%	PC Replacement	Ninety-six personal computers are needed to replace systems purchased between 2009-2010. This meets the District's replacement criteria guideline of four years for personal computer systems. The systems being replaced include those assigned and used by individual employees, those used in pool areas by multiple employees, those used in the laboratory, and those used to access SCADA systems. Many of the systems being replaced are more than four years old, have a history of failures, and parts are difficult find or no longer available.
2	Machinery and Equipment	8041.250.2	4	250	\$27,200	100%	50%	50%	Laptop Computer Replacement	Seventeen laptop computers are needed to replace systems purchased between 2009-2010. This meets the District's replacement criteria guideline of four years for laptop computer systems. The systems being replaced are used in the field by Customer Service, Engineering, Information Services, Finance, Water Operations, Wastewater Operations, Water Quality, and Water Resources. The systems are used in the office for accessing District applications. In the field, the systems are used to access the Customer Service Request (CSR) System, GIS field maplet applications, the District Atlas Map, USA Service Alerts, GroupWise e-mail, and the District's SCADA Systems. Many of the systems being replaced are more than four years old, have a history of failures, and parts are difficult to find or no longer available.

General Plant Description and Justification FY 2013-14 Operating Budget

General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/Recycle		
3 Machinery and Equipment	8031.250.1	5	250	\$25,000		100%	50%	50%	SCADA Network Server and Storage Replacement	Replacements are needed for the District's Water SCADA Network Server systems purchased between 2007 and 2008 This meets the District's replacement criteria of five years for Network Server systems. These servers are used to support the Water SCADA system. the replacement systems will utilize blade based servers, a Storage Area Network (SAN) system, Solid State Drive (SSD) technology, and Server Virtualization that will consolidate multiple servers onto a single server blade. (\$290,000 accrued in the FY 2012-13 budget, Total is \$315,000).
4 Machinery and Equipment	8031.250.2	5	250	\$45,000	50%	50%	50%	50%	SCADA Change Management Software	The District currently uses AutoSave change management software from MDT for control of changes for automation system files for PLCs, network devices, system design documents, etc. The use of this software has resulted in a great improvement in management of all aspects of the system. A new product from MDT will allow for use of AutoSave on the Wonderware Archestra portion of the District's SCADA system. "AutoSave for System Platform" provides change management for Archestra application objects including graphics, templates, instances and more. Full version history and revision details are available for all objects. In addition, the ability to compare two revisions, report differences and restore an older object version from AutoSave to the Wonderware Galaxy Repository is invaluable during the engineering development and maintenance phases of work on the District's system.
5 Machinery and Equipment	8031.250.3	5	250	\$2,500	100%			100%	ArcGIS Spacial Analyst Software	Spacial Analysis Software is requested by the NTS Operations department to conduct thorough habitat analysis.
6 Machinery and Equipment	8031.250.4	5	250	\$9,000	100%			100%	Field Mapplet Software	Six licenses are requested to support a GIS based sewer maintenance application requested by Collections staff.

General Plant Description and Justification FY 2013-14 Operating Budget

	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
						Fund Source		System			
						New	Replace	% Water	%Sewer/ Recycle		
7	Machinery and Equipment	8031.250.5	5	250	\$12,000	100%				Tablet Computers	Six tablet computers are requested to support a GIS based sewer maintenance application requested by Collections staff.
8	Machinery and Equipment	8041.250.3	4	250	\$6,000	100%		50%	50%	iPad 64 GB	6 iPad tablet computers are requested, 3 Pool iPads for development of GIS and SCADA based iPad applications, 3 for pilot study deployment.
9	Machinery and Equipment	8031.250.6	5	250	\$35,000		100%	50%	50%	Help Desk Software Replacement	Help Desk software is needed to replace the District's home grown Information Services Request System. The Information Technology Services Assessment recommended that the District replace the existing system with a modern, more efficient application to assign and track problem resolution. The replacement system will also provide better utilization of IS support staff.
10	Machinery and Equipment	8031.250.7	5	250	\$105,000		100%	50%	50%	Identity and Password Management Software Replacement	The District's current password management and synchronization software is outdated and does not allow management or synchronization of Oracle passwords. Replacement software needed that will allow all District applications to be authenticated with a combination of synchronization, single sign on, and updating both in and outside of the office. This will drastically reduce the amount of time spent by IS Staff and employees dealing with password issues.

General Plant Description and Justification

FY 2013-14 Operating Budget

	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation			Asset Description	Justification
						Fund Source		System		
						New	Replace	% Water %Sewer/ Recycle		
11	Machinery and Equipment	8031.250.8	5	250	\$15,000	100%			Network Disk Storage Expansion	Additional storage is needed to on the District's storage area network (SAN) system. The SAN supports the majority of the District's Enterprise applications, including Oracle, E-Mail, shared network files, Laboratory Information Management (LIMS), Tabware Work Orders, Geographical Information Systems (GIS), and Fleet Management. As the Oracle system is expanded and transactions are accumulated, additional storage is needed. Expanded E-mail and shared files also require additional storage. The storage requirement for these systems is doubled due to the High Availability system that stores a mirrored copy of the production data at a second location. This provides the District with a quick recovery from a server or storage failure.
12	Machinery and Equipment	8031.250.9	5	250	\$68,000		100%	50% 50%	Enterprise Server Replacement	Replacements are needed for the District's Enterprise Network Server systems purchased between 2008 and 2009 This meets the District's replacement criteria of five years for Network Server systems. These servers are used to support Virtualized Servers System, Security Management System, Password Synchronization System, Patch Management System, and Computer Inventory Management System. The replacement systems will utilize blade based servers, a Storage Area Network (SAN) system, and Server Virtualization that will consolidate multiple servers onto a single server blade.
13	Machinery and Equipment	8031.250.10	5	250	\$8,000		100%	50% 50%	Patch Management Server Software Upgrade	Patch management software is needed to resolve the challenge of keeping Servers and workstations current. Patching will occur from an central internal location on the enterprise network. This will save time by controlling the distribution of patches to work stations and servers and ensure that they are at levels required for each particular application.

**General Plant Description and Justification
FY 2013-14 Operating Budget**

	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
						Fund Source		System			
						New	Replace	% Water	%Sewer/ Recycle		
14	Machinery and Equipment	8031.250.11	5	250	\$37,000		100%		100%	SCADA Server Replacement - LAWRP	Replacements are needed for the District's SCADA Network Server systems purchased between 2008 and 2009 for the LAWRP SCADA Network. This meets the District's replacement criteria of five years for Network Server systems. These servers are used to support the LAWRP SCADA system. the replacement systems will utilize server virtualization technology
15	Machinery and Equipment	8031.250.12	5	250	\$37,000	100%			100%	SCADA Server Upgrade Wells 21/22	The current Well 21/22 plant wide control and SCADA system was initially commissioned in 2013 as part of the initial plant project. The servers purchased for the plant will remain in service for about 4 more years at the plant. The new servers requested in this budget will take over the functions performed by the existing servers and allow the operation of the system using virtualization architecture. The new servers are suited for virtualization of the real-time control of the plant, the existing servers are not. The existing servers provided by the project will remain at the plant in service for auxiliary functions such as local plant historian. Replacement work will be coordinated with Engineering staff who will perform programming required for new server installation. The benefits of virtualization architecture are greatly increased ability to manage the plant control system and respond to equipment and operational problems reducing the potential for plant downtime due to failures and scheduled downtime for maintenance.
16	Machinery and Equipment	8031.250.13	5	250	\$6,600	100%		50%	50%	Additional SCADA Software	Additional SCADA software licenses are needed for the automation group for ongoing development. The software will allow the automation group perform concurrent development activities using virtualization technology. An additional Wonderware license is also required.

**General Plant Description and Justification
FY 2013-14 Operating Budget**

General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
17	Machinery and Equipment	8031.250.14	5	250	\$20,000	100%	50%	50%	Sand Canyon Computer Room Fire Suppression Control Panel Replacement	A replacement is needed for the Sand Canyon Computer Room Fire Suppression Control Panel. The current panel was installed over 20 year ago and has components that are in a failing state. Replacement parts for the panel are no longer manufactured and available.
18	Vehicles	8055.520.1	10	520	\$39,000	100%	50%	50%	13,300 GVW, Standard Cab, 2WD, w/utility bed and ladder rack.	The Electrical Services department is requesting funds to equip the new Instrumentation Technician position which was added in the last budget year. The Instrumentation Technician has been using a truck from the fleet pool. (N520)
19	Vehicles	8055.450.1	10	450	\$48,500	100%	50%	50%	9,100 GVW, 2WD, Utility Van, w/interior workspace and 50 foot antenna mast	The Capital Projects department is requesting funds to equip the new Automation Technician position which was added in a previous budget year. (N520)
20	Vehicles	8055.450.2	10	450	\$39,000	100%	50%	50%	13,300 GVW, Standard Cab, 2WD, w/utility bed and ladder rack.	The Fleet Services department is requesting funds to replace unit 2060, a 1999 F-350 with 121,000 miles. Unit 2060 requires replacement due to age and condition.
21	Vehicles	8055.450.3	10	450	\$30,500	100%	50%	50%	10,000 GVW, Extra Cab, 4WD, Pickup Truck.	The Fleet Services department is requesting funds to replace unit 2015, a 2005 F-250 with 109,000 miles. Unit 2015 requires replacement due to age and condition.
22	Vehicles	8055.450.4	10	450	\$31,000	100%	50%	50%	Compact Excavator	The Construction and Repair Department is requesting funds to purchase a compact excavator. The compact excavator will permit crews to work in areas of the former OPAMWC and SCWD with very restrictive easements and access.
23	Vehicles	8056.450.1	15	450	\$74,500	100%	50%	50%	Wheeled Loader	The Construction and Repair Department is requesting funds to replace unit 4090, a 1991 model year John Deere 444E wheel loader. Unit 4090 requires replacement due to age and condition.

General Plant Description and Justification

FY 2013-14 Operating Budget

	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
						Fund Source		System			
						New	Replace	% Water	%Sewer/ Recycle		
24	Vehicles	8056.450.2	15	450	\$488,000		100%		100%	60,000 GVW compressed natural gas powered combination sewer cleaner. (R570)	The Fleet Services department is requesting funds to replace unit 3066, a 1997 60,000 GVW combination sewer cleaner with 8,000 hours miles. Unit 3066 requires replacement due to age and condition.
25	Machinery and Equipment	8037.570.1	15	570	\$403,000	100%			100%	1,980 foot by 12 inch sewer bypass pipeline system and pump. (N570)	A recent sewage capacity study (San Diego Creek Interceptor Risk Evaluation) has determined that existing emergency bypass pumps do not have sufficient pumping capacity to provide an emergency bypass of the District's larger trunk sewer peak period flows. The existing 10 and 12 inch pumps and the 6 and 8 inch temporary by-pass hose capacity is only sufficient to handle 70% of the current peak sewer flows within the San Diego Creek Trunk Sewer System. Staff is requesting an additional 12 inch sewage bypass pump and 12 inch portable pipeline system in order to provide the capability to handle 100% of a potentially catastrophic failure within the San Diego Creek trunk sewer system. The pumps can be deployed and operational in a minimal amount of time. Additional uses for the pump include scheduled sewer main repairs, sewage lift station failures, sewage force main failures and wastewater plant operation needs.
26	Machinery and Equipment	8036.425.1	10	425	\$36,500	100%		50%	50%	Long Reach Valve Operator and Vaccum System.	The Preventative Maintenance Department is requesting funds to purchase a valve operator and vaccum system. The valve operator and vaccum will enable the department to keep up with growing valve exercising requirements without adding additional staff.
27	Structures and Improvements	8036.435.1	10	435	\$17,500		100%	50%	50%	Bypass Panel and Air Handler Variable Frequency Drive.	The Facilities Services Department is requesting funds to the headquarters air handler #1 bypass cabinet and dual variable frequency drive. The existing air handler drive is at the end of it's service life and requires replacement due to age and condition.

General Plant Description and Justification FY 2013-14 Operating Budget

	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
						Fund Source		System			
						New	Replace	% Water	%Sewer/ Recycle		
28	Machinery and Equipment	8036.415.1	10	415	\$9,000	100%		50%	50%	Refrigerated All-weather Sampling Unit w/ Dissolved Oxygen Meter	The NTS Department is requesting funds to purchase an all weather sampling unit. The new sampling will enable staff to perform around the clock sampling of the Quail Springs NTS site. (N415)
29	Machinery and Equipment	8036.415.2	10	415	\$20,000		100%	50%	50%	Sample/Specimen Macroimaging Unit	The NTS Department is requesting funds to replace the sample/specimen macroimaging unit. The existing macroimaging has failed and is beyond economic repair. Macroimaging services are currently contracted out at a cost exceeding \$4,000 annually. (R415)
30	Machinery and Equipment	8036.415.3	10	415	\$14,000		100%	50%	50%	Stereo Microscope	The NTS Department is requesting funds to replace the stereo microscope. The existing microscope is more than twenty years old with limited lighting and zoom capabilities. (R415)
31	Machinery and Equipment	8036.415.4	10	415	\$24,000	100%		50%	50%	Solar Powered Water Circulator	The NTS Department is requesting funds to purchase a solar powered water circulator for the Quail Springs NTS site. The water circulator will reduce algae and odor which has resulted in multiple resident complaints. (N415)
32	Machinery and Equipment	8036.415.5	10	415	\$4,400	100%		50%	50%	Dewatering Pumps w/Hose Kits	The NTS Department is requesting funds to purchase two dewatering pumps with hose kits. The pumps will be used to dewater upland areas (cells) of the San Joaquin Marsh for vector control or when flooding of these areas is not desired (N415)
33	Machinery and Equipment	8031.520.1	5	520	\$8,131	100%		50%	50%	Fluke 435 Series II Power Quality and Energy Analyzer	The existing Dranetz PP-4300 Power Quality Analyzer is five years old and is not supported well by Dranetz. Training is very expensive and the required software is proprietary. The Fluke Analyzer is state of the art and user friendly. The unit is well supported locally with free training. Software is non-proprietary with free upgrades.

General Plant Description and Justification

FY 2013-14 Operating Budget

	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
						Fund Source		System			
						New	Replace	% Water	%Sewer/ Recycle		
34	Machinery and Equipment	8031.520.2	5	520	\$6,941	100%		50%	50%	Rigid SeekTech SR-60 Locator with Rigid SeekTech ST-33Q Transmitter	With MWRP Phase II and numerous field projects, the amount of USA work performed by electrical staff has increased exponentially. Accuracy is critical to protect buried assets from construction damage. The new Rigid SeekTech system induces a higher current at a lower frequency for a more accurate location and depth measurement.
35	Machinery and Equipment	8031.520.3	5	520	\$12,000	100%		50%	50%	Endress & Hauser Proline Prosonic Flow 93W	The existing Panametrics portable flow meter is over ten years old and is difficult to set up. This is especially true for positioning and mounting the sensors. The Prosonic Flow ultrasonic clamp-on system allows for portable, accurate and cost effective flow measurement from outside the pipeline. Sensor mounting is easy and is guided by the menu display.
36	Machinery and Equipment	8031.570.1	5	570	\$8,300		100%		100%	CCTV Portable Sewer Lateral Camera Flexiprobe P341 2" NTSC System	Camera is used to locate and identify IRWD customers sewer lateral failures
37	Machinery and Equipment	8031.570.2	5	570	\$4,900	100%			100%	Portable H2S Gas Monitor Detection Instruments OdaLog RTx H2S Monitor 0-1000 ppm	These OdaLogs are utilized to quantify H2S levels and odor complaints within the collection system.
38	Machinery and Equipment	8036.630.1	10	630	\$75,000	100%			100%	Laboratory instrumentation for future Biosolids and Energy Recovery Project.	A portion of the funds necessary to acquire equipment and instrumentation to implement the proposed monitoring program for the future biosolids and energy recovery facilities. Funds to be accrued in fiscal years ending 2013 (done), 2014 and 2015 and carried forward to future fiscal years for expenditure prior to the beginning of facility operations so the laboratory will have method development completed in time to provide process control data when the facility is active.

General Plant Description and Justification

FY 2013-14 Operating Budget

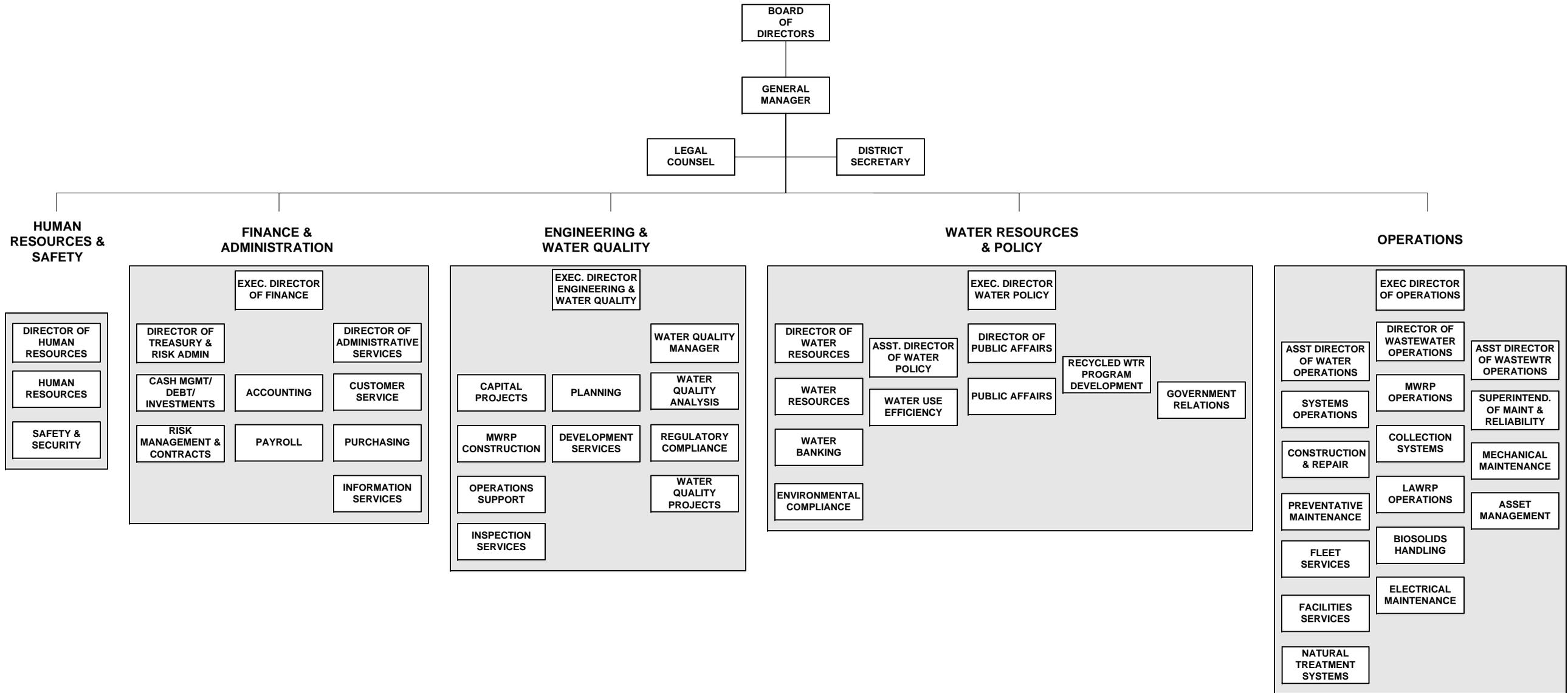
	General Plant Asset	Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
						Fund Source		System			
						New	Replace	% Water	%Sewer/ Recycle		
39	Machinery and Equipment	8036.630.2	5 to 20	630	\$125,000		100%	50%	50%	Existing Laboratory Equipment Replacement	Existing laboratory instrumentation (such as GC/MSs, LC/ICP/MS, etc.) purchased in prior years with General Plant Capital funds have certain useful life and will ultimately need replacement. The budgeted dollars accrued this fiscal year will carry forward into future fiscal years with additional funds (\$96,450 adjusted to future current dollars) budgeted each fiscal year to build a pool of funds to purchase replacement equipment as needed, funds to be expended on a first-in-first-out basis. The on-going accumulation of funds over multiple fiscal years will eliminate peaks and valleys in the Department 463 General Plant Capital budget.
40	Machinery and Equipment	8031.630.1	5	630	\$27,000	100%		33%	67%	Misc. Laboratory Equipment - from Planning Reserves	Transferred from WQ Planning Reserves Capital Budget to General Plant Capital Budget. Laboratory planning and method development associated with new contaminants, more stringent discharge limits, developing new recycled water users, and supporting treatment and supply related projects.
41	Machinery and Equipment	8031.630.2	5	630	\$6,000	100%			100%	Micro Dist Distillation Apparatus	Current ELAP interpretation of the methods for ammonia analysis require distillation of wastewater samples analyzed for regulatory reporting. This equipment automates the distillation procedure using disposable distillation tubes, this reduces staff time associated with the distillation and cleaning of glassware. Also, due to the delicate nature of distillation glassware, the use of disposable tubes eliminates the cost associated with the replacement of frequently broken glass components used with the traditional distillation.

General Plant Description and Justification

FY 2013-14 Operating Budget

						Allocation					
						Fund Source		System			
						New	Replace	% Water	%Sewer/ Recycle	Asset Description	Justification
General Plant Asset	Task	Life (Years)	Dept	Cost							
42	Machinery and Equipment	8031.630.3	5	630	\$4,000	100%			100%	Microscope	Public Affairs has requested that the Water Quality Analysis Department provide a microscope for use with Resident Tours hosted at the Operations Center multi-purpose room. The microscope provided will be of an acceptable (academic) grade for the tour demonstration, but not a professional grade unit that is normally used for the laboratory.
43	Machinery and Equipment	8031.640.1	5	640	\$15,335		100%		100%	Two (2) Portable discrete samplers with pH and conductivity sensor options.	All four (4) of the District's Portable samplers utilized for the Industrial Waste Program are more than five years old, with one being 12 years old, and the manufacturer date of the other three being unknown. It has been determined that at least two new samplers will be needed to replace two of the oldest samplers that are nearest to failure.
44	Machinery and Equipment	8031.640.2	5	640	\$6,500		100%	33%	67%	Equipment for unplanned projects or regulatory requirements.	Transferred from WQ Planning Reserves Capital Budget to provide for equipment for unplanned projects or regulatory requirements.
Sub-total					\$2,151,507						
Salvage Value					(48,000)						
Total General Plant					<u>\$2,103,507</u>						

**Irvine Ranch Water District
Organizational Chart
(By Function)
Fiscal Year 2013-14**





LABOR

THREE YEAR PERSONNEL COMPARISON

Department	Authorized Positions		
	2011-12	2012-13	2013-14
Administration			
Number of Positions	21.0	13.0	12.0
% change from prior year	5.0 %	(38.1) %	(7.7) %
Finance and Administrative Services			
Number of Positions	64.0	69.0	71.0
% change from prior year	(4.5) %	7.8 %	2.9 %
Engineering			
Number of Positions	33.0	40.0	41.0
% change from prior year	(5.7) %	21.2 %	2.5 %
Water Quality			
Number of Positions	25.0	26.0	26.0
% change from prior year	0.0 %	4.0 %	0.0 %
Operations			
Number of Positions	82.0	83.0	84.0
% change from prior year	(2.4) %	1.2 %	1.2 %
Wastewater Operations			
Number of Positions	56.0	59.0	63.0
% change from prior year	2.8 %	5.4 %	6.8 %
Water Policy			
Number of Positions	26.0	26.0	26.0
% change from prior year	(7.1) %	0.0 %	0.0 %
Total Number of Positions	<u>307.0</u>	<u>316.0</u>	<u>323.0</u>
Number of Changed Positions	(6.5)	9.0	7.0
% Change From Prior Year	<u>(2.1) %</u>	<u>2.9 %</u>	<u>2.2 %</u>



LABOR

SUMMARY OF SALARIES AND WAGES

	Total	Administration	Finance & Administrative Services	Engineering	Water Quality	Water	Waste Water	Water Policy
Current Authorized:								
Gross Pay	\$26,341,300	\$1,301,400	\$5,399,300	\$4,068,700	\$2,152,400	\$6,155,000	\$4,659,000	\$2,605,500
Annual Increase	465,600	24,000	84,900	53,300	33,100	129,500	94,000	46,800
Sub-Total Regular Salaries & Wages	26,806,900	1,325,400	5,484,200	4,122,000	2,185,500	6,284,500	4,753,000	2,652,300
New Positions:								
Gross Pay	384,400	0	86,800	24,000	0	49,200	224,400	0
Total Regular Salaries & Wages	27,191,300	1,325,400	5,571,000	4,146,000	2,185,500	6,333,700	4,977,400	2,652,300
Health Insurance and Workers Comp	6,228,500	303,599	1,276,106	949,692	500,616	1,450,811	1,140,134	607,542
Employment Tax & PERS Contributions	8,390,100	408,963	1,718,978	1,279,283	674,354	1,954,315	1,535,818	818,389
Total Regular Salaries & Wages, health Insurance and employment taxes	\$41,809,900	\$2,037,962	\$8,566,084	\$6,374,975	\$3,360,470	\$9,738,827	\$7,653,352	\$4,078,231
Employee Count:	323	12	71	41	26	84	63	26

Regular Salaries and Wages	
FY 2012-13 Labor	\$26,158
Additions	674
Promotions	40
COLA	386
Merit	253
Vacancy Factored at 1%	(320)
FY 2013-14 Labor	\$27,191



BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS

	FY 2012-13	FY 2013-14	Change
Insurance and Benefits			
Health Ins Actives	\$3,826,300	\$4,514,000	\$687,700
Dental Premiums	395,100	455,000	59,900
Wrkrs Comp Premiums	345,000	405,000	60,000
Wrkrs Comp Paid Claims	0	350,000	350,000
Life Ins Actives	171,300	192,000	20,700
LT Disability Premiums	107,000	117,500	10,500
Medical Premiums - Retirees	68,500	103,000	34,500
Vision Benefit Premiums	72,000	79,000	7,000
Life Ins Retirees	12,000	13,000	1,000
	\$4,997,200	\$6,228,500	\$1,231,300
Employment Tax and PERS			
PERS Employer Portion	\$4,210,300	\$4,582,900	\$372,600
PERS In Excess Of ARC	2,328,000	2,236,900	(91,100)
401A Employer Portion	718,500	750,200	31,700
PERS Employee Portion	677,400	409,200	(268,200)
Medicare Tax	353,200	367,200	14,000
St Unemployment Tax	45,700	43,600	(2,100)
	\$8,333,100	\$8,390,000	\$56,900
Benefits			
Health, Dental, and Vision	\$4,293,400	\$5,048,000	\$754,600
Staff Additions		4%	(196,900)
Rate Increase		11%	(557,700)
Life Insurance	\$183,300	\$205,000	\$21,700
Staff Additions			(11,000)
Salaries Increase and benefit increase for those moving to higher tier.			(10,700)
Workers Compensation	\$345,000	\$755,000	\$410,000
Premium Increase			(60,000)
Paid Claims not budgeted in FY 2012-13			(350,000)
Employment Taxes			
PERS Employer Contribution	\$7,215,700	\$7,229,000	\$13,300
District 25% Contribution Based on Labor			(281,500)
District's Employee Contribution			268,200
Other	\$1,117,400	\$1,161,000	\$43,600
401A Contribution Based on 2.75% of Salaries			(31,700)
Medicare Tax 1.45% of most employees Salaries			(14,000)
State Unemployment tax reduced based on outstanding accounts.			2,100
Total variance from line items above			\$0

**Summary of Proposed Personnel Changes
FY 2013-14 - Effective 7/1/13**

Proposed Upgrades and Changes to Existing Budgeted Positions/Job Titles						
Dept	Job Title	Current Sal Grade	Proposed Action	Proposed Job Title	Proposed Sal Grade	Promo Increase \$
120	Office Specialist	15.N	Upgrade 1 Position	Executive Secretary	22.N	\$ 3,012
140	Executive Secretary	22.N	Title Change Only	Human Resources Assistant	22.N	\$ -
210	Accounting Manager	17.E	Upgrade 1 position	Assistant Controller	20.E	\$ 7,308
210	Assistant Controller	20.E	Title Change Only	Manager of Strategic Planning and Analysis	20.E	\$ -
220	Customer Service Specialist I	13.N	Upgrade 1 position	Customer Service Specialist II	17.N	\$ 3,492
250	Computer Operator	13.N	Title Change Only	Support Specialist	13.N	\$ -
250	Sr. Computer Operator	18.N	Title Change Only	Sr. Support Specialist	18.N	\$ -
250	Applications & Support Manager	20.E	Title Change Only	Applications Manager	20.E	\$ -
250	Business Analyst	18.E	Title Change Only	Senior Applications Analyst	18.E	\$ -
250	Support Analyst	15.E	Title Change Only	Applications Analyst	15.E	\$ -
300	Executive Director of Engineering & Planning	30.E	Title Change Only	Executive Director of Engineering & Water Quality	30.E	\$ -
300	Automation Specialist	32.N	Upgrade 1 position	Automation Supervisor	34.N	\$ 1,848
300	Engineering Technician III	29.N	Upgrade 1 position	Energy Analyst	12.E	\$ 5,280
430	Water Maintenance Technician I	16.N	Upgrade 1 position	Water Maintenance Technician II	22.N	\$ 3,336
435	Facilities Services Technician	22.N	Upgrade 1 position	Senior Facilities Services Technician	25.N	\$ 1,980
500	Manager position	16.E-19.E	Upgrade 1 position	Assistant Director of Maintenance/Wastewater Operations	20.E	\$ 5,700
520	Electrical Maintenance Manager	17.E	Title Change Only	Electrical Services Manager	17.E	\$ -
540	Maintenance Mechanic	20.N	Upgrade 1 position	Senior Maintenance Mechanic	27.N	\$ 4,368
590	Operator III	29.N	Upgrade 1 position	Operations Supervisor	35.N	\$ 5,088
710	Water & Energy Resource Planner	17.E	Title Change Only	Engineer	17.E	\$ -
Total Budgeted Salary Increases due to Proposed Position Upgrades						41,412

Proposed Downgrades to Existing Budgeted Positions					
Dept	Job Title	Current Sal Grade	Proposed Action	Proposed Job Title	Proposed Sal Grade
300	Engineering Technician I	20.N	Downgrade 1 position	Sr. Office Specialist	19.N
300	Associate Engineer	14.E	Downgrade 1 position	Senior Analyst	13.E
300	GIS Supervisor	12.E	Downgrade 1 position	Engineering Technician III	29.N
300	Engineering Technician III	29.N	Downgrade 1 position	Engineering Technician II	25.N

Proposed New Positions			Budget Savings from Temporary Labor Budget				
Dept	Temporary Job Title	Salary & Benefits	Dept	Salary Grade	Temporary Job Title	Budgeted Temp Salary	Net \$ Increase
210	Office Specialist	\$ 69,120	210	15.N	Office Specialist	\$ 40,000	\$ 29,120
220	Customer Service Specialist I	\$ 63,360	220	13.N	Customer Service Specialist I	\$ 40,000	\$ 23,360
300	Office Specialist	\$ 69,120	300	15.N	Office Specialist	\$ 40,000	\$ 29,120
425	Water Maintenance Technician I	\$ 67,200	425	16.N	Water Maintenance Technician I	\$ 40,000	\$ 27,200
520	Electrical Technician	\$ 111,360	520	28.N	Electrical Technician	\$ 65,000	\$ 46,360
540	Maintenance Mechanic	\$ 88,320	540	20.N	Maintenance Mechanic	\$ 59,000	\$ 29,320
540	Maintenance Mechanic	\$ 88,320	540	20.N	Maintenance Mechanic	\$ 59,000	\$ 29,320
570	Collection Systems Technician I	\$ 67,200	570	15.N	Collection Systems Technician I	\$ 42,000	\$ 25,200
Total Net Increase/(Decrease) due to replacing Temps with F/T Regular positions							239,000

Current Budgeted Position deleted for 7/1/2013			
Dept	Job Title	Sal Grade	Salary & Benefits
110	Assistant General Manager	32.E	\$ -

Total Net Increase/(Decrease) due to Proposed Personnel Budget Changes	280,412
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* Positions to be included in salary survey to be conducted FY2013-14



LABOR

PROPOSED LABOR CHANGES

Proposed Personnel Budget Changes Reflected in the FY 2013-14 Operating Budget

Title and Salary Grade Changes for Existing Positions/Job Titles:

Public Affairs (120):

Office Specialist (Salary Grade 15.N) ➡ Executive Secretary (Salary Grade 22.N)
This position upgrade is being requested to more properly reflect the duties and responsibilities of the position.

Human Resources (140):

Executive Secretary (Salary Grade 22N) ➡ Human Resources Assistant (Salary Grade 22.N)
This title change is being requested to more properly reflect the duties and responsibilities of this position.

Finance (210):

Assistant Controller (Salary Grade 20) ➡ Manager of Strategic Planning and Analysis (Salary Grade 20)
This title change is being requested due to the change in job responsibilities of the incumbent to more project oriented assignments including Long Range Strategic Planning, budget and analysis and Business Intelligence projects.

Accounting Manager (Salary Grade 17) ➡ Assistant Controller (Salary Grade 20)
This upgrade is being requested for the current Accounting Manager position which will take over the responsibilities for all accounting functions from the previous Assistant Controller who will be performing more specific project oriented duties.

Customer Service (220):

Customer Service Specialist I (Salary Grade 13.N) ➡ Customer Service Specialist II (Salary Grade 17.N)
This position upgrade is being requested due to the increase in the customer to agent ratio and the need for an additional specialist to perform higher level duties and responsibilities. In 2010, the District's had 100,987 customer accounts and 13 agents, resulting in a customer to agent ratio of 7768:1. Projections for 2013 indicate that the number of customer accounts will increase to 105,644, resulting in a customer to agent ratio of 8126:1 for the 13 agents. A larger portion of the calls now received require a higher level of skill and expertise to resolve in a timely manner. There are currently only two Customer Service Specialist II positions to handle more complex billing issues.



LABOR

PROPOSED LABOR CHANGES

While customer wait times are at acceptable levels for most calls, wait times for calls that require the skill and expertise of a Customer Service Specialist II are trending higher with wait times averaging 12 minutes. Upgrading this position ensures that customer wait times for calls that require a Customer Service Specialist II will level off and that customers will continue to receive a high level of service.

Information Services (250):

Computer Operator (Salary Grade 13.N) ➔ Support Specialist (Salary Grade 13.N)
This title change only is being requested to better reflect the job duties of the position.

Senior Computer Operator (Salary Grade 18.N) ➔ Senior Support Specialist (Salary Grade 18.N)

This title change only is being requested to better reflect the job duties of the position.

Support Analyst (Salary Grade 15.E) ➔ Applications Analyst (Salary Grade 15.E)
This title change only is being requested to better reflect the job duties of the position. A salary survey is requested at a later date to properly place this position within the District's salary grade schedule.

Business Analyst (Salary Grade 18.E) ➔ Senior Applications Analyst (Salary Grade 18.E)

This title change only is being requested to better reflect the job duties of the position. A salary survey is requested at a later date to properly place this position within the District's salary grade schedule.

Applications & Support Manager (Salary Grade 20.E) ➔ Applications Manager (Salary Grade 20.E)

This title change only is being requested to better reflect the job duties of the position. A salary survey is requested at a later date to properly place this position within the District's salary grade schedule.

Engineering (300):

Executive Director of Engineering and Planning (Salary Grade 30.E) ➔ Executive Director of Engineering and Water Quality (Salary Grade 30.E)

Name change to reflect the reorganization moving Water Quality under the direction of the Executive Director of Engineering.



LABOR

PROPOSED LABOR CHANGES

Automation Specialist (Salary grade 32.N) ➔ Automation Supervisor (Salary Grade 34.N)

This position upgrade is being requested to create a field automation supervisor. This will enable staff to work more productively in the field and will allow management to better utilize and direct staff.

Engineering Technician I (Salary Grade 20.N) ➔ Senior Office Specialist (Salary Grade 19.N)

The downgrade of this position is requested due to the reorganization of job responsibilities in the work area resulting in the need for a lower level position.

Associate Engineer (Salary Grade 14.E) ➔ Senior Analyst (Salary Grade 13.E)

The incumbent in the Associate Engineer position is currently filling it as a Senior Analyst. This downgrade will properly align the position title with the job responsibilities.

GIS Supervisor (Salary Grade 12.E) ➔ Engineering Technician III (Salary Grade 29.N)

The incumbent is currently underfilling the GIS Supervisor position as an Engineering Technician III. This downgrade will properly align the position title with the job responsibilities. The Senior Analyst position now fills the role of the GIS supervisor.

Engineering Technician III (Salary Grade 29.N) ➔ Engineering Technician II (Salary Grade 25.N)

The incumbent in this position is currently under filling an Engineering Technician III position as an Engineering Technician II. This downgrade will properly align the position title with the job responsibilities.

Engineering Technician III (Salary Grade 29.N) ➔ Energy Analyst (Salary Grade 12.E)

This position upgrade more accurately reflects the skills, knowledge and decision making required to properly manage the District's electrical utility coordination and incentive programs. The upgrade also reflects the design and construction management skills demonstrated by the incumbent on numerous projects.

Preventive Maintenance (425):

Water Maintenance Technician I – Construction and Repair (Salary Grade 16.N) ➔

Water Maintenance Technician II - Construction and Repair (Salary Grade 22.N)

This upgraded position will recognize the advanced welding skills of the incumbent.

This position is utilized as a "floater" between all construction and repair crews for welding training purposes and his expertise in welding.



LABOR

PROPOSED LABOR CHANGES

Facilities Services (435):

Facilities Services Technician (Salary Grade 22.N) ➔ Senior Facilities Technician (Salary Grade 25.N)

The duties and responsibilities of the Facilities group have increased in quantity and administrative complexity as the District has added additional facilities. This position will provide a promotional opportunity for a facilities technician to act as a lead in managing specific projects and to direct team efforts in the absence of the supervisor. This upgrade is requested to more properly reflect the duties and responsibilities of the position and is consistent with the composition of other sections within the department.

Wastewater Administration (510):

Operations Management position (Electrical, Superintendent, Operations, Chief Plant or Collections) (Salary Grade 16.E – 19.E) ➔ Assistant Director of Maintenance/Wastewater Operations (Salary Grade 20.E)

This position upgrade is being requested as a promotional opportunity for one of the management level positions within the Wastewater Operations Department. This position will be utilized to assist the Director of Wastewater Operations in the leadership and management of the overall maintenance of the District. As the operations of the Michelson facility are expanded and other facilities are added to the District's infrastructure, greater attention will be needed to insure that all equipment and facilities are well operated and maintained from a preventive as well as a repair perspective. The addition of this position is consistent with the District's succession planning goals in that it will further assist in preparing key staff members for future promotional opportunities.

Electrical Services (520):

Electrical Maintenance Manager (Salary Grade 17) ➔ Electrical Services Manager (Salary Grade 17)

This title change only is requested to more accurately reflect the varied duties and responsibilities of both the electrical and instrumentation sections of the department.

Mechanical Maintenance (540):

Maintenance Mechanic (Salary Grade 20.N) ➔ Sr. Maintenance Mechanic (Salary Grade 27.N)

The duties and responsibilities of the section have increased in quantity as well as the required level of expertise, requiring an additional Sr. Maintenance Mechanic. Specifically, this section is responsible for managing the administrative functions of the District's internal combustion source testing program required by the AQMD as well as



LABOR

PROPOSED LABOR CHANGES

directly supervising, coaching and mentoring three Maintenance Mechanics. A senior level position is required to be able to make independent judgments and reasoning with respect to the use of resources and time, assuming responsibility for the cost, timeliness and quality of completed work. This requested upgrade balances the department and is consistent with the requirements of the position and other similar positions within the District.

Wastewater Operations (590):

Operator III (Salary Grade 29.N) ➡ Operations Supervisor (Salary Grade 35.N)

This upgrade is being requested to provide additional leadership and management to the employees at LAWRP. The Operations Supervisor will play an integral role in supporting the Chief Plant Operator with supervisory and administrative functions that are inextricably linked in supporting LAWRP's operational goals and require regulatory obligations. The Operations Supervisor must possess a Grade IV certification from the State Water Resources Control Board, which will provide the authority for this position to function in the capacity of the Chief Plant Operator in their absence. This position requires an advanced degree of professional competency, extensive field experience and knowledge in the wastewater field, along with strong leadership skills and sound judgment. The additional duties and responsibilities of the Operations Supervisor are consistent with the District's long term succession planning goals in that it prepares key staff members for future higher-level management positions.

Water Resources and Policy (720):

Energy & Water Resource Planner (Salary Grade 17.E) ➡ Engineer (Salary Grade 17.E)

This title change is being requested to more properly reflect the engineering work being performed now and in the future.

New Positions:

Finance (210):

Office Specialist (Salary Grade 15.N) – one position

The addition of this position will convert a long term temporary position to a full time regular position. This position has been utilized in the accounts receivable department as a result of the Oracle implementation and will continue to be needed in the future.



LABOR

PROPOSED LABOR CHANGES

Customer Service (220):

Customer Service Specialist I (Salary Grade 13.N) – one position

This position was approved and filled as a full time temporary position in Fiscal Year 2010-11 and has been essential to maintaining the District's high level of customer satisfaction. In 2010, the District's had 100,987 customer accounts and 13 agents, resulting in a customer to agent ratio of 7768:1. Projections for 2013 indicate that the number of customer accounts will increase to 105,644, resulting in a customer to agent ratio of 8126:1 for the 13 agents. Converting this temporary position to a regular full time position ensures that customers will continue to receive a high level of service.

Engineering (300):

Office Specialist (Salary Grade 15.N) – one position

This new position will provide needed administrative support to both the Engineering and Water Quality Department and the Water Resources and Policy Department. Each department currently has one administrative staff member to support a combined professional staff of over 25. This position will provide support during illnesses, vacations, etc and will provide an opportunity for succession planning for future administrative needs for these departments. This position will also maintain the Engineering Library and provide support to the Development Services staff at the Engineering counter.

Preventive Maintenance (425):

Water Maintenance Technician I - Preventive Maintenance (Salary Grade 16.N) - one position

This position has been filled with a temporary position for the last year. The position is needed to continue to meet the goals of the department and will allow for a full time regular position in the Preventive Maintenance department.

Electrical Services (520):

Electrical Technician (Salary Grade 28.N) – one position

With the MWRP Phase II plant expansion completion in 2013, the pump, blower and mixer power distribution system, motor and motor control preventive maintenance and repair for the MBR, UV disinfection, primary effluent pump station, high rate clarifier and new head works will be a full time occupation for a technician. Additional upcoming projects include Baker Water Treatment Plant and Wells 20 & 21 Water Treatment Facility. The addition of staff at this time will provide the necessary time for the incumbent to receive training from more senior IRWD staff members.



LABOR

PROPOSED LABOR CHANGES

Mechanical Maintenance (540):

Maintenance Mechanic (Salary Grade 20.N) – two positions

Two full time regular positions are being requested to provide full time regular positions for two temporary employees who have been training for over one year in the mechanical maintenance department. Considerable training and expertise have been passed on to these employees. This request will fulfill the staffing needs and recommendations noted in the proposed operational maintenance outline for the existing Reservoir Management systems and future needs of the MWRPP, Baker Plant, Tustin Wells 21/22 Desalter, and the Biosolids facilities. These positions will ensure retention of the current temporary personnel to continue to maintain a high level of customer service, public safety, equipment reliability, efficiency, and predictive maintenance measures.

Collection Systems (570):

Collection Systems Technician I (Salary Grade XV) – one position

The Collections Department has been utilizing a long term temporary employee to meet current goals and objectives of the department for over one year. It is requested that this position be made a full time regular position to preserve the training and experience invested in the current incumbent and to continue to meet the needs of the department.

Eliminated Positions:

Administration (110):

Assistant General Manager (Salary Grade 32.E)

This position was used to create four Executive level director positions; Executive Director of Finance, Executive Director of Engineering, Executive Director of Water Policy and Executive Director of Operations in lieu of filling the Assistant General Manager position. This position is not needed at this time.

EXHIBIT "B"

FY 2013-14 Operating Budget &
Proposed Rates

Board Workshop
April 8, 2013

Irvine Ranch Water District



Agenda

Irvine Ranch Water District

Board Workshop Agenda - Proposed Budget FY 2013-14

- Revenue by Customer
- Key Budget Drivers
- Significant Assumptions
- Budget Highlights
 - Expenses
 - Sources and Uses
- Impact of Proposed Budget on Rates
- Schedule for Budget & Rate Adoption

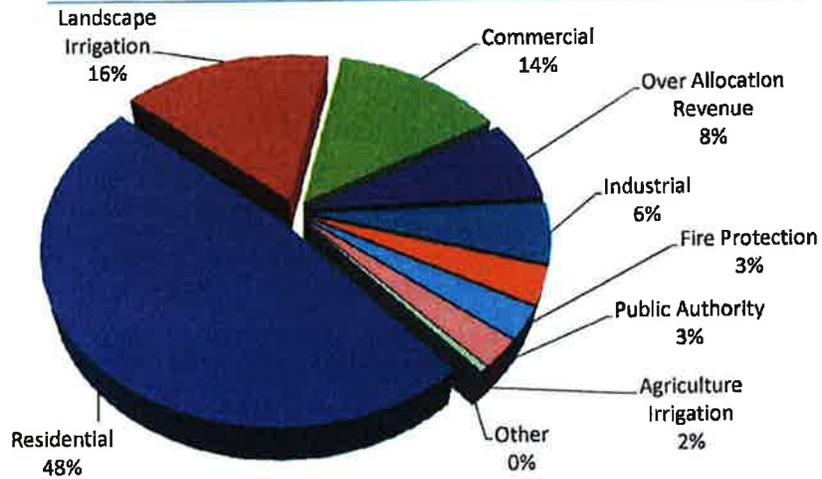
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Revenues

Irvine Ranch Water District

Revenue by Customer Type



3



2013-14 Operating Budget

Irvine Ranch Water District

- Proposed 2013-14 operating budget is \$117.1M
- 4 key drivers comprise 86% of total:

	Millions	%
Payroll and Benefits	\$44.7	38.2%
Purchased Water	\$26.4	22.5%
Repairs and Maintenance	\$17.8	15.2%
Electricity	\$11.7	10.0%
Total of Key Drivers	\$100.6	85.9%
Total Proposed Operating Budget	\$117.1	

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Significant Assumptions

- 1% residential growth, no commercial growth.
- Full year of operations for Michelson Expansion and Wells 21-22.
- Purchased water from MWDOC decreases by 2,000 AF due to on-boarding of Wells 21-22.
- Melded rate increase from MWDOC is 6%.

5



Changes from prior years

- Employee Benefits- all in Human Resources (Dept 140) compared with allocated out to departments in prior year
- Conservation expenses
 - Total costs projected at \$8.5M
 - Staff does not anticipate covering all costs from conservation revenue
 - \$5.0M from over allocation revenue
 - \$3.5M from over allocation fund
- Budgeted non-operating sources and uses

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Labor

Description	Budget (,000's committed)	Explanation
FY 2012-13 Labor	\$26,158	
Mid-year Additions	291	3 positions approved during FY 2012-13 for Information Services.
Requested New Positions	383	Net 7 Positions - 8 additions and the elimination of one.
Requested Promotions	40	10 promotions and 10 title changes.
COLA	406	Assumed 3% occurring on December 1, (7/12 x 3% = 1.75%).
Merit	253	Based on Board approved methodology.
Vacancy Factor	(320)	For FY 2013-14 – Added a 1% vacancy factor.
FY 2013-14 Labor	\$27,221	



Overtime and Temporary and Contract Labor

- Overtime increased by \$327k.
- Temporary and Contract labor increased by \$305k.
- Several departments adjusted overtime based on current run rate.
- If positions were added, then overtime and / or temporary labor were reduced accordingly.



Health Benefits

Health and Insurance Benefits:

- Staff additions account for 4% - \$196k
- Rate increase accounts for 11% - \$557k

Workers Compensation Costs:

- Estimated premium increase - \$105k
- Estimated Paid Claims - \$350k - Current run rate



Employment Tax and PERS *

- District's 25% contribution - \$281k
- District's employee contribution - (\$268k)
- 401A contribution based on 2.75% of labor - \$32k
- Medicare based on 1.45% of labor - \$14k

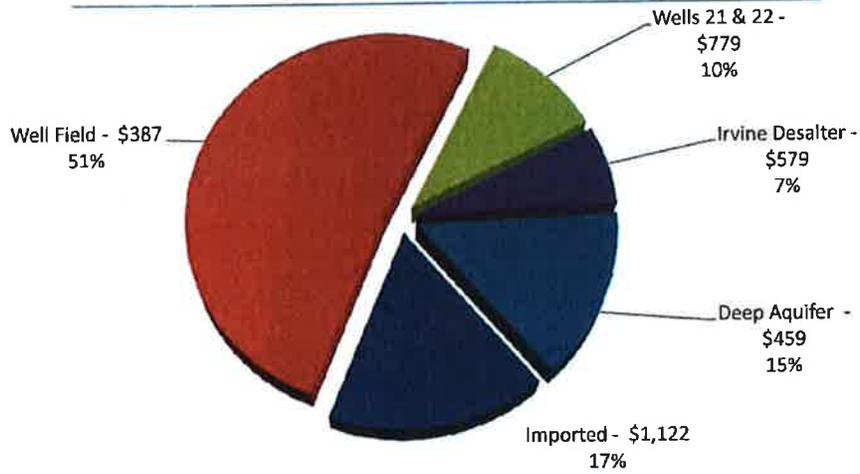
* Included in employee benefits.



Treated System Source Water

Irvine Ranch Water District

Treated Source Water



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Cost of Water

Irvine Ranch Water District

(,000's omitted)

Budget	Untreated	Irvine Rate Area	Los Alisos Rate Area	Recycled System	Total Cost of Water
FY 2013-14	\$811	\$17,048	\$7,097	\$1,396	\$26,352
FY 2012-13	\$153	\$17,110	\$6,109	\$1,596	\$24,968
Net Change	\$658	(\$62)	\$988	(\$200)	\$1,384

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Energy

- Energy Increased \$758k
- Primary drivers include:
 - Tariff rate effect on groundwater - \$340k
 - Estimate for full year of Wells 21 & 22 - \$372K



General Plant

- General Plant increased \$404k over FY 2012-13
- Two primary drivers account for \$891k:
 - 60,000 GVW compressed natural gas powered combination sewer cleaner - \$488k
 - 1,980 feet by 12 inch sewer bypass pipeline system and pump - \$403k

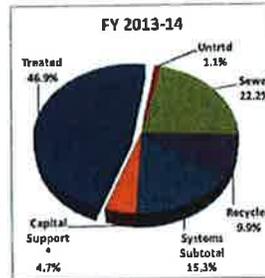


Overall Operating Expense Budget

Irving Ranch Water District

(in thousands)

	Current FY 2012-13	Proposed FY 2013-14	Increase/ (Decrease)	%
Treated	\$ 52,285	\$ 54,885	\$ 2,600	5.0%
Untreated	681	1,285	604	88.7%
Sewer	25,444	25,929	485	1.9%
Recycled	12,654	11,551	(1,103)	-8.7%
Systems Subtotal	\$ 91,064	\$ 93,650	\$ 2,586	2.8%
Capital Support*	\$15,100	\$17,950	\$ 2,850	18.9%
Conservation	4,942	5,460	518	10.5%
Total	\$ 111,106	\$ 117,060	\$ 5,954	5.4%



* Capital Support consists of Labor and related Overhead Charges which are funded by Capital sources or non-operating sources; these charges are not recovered through monthly rates and charges.

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SOURCES AND USES

Irving Ranch Water District





Sources & Uses

Irvine Ranch Water District

FISCAL YEAR ENDING JUNE 30, 2014 CONSOLIDATED SOURCES & USES OF FUNDS (in thousands)

Revenues:	Water	Sewer	Total
Operating	\$57,330	\$38,030	\$95,360
Enhancement & Replacement Contribution	3,830	14,400	18,230
Proposed Rate Increase	<u>2,450</u>	<u>2,550</u>	<u>5,000</u>
Total Revenues	\$63,610	\$54,980	\$118,590
Expenses:			
Water	\$33,450	\$10,970	\$44,420
Salaries and Benefits	5,910	3,790	9,700
Materials and Supplies	7,060	6,830	13,890
OCSD – O & M		9,640	9,640
General Plant	360	890	1,250
General and Admin Expense	9,750	6,250	16,000
Marsh/NTS/Conservation	3,250	2,210	5,460
Total Expenses	\$59,780	\$40,580	\$100,360
Net Operating Position	<u>\$3,830</u>	<u>\$14,400</u>	<u>\$18,230</u>
Enhancement & Replacement Contribution	<u>3,830</u>	<u>14,400</u>	<u>18,230</u>
Budgeted Year-End Position	\$0	\$0	\$0

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Sources & Uses

Irvine Ranch Water District

FISCAL YEAR ENDING JUNE 30, 2014 NON-OPERATING SOURCES & USES OF FUNDS (in thousands)

Revenues:	Total
Property Taxes	\$37,355
Investment Income	1,353
Connection Fees	11,600
JPA Investment Income	47,618
Real Estate Income	12,032
Other Income	<u>6,448</u>
Total Sources	\$116,405
Expenses:	
Interest Expense	\$21,721
JPA Interest Expense	15,121
Real Estate Expense	4,694
Other Expenses	<u>2,812</u>
Total Uses	\$44,349
Net Sources & Uses	\$72,056

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PROPOSED RATES

Irvine Ranch Water District



Proposed Rate Adjustments

Irvine Ranch Water District

FY 2013-14 Proposed Rate Adjustments

Water	Rate Area	Current	Proposed
Base Commodity	Irvine Ranch	\$ 1.24/ccf	\$ 1.27/ccf
	Los Alisos	2.14/ccf	2.24/ccf
	Orange Park Acres	1.76/ccf	1.79/ccf
Fixed Charge	Irvine Ranch	\$ 9.30/month	\$ 9.85/month
	Los Alisos	9.60/month	9.85/month
	Orange Park Acres	17.80/month	18.35/month

Sewer/Recycled	Rate Area	Current	Proposed
Base Commodity	Uniform	\$ 1.11/ccf	\$ 1.11/ccf
Fixed Charge	Uniform	\$ 17.20/month	\$ 18.40/month

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Proposed Rate Adjustments

Irvine Ranch Water District

Tiered Rates

Irvine Ranch

Tiers	Current	Proposed	Difference	Description
Low Volume	\$ 0.91	\$ 0.91	\$ 0.00	Pumped water melded cost (DRWF & DATS)
Base Rate	1.24	1.27	0.03	All sources melded cost
Inefficient	2.76	2.86	0.10	Increased MWD rate (\$2.24) + 20% of various conservation programs (\$0.62)
Excessive	4.70	4.80	0.10	Loaded MWD Rate (\$2.58) + 35% of various conservation programs (\$2.22)
Wasteful	9.84	9.84	0.00	Loaded MWD Rate (\$2.58) + 45% of various conservation programs (\$7.26)

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Comparison of the Irvine Ranch Rate Area Proposed Rates – FY 12-13 to FY 13-14

Typical Residential Customer

	Current Rate FY 12-13	Proposed Rate FY 13-14	Rate Change	% Change
Water				
Service Charge *	\$ 9.30	\$ 9.85	\$ 0.55	
Commodity Charge **	<u>19.68</u>	<u>19.98</u>	<u>0.30</u>	
Total Water Charge	\$ 28.98	\$ 29.83	\$ 0.85	
Sewer				
Service Charge *	\$ 17.20	\$ 18.40	\$ 1.20	
Total Typical Residential Monthly Bill	\$ 46.18	\$ 48.23	\$2.05	4.4%

* Treated water service charge includes enhancement and replacement components of \$0.70 and \$0.80, respectively. Sewer service charge includes enhancement and replacement components of \$0.70 and \$6.05, respectively.

** Commodity charges for a typical residential customer are based on 18 ccf (average used in MWOOC rate survey).



Comparison of the Orange Park Acres Rate Area Proposed Rates – FY 12-13 to FY 13-14

Typical Residential Customer

	Current Rate FY 12-13	Proposed Rate FY 13-14	Rate Change	% Change
Water				
Service Charge *	\$ 17.80	\$ 18.35	\$ 0.55	
Commodity Charge **	<u>34.40</u>	<u>34.94</u>	<u>0.54</u>	
Total Typical Residential Monthly Bill	\$ 52.20	\$ 53.29	\$ 1.09	2.1%

* Treated water service charge includes enhancement and replacement components of \$0.70 and \$0.80, respectively.

** Commodity charges for a typical residential customer are based on 18 ccf (average used in MWDOC rate survey).



Comparison of the Orange Park Acres Rate Area Proposed Rates – FY 12-13 to FY 13-14

Typical Residential Customer

	Current Rate FY 12-13	Proposed Rate FY 13-14	Rate Change	% Change
Water				
Service Charge *	\$ 17.80	\$ 18.35	\$ 0.55	
Commodity Charge **	<u>138.90</u>	<u>140.76</u>	<u>1.86</u>	
Total Typical Residential Monthly Bill	\$ 156.70	\$ 159.11	\$ 2.41	1.5%

* Treated water service charge includes enhancement and replacement components of \$0.70 and \$0.80, respectively.

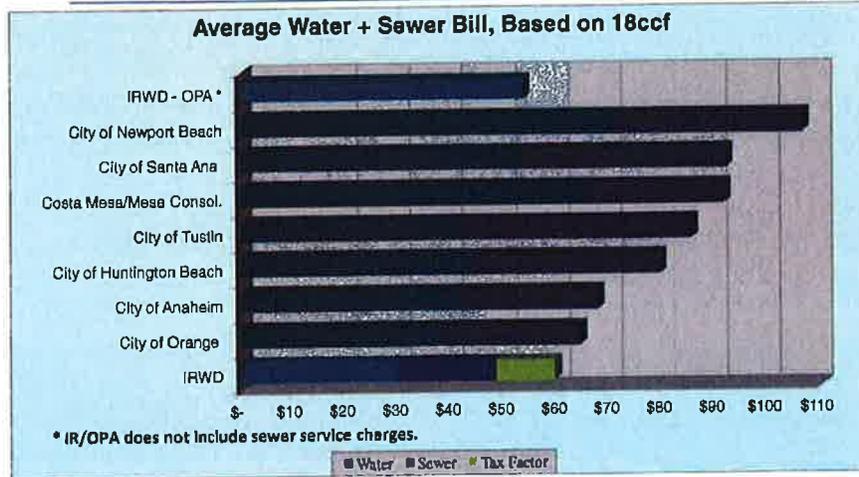
** Commodity charges for a typical residential customer in the OPA Rate Area are based on 62 ccf average usage.



Comparison of Irvine Ranch Area's Proposed Rates

Irvine Ranch Water District

Neighboring agencies with access to groundwater through OCWD:



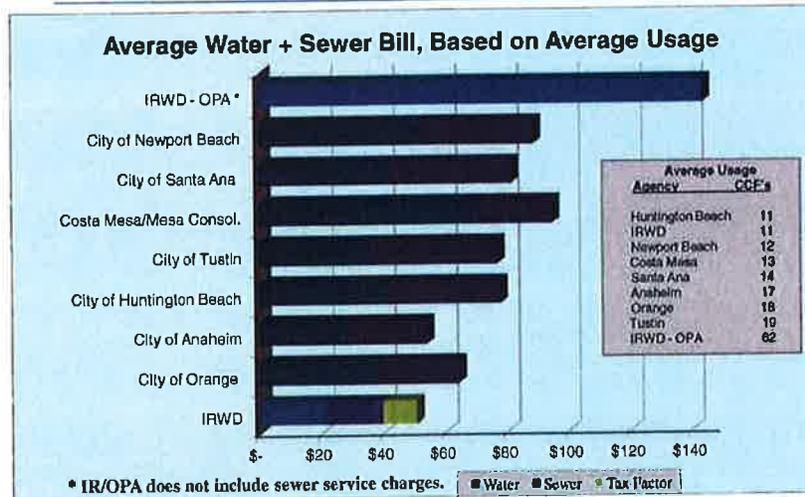
25



Comparison of Irvine Ranch Area's Proposed Rates

Irvine Ranch Water District

Neighboring agencies with access to groundwater through OCWD:



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Proposed Rate Adjustments

Irvine Ranch Water District

Tiered Rates

Los Alisos

Tiers	Current	Proposed	Difference	Description
Low Volume	\$ 1.54	\$ 1.54	\$ 0.00	70% of the all-in cost for MWDOC
Base Rate	2.14	2.24	0.10	Melded cost of budgeted sales
Inefficient	3.16	3.20	0.04	Loaded MWD Rate (\$2.35) + 20% of various conservation programs (\$0.85)
Excessive	4.70	4.80	0.10	Loaded MWD Rate (\$2.35) + 35% of various conservation programs (\$2.45)
Wasteful	9.84	9.84	0.00	Loaded MWD Rate (\$2.35) + 45% of various conservation programs (\$7.49)

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Comparison of the Los Alisos Rate Area Proposed Rates – FY 12-13 to FY 13-14

Typical Residential Customer

	Current Rate FY 12-13	Proposed Rate FY 13-14	Rate Change	% Change
Water				
Service Charge *	\$ 9.60	\$ 9.85	\$ 0.25	
Commodity Charge **	<u>33.72</u>	<u>34.72</u>	<u>1.00</u>	
Total Water Charge	\$ 43.32	\$ 44.57	\$ 1.25	
Sewer				
Service Charge *	\$ 17.20	\$ 18.40	\$ 1.20	
Total Typical Residential Monthly Bill	\$ 60.52	\$ 62.97	\$ 2.45	4.0%

* Treated water service charge includes enhancement and replacement components of \$0.70 and \$0.80, respectively. Sewer service charge includes enhancement and replacement components of \$0.70 and \$6.05, respectively. Meters larger than 1" are being increased at a rate of 19.5% to migrate them to the Irvine Ranch area rates without a one-time rate spike.

** Commodity charges for a typical residential customer are based on 18 ccf (average used in MWDOC rate survey).

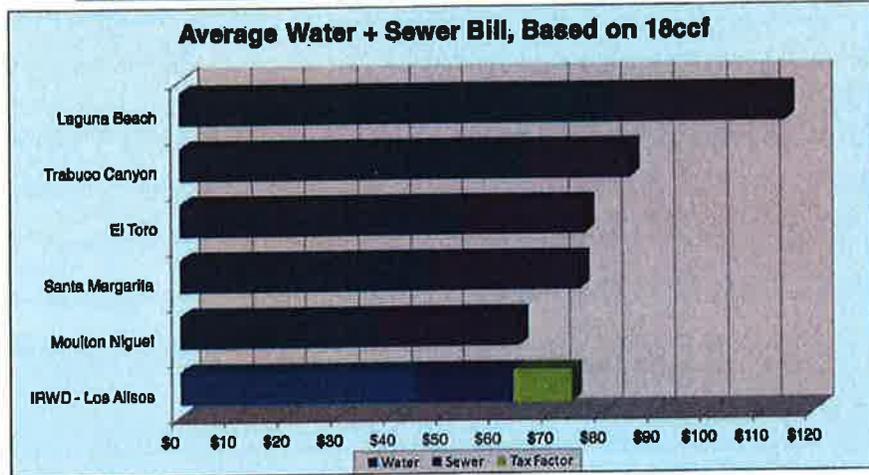
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Comparison of Irvine Ranch Area's Proposed Rates

Irvine Ranch Water District

Neighboring agencies without access to groundwater through OCWD:



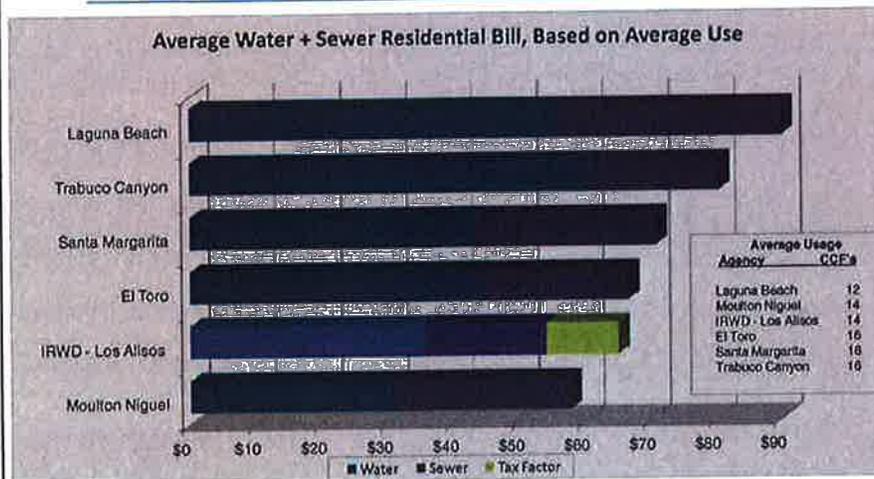
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Comparison of Irvine Ranch Area's Proposed Rates

Irvine Ranch Water District

Neighboring agencies without access to groundwater through OCWD:



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Next Steps

Arroyo Pinedo Water District

Date	Action
April 8	First Board workshop – Present operating budget and proposed user rates and charges
April 22	Second Board workshop – Approval of operating budget and preliminary approval of user rates and charges
May 6 (approx)	Mail notification to residents meeting proposition 218 requirements
June 21	Tabulate responses
June 24	Board Meeting – Public hearing to review proposition 218 responses & adoption of rates and charges for FY 2013-14

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QUESTIONS/DISCUSSION

April 8, 2013

Prepared and

Submitted by: L. Bonkowski *LB*

Approved by: P. Cook *PC*

CONSENT CALENDAR

MINUTES OF BOARD MEETING

SUMMARY:

Provided are the minutes of the March 25, 2013 Regular Board meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE MARCH 25, 2013 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – Minutes – March 25, 2013

EXHIBIT "A"

MINUTES OF REGULAR MEETING – MARCH 25, 2013

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 March 25, 2013 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Matheis, Reinhart, LaMar, and Withers

Directors Absent: Swan

Also Present: General Manager Cook, Director of Risk Management and Treasury Jacobson, Executive Director of Engineering Burton, Executive Director of Public Affairs Beeman, Director of Water Policy Heiertz, Director of Water Resources Weghorst, Assistant Director of Operations Roberts, Legal Counsel Arneson, Secretary Bonkowski, Ms. Kellie Welch, Mr. Steve Malloy, Ms. Christine Compton, Mr. Jim Reed, Mr. Mike Hoolihan, and other members of the public and staff.

WRITTEN COMMUNICATION: None.

ORAL COMMUNICATION:

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

With respect to the OCWD annexation of certain IRWD lands, on June 5, 2009, IRWD received a letter from OCWD noting that OCWD has completed the formal responses to comments they previously received on the draft program Environmental Impact Report. The letter further noted that with this task completed, OCWD has exercised its right to terminate the 2004 Memorandum of Understanding (MOU) regarding annexation. OCWD also indicated that due to the lack of progress on the annexation issue, the draft program Environmental Impact Report will not be completed. On June 8, 2009, OCWD completed the Long-Term Facilities Plan which was received and filed by the OCWD Board in July 2009. Staff has been coordinating with the City of Anaheim (Anaheim) and Yorba Linda Water District (YLWD) on their most recent annexation requests and has reinitiated the annexation process with OCWD. IRWD, YLWD and Anaheim have negotiated a joint MOU with OCWD to process and conduct environmental analysis of the annexation requests. The MOU was approved by the OCWD Board on July 21, 2010. This was confirmed by Mr. Cook.

With respect to the Groundwater Emergency Service Plan, IRWD has an agreement in place with various south Orange County water agencies, MWDOC and OCWD, to produce additional groundwater for use within IRWD and transfer imported water from IRWD to south Orange County in case of emergencies. IRWD has approved the operating agreement with certain south Orange County water agencies to fund the interconnection facilities needed to affect the emergency transfer of water. MWDOC and OCWD have also both approved the operating agreement. This was confirmed by Mr. Cook.

CONSENT CALENDAR

On MOTION by Withers, seconded and unanimously carried, CONSENT CALENDAR ITEMS 3 THROUGH 10 WERE APPROVED AS FOLLOWS:

3. MINUTES OF REGULAR AND ADJOURNED REGULAR BOARD MEETINGS

Recommendation: That the minutes of the March 11, 2013 Regular Board Meeting and the March 14, 2013 Adjourned Regular Board Meeting be approved as presented.

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

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

5. FEBRUARY 2013 TREASURY REPORTS

Recommendation: That the Board receive and file the Treasurer's Investment Summary Report and the Monthly Interest Rate Swap Summary for February 2013; approve the February 2013 Summary of Payroll ACH payments in the total amount of \$1,356,292 and approve the February 2013 Accounts Payable Disbursement Summary of Warrants 336721 through 337404, workers' compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$13,286,966.

6. STRATEGIC MEASURES DASHBOARD

Recommendation: That the Board receive and file the Strategic Measures Dashboard and information items.

7. NOTICE OF RELEASE SECTION III, PARAGRAPH G OF QUITCLAIM DEED PER INSTRUMENT NO. 2005000536288, OFFICIAL RECORDS - GREAT PARK NEIGHBORHOOD – DISTRICT 8

Recommendation: That the Board adopt the following Resolution by title approving execution of the Notice of Release of Section III, Paragraph G of Quitclaim Deed per Instrument No. 2005000536288, Official Records - Great Park Neighborhood District 8.

RESOLUTION NO. 2013 - 12

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT APPROVING
EXECUTION OF A NOTICE OF RELEASE RELATING
TO SECTION III, PARAGRAPH G OF QUITCLAIM DEED
PER INSTRUMENT NO. 2005000536288, OFFICIAL RECORDS
GREAT PARK NEIGHBORHOOD – DISTRICT 8

CONSENT CALENDAR (CONTINUED)

8. ORANGE PARK ACRES DOMESTIC WATER PRESSURE REGULATING STATIONS AND FIRE FLOW IMPROVEMENTS - FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Orange Park Acres Domestic Water Pressure Regulating Stations and fire flow improvements, projects 11409 (1287) and 11410 (1297), authorize the filing of a Notice of Completion, and authorize the release of retention 35 days after filing of the Notice of Completion.

9. PLANNING AREA 40 CYPRESS VILLAGE PHASE 3B BUDGET AND EXPENDITURE AUTHORIZATION

Recommendation: That the Board authorize the addition of project 30416 (4318) in the amount of \$165,000 to the Fiscal Year 2012-13 Capital Budget and approve an Expenditure Authorization in the amount of \$165,000 for Planning Area 40 Phase 3B IRWD Capital Facilities, project 30416 (4318).

10. STOCKDALE INTEGRATED BANKING PROJECT ENVIRONMENTAL COMPLIANCE VARIANCE

Recommendation: That the Board approve an increase to the Fiscal Year 2012-13 Capital Budget in the amount of \$55,000 for project 11645 (3766) for additional environmental compliance work and approve an Expenditure Authorization for project 11645 (3766) in the amount of \$55,000 for the additional environmental compliance work, staff and legal time.

ACTION CALENDAR

MICHELSON WATER RECYCLING PLANT PHASE 2 EXPANSION AND FLOOD PROTECTION IMPROVEMENTS - BUDGET AND EXPENDITURE AUTHORIZATION INCREASES AND CONTRACT CHANGE ORDER

Executive Director of Engineering Burton reported that construction of the Michelson Water Recycling Plant (MWRP) Phase 2 Expansion and Flood Protection Improvement project was awarded to Filanc in July 2009 in the amount of \$87,479,450. This project will expand the recycled water production capacity to 28 million gallons per day and protect MWRP from flooding of San Diego Creek.

Mr. Burton said that as of March 1, 2013, there have been a total of 89 approved Contract Change Orders (CCO), totaling \$3,604,070. He said that extensive negotiations with Filanc were held in recent months during which several items were discussed, including the cumulative effect of the 89 approved change orders to the project schedule and contractor costs, concurrent delays, and costs due to time extensions. These costs include labor for field engineers, superintendents, as well as non-labor office overhead costs, such as project insurance and benefits for field engineers. These costs were not accounted for in previous change orders that extended the overall project completion date, particularly CCO No. 43. CCO No. 90 in the amount of \$410,000 includes extension of the project completion date to July 31, 2013; all extended overhead costs that were incurred from all previously approved change orders (CCO No. 1 through CCO No. 89) and

through the new completion date; requirement of Filanc to vacate the areas designated for the MWRP Biosolids and Energy Recovery Facilities construction; indemnification by Filanc to any delay and related costs from the contractor of MWRP Biosolids and Energy Recovery Facilities should Filanc fail to vacate the designated areas in a timely manner; and any future change orders shall be inclusive of project schedule impacts and any overhead charges, if applicable.

Director Reinhart reported that this item was reviewed and approved by the Engineering and Operations Committee on March 19, 2013. On MOTION by Withers, seconded and unanimously carried, THE BOARD AUTHORIZED A BUDGET INCREASE TO THE MWRP PHASE 2 EXPANSION PROJECT 20214 (1599) IN THE AMOUNT OF \$2,365,300, FROM \$66,615,300 TO \$68,980,600; AUTHORIZED A BUDGET INCREASE TO THE MWRP PHASE 2 EXPANSION PROJECT 30214 (1706) IN THE AMOUNT OF \$1,488,500, FROM \$44,164,200 TO \$45,652,700; AUTHORIZED A BUDGET INCREASE TO THE MWRP FLOOD PROTECTION IMPROVEMENTS PROJECT 20542 (1150) IN THE AMOUNT OF \$185,700, FROM \$5,215,500 TO \$5,401,200; AUTHORIZED A BUDGET INCREASE TO THE MWRP FLOOD PROTECTION IMPROVEMENTS PROJECT 30542 (1118) IN THE AMOUNT OF \$208,400, FROM \$3,304,500 TO \$3,512,900; APPROVED EXPENDITURE AUTHORIZATIONS IN THE AMOUNT OF \$2,365,300 FOR PROJECT 20214 (1599), \$1,488,500 FOR PROJECT 30214 (1706), \$404,500 FOR PROJECT 20542 (1150), AND \$404,100 FOR PROJECT 30542 (1118); AND APPROVED CONTRACT CHANGE ORDER NO. 90 WITH FILANC IN THE AMOUNT OF \$410,000 FOR EXTENDED OVERHEAD COSTS FOR THE MWRP PHASE 2 EXPANSION AND FLOOD PROTECTION IMPROVEMENTS, PROJECTS 20214 (1599), 30214 (1706), 20542 (1150) AND 30542 (1118).

MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES CONSTRUCTION AWARD AND CONSTRUCTION PHASE AUTHORIZATION

General Manager Cook reported that the MWRP Biosolids and Energy Recovery Facilities (Biosolids) will provide biosolids digestion, dewatering, energy production, and on-site sludge drying. The project includes excavation for subsurface structures; installation of an estimated 3,000 foundation piles; three egg-shaped digesters; a state-of-the-art odor control system; a biogas conditioning system and emergency power generation using micro-turbines; a fats, oil and grease (FOG) receiving station; and new utility services

Using a PowerPoint presentation, Principal Engineer Malloy reported that bids were received from Archer Western Contractors, LLC; Filanc/Balfour Beatty Joint Venture; PCL Construction, Inc.; and J. F. Shea Construction, Inc. Mr. Malloy said that potential irregularities were identified by staff in the bid submitted by Filanc/Balfour Beatty JV. The factual basis for a determination by the Board that the irregularities in the low bid are inconsequential and cannot have affected the bid amount or given the bidder a competitive advantage over the other bidders are summarized for each of the identified potential irregularities including: minor mathematical errors; omissions in "Statements by bidder", licenses from subcontractor and joint venture, and omission of corporate seal for joint venture. He said that none of the above described irregularities entailed a failure to meet the District's specification; permitted a lower bid to be submitted; or impaired the District's ability to compare and rank the bids.

Mr. Malloy reported that a construction management (CM) team has been assembled comprised of staff and various consultants with a total of eight full-time people, four of which are District staff as well as many others who will be utilized on the team as needed. He said that staff

recommends Black & Veach (B&V) for the CM team in the total amount of \$12,509,031. B&V tasks include responding to Requests for Information (RFI); submittal reviews; schedule reviews; specialty inspections; change requests; prepare an electronic O & M manual; provide energy control procedures and a job safety analysis. Staff recommends ARCADIS-US to provide construction engineering to review and negotiate change requests; prepare change orders, ensure that all construction related documents are entered into the DCS, prepare various project status reports, and provide a construction inspector. ARCADIS-US's CM proposal is in the amount of \$2,931,368. Staff is recommending HDR to supply a construction engineer to resolve field issues, respond to contractors RFIs, negotiate change requests, and conduct third-party review of complex design and construction issues. HDR will also supply a senior construction inspector. HDR's CM proposal is in the amount of \$2,834,476. Staff is recommending NMG to perform geotechnical services, soils analysis during grading, and pile inspection services in the amount of \$588,972. Staff also recommends executing a contract for the surveying work with Borchard Surveying in the amount of \$206,680. He further reviewed other CM Services for materials testing, protective coating inspection, blower and centrifuge inspections, and stainless steel testing.

Mr. Malloy said that as part of the Biosolids SEIR, IRWD committed to ongoing public outreach with the community on a quarterly basis for the duration of the project construction through facility start-up. At community meetings, IRWD will provide updates regarding construction progress, plans for project start-up, overviews of the start-up process, overviews of the Odor Control Maintenance and Monitoring Plan, and plans for long-term operation and maintenance of the facilities. In addition, IRWD will provide periodic, independent, third-party technical reviews during construction and start-up of the project. The results of these third-party reviews will be presented at these community meetings. Dudek successfully performed the third-party project review of the Biosolids project design during preparation of the SEIR. In order to maintain continuity during the Biosolids project, staff negotiated a scope of work with Dudek to perform the third-party project reviews as required by the SEIR in the amount of \$94,616.

Mr. Malloy said that the South Coast Air Quality Management District (SCAQMD) requested additional information in order to process the 11 permits to construct the Biosolids project. IRWD's air permitting consultant, Environ, required additional authorization beyond its authorized scope of work to respond to SCAQMD. Environ's Variance No. 5 is in the amount of \$25,000.

Mr. Malloy reviewed the capital budget, expenditure authorizations, and cost allocations for this project. He also reviewed an updated the payback analysis prepared by HDR, and using the 2013 information, said the payback period is currently projected at nine years. He further reviewed the schedule and the process overview.

Director LaMar said that he is looking forward to the project which will provide many benefits to the District's customers, and noted this is the largest capital project in its history. Director Matheis said that she is very proud of Principal Engineer Malloy for developing a great team. Director Reinhart said that he is very satisfied with the bids for the project that were close in construction amounts. General Manager Cook thanked the Board for its confidence in this project. On MOTION by Withers, seconded by Matheis, and unanimously carried, THE BOARD FOUND THAT THE IRREGULARITIES IN THE BID OF FILANC/BALFOUR BEATTY JOINT VENTURE DID NOT AFFECT THE BID AMOUNT OR GIVE THE BIDDER A COMPETITIVE ADVANTAGE OVER OTHER BIDDERS AND WAIVED THE

IRREGULARITIES; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH FILANC/BALFOUR BEATTY JOINT VENTURE, IN THE AMOUNT OF \$163,465,940; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH BLACK & VEATCH IN THE AMOUNT OF \$12,509,031 FOR CONSTRUCTION MANAGEMENT AND ENGINEERING SERVICES DURING CONSTRUCTION; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH ARCADIS-US IN THE AMOUNT OF \$2,931,368 FOR CONSTRUCTION MANAGEMENT SERVICES; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH HDR ENGINEERING IN THE AMOUNT OF \$2,834,476 FOR CONSTRUCTION MANAGEMENT SERVICES; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH NMG GEOTECHNICAL IN THE AMOUNT OF \$588,972 FOR GEOTECHNICAL SERVICES AND PILE INSPECTION SERVICES; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH BORCHARD SURVEYING IN THE AMOUNT OF \$206,680 FOR SURVEYING SERVICES; AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH DUDEK IN THE AMOUNT OF \$94,616 FOR THIRD-PARTY PROJECT REVIEW SERVICES; AUTHORIZED THE GENERAL MANAGER TO APPROVE ENVIRON VARIANCE NO. 5 FOR \$25,000 FOR AIR PERMITTING SERVICES; AUTHORIZED A BUDGET DECREASE FOR THE MWRP BIOSOLIDS AND ENERGY RECOVERY FACILITIES PROJECT 20847 (1617) IN THE FY 2012-13 CAPITAL BUDGET FOR THE DESIGN AND BIDDING PHASE IN THE AMOUNT OF \$159,119,800, FROM \$174,579,000 TO \$15,459,200; AUTHORIZED THE ADDITION OF THE MWRP BIOSOLIDS AND ENERGY RECOVERY FACILITIES PROJECT 21146 (4286) FOR THE CONSTRUCTION PHASE TO THE FY 2012-13 CAPITAL BUDGET IN THE AMOUNT OF \$196,465,500; AND APPROVE AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$196,465,500 FOR THE MWRP BIOSOLIDS AND ENERGY RECOVERY FACILITIES, PROJECT 21146 (4286).

RECESS AND RECONVENE

President Reinhart declared a recess at 5:52 p.m. The meeting was reconvened at 6:03 p.m. with Directors Matheis, Reinhart, LaMar, and Withers present.

PLANNING AREA 18 ZONE 3-4 AND ZONE B-C BOOSTER PUMP STATIONS – CONSULTANT SELECTION

Executive Director of Engineering Burton reported that after completion of a Preliminary Design Report (PDR) in early 2010, the Irvine Community Development Company (ICDC) halted progress on the Planning Area (PA)18 South development and final design was placed on hold. Mr. Burton said that ICDC restarted work on the development in September 2011, and at that time, the PA 18 Sub-Area Master Plan (SAMP) was updated to reflect revised land uses and to assess the impacts on the proposed domestic water, recycled water, and collections facilities serving the area. He said that in January 2012, the Board approved a Professional Services Agreement with SAIC Energy (SAIC), Environmental & Infrastructures, LLC (formerly R.W. Beck, Inc.) to revise and update the PDR based on the new demands identified in the updated SAMP. After the completion of the updated SAMP and PDR, ICDC sold the PA 18 South development to the Toll Bros. development group. The current planned development differs substantially from that which was originally contemplated in 2007. As a result, the size, configuration, and location of the pump

stations has also changed. The proposed domestic water system also now includes provisions for an emergency domestic water pump station, which was not originally planned. Due to these changes with both the development and the proposed pump station facilities, staff issued a Request for Proposals for final design engineering services associated with the final, proposed pump station facilities.

Mr. Burton said that staff received proposals for engineering design, bidding support, and construction support services from Brown & Caldwell, Dudek, Lee & Ro, and SAIC. He said that Lee & Ro's proposal demonstrated significant experience with multiple pump station projects, a staff capable of meeting the demanding design schedule, and a project manager with a successful history managing previous IRWD projects. Lee & Ro is the only firm that proposed to complete the work using internal staff for all primary disciplines which staff believes will expedite completion of the project in accordance with the aggressive design schedule.

Director Withers reported that the Engineering and Operations Committee concurs with the staff recommendation, and on MOTION by Withers, seconded and unanimously carried, THE BOARD APPROVED EXPENDITURE AUTHORIZATIONS IN THE AMOUNTS OF \$210,000 AND \$105,000 FOR PROJECTS 10446 (1648) AND 30446 (1063) AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH LEE & RO, INC. IN THE AMOUNT OF \$499,648 FOR ENGINEERING DESIGN, BIDDING SUPPORT, AND CONSTRUCTION SUPPORT SERVICES FOR THE PLANNING AREA 18 ZONE 3-4 AND THE ZONE B-C BOOSTER PUMP STATIONS, PROJECTS 10446 (1648) AND 30446 (1063).

DYER ROAD WELL FIELD WELL NOS. 2 AND 5 REHABILITATIONS AND ON-CALL HYDROGEOLOGIST CONSULTANT SELECTION

General Manager Cook reported that the District's wells are aging, and staff anticipates that several rehabilitation projects will be required in the near future to maintain well production and to obtain the anticipated service life of the wells. Mr. Cook said that staff has identified two wells, DRWF Nos. 2 and 5, that need to be rehabilitated immediately to maintain reliability in the Dyer Road Well Field. These wells have decreased in specific capacity, and videos of the wells show biofilm and blocked louvers. In addition, DRWF No. 2 has holes in the casing, which is resulting in sanding and damage to the mechanical equipment.

Executive Director of Engineering said that proposals for design and construction phase services for the rehabilitation of the two wells were received from Geoscience, Richard C. Slade & Associates (Slade), Thomas Harder & Company, and a team of Wildermuth Environmental/Shannon & Wilson. He said that staff recommends that Slade be selected for this project as its design approach and level of efforts are consistent with the project goals.

Director Withers reported that the Engineering and Operations Committee concurs with the staff recommendation. President Reinhart asked staff to have the two consultants prepare a plan for what wells will require rehabilitation work in the future. Also, he asked that an item be submitted to the Engineering and Operations Committee plotting yearly groundwater water levels in the basin. On MOTION by Withers, seconded and unanimously carried, THE BOARD AUTHORIZED THE ADDITION OF DRWF NO. 2 AND DRWF NO. 5 REHABILITATION PROJECT 11693 (4326) IN THE AMOUNT OF \$706,000 TO THE FY

2012-13 CAPITAL BUDGET; AUTHORIZED THE ADDITION OF A THREE-YEAR DOMESTIC WATER SYSTEM WELL REHABILITATION PROGRAM PROJECT 11672 (4327) IN THE AMOUNT OF \$2,097,900 TO THE FY 2012-13 CAPITAL BUDGET; AUTHORIZED THE ADDITION OF A THREE-YEAR RECYCLED WATER SYSTEM WELL REHABILITATION PROGRAM PROJECT 30402 (4328) IN THE AMOUNT OF \$1,029,000 TO THE FY 2012-13 CAPITAL BUDGET; APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$79,000 FOR THE DRWF NO. 2 AND DRWF NO. 5 REHABILITATION PROJECT 11693 (4326); APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$196,400 FOR THE THREE-YEAR DOMESTIC WATER SYSTEM WELL REHABILITATION PROGRAM PROJECT 11672 (4327); APPROVED AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$106,000 FOR THE THREE-YEAR RECYCLED WATER SYSTEM WELL REHABILITATION PROGRAM PROJECT 30402 (4328); AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$102,194 WITH RICHARD C. SLADE & ASSOCIATES FOR DESIGN AND CONSTRUCTION PHASE SERVICES FOR THE DRWF NO. 2 AND DRWF NO. 5 REHABILITATION PROJECT 11693 (4326); AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$150,000 WITH RICHARD C. SLADE & ASSOCIATES FOR ON-CALL WELL REHABILITATION DESIGN AND CONSTRUCTION PHASE SERVICES FOR FUTURE WELL REHABILITATION PROJECTS; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$150,000 WITH GEOSCIENCE FOR ON-CALL WELL REHABILITATION DESIGN AND CONSTRUCTION PHASE SERVICES FOR FUTURE WELL REHABILITATION PROJECTS.

GENERAL MANAGER'S REPORT

General Manager Cook reported on recent movement on both the 2013 Water Resources Development Act (WRDA) as well as Bill 601. He said if momentum picks up, staff will be contacting the Furman Group to encourage the inclusion of language for funding the District's Syphon reservoir.

Mr. Cook said that he received information this evening that the District's medical building was categorized as an environmental friendly building and received a Leed Certification.

Mr. Cook further reported that Mr. Patrick Sheilds will be joining the District as its Executive Director of Operations on Tuesday, April 2, 2013.

DIRECTORS' COMMENTS

Director Matheis reported on her attendance at a Water Education Briefing in Sacramento, a WateReuse conference in Monterey, and an OCBC presentation.

Director Withers said that he attended an Irvine Public Schools Commission Advisory Committee meeting and a World Water Day conference with General Manager Cook at Chapman University. He said that he will be attending an OCSD Board meeting and on Thursday, Concordia University's Public Policy event.

Director LaMar reported that he attended an OCBC and ACC-OC Advocacy conference in Sacramento, and a quarterly NROC Board meeting.

Director Reinhart reported on his attendance at a WateReuse annual conference in Monterey, and a lunch meeting with OCWD's Director Steve Shelton along with General Manager Cook.

CLOSED SESSION

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

- 1) Conference with Legal Counsel relative to litigation – Government Code Section 54956.9(d)(4) - initiation of litigation (one potential case) (potential settlement – professional services).

- 2) Conference with Real Property Negotiator (Government Code Section 54956.8).
Property: State project water entitlements to be added to various parcels – Portions of Sections 25, 26, 34, and 35 of T23S R19E MDB&M
Negotiating Parties: Carpenteria Valley Water District and Dudley Ridge Water District
Agency Negotiator: Paul Cook, General Manager
Purpose of Negotiations: Price and Terms of Payment

OPEN SESSION

The meeting was reconvened with LaMar, Matheis and Reinhart present, Swan and Withers absent. President Reinhart reported that in the closed session – conference with legal counsel relative to initiation of litigation (Government Code Section 54956.9(d)(2)), on a vote of 4-0-1 (Swan absent), a compromise and release agreement was approved with the design engineering consultant in conjunction with the utility conflict occurring in the Wells 21 and 22 Wellhead Facilities and Pipelines – Project No. 10286, providing for a cash payment to IRWD and mutual releases.

No action was reported from the closed session – conference with real property negotiator.

ADJOURNMENT

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

APPROVED and SIGNED this _____ day of _____, 2013.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Legal Counsel - Bowie, Arneson, Wiles & Giannone

April 8, 2013
Prepared and
Submitted by: N. Savedra
Approved by: P. Cook

CONSENT CALENDAR

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

SUMMARY:

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

Events/Meetings

Steven LaMar

4/17/13 IRWD Long-Term Finance Workshop
4/18/13 ULI Orange County/Inland Empire 2013 Best of the Best Awards Event
4/26/13 Orange County Forum
4/30/13 South OC Watershed Management Workshop

Mary Aileen Matheis

4/16-19/13 Water Education Foundation-Central Valley Water Tour, Sacramento, CA
4/26/13 Orange County Forum
4/30/13 South OC Watershed Management Workshop

Douglas Reinhart

5/4-6/13 WateReuse & Desalination Conference, Phoenix, AZ

John Withers

3/27/13 Assemblyman Don Wagner's Grand Opening & Open House of New District Office
3/28/13 Concordia Center for Public Policy-Problems & Issues Confronting the Golden State
4/18/13 ULI Orange County/Inland Empire 2013 Best of the Best Awards Event

RECOMMENDATION:

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

LIST OF EXHIBITS:

None

April 8, 2013

Prepared by: C. Compton

Submitted by: G. Heiertz

Approved by: Paul Cook 

CONSENT CALENDAR

2013 STATE LEGISLATIVE UPDATE

SUMMARY:

This report provides an update on the 2013 State legislative session and IRWD state legislative priorities. A copy of the 2013 State Legislative Matrix is attached as Exhibit "A".

Staff recommends that the Board:

- AB 1200 (Levine): IRWD continue to work with the author's office to develop a solution favorable to the District;
- SB 658 (Correa): OCWD's effort to amend its District Act – "SUPPORT"
- AB 543 (Campos): CEQA translation – "OPPOSE"; and
- AB 823 (Eggman): California Farmland Protection Act – "OPPOSE".

BACKGROUND:

The 2013 legislative session is in full swing with policy committees ramping up. As expected, many of the nearly 650 spot bills, which were introduced, have been amended or are in the process of being amended as their authors seek to have their bills referred to and heard in the appropriate policy committee. This year, the last day for policy committees to hear fiscal bills is May 3, while May 10 is the policy committee deadline for non-fiscal bills.

IRWD 2013 Legislative Priorities:

AB 803 (Hueso) – Water Recycling Act of 2013:

AB 803 (Hueso), the Water Recycling Act of 2013, was set to be heard in the Assembly Water, Parks and Wildlife Committee on April 2. The bill has been double referred and is expected to be heard in the Assembly Environmental Safety and Toxic Materials Committee by the end of April.

AB 1200 (Levine) – Recycled Water: Landscaping:

Assemblymember Marc Levine (D-San Rafael) introduced AB 1200. The bill, as introduced, is a spot bill which proposes to require the use of recycled water in landscape irrigation. The author intends to use the bill as a vehicle to address challenges in Sonoma County related to the prohibition against discharges of recycled water, and the impact the prohibition has had on the amount of water that can be stored in frost protection ponds between the fall and summer months. The issue in Sonoma County is similar to the issue IRWD has had with the storage of recycled water in IRWD's Sand Canyon Reservoir and the use of recycled water in decorative lakes.

Since recycled water is defined as “waste” under the law, the Regional Water Quality Control Boards (RWQCB) regulate the discharge of recycled water and impoundments in which recycled water is placed. Under Permit #R8-2007-0003, IRWD is generally prohibited from discharging recycled water into San Diego Creek or its tributaries. In order to avoid a discharge of recycled water during the wet weather season, the permit requires IRWD to reduce its storage of recycled water in the Sand Canyon Reservoir from 768 acre-feet to 200 acre-feet between October 1 to May 1. The purpose of this mandated reduction is to protect against storm-induced overflows, but its consequence is that there is a loss of 568 acre-feet (185 million gallons) of storage for seven months out of the year.

Further, the prohibition against a discharge of recycled water has impacted customer interest in accepting recycled water for the filling of decorative lakes. There are five decorative lakes in IRWD’s service area that use potable water. It is estimated that these decorative lakes require approximately 640 acre-feet of water annually to maintain their designed water levels. If recycled water were to be used in these lakes, and a storm-induced overflow were to occur, customers could be held liable for the discharge of recycled water and subject to fines by the RWQCB. As a result, customers have not been willing to use recycled water in decorative lakes, and approximately 640 acre-feet of potable water is used annually where recycled water may have been used instead.

Upon learning the intent behind AB 1200, staff contacted Assemblymember Levine’s office to discuss the possibility of also addressing IRWD’s challenges in the bill. Several discussions have taken place and the author seems open to working towards a solution which could address some of the District’s concerns. Given the author’s willingness to work towards a solution, staff recommends that the District continue to work with Assemblymember Levine’s office to develop a solution favorable to the District.

Other 2013 Legislation:

AB 145 (Perea/Rendon) - Relocation of Responsibility for the State’s Drinking Water Programs:

AB 145 (Perea, D-Fresno/Rendon, D-Lakewood) would move responsibility for the State’s drinking water programs from the Department of Public Health (DPH) to the State Water Resources Control Board (SWRCB). As reported previously, AB 145 would vest authority and responsibility for drinking water programs with a new Division of Drinking Water Quality at the SWRCB. Discussions surrounding this bill continue to take place. Like ACWA, California Municipal Utilities Association (CMUA) has taken an “*oppose unless amended position*” on the bill, and has advocated that a targeted approach to solving the problems within the Drinking Water Program be explored. At this time, it appears that the Governor’s Office and leadership within the Legislature are in favor of the relocation to the SWRCB.

SB 658 (Correa):

Recently, a preliminary court ruling stated that the Orange County Water District's (OCWD) District Act does not explicitly allow for the recovery of development and investigative costs against the parties responsible for causing groundwater contamination. The ruling stated that only the cost of actually designing and constructing the clean-up project is currently recoverable. The ruling further implies that these costs can only be recovered after the clean-up project is completed. As a result, OCWD is working to amend its District Act to clarify that it has the right to recover all costs from polluters to clean up the contamination they caused in the Orange County groundwater basin including development and investigative costs that are incurred before the designing and constructing of a groundwater clean-up project.

While SB 658 (Correa, D-Santa Ana) is currently in spot bill form, conversations have indicated that SB 658 will be amended and used as the vehicle to amend OCWD's District Act. Given the challenge OCWD has faced with clean-up costs and the importance of protecting Orange County's groundwater basin, staff recommends that the Board take a position in "SUPPORT" of OCWD's efforts.

CEQA Reform:

As reported last month, a number of proposals amending CEQA were introduced in the 2013 legislative session. The majority of the proposals still appear to be in spot bill form; however, several bills of a substantive nature have been authored.

- *AB 543 (Campos): CEQA: translation* - This bill would require a lead agency to translate any notice, document, or executive summary required by CEQA when the impacted community has a substantial number of non-English-speaking people. Government Code Section 7296.2, which is referenced in the bill, defines a "substantial number of non-English-speaking people" as "members of a group who either do not speak English, or who are unable to effectively communicate in English because it is not their native language, and who comprise five percent or more of the people served by any local office or facility of a state agency." The bill was set for hearing in the Assembly Natural Resources Committee, but the hearing was canceled at the author's request.

Staff recommends that the Board take an "OPPOSE" position on AB 543 (Campos, D-San Jose), and that staff work through the District's association and industry partners to oppose the bill.

- *AB 823 (Eggman): California Farmland Protection Act* - The California Farmland Protection Act would require specified mitigation for the conversion of agricultural land to a permanent or long-term nonagricultural use including a residential, commercial, civic, industrial, infrastructure, or other similar use. The required mitigation would be through the permanent protection and conservation of land suitable for agricultural uses. The bill mandates a mitigation ratio of conserved land to converted land of two acres for every one acre of converted land.

There is a coalition forming of agricultural and water interests to oppose the bill. ACWA plans on joining that effort and has taken an "OPPOSE" position due to the fact that the bill eliminates flexibility in determining whether there is any impact under CEQA. ACWA's opposition is also derived from its conclusion that the bill would have a negative effect in the delta where under current proposals agricultural lands would be converted to nonagricultural uses such as habitat restoration projects and infrastructure. CMUA has also taken an "OPPOSE" position on the bill.

Staff recommends that the Board take an "OPPOSE" position on AB 823 (Eggman, D-Stockton), and that staff work through the District's association and industry partners to oppose the bill.

Water Bond Legislation:

Staff reported to the Water Resources Policy and Communications Committee that four bills have been introduced concerning the 2014 water bond -- SB 36 (Rubio), SB 40 (Pavely, D-Calabasas), SB 42 (Wolk, D-Davis), and AB 142 (Perea, D-Fresno). A fifth bill has been "gutted and amended," and now relates to the water bond -- AB 295 (Salas, D-Bakersfield)

On March 12, 2013, the Senate Natural Resources and Water Committee held a second hearing on the water bond titled "*Water Bond Hearing: What's changed since the Legislature passed the water bond?*" A third hearing will be held in May. In addition to the hearings, serious discussions are beginning to take place about the size and scope of the bond.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on April 4, 2013.

RECOMMENDATION:

THAT THE BOARD HAVE IRWD CONTINUE TO WORK WITH ASSEMBLYMEMBER MARC LEVINE'S OFFICE TO DEVELOP A SOLUTION FAVORABLE TO THE DISTRICT IN AB 1200; TAKE A POSITION IN "SUPPORT" OF OCWD'S EFFORTS TO AMEND ITS DISTRICT ACT THROUGH SB 658 (CORREA); TAKE AN "OPPOSE" POSITION ON AB 543 (CAMPOS) AND TO WORK THROUGH THE DISTRICT'S ASSOCIATION AND INDUSTRY PARTNERS TO OPPOSE THE BILL; AND TAKE AN "OPPOSE" POSITION ON AB 823 (EGGMAN) AND TO WORK THROUGH THE DISTRICT'S ASSOCIATION AND INDUSTRY PARTNERS TO OPPOSE THE BILL.

LIST OF EXHIBITS:

Exhibit "A" – 2013 IRWD Legislative Matrix

Exhibit "B" – AB 543 (Campos)

Exhibit "C" – AB 823 (Eggman)

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
<u>AB 1</u> Alejo (D)	Water Quality: Integrated Plan: Salinas Valley		Appropriates funds for use by the Greater Monterey County Regional Water Management Group to develop the integrated plan to address the drinking water and wastewater needs of disadvantaged communities in the Salinas Valley whose waters have been affected by waste discharges.	02/12/2013 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass to Committee on APPROPRIATIONS.	
<u>AB 11</u> Logue (R)	Reserve Peace Officers: Emergency Rescue Personnel		Requires specified employers to permit an employee who performs emergency duty as a volunteer firefighter, reserve peace officer, or as emergency rescue personnel to take a leave of absence for the purpose of engaging in fire, law enforcement, or emergency rescue training.	03/20/2013 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT: Do pass to Committee on APPROPRIATIONS.	
<u>AB 21</u> Alejo (D)	Safe Drinking Water Small Community Grant Fund		Authorizes the assessment of a specified annual charge in lieu of interest on loans for water projects made pursuant to the Safe Drinking Water State Revolving Fund, and the deposit of that money into the Safe Drinking Water State Small Community Emergency Grant Fund. Authorizes the expending of the money in the fund for grants for specified water projects that serve disadvantaged and severely disadvantaged communities.	02/14/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	
<u>AB 25</u> Campos (D)	Employment: Social Media		Applies existing law that prohibits a private employer from requiring or requesting an employee or applicant for employment to disclose a username or password for the purpose of accessing personal social media, to access personal social media in the presence of the employer, or to divulge any personal social media to public employers. Provides that these provisions apply to public employers generally, including charter cities and counties.	03/14/2013 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;03/14/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.	
<u>AB 30</u>	Water Quality		Amends the Porter-Cologne Water Quality Control Act to authorize	02/12/2013 - From	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
Perea (D)			the Water Resources Control Board to asses an annual charge in connection with any financial assistance under the Water Pollution Control Revolving Fund without a change unless it is determined that the charge is not consistent with federal requirements regarding the fund, at which time the board would replace the charge with an identical interest rate. Relates to deposits to another specified water pollution control fund.	ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass to Committee on APPROPRIATIONS.	
<u>AB 37</u> Perea (D)	Environmental Quality Act: Record of Proceedings		Requires, for specified projects or upon the request of a project applicant and the consent of the lead agency that the lead agency prepare a record of proceedings concurrently with the preparation of negative declarations, mitigated negative declarations, EIR's, or other environmental documents for specified projects.	03/18/2013 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/18/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.	
<u>AB 69</u> Perea (D)	Groundwater: Nitrate at Risk Area Fund		Establishes the Nitrate at Risk Area Fund. Provides that moneys in the fund would be available for the purposes of developing and implementing sustainable and affordable solutions for disadvantaged communities in specified areas designated by the State Department of Public Health, in conjunction with the State Water Resources Control Board.	03/12/2013 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass to Committee on APPROPRIATIONS.	
<u>AB 72</u> Holden (D)	Municipal Water District: Board of Directors		Requires the directors of a municipal water district, except directors elected at a district formation election, to take office on the first Friday in December succeeding their election.	03/19/2013 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
				amendments.;03/19/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.	
AB 115 Perea (D)	Safe Drinking Water State Revolving Fund		Relates to the state Safe Drinking Water Act. Authorizes the Department of Public Health to fund projects by grant or loan where multiple water systems apply for funding as a single applicant for the purpose of consolidating water systems or extending services to households relying on private wells. Authorizes funding of a project to benefit a disadvantaged community.	03/12/2013 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass to Committee on APPROPRIATIONS.	
AB 118 Env Safety & Toxic Material Cmt	Safe Drinking Water State Revolving Fund		Authorizes the State Department of Public Health to adopt interim regulations for purposes of implementing provisions relating to the Safe Drinking Water State Revolving Fund. Requires an applicant for funding to demonstrate that it has the technical, managerial, and financial capacity to operate and maintain its water system for at least 20 years.	03/12/2013 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass to Committee on APPROPRIATIONS.	
AB 122 Rendon (D)	Energy Assessment: Nonresidential Buildings: Financing		Enacts the Nonresidential Building Energy Retrofit Financing Act. Requires the Energy Resources Conservation and Development Commission to establish the Nonresidential Building Energy Retrofit Financing Program to develop a request for proposal for a third-party administrator and to develop and operate the program to provide financial assistance, through authorizing the issuance of, revenue bonds, to owners of eligible nonresidential buildings for implementing energy property improvement.	03/19/2013 - From ASSEMBLY Committee on BANKING AND FINANCE with author's amendments.;03/19/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on BANKING AND	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
AB 142 Perea (D)	Safe, Clean, and Reliable Drinking Water Supply Act		Requires a state department that expends moneys in grants or other expenditures from the Safe, Clean, and Reliable Drinking Water Supply Act of 2012 to provide information to the Treasurer within a specified time period including the total amount of moneys spent on each project or program, the specified location of the project, and the detailed description of the project. Requires the Treasurer to post this information on its Internet Web site.	FINANCE. 03/19/2013 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.;03/19/2013 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/19/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.	
AB 145 Perea (D)	State Water Resources Control Board: Drinking Water		Transfers to the State Water Resources Control Board the various duties and responsibilities imposed on the State Department of Public Health by the State Safe Drinking Water Act and the Safe Drinking Water State Revolving Fund Law of 1997.	01/31/2013 - To ASSEMBLY Committees on WATER, PARKS AND WILDLIFE and ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.	
AB 153 Bonilla (D)	Global Warming Solutions Act of 2006: Offsets		Amends the Global Warming Solutions Act of 2006. Requires the State Air Resources Board to adopt a specified process for the review and consideration of new offset protocols and, commencing in 2014 and continuing thereafter, use that process to review and consider new offset protocols.	01/31/2013 - To ASSEMBLY Committee on NATURAL RESOURCES.	
AB 183 Dickinson	Delta Protection Commission: Executive		Amends the Johnson-Baker-Andal-Boatwright Delta Protection Act of 1992. Requires the Executive Director of the Delta Commission	02/15/2013 - To ASSEMBLY	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
(D)	Director		to determine a discretionary project located in the primary zone to be consistent with the resource management plan provided that the project satisfies specified criteria. Authorizes appeals to specified decisions.	Committees on WATER, PARKS AND WILDLIFE and NATURAL RESOURCES.	
AB 185 Hernandez R (D)	Open and Public Meetings: Televised Meetings		Provides that an audio or video recording of an open and public meeting made at the direction of a local agency may be erased or destroyed 2 years after the recording. Requires a local agency that collects a franchise fee from the holder of a state franchise that provides PEG channels to televise open and public meetings of its legislative body and any of its advisory committees, if financially feasible, and to only use the franchise fees for that purpose and necessary expenses.	03/11/2013 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;03/11/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.	
AB 194 Campos (D)	Open Meetings: Protections for Public Criticism		Makes it a misdemeanor for a member of a legislative body, while acting as a chairperson of a legislative body of a local agency, to prohibit public criticism protected under the Ralph M. Brown Act. Authorizes a district attorney to commence an action for the purpose of obtaining a judicial determination that an action taken by a legislative body of a local agency in violation of the protection for public criticism is null and void.	02/07/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	
AB 218 Dickinson (D)	Employment Applications: Criminal History		Prohibits a state or local agency from asking an applicant to disclose information regarding a criminal conviction until after the applicant's qualifications for the position have been determined to meet the requirements for the position. Includes specified findings and declarations of the Legislature in support of this policy.	02/21/2013 - To ASSEMBLY Committee on JUDICIARY.	
AB 229 Perez J (D)	Infrastructure and Revitalization Financing Districts		Authorizes the creation of an infrastructure and revitalization financing district and the issuance of debt with voter approval. Authorizes the creation of a district for up to 40 years and the issuance of debt with a final maturity date of up to 30 years. Authorizes a district to finance projects in redevelopment project	02/15/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
			areas and former redevelopment project areas and former military bases.		
AB 243 Dickinson (D)	Local Government: Infrastructure Financing Districts		Authorizes the creation of an infrastructure and revitalization financing district and the issuance of debt with voter approval. Authorizes a district to finance projects in redevelopment project areas and former redevelopment project areas and former military bases if special conditions are met. Authorizes a district to fund various projects, including watershed land used for the collection and treatment of water for urban uses, flood management, open space, habitat restoration and development purposes.	02/15/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	
AB 294 Holden (D)	Infrastructure Financing Districts		Authorizes an infrastructure financing district to utilize the Educational Revenue Augmentation Fund portion of incremental tax revenue. Requires a district that proposes to utilize the portion of incremental tax revenue to include that intention in the financing plan, and prior to adopting a resolution authorizing the first debt issuance utilizing the share, obtain and submit an economic analysis to the Infrastructure and Economic Development Bank for review and approval.	02/28/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	
AB 295 Salas (D)	Statewide Water Reliability Act of 2014		Enacts the Statewide Water Reliability Act of 2014, which, if adopted by the voters, would authorize the issuance of bonds to finance a public benefits associated with water storage projects program. Provides for submission of this bond act to the voters at the November 4, 2014, statewide general election.	03/19/2013 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.;03/19/2013 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/19/201 3 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER,	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
AB 378 Hueso (D)	Resources: Delta Research		Requires a person conducting Delta research whose research is funded, in whole or in part, by the state, to take specified actions with regard to the sharing of the primary data, samples, physical collections, and other supporting materials created or gathered in the course of that research. Authorizes the Delta Independent Science Board to adopt guidelines to provide adjustments to, and, where essential, exceptions from, these requirements.	PARKS AND WILDLIFE. 03/07/2013 - To ASSEMBLY Committees on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW and WATER, PARKS AND WILDLIFE.	
AB 380 Dickinson (D)	California Environmental Quality Act: Notice		Amends the California Environmental Quality Act. Requires that notices regarding environmental impact reports filed by lead agencies need to be filed with the Office of Planning and Research and the county clerk and posted by that clerk for public review. Provides additional duties regarding that notice by the Office and the county clerk. Provides notice requirements for projects that are determined to be exempted from the Act.	02/28/2013 - To ASSEMBLY Committees on NATURAL RESOURCES and LOCAL GOVERNMENT.	
AB 410 Jones-Sawyer (D)	Public Employee Health Benefits: Enrollment		Permits an annuitant who reinstates from retirement under PERS for employment by the state or a contracting agency and who subsequently retires again on or after a specified date to enroll in a health benefit plan as an annuitant of the employer from which he or she first retired, upon meeting specified conditions.	02/28/2013 - To ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY.	
AB 416 Gordon (D)	Local Emission Reduction Program		Creates the Local Emission Reduction Program and requires money to be available from the general fund for providing grants and other financial assistance to develop and implement greenhouse gas emissions reduction projects in the state, giving consideration to the ability of a project to create local job training and job creation benefits and achieve greenhouse gas emissions reduction. Provides the public entities that will be required to administer the program.	03/21/2013 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/21/2013 - In ASSEMBLY. Read second time and	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
				amended. Re-referred to Committee on NATURAL RESOURCES.	
AB 426 Salas (D)	Water Transfers: Temporary Changes		Allows a water permittee or licensee to make a temporary change in the point of diversion, place of use, or purpose of use, up to the amount of the permit or license, in order to transfer or exchange water or water rights through a water transfer agreement if specific requirements are met. Requires the permittee or licensee to submit a notice of the transfer or exchange that includes specific information. Requires the State Water Resources Board to post that information on its Web site.	03/19/2013 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.;03/19/2013 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/19/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.	
AB 507 Garcia (D)	Public Employees Retirement: Retirement Death Benefit		Requires that the amount paid pursuant to the Public Employees Retirement Law Post Retirement Death Benefit be a specified amount for a death occurring during a specified period. Increases that amount each year as specified at which point the amount would be a specified amount and would be adjusted annually thereafter.	03/04/2013 - To ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY.	
AB 515 Dickinson (D)	California Environmental Quality Act: Judicial Review		Establishes a CEQA Compliance Division of the Superior Court in a county in which the Attorney General maintains an office. Provides the division with original jurisdiction over actions of proceedings brought pursuant to the CEQA and matters related to land use and environmental laws. Provides decisions of the division may be reviewed by way of a petition for an extraordinary writ. Provides the	03/11/2013 - Re-referred to ASSEMBLY Committees on JUDICIARY and NATURAL RESOURCES.;03/11/20	

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			contents of a writ if a public agency is found to be in error and what action the agency must take to comply.	13 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;03/11/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.	
<u>AB 536</u> Wagner (R)	Contractors: Payments		Amends existing law that allows specified persons to withhold for a contractor or subcontractor no more than a specified percentage of any disputed amount if there is a good faith dispute over the amount due on a contract payment. Excludes specified amounts from being considered disputed amounts. Provides that the authorized withholding is not wrongfully withheld.	03/04/2013 - To ASSEMBLY Committee on BUSINESS, PROFESSIONS & CONSUMER PROTECTION and JUDICIARY.	
<u>AB 543</u> Campos (D)	California Environmental Quality Act: Translation		Requires a lead agency to translate any notice, document, or executive summary required by the California Environmental Quality Act (CEQA) when the impacted community has a substantial number of non-English-speaking people.	03/04/2013 - To ASSEMBLY Committee on NATURAL RESOURCES.	
<u>AB 551</u> Ting (D)	Local Government: Urban Agriculture Incentive Zones		Enacts the Urban Agriculture Incentive Zones Act. Authorizes a county and a landowner to enter into a contract to enforceably restrict the use of vacant, unimproved, or otherwise blighted lands for small-scale commercial production of agricultural crops. Require the county assessor to consider, when valuing real property for property taxation purposes, property that is enforceably restricted by a contract entered into pursuant to the Urban Agriculture Incentive Zones.	03/19/2013 - To ASSEMBLY Committees on AGRICULTURE and LOCAL GOVERNMENT.;03/19/2013 - From ASSEMBLY Committee on AGRICULTURE with	

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				author's amendments.;03/19/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on AGRICULTURE.	
AB 607 Perea (D)	Worker's Compensation: Dependent Children		Amends existing law that establishes a workers' compensation system. Eliminates the requirement that, in order to conclusively presume that children under 18, or certain adult children, are wholly dependent for support on the deceased employee-parent, there not be a surviving totally dependent parent.	03/04/2013 - To ASSEMBLY Committee on INSURANCE.	
AB 613 Hueso (D)	Water Reclamation		Makes technical, nonsubstantive changes to a provision of the Water Recycling Law that provides that a person recycling water or using recycled water in violation of specific provisions is guilty of a misdemeanor.	02/20/2013 - INTRODUCED.	
AB 621 Wagner (R)	Local Government: Bonds		Relates to local government bonds and investment firms. Prohibits a local agency from entering into a financial advisory, legal advisory, underwriting, or similar relationship with an individual or firm, with respect to a bond issue that requires voter approval, if that individual or firm, or an employee, agent, or person related to an employee or agent of the individual or firm, provided or will provide bond campaign services to the bond campaign.	03/19/2013 - To ASSEMBLY Committees on LOCAL GOVERNMENT and ELECTIONS AND REAPPORTIONMENT. ;03/19/2013 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;03/19/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.	

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<u>AB 662</u> Atkins (D)	Local Government: Infrastructure Financing Districts		Amends existing law that authorizes the creation of infrastructure financing districts and prohibits such district from including any portion of a redevelopment project area. Deletes that prohibition on infrastructure financing districts including any portion of a redevelopment project area.	03/04/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	
<u>AB 687</u> Hernandez R (D)	Electricity		Requires the Public Utilities Commission provide the highest priority to acquire electric services from other providers to entities treating and remediating groundwater that a federal, state, or local agency identifies as contaminated on a site listed as a Superfund site by the United States Environmental Protection Agency when authorizing additional direct transactions for retail nonresidential end-use customers.	03/04/2013 - To ASSEMBLY Committees on UTILITIES AND COMMERCE and ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.	
<u>AB 690</u> Campos (D)	Jobs and Infrastructure Financing Districts		Revises and recasts the provisions governing infrastructure financing districts. Provides for the creation of jobs and infrastructure financing districts with voter approval. Authorizes a public financing authority to enter into joint powers agreements with affected taxing entities with regard to nontaxing authority or powers only.	03/11/2013 - To ASSEMBLY Committees on LOCAL GOVERNMENT and HOUSING AND COMMUNITY DEVELOPMENT.	
<u>AB 703</u> Hall (D)	Adverse Economic Impact Statement		Amends the Administrative Procedure Act that governs the procedure for the adoption, amendment, or repeal of regulations by state agencies and for the review of those regulatory actions by the Office of Administrative Law and requires an agency to perform an economic impact assessment of that action on business and individuals. Requires the inclusion in such statement whether and to what extent the regulatory action would affect the incentives for innovation of products.	03/20/2013 - From ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW with author's amendments.;03/20/201 3 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ACCOUNTABILITY	

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				AND ADMINISTRATIVE REVIEW.	
AB 743 Logue (R)	Local Government Reorganization		Amends Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Authorizes the local agency formation commission to approve a change of organization or reorganization pursuant to these provisions of a territory that does not exceed 300 acres.	03/04/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	
AB 756 Melendez (R)	Environmental Quality Act: Court Review: Public Works		Applies the provisions of the California Environmental Quality Act and the Jobs and Economic Improvement Through Environmental Leadership Act of 2011 to a public works project, defined to mean an infrastructure project carried out by the city, county, or state government or contracted out to a private entity by the local or state government.	03/19/2013 - To ASSEMBLY Committees on JUDICIARY and NATURAL RESOURCES.;03/19/20 13 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;03/19/201 3 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.	
AB 792 Mullin (D)	Local Government: Open Meetings		Requires the local agency, if the agency is unable to post the agenda or notice on its Internet Web site because of software or hardware impairment beyond the agency's reasonable control, to post the agenda or notice immediately upon resolution of the technological problems.	03/04/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	
AB 794 Gorell (R)	Environmental Quality: Use of Landfill & Organic Waste		Exempts from the requirements of the California Environmental Quality Act a project that takes landfill materials or organic waste and converts then into renewable green energy if the lead agency finds that the project will result in a net reduction in greenhouse gas emissions or support sustainable agriculture. Exempts from the	03/04/2013 - To ASSEMBLY Committee on NATURAL RESOURCES.	

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			requirements of the act a project that uses biological processes to convert organic waste streams into nonchemical soil fertility products.		
AB 801 Brown (D)	Junk Dealers and Recyclers: Nonferrous Materials		Requires junk dealers and recyclers to obtain specified information before providing payment for nonferrous materials marked with an indicia of ownership. Requires that this information be retained as part of the written record of purchases.	03/04/2013 - To ASSEMBLY Committee on BUSINESS, PROFESSIONS & CONSUMER PROTECTION.	
AB 803 Hueso (D)	Water Recycling Act of 2013	Support	Creates the Water Recycling Act of 2013. Defines terms regarding the purpose of recycled water, the use of certain quality recycled water, and requirements for dual-plumbed recycled water systems. Prescribes backflow into a public water supply protection. Relates to the notification requirements for the discharge of sewage, waste, or effluent of treated sewage or other waste.	03/04/2013 - To ASSEMBLY Committees on WATER, PARKS AND WILDLIFE and ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.	
AB 811 Lowenthal B (D)	Excavations: Regional Notification Center System		Amends existing law that requires any person planning to conduct an excavation to contact a regional notification center prior to excavation. Provides that these requirements may also be enforced by the Contractors' State License Board or by an action for civil damages brought in a court of competent jurisdiction by the person or entity that has sustained damages due to a violation of these requirements.	03/04/2013 - To ASSEMBLY Committees on JUDICIARY and BUSINESS, PROFESSIONS AND CONSUMER PROTECTION.	
AB 823 Eggman (D)	Environment: Farmland Protection Act		Enacts the Farmland Protection Act. Requires that an applicant for a defined project that involves the conversion of agricultural land to a permanent or long-term nonagricultural use, including a residential, commercial, civic, industrial, infrastructure, or other similar use, mitigate the identified environmental impacts associated with the conversion of those lands through the permanent protection and conservation of land suitable for agricultural uses. Requires certain	03/11/2013 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/11/201	

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			criteria for specified lands.	3 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.	
AB 841 Torres (D)	Junk Dealers and Recyclers: Nonferrous Materials		Allows payment for nonferrous materials only by check marked to the seller's address. Removes the limit for a transaction consisting primarily of beverage containers made of nonferrous material to be exempt from these provisions. Exempts the redemption of any nonferrous material, including copper and copper alloy, with a value of not more than \$20 per transaction.	03/04/2013 - To ASSEMBLY Committee on BUSINESS, PROFESSIONS & CONSUMER PROTECTION.	
AB 953 Ammiano (D)	California Environmental Quality Act		Amends the California Environmental Quality Act, which defines environment and significant effect on the environment for certain purposes. Revises those definitions. Requires a lead agency to include in an environmental assessment report, a detailed statement on any effects that may result in the locating a proposed project near natural hazards or adverse environmental conditions.	03/07/2013 - To ASSEMBLY Committee on NATURAL RESOURCES.	
AB 993 Linder (R)	Contractors' Arbitration		Amends the Contractors' State License Law. Prohibits the arbitrator from awarding specific performance of any project, and from making a determination relative to any remedy not expressly authorized under these provisions, including attorney's fees, monetary damages for personal injury, and punitive damages.	03/07/2013 - To ASSEMBLY Committees on JUDICIARY and BUSINESS, PROFESSIONS AND CONSUMER PROTECTION.	
AB 1035 Muratsuchi (D)	Local Agencies: Financial Reports		Raises the forfeiture amounts for all local agencies, to which existing law does not apply. Doubles fines if the agency fails to submit the report to the Controller for 2 consecutive years. Triples the fines if the agency fails to submit the report to the Controller for 3 consecutive years, in which case the Controller would be required to conduct an independent audit report, the cost of which is	03/07/2013 - To ASSEMBLY Committee on LOCAL GOVERNMENT.	

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			reimbursed by the agency. Specifies the agency that has a forfeiture or payment still must file the report.		
<u>AB 1043</u> Chau (D)	Drinking Water, Quality, Flood, River Protection		Amends the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. Eliminates the requirement to develop and adopt regulations and requires a grantee of certain initiative bond act funds to take specific actions to recover the costs of cleanup and to utilize those funds for certain groundwater contamination cleanup projects.	03/07/2013 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.	
<u>AB 1080</u> Alejo (D)	Community Revitalization & Investment Authorities		Authorize certain public entities of a community revitalization and investment area to form a community revitalization plan within a community revitalization and investment authority to carry out the Community Redevelopment Law in a specified manner. Requires the authority to adopt a community revitalization plan for a community revitalization and investment area and authorizes the authority to include in that plan a provision for the receipt of tax increment funds.	03/22/2013 - Re-referred to ASSEMBLY Committees on HOUSING AND COMMUNITY DEVELOPMENT and LOCAL GOVERNMENT.	
<u>AB 1090</u> Fong (D)	Public Officers: Conflicts of Interest: Contracts		Provides that a person who violates the prohibition against being financially interested in a contract, or who causes another person to violate or who aids and abets another person in violating the prohibition, is subject to administrative and civil fines. Authorizes the Commission to enforce these violations by bringing an administrative or civil action against a person who is subject to the prohibition.	03/11/2013 - To ASSEMBLY Committee on ELECTIONS AND REDISTRICTING.	
<u>AB 1092</u> Levine (D)	Electric Charge Stations: New Construction		Requires a new construction project with 4 or more offstreet parking spaces to include one electric vehicle charge station per every 4 offstreet parking spaces included in the project. Provides that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.	03/14/2013 - To ASSEMBLY Committees on TRANSPORTATION and HOUSING AND COMMUNITY DEVELOPMENT.	
<u>AB 1131</u> Skinner (D)	Renewable Energy and Energy Efficiency Projects		Appropriates up to a specified amount of funds from Renewable Resource Trust Fund to finance specified alternative energy, alternative fuels, and water efficiency projects. Requires the	03/21/2013 - To ASSEMBLY Committee on	

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			Alternative Energy and Advanced Transportation Financing Authority to submit a report to the Legislature regarding those programs. Extends that appropriation and the reporting requirement date.	NATURAL RESOURCES.	
AB 1140 Daly (D)	Public Works: Prevailing Wages		States that if the Director of Industrial Relations determines, within a semiannual period, that there is a change in any prevailing rate of per diem wages in a locality, that determination applies to any public works. Authorizes any contractor, awarding body, or representative affected by a change in rates to file with the director a verified petition to review the determination of that rate. Requires the initiation of an investigation or hearing to make a final determination.	03/19/2013 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT with author's amendments.;03/19/2013 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LABOR AND EMPLOYMENT.	
AB 1149 Campos (D)	Identity Theft: Local Agencies		Relates to disclosure of any breach of an agency security to any resident whose unencrypted personal information was acquired by an unauthorized person. Provides disclosure requirements applying to a breach of computerized data that is owned or licensed by a local agency.	03/07/2013 - To ASSEMBLY Committees on LOCAL GOVERNMENT and JUDICIARY.	
AB 1200 Levine (D)	Recycled Water: Landscaping		Requires the Department of Water Resources to require 1,000,000 acre-feet of the water used for landscaping each year to be supplied by recycled water by 2020.	03/07/2013 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.	
AB 1212 Levine (D)	Public Contracts: Bids: Equal Materials or Service		Prohibits certain bid specifications from requiring a bidder to provide submission of data substantiating a request for a substitution of an equal item prior to the bid or proposal deadline.	03/07/2013 - To ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW.	
AB 1248	Local Agencies: Internal		Requires the Controller to develop internal control guidelines	03/11/2013 - To	

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Cooley (D)	Control Guidelines		applicable to a local agency to prevent and detect financial errors and fraud.	ASSEMBLY Committee on LOCAL GOVERNMENT.	
<u>AB 1251</u> Gorell (R)	Water Quality: Stormwater		Requires the Secretary for Environmental Protection to convene a stormwater task force to review, plan, and coordinate stormwater-related activity to maximize regulatory effectiveness in reducing water pollution.	03/11/2013 - To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.	
<u>AB 1349</u> Gatto (D)	CalConserve Water Use Efficiency Revolving Fund		Establishes the CalConserve Water Use Efficiency Revolving Fund for the purpose of water use efficiency projects. Requires moneys in the fund to be used for purposes that include, but are not limited to, at-or-below market interest rate loans.	03/14/2013 - To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.	
<u>AB 1365</u> Perez J (D)	State and Local Agency Reports: Submission		Authorizes state and local agencies to file certain reports with the Legislative Counsel electronically.	03/14/2013 - To ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW.	
<u>ACA 1</u> Donnelly (R)	Administrative Regulations: Legislative Approval		Requires an administrative agency to submit all regulations to the Legislature for approval. Authorizes the Legislature, by means of a concurrent resolution, to approve a regulation adopted by an administrative agency of the state.	12/03/2012 - INTRODUCED.	
<u>ACA 8</u> Blumenfield (D)	Local Government Financing: Voter Approval		Creates an additional exception to the 1% limit for an ad valorem tax rate imposed by a city, county, city and county, or special district, to service bonded indebtedness incurred to fund specified public improvements and facilities, or buildings used primarily to provide sheriff, police, or fire protection services, that is approved by 55% of the voters of the city, county, city and county, or special district, as applicable.	02/13/2013 - INTRODUCED.	
<u>SB 1</u>	Sustainable Communities		Authorizes certain public entities of a Sustainable Communities	03/13/2013 - From	

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Steinberg (D)	Investment Authority		Investment Area to form a Sustainable Communities Investment Authority to carry out the Community Redevelopment Law. Provides for tax increment funding receipt under certain economic development and planning criteria. Establishes prequalification requirements for receipt of funding. Requires monitoring and enforcement of prevailing wage requirements within the area.	SENATE Committee on GOVERNANCE AND FINANCE: Do pass to Committee on TRANSPORTATION AND HOUSING.	
SB 13 Beall (D)	Public Employees' Retirement Benefits		Corrects an erroneous cross-reference in the Public Employees' Pension Reform Act of 2013 regarding the Judges' Retirement System I and II defined benefit formula adoption. Amends the act regarding employers offering one of more defined benefit formulas to new safety members. Relates to contribution rates for defined pension plans. Repeals provisions regarding disability retirements. Relates to state miscellaneous or industrial members contributions or service credit. Requires related regulations.	02/11/2013 - From SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS.	
SB 14 Gaines T (R)	Bear Lake Reservoir: Recreational Use		Relates to existing law which prohibits recreational use in which there is bodily contact with water in a reservoir in which water is stored for domestic use. Exempts from this prohibition any participant in the Bear Lake Reservoir, and establishes standards in this regard, including water treatment, monitoring, and reporting requirements. Subjects the Lake Alpine Water Company to suspension or revocation of any permit issued, and failure to comply would be deemed a violation subject to penalties.	02/19/2013 - From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments.;02/19/2013 - In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY.	
SB 24 Walters (R)	Public Employees' Retirement: Benefit Plans		Authorizes a local agency public employer or public retirement system that offers a defined benefit pension plan to offer a benefit formula with a lower benefit factor at normal retirement age and that results in a lower normal cost than the benefit formulas that are currently required, for purposes of addressing a fiscal necessity.	01/10/2013 - To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT.	
SB 33 Wolk (D)	Infrastructure Financing Districts: Voter Approval		Revises provisions governing infrastructure financing districts. Eliminates the requirement of voter approval for creation of the district and for bond issuance, and authorizes the legislative body to	03/13/2013 - From SENATE Committee on GOVERNANCE AND	

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			create the district subject to specified procedures. Authorizes the creation of such district subject to specified procedures. Authorizes a district to finance specified actions and project. Prohibits the district from providing financial assistance to a vehicle dealer or big box retailer.	FINANCE: Do pass to Committee on APPROPRIATIONS.	
SB 36 Rubio (D)	Safe, Clean, and Reliable Drinking Water Supply Act		Declares the intent of the Legislature to amend the Safe, Clean, and Reliable Drinking Water Supply Act of 2012 for the purpose of reducing the amount of the bond.	01/10/2013 - To SENATE Committee on RULES.	
SB 40 Pavley (D)	Safe, Clean, and Reliable Drinking Water Supply Act		Changes the name of the Safe, Clean, and Reliable Drinking Water Supply Act of 2012 to the Safe, Clean, and Reliable Drinking Water Supply Act of 2014. Declares the intent of the Legislature to amend the act for the purpose of reducing and potentially refocusing the bond.	01/31/2013 - Re-referred to SENATE Committees on NATURAL RESOURCES AND WATER and RULES.	
SB 42 Wolk (D)	Clean, Secure Water Supply and Delta Recovery Act		Enacts the Clean, Secure Water Supply and Delta Recovery Act of 2014. Authorizes the issuance of general obligation bonds for the Sacramento-San Joaquin Delta Recovery.	01/10/2013 - To SENATE Committee on NATURAL RESOURCES AND WATER.	
SB 117 Rubio (D)	Drinking Water: State Water Resources Control Board		Transfers the various duties and responsibilities imposed on the State Department of Public Health by the State Safe Drinking Water Act to the State Water Resources Control Board. Makes conforming changes.	01/31/2013 - To SENATE Committees on HEALTH and ENVIRONMENTAL QUALITY.	
SB 123 Corbett (D)	Environmental and Land-Use Court		Requires a presiding judge of each superior court to establish an environmental and land-use division within the court to process civil proceedings brought pursuant to the California Environmental Quality Act or in specified subject areas, including air quality, biological resources, climate change, hazards and hazardous materials, land use planning, and water quality.	01/31/2013 - To SENATE Committee on JUDICIARY.	
SB 124 Corbett (D)	Public Contracts: Bid Preferences: Clean Energy		Requires state agencies and the Trustees of the California State University that accept bids or proposals for a contract for the purchase or installation of a clean energy device, technology, or system, to provide a preference to a bidder that certifies that all of	01/31/2013 - To SENATE Committees on ENERGY, UTILITIES AND	

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			the parts of the clean energy device, technology, or system to be installed have been manufactured or assembled in the state, in accordance with specified criteria.	COMMUNICATIONS and GOVERNMENTAL ORGANIZATION.	
SB 176 Galgiani (D)	Administrative Procedures		Requires, in order to increase public participation and improve the quality of regulations, state agencies, boards, and commissions to publish a notice prior to any meeting date or report, provided the meeting or report is seeking public input.	02/14/2013 - To SENATE Committee on GOVERNMENTAL ORGANIZATION.	
SB 182 Governance and Finance Cmt	Validations		Enacts the Second State Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.	03/13/2013 - From SENATE Committee on GOVERNANCE AND FINANCE: Do pass to Committee on APPROPRIATIONS.	
SB 183 Governance and Finance Cmt	Validations		Enacts the Third State Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.	03/21/2013 - In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY.	
SB 184 Governance and Finance Cmt	Local Government: Omnibus Bill		Includes within the definition of family member under the Public Cemetery District Law a person's domestic partner, and defines the term domestic partner. Revises the definition of abuse of office to include bribery of a member of the Legislature in existing law that requires employment contracts between a local agency and an officer or employee to include a provision that would reimburse the agency for that officer's salary if that officer is convicted of an abuse of his or her office or position.	02/14/2013 - To SENATE Committee on GOVERNANCE AND FINANCE.	
SB 193 Monning (D)	Hazard Evaluation System and Information Service		Relates to the repository of current data on toxic materials and harmful physical agents in use in places of employment. Requires, upon request from the repository, chemical manufacturers, suppliers, distributors, importers, and their agents to provide to the repository the names and addresses of their customers who have purchased specified chemicals or commercial products containing those chemicals. Provides for confidentiality of records.	02/21/2013 - To SENATE Committee on JUDICIARY.	

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<u>SB 338</u> Hill (D)	Local Agency Meetings: Teleconferencing		Requires if the legislative body of a local agency elects to use teleconferencing and a teleconference location is located outside the boundaries of the local agency, that the agenda be posted at that location at least 24 hours in advance of the meeting rather than 72 hours.	02/28/2013 - To SENATE Committee on GOVERNANCE AND FINANCE.	
<u>SB 390</u> Wright (D)	Employee Wage Withholdings: Failure to Remit		Makes it a crime for an employer to fail to remit withholdings from an employee's wages that were made pursuant to state, local, or federal law.	02/28/2013 - To SENATE Committee on LABOR AND INDUSTRIAL RELATIONS.	
<u>SB 395</u> Jackson (D)	Hazardous Substances: Produced Water		Amends the hazardous waste control law. Defines produced water and requires its regulation as a hazardous substance during the extraction of oil and gas, including hydraulic fracturing operations.	02/28/2013 - To SENATE Committee on ENVIRONMENTAL QUALITY.	
<u>SB 407</u> Hill (D)	Local Government: Officers and Employees: Contracts		Includes within the definition of local agency executive any person who is a deputy or assistant chief executive officer, and any person whose position is held by an employment contract between that person and the local agency. Requires an officer or employee of a local agency, who is convicted of a crime involving an abuse of office, to fully reimburse certain payments that are made by the local agency.	02/28/2013 - To SENATE Committee on GOVERNANCE AND FINANCE.	
<u>SB 424</u> Emmerson (R)	Vehicles: Windshields: Obstructions		Exempts from the prohibition against placing an object that obstructs or reduces the driver's clear view in or upon a vehicle owned by a government agency if those objects or materials do not interfere with the driver's clear view of approaching traffic.	03/11/2013 - To SENATE Committee on TRANSPORTATION AND HOUSING.	
<u>SB 425</u> DeSaulnier (D)	Public Works: the Public Works Peer Review Act of 2013		Requires a state agency or department or a regional agency, principally tasked with administering the planning and development of a public works project to establish a specified peer review group, to provide it with expert advice on the scientific and technical aspects of the project if the public works is a megaproject.	03/11/2013 - To SENATE Committees on GOVERNMENTAL ORGANIZATION and GOVERNANCE AND FINANCE.	
<u>SB 436</u> Jackson (D)	California Environmental Quality Act: Notice		Relates to the California Environmental Quality Act. Requires a lead agency to conduct at least one public scoping meeting for the	03/11/2013 - To SENATE Committee on	

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
			specified projects and to provide notice to the specified entities of at least one public scoping meeting.	ENVIRONMENTAL QUALITY.	
SB 462 Monning (D)	Employment: Compensation		Amends existing law which requires a court in any action brought for the nonpayment of wages, fringe benefits, or health and welfare or pension fund contributions, to award reasonable attorney's fees and costs to the prevailing party. Makes the award where the prevailing party is not an employee contingent on a finding that the employee brought the court action in bad faith.	03/11/2013 - To SENATE Committees on JUDICIARY and APPROPRIATIONS.	
SB 617 Evans (D)	California Environmental Quality Act		Amends various provisions of the California Environmental Quality Act. Requires that notices regarding environmental impact reports filed by lead agencies need to be filed with the Office of Planning and Research and the county clerk and posted by that clerk for public review. Provides additional duties regarding notices by the Office and the clerk. Requires a statement in the report regarding the placement of the project near natural hazards or adverse environment conditions. Repeals specified exemptions.	03/11/2013 - To SENATE Committee on ENVIRONMENTAL QUALITY.	
SB 620 Wright (D)	Water Replenishment Districts		Amends the Water Replenishment District Act. Permits a district to establish an annual reserve fund. Requires the board of directors of a water replenishment district to declare whether funds are to be raised to purchase water for replenishment and whether the funds are to be raised either by a water charge, a general assessment, or a replenishment assessment. Provides that a producer is liable to the district for a penalty for unpaid assessment.	03/11/2013 - To SENATE Committees on NATURAL RESOURCES AND WATER and GOVERNANCE AND FINANCE.	
SB 628 Beall (D)	Infrastructure Financing		Eliminates the requirement of voter approval for the adoption of an infrastructure financing plan, the creation of an infrastructure financing district, and the issuance of bonds with respect to a transit priority project. Requires a specified percentage of the revenue for increasing, improving, and preserving the supply of lower and moderate-income housing. Provides that income level for continued occupancy. Relates to the approval of such district and its ability to issue bonds.	03/11/2013 - To SENATE Committees on GOVERNANCE AND FINANCE and TRANSPORTATION AND HOUSING.	
SB 633 Pavley (D)	CEQA: Environmental Impact Reports		Amends the California Environmental Quality Act that requires the submission of a subsequent or supplemental environmental impact	03/11/2013 - To SENATE Committee on	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
			report when new information which was not known and could not have been known at the time of the original report was certified as complete, becomes available. Requires the new information that becomes available was not known and could not have been known by the lead agency or any responsible agency at the time the report was certified as complete.	RULES.	
SB 636 Hill (D)	Redevelopment Property Tax Trust		Modifies the provision of law relating to the allocation of remaining local property tax revenues in the Redevelopment Property Tax Trust Fund by deleting language requiring that the provision be construed in such a manner so as to not increase any allocations of excess, additional, or remaining Educational Revenue Augmentation Fund funds that would otherwise have been allocated to cities, counties, cities and counties, or special districts pursuant to existing law.	03/11/2013 - To SENATE Committee on GOVERNANCE AND FINANCE.	
SB 658 Correa (D)	Water Quality: Cleanup and Abatement Orders		Makes technical, nonsubstantive changes to provisions of the Porter-Cologne Water Quality Control Act requiring a person who discharges waste into the water of the state in violation of waste discharge requirements to clean up the waste or to abate the effects of the waste. Provides for the recovery of costs associated with cleanup.	03/11/2013 - To SENATE Committee on RULES.	
SB 673 DeSaulnier (D)	Land Use: Development Project Review		Requires a city, county, or city and county, including a charter city or charter city and county, prior to approving or disapproving a proposed development project to cause a cost benefit analysis to be prepared, which would be paid for by the project applicant.	03/11/2013 - To SENATE Committee on GOVERNANCE AND FINANCE.	
SB 731 Steinberg (D)	Environment: California Environmental Quality Act		State the intent of the Legislature to enact legislation revising the California Environmental Quality Act to, among other things, provide greater certainty for smart infill development. States the intent of the Legislature to provide funds annually to the Strategic Growth Council for the purposes of providing planning incentive grants to local and regional agencies to update and implement general plans.	03/11/2013 - To SENATE Committee on RULES.	
SB 735 Wolk (D)	Sacramento-San Joaquin Delta Reform Act		Amends the Sacramento-San Joaquin Delta Reform Act of 2009 to exclude from the definition of covered action the approval or	03/11/2013 - To SENATE Committee on	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
			implementation of a project as part of a larger conservation plan submitted pursuant to the Federal Endangered Species Act, a natural community conservation plan submitted pursuant to the Natural Community Conservation Planning Act, or certain permits related to the taking, importation, exportation, or sale of endangered species.	NATURAL RESOURCES AND WATER.	
SB 750 Wolk (D)	Building Standards		Requires a water purveyor that provides water service to a newly constructed multiunit residential structure or newly constructed mixed-use residential and commercial structure that submits an application for a water connection to require the installation of either a water meter or a submeter to measure water supplied to each individual dwelling unit.	03/11/2013 - To SENATE Committee on JUDICIARY.	
SB 761 DeSaulnier (D)	Family Temporary Disability Insurance		Provides that it is unlawful for an employer or agent of an employer to discharge or in any other manner to discriminate against an individual because he or she has applied for, used, or indicated an intent to apply for or use, family temporary disability insurance benefits.	03/11/2013 - To SENATE Committees on LABOR AND INDUSTRIAL RELATIONS and JUDICIARY.	
SB 770 Jackson (D)	Unemployment Compensation: Disability Benefits		Relates to family temporary disability leave. Expands the scope of the family temporary disability program to include time off to care for a seriously ill grandparent, grandchild, sibling, or parent-in-law.	03/11/2013 - To SENATE Committee on LABOR AND INDUSTRIAL RELATIONS.	
SB 772 Emmerson (R)	Drinking Water		Requires the Department of Health, or a local health agency, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and to a local agency formation commission. Relates to requests of information from entities that provide drinking water and the review of retail water suppliers in a county.	03/11/2013 - To SENATE Committees on GOVERNANCE AND FINANCE and RULES.	
SB 797 Anderson (R)	Property Taxation: Exemption: Parking		Makes technical, nonsubstantive changes to existing property tax law which exempts from tax any real property that is reasonably and necessarily required for the parking of automobiles by persons engaged in religious activities.	03/11/2013 - To SENATE Committee on RULES.	
SCA 10	Legislative Procedure		Authorizes a committee to hear or act on a bill if the bill, in the form	01/31/2013 - To	

EXHIBIT "A"
IRWD 2013 LEGISLATIVE MATRIX
 Updated March 28, 2013

Bill No. Author	Title	IRWD Position	Summary/Effects	Status	Notes
Wolk (D)			to be considered by the committee, has been in print and published on the Internet for at least 15 days. Prohibits either house of the Legislature from passing a bill until the bill, in the form to be voted on, has been made available to the public, in print and published on the Internet, for at least 72 hours preceding the vote.	SENATE Committee on RULES.	

EXHIBIT "B"

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 543

Introduced by Assembly Member Campos

February 20, 2013

An act to add Section 21097 to the Public Resources Code, relating to environmental quality.

LEGISLATIVE COUNSEL'S DIGEST

AB 543, as introduced, Campos. California Environmental Quality Act: translation.

Existing law, the California Environmental Quality Act (CEQA), requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

This bill would require a lead agency to translate any notice, document, or executive summary required by the act when the impacted community has a substantial number of non-English-speaking people, as specified. By requiring a lead agency to translate these writings, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 21097 is added to the Public Resources
2 Code, to read:
3 21097. A lead agency shall translate any notice, document, or
4 executive summary required by this division when the impacted
5 community has a substantial number of non-English-speaking
6 people, as specified in Section 7296.2 of the Government Code.
7 SEC. 2. If the Commission on State Mandates determines that
8 this act contains costs mandated by the state, reimbursement to
9 local agencies and school districts for those costs shall be made
10 pursuant to Part 7 (commencing with Section 17500) of Division
11 4 of Title 2 of the Government Code.

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Exhibit "C"

AMENDED IN ASSEMBLY MARCH 11, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 823

Introduced by Assembly Member Eggman

February 21, 2013

An act to add ~~Section 21095.5~~ *Sections 21095.5, 21095.6, and 21095.7* to the Public Resources Code, relating to the environment.

LEGISLATIVE COUNSEL'S DIGEST

AB 823, as amended, Eggman. Environment: ~~agricultural land mitigation.~~ *California Farmland Protection Act.*

(1) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

This bill would ~~require a lead agency, for a project that converts agricultural lands for nonagricultural uses, to require mitigation measures consisting, at a minimum, of providing replacement acreage through specified mechanisms to ensure the availability of agricultural production capacity. Because a lead agency would be required to provide a higher level of service by requiring the specified mitigation measure, the bill would impose a state-mandated local program~~ *enact the*

California Farmland Protection Act, which would require that an applicant for a project, as defined, that involves the conversion of agricultural land to a permanent or long-term nonagricultural use, including a residential, commercial, civic, industrial, infrastructure, or other similar use, at a minimum, mitigate the identified environmental impacts associated with the conversion of those lands through the permanent protection and conservation of land suitable for agricultural uses, and would require that an adopted mitigation measure providing for the protection of agricultural land meet specified requirements. The act would require that any lands identified and proposed for conservation and protection meet specified criteria. The act would provide that a project is deemed to have fully mitigated all identified significant project-level and cumulative impacts on agricultural resources and no further mitigation is required if specified conditions are met. The act would require the Office of Planning and Research, no later than December 31, 2014, to promulgate regulations covering projects subject to the act. By imposing new duties on a lead agency with regard to the review and approval of the mitigation measures required by the act, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. (a) The Legislature finds and declares that~~
 2 ~~California agriculture is a \$43,000,000,000 per year industry, one~~
 3 ~~of the state's largest and most significant industries. California~~
 4 ~~agriculture supplies 90 percent of the nation's nuts and wine grapes,~~
 5 ~~more than one-half of the country's fruits and vegetables and is~~
 6 ~~the leading producer of dairy products.~~
 7 ~~(b) It is the intent of the Legislature to enhance the long-term~~
 8 ~~viability of California agriculture by clarifying farmland mitigation~~
 9 ~~requirements under the California Environmental Quality Act~~

1 ~~(Division 13 (commencing with Section 21000) of the Public~~
2 ~~Resources Code.~~

3 ~~SEC. 2. Section 21095.5 is added to the Public Resources Code,~~
4 ~~to read:~~

5 ~~21095.5. For a project that converts agricultural lands for~~
6 ~~nonagricultural uses, the lead agency shall require mitigation~~
7 ~~measures consisting, at a minimum, of providing replacement~~
8 ~~acreage through a grant, in perpetuity, of an agricultural or~~
9 ~~farmland conservation easement, a deed restriction, or other~~
10 ~~conservation mechanism on the replacement acreage to ensure the~~
11 ~~availability of agricultural production capacity by limiting~~
12 ~~nonagricultural development that is inconsistent with agricultural~~
13 ~~uses and related activities for the benefit of a qualified entity.~~

14 ~~SECTION 1. This act shall be known, and may be cited, as the~~
15 ~~California Farmland Protection Act.~~

16 ~~SEC. 2. Section 21095.5 is added to the Public Resources Code,~~
17 ~~to read:~~

18 ~~21095.5. (a) The Legislature finds and declares all of the~~
19 ~~following:~~

20 ~~(1) California is the nation's leader in food production and~~
21 ~~contributes significantly to both national and global food security.~~

22 ~~(2) California agricultural production depends on soil, water,~~
23 ~~and climate conditions found in one of only five Mediterranean~~
24 ~~growing regions on Earth.~~

25 ~~(3) Dependent on land and natural resources, California~~
26 ~~agriculture is uniquely vulnerable to global warming. Global~~
27 ~~warming poses a serious threat to California agriculture with~~
28 ~~rising temperatures, constrained water resources, increases in~~
29 ~~extreme weather events, reduced winter chilling hours, and rising~~
30 ~~sea levels.~~

31 ~~(4) California agriculture is also uniquely positioned to provide~~
32 ~~climate benefits by reducing greenhouse gas emissions. Research~~
33 ~~funded by the State Energy Resources Conservation and~~
34 ~~Development Commission's Public Interest Energy Research~~
35 ~~program found that an acre of irrigated cropland emits 70 times~~
36 ~~fewer greenhouse gas emissions than an acre of urban land.~~

37 ~~(5) California's growing population places additional demands~~
38 ~~on both our food supply and on the development of agricultural~~
39 ~~land for nonagricultural purposes. An average of approximately~~

1 30,000 acres of California agricultural land is permanently
2 converted to nonagricultural uses every year.

3 (6) The preservation of a maximum amount of the limited supply
4 of agricultural land is necessary for conservation of the state's
5 natural resources, the maintenance of the agricultural economy
6 of the state, and the assurance of an adequate, healthy, and
7 nutritious food supply for the residents of this state and nation.

8 (7) California's statewide land use planning priorities include
9 the goal of protecting, preserving, and enhancing the state's most
10 valuable natural resources, including working landscapes such
11 as farm, range, and forest lands as described in Section 65041.1
12 of the Government Code.

13 (8) Through the California Land Conservation Act of 1965
14 (Article 1 (commencing with Section 51200) of Chapter 7 of Part
15 1 of Division 1 of Title 5 of the Government Code), California has
16 provided legal and financial incentives for farmers and ranchers
17 to keep land in agricultural production, thereby discouraging the
18 premature and unnecessary conversion of agricultural land to
19 urban uses and discouraging discontinuous urban development
20 patterns that unnecessarily increase the costs of community
21 services.

22 (9) Since 1998, California has invested in the protection of
23 agricultural lands near urban areas through the California
24 Farmland Conservancy Program Act (Division 10.2 (commencing
25 with Section 10200)) recognizing that conservation of these lands
26 is necessary due to increasing development pressures and the
27 effects of urbanization on farmland close to cities.

28 (10) This division requires the analysis and adoption of feasible
29 mitigation for projects with significant effects on agricultural
30 resources.

31 (11) Local entities play a vital role in regulating the use of land
32 under their jurisdiction, including the conservation of agricultural
33 lands through appropriate zoning and planning activities, as well
34 as determinations of the potential environmental impacts of
35 proposed land use changes.

36 (12) Despite the analysis and mitigation requirements of this
37 division with respect to projects that result in agricultural land
38 conversion, lead agencies do not consistently require feasible
39 mitigation for agricultural land conversion impacts.

1 (13) *The conversion of agricultural land, as defined in Section*
2 *56016 of the Government Code, to nonagricultural uses without*
3 *appropriate mitigation negatively affects California’s economic*
4 *development, natural resources, social and economic equity, and*
5 *environmental quality.*

6 **(b)** *It is the intent of the Legislature to adopt minimum statewide*
7 *mitigation standards for projects that result in the conversion of*
8 *agricultural land to nonagricultural uses including residential,*
9 *commercial, civic, industrial, subdivision, infrastructure, or similar*
10 *land development projects. The conversion of agricultural land to*
11 *nonagricultural uses is an issue of statewide concern. It is therefore*
12 *the policy of the state that each lead agency comply with the*
13 *requirements of this section when approving projects that convert*
14 *agricultural lands to nonagricultural uses.*

15 **SEC. 3.** *Section 21095.6 is added to the Public Resources Code,*
16 *to read:*

17 21095.6. **(a)** *For purposes of this section, Sections 21095.6,*
18 *and Section 21095.7 a “qualified entity” means a land trust, city,*
19 *county, nonprofit organization, resource conservation district,*
20 *special district, or regional park or open-space district or regional*
21 *park or open-space authority that has the conservation of farmland*
22 *among its stated purposes.*

23 **(b)** *An applicant for a project, as defined in Section 21065, that*
24 *involves the conversion of agricultural land to a permanent or*
25 *long-term nonagricultural use, including residential, commercial,*
26 *civic, industrial, infrastructure, or other similar land development*
27 *projects shall, at a minimum, mitigate the identified environmental*
28 *impacts associated with the conversion of those lands through the*
29 *permanent protection and conservation of land suitable for*
30 *agricultural uses.*

31 **(c)** *An adopted mitigation measure that provides for the*
32 *protection of agricultural land shall require at least one of the*
33 *following:*

34 **(1)** *A grant in perpetuity to a qualified entity of an agricultural*
35 *conservation easement that limits development that is inconsistent*
36 *with agricultural uses and related activities to ensure the protection*
37 *and stewardship of the agricultural productive capacity of the*
38 *mitigation land.*

39 **(2)** *The project applicant to pay, or cause to be paid, a fee to*
40 *the lead agency sufficient to acquire a perpetual agricultural*

1 *conservation easement that meets all the requirements of this*
2 *section. The lead agency may secure an easement through a*
3 *payment to a qualified entity or to the Department of Conservation*
4 *for the California Farmland Conservancy Program through a*
5 *deposit to either the California Farmland Conservancy Program*
6 *Fund, created pursuant to Section 10230, or the Farm, Ranch,*
7 *and Watershed Account, created pursuant to paragraph (2) of*
8 *subdivision (c) of Section 10252.5, for the purposes of acquiring*
9 *a perpetual agricultural conservation easement that meets all the*
10 *requirements of this section.*

11 *(3) The project applicant to enter into a fee agreement with a*
12 *qualified entity to acquire an agricultural conservation easement*
13 *that meets all the requirements of this section.*

14 *(d) Any fees paid by a project applicant pursuant to paragraph*
15 *(2) or (3) of subdivision (c) to comply with this section shall include*
16 *the purchase price of an agricultural conservation easement, all*
17 *transaction costs, and funding for a reasonable endowment for*
18 *the purpose of monitoring, administering, legal defense, and all*
19 *other services provided by the qualified entity to acquire, manage,*
20 *and monitor the easement in perpetuity.*

21 *(e) Any lands identified and proposed for conservation and*
22 *protection pursuant to subdivision (c) shall, at a minimum, meet*
23 *all of the following criteria:*

24 *(1) The mitigation acreage of conserved lands is at least equal*
25 *to the acreage of the agricultural land converted to nonagricultural*
26 *uses.*

27 *(2) The soil quality of the conserved agricultural land is*
28 *comparable to, or better than, the land that is converted to a*
29 *nonagricultural use.*

30 *(3) The conserved agricultural land has an adequate water*
31 *supply for the purposes of producing irrigated crops, watering of*
32 *livestock, or other agricultural purposes for which the conserved*
33 *agricultural land is suited.*

34 *(4) The conserved agricultural land is located as close to the*
35 *project site as the lead agency determines is feasible or is part of*
36 *an area designed as a priority agricultural mitigation or protection*
37 *area in an adopted general plan, regional advance mitigation*
38 *plan, greenprint, sustainable communities strategy prepared*
39 *pursuant to the Sustainable Communities and Climate Protection*

1 Act of 2008 (Chapter 728 of the Statutes of 2008), or other local
2 or statewide plan that promotes agricultural land protection.

3 (5) The conserved agricultural land has not been previously
4 encumbered by another conservation easement that restricts the
5 landowner's development rights.

6 (6) The environmental document and other relevant project
7 approval documents specify that the mitigation land shall be
8 protected through a legal agreement meeting the requirements of
9 paragraph (1) of subdivision (c) prior to commencement of any
10 construction activity. This requirement does not apply to mitigation
11 measures meeting the requirements of either paragraph (2) or (3)
12 of subdivision (c).

13 (f) The appropriate fee for purchase of suitable mitigation lands
14 under paragraph (2) or (3) of subdivision (c) shall be based on an
15 approved nexus study or an appraisal by an independent real estate
16 appraiser that indicates the fee value necessary to purchase
17 suitable mitigation lands meeting the standards of this subdivision.

18 (g) Compliance with an existing adopted mitigation ordinance
19 for the conversion of agricultural land that meets the minimum
20 standards in paragraphs (2), (3), (4), and (5) of subdivision (e)
21 shall be deemed to satisfy the requirements of this section. To the
22 extent that these locally adopted requirements exceed the minimum
23 standards set forth in this section, this subdivision does not
24 supersede those requirements.

25 (h) Compliance with the minimum mitigation standards set forth
26 in this section does not constitute compliance with the "full
27 mitigation" provisions set forth in paragraph (1) of subdivision
28 (a) of Section 21095.7.

29 SEC. 4. Section 21095.7 is added to the Public Resources Code,
30 to read:

31 21095.7. (a) (1) A project is deemed to have fully mitigated
32 all identified significant project-level and cumulative impacts on
33 agricultural resources and no further mitigation shall be required
34 for those impacts if one of the following conditions is met:

35 (A) The mitigation ratio of conserved land to converted land is
36 two acres for every one acre of converted land.

37 (B) For a project located within an existing city's jurisdictional
38 limits, the mitigation acreage of conserved lands is at least equal
39 to the acreage of the agricultural land converted to nonagricultural
40 uses, and meets at least one of the following criteria:

1 (i) *The project is a residential housing project that has a density*
 2 *of at least two times the statewide average of persons-per-acre*
 3 *(PPA) development ratios.*

4 (ii) *The project is a commercial development with a minimum*
 5 *of at least two times the statewide floor-to-area ratio (FAR).*

6 (iii) *The project is a mixed-use development that meets the PPA*
 7 *and FAR formulas in subparagraphs (A) and (B).*

8 (2) *In order to rely on this section, the lead agency must make*
 9 *findings supported by substantial evidence in the record*
 10 *demonstrating that each applicable factor is satisfied.*

11 (b) *The Office of Planning and Research shall promulgate*
 12 *regulations consistent with the findings and declarations set forth*
 13 *in Section 21095.5 and the requirements of this section with regard*
 14 *to the identification of additional categories of mitigation that fully*
 15 *mitigate project-level and cumulative impacts of projects that*
 16 *convert agricultural land. Those regulations shall be promulgated*
 17 *by December 31, 2014. The categories of mitigation described by*
 18 *the Office of Planning and Research in those regulations shall do*
 19 *all of the following:*

20 (1) *Meet the minimum mitigation standards described in*
 21 *subdivision (c) of Section 21095.6.*

22 (2) *Address one or more of the findings in Section 21095.5.*

23 (3) *Reasonably mitigate both project-level and cumulative-level*
 24 *impacts associated with a project's conversion of agricultural*
 25 *land. In this regard, the location and quality of agricultural land*
 26 *to be protected may be relevant.*

27 ~~SEC. 3.~~

28 SEC. 5. No reimbursement is required by this act pursuant to
 29 Section 6 of Article XIII B of the California Constitution because
 30 a local agency or school district has the authority to levy service
 31 charges, fees, or assessments sufficient to pay for the program or
 32 level of service mandated by this act, within the meaning of Section
 33 17556 of the Government Code.

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April 8, 2013

Prepared by: A. Murphy/H. Cho

Submitted by: K. Burton

Approved by: Paul Cook

CONSENT CALENDAR

MAIN STREET MANHOLE BID REJECTION

SUMMARY:

The Main Street Manhole Project was to construct a new sewer manhole on an existing 1,200 foot segment of 21-inch sewer line on Main Street. Staff received three bids for the project and GCI Construction, Inc. (GCI) was the apparent low bidder with a bid of \$159,303. Due to the high cost to construct this manhole and since the sewer segment in question may be effectively cleaned by a new vactor truck that is budgeted for purchase in the FY 2013-14 Operating Budget, staff recommends that the Board reject all bids received for the project.

BACKGROUND:

In July 2003, the Orange County Sanitation District (OCSD) transferred ownership of a portion of its sewer system within the Irvine Business Complex to IRWD. Part of the transferred facilities is a 21-inch sewer on the south side of Main Street, west of MacArthur Boulevard, as shown in Exhibit "A". The purpose of this project was to construct a new 60-inch diameter manhole near the mid-span of a 1,200 foot segment of this 21-inch sewer line. The new manhole would allow staff to more effectively maintain and clean this reach of pipe.

IRWD retained APD Consultants (APD) for the design of the manhole and preparation of improvement plans, including traffic control and dewatering plans. The City of Irvine approved the plans and issued the requisite encroachment permit in February 2013. Staff also obtained a Trunk Sewer Connection Permit and a Special Purpose Discharge Permit from OCSD to facilitate the construction dewatering.

The project was advertised to a select bidders list of 15 contractors on January 28, 2013. The bid opening was held on February 27, 2013 with three contractors submitting bids. The apparent low bidder was GCI Construction, Inc. (GCI) with a bid of \$159,303. The engineer's estimate was \$170,690. The bid summary is attached as Exhibit "B".

New Vactor Truck:

Collection Systems staff is preparing to purchase a new larger vactor truck with funding included in the FY 2013-14 Operating Budget. The new truck is capable of cleaning up to 600 feet of sewer at a time, whereas the District's existing vactor trucks have a 400-foot limit. Staff would thus be able to clean the 1,200-foot segment by accessing it from both upstream and downstream manholes. Since the construction cost to build the proposed manhole was very high and since staff is anticipating that the new equipment will be able to effectively clean the long sewer segment, staff recommends rejecting the bids for the manhole construction. Should the new vactor truck not be able to clean the sewer segment, the manhole project can be re-bid in the future and constructed using the previously approved plans.

FISCAL IMPACTS:

There are no fiscal impacts at this time. Should the manhole need to be constructed in the future, Project 21134 (4256) would be added to the Capital Budget at that time.

ENVIRONMENTAL COMPLIANCE:

This project is exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15301 which provides exemption for minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. A Notice of Exemption for the project was filed on October 18, 2012.

COMMITTEE STATUS:

Bid rejections are not routinely taken to Committee prior to submittal for Board approval.

RECOMMENDATION:

THAT THE BOARD REJECT THE BIDS RECEIVED FOR THE MAIN STREET MANHOLE, PROJECT 21134 (4256).

LIST OF EXHIBITS:

Exhibit "A" – Location Map

Exhibit "B" – Bid Summary

Exhibit A: Manhole Construction at Main & Sky Park South Location Map



EXHIBIT "B"

Bid Opening: Wednesday, February 27, 2013 @ 2:00 p.m.

Irvine Ranch Water District Bid Summary For
Manhole Construction Main Street and Sky Park South
PR 21134 (4256)

Entered By: J.K. Irey

Item No.	Description			Engineer's Estimate		1 GCI Construction, Inc. Costa Mesa, CA		2 Paulus Engineering, Inc. Anaheim, CA		3 Clarke Contracting, Corp. Lawndale, CA	
		Qty	Unit	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1	Mobilization, demobilization, and clean up	1	LS	\$20,000.00	\$20,000.00	\$12,000.00	\$12,000.00	\$13,000.00	\$13,000.00	\$18,000.00	\$18,000.00
2	Construct 5' diameter sewer manhole with polyurethane lining per IRWD standard S-1, standard specification 3461 (manhole), 9900 (lining) and as shown on the plans.	1	LS	\$35,000.00	\$35,000.00	\$37,000.00	\$37,000.00	\$80,000.00	\$80,000.00	\$27,000.00	\$27,000.00
3	Install and remove construction dewatering system equivalent to specifications in OCSD Special Discharge Permit # 54-362, and enclose dewatering equipment with 108 feet of six foot high chain link fence with a gate and lock.	1	LS	\$10,000.00	\$10,000.00	\$35,500.00	\$35,500.00	\$27,000.00	\$27,000.00	\$30,000.00	\$30,000.00
4	Install and remove 2 in PVC SDR35 temporary dewatering effluent line including trenching and traffic control	127	LF	\$170.00	\$21,590.00	\$257.00	\$32,639.00	\$116.00	\$14,732.00	\$50.00	\$6,350.00
5	Install, remove and repair temporary dewatering discharge connection to the OCSD manhole #SUN0155-0030 per the specifications in OCSD Temporary Sewer Connection Permit # T14-02605.	1	LS	\$8,500.00	\$8,500.00	\$2,400.00	\$2,400.00	\$6,800.00	\$6,800.00	\$8,200.00	\$8,200.00
6	Slurry Seal Asphalt Pavement	6,300	SF	\$1.40	\$8,820.00	\$1.00	\$6,300.00	\$1.10	\$6,930.00	\$1.00	\$6,300.00
7	Remove and Replace existing Asphalt Pavement with base (8"AC/28"AB) per City of Irvine Standard Plan 223.	157	SF	\$40.00	\$6,280.00	\$52.00	\$8,164.00	\$42.00	\$6,594.00	\$60.00	\$9,420.00
8	Restore existing striping and traffic loops per City of Irvine requirements.	1	LS	\$8,500.00	\$8,500.00	\$4,800.00	\$4,800.00	\$3,000.00	\$3,000.00	\$2,500.00	\$2,500.00
9	Traffic Control.	1	LS	\$40,000.00	\$40,000.00	\$16,500.00	\$16,500.00	\$4,000.00	\$4,000.00	\$25,000.00	\$25,000.00
10	Trench Safety Measures.	1	LS	\$10,000.00	\$10,000.00	\$2,000.00	\$2,000.00	\$3,000.00	\$3,000.00	\$53,000.00	\$53,000.00
11	Final Record Drawings.	1	LS	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
	Subtotal				\$170,690.00		\$159,303.00		\$167,056.00		\$187,770.00
	Adjustment (+ or -)				\$0.00		\$0.00		\$11,444.00		\$0.00
	TOTAL AMOUNT OF BID				\$170,690.00		\$159,303.00		\$178,500.00		\$187,770.00
							Item Delivery Dates:		Item Delivery Dates:		Item Delivery Dates:
							Manhole Components:		Manhole Components:		Manhole Components:
							Shaft: In Stock		Shaft: 14 Days		Shaft: In Stock
							Cone: In Stock		Cone: 14 Days		Cone: In Stock
							Frame & Cover: 4 Weeks		Frame & Cover: 14 Days		Frame & Cover: In Stock
							Manufacturers:		Manufacturers:		Manufacturers:
							Dewatering Valve: Rain For Rent		None Stated		None Stated
							Manholes: Underground				
							Subcontractors:		Subcontractors:		Subcontractors:
							Manholes: Underground Manholes		Manhole & Lining: MCS, Inc.		Manhole & Lining: Underground Manholes
							Dewatering: Rain For Rent		Slurry Seal: Roy Allen Slurry Seal		Slurry Seal: All American Asphalt
							Asphalt Grind/Cap: Hardy & Harper				Striping: PCI
							Slurry Seal: Missing Paving & Sealing:				

CS
April 8, 2013 JM RKM
Prepared by: J. McGehee/R. Mori
Submitted by: K. Burton KLB
Approved by: Paul Cook / Cook

CONSENT CALENDAR

WELLS 21 AND 22 DESALTER PROJECT PIPELINES
FINAL ACCEPTANCE

SUMMARY:

Construction of the Wells 21 and 22 Desalter Project Pipelines is complete. The Contractor, Flatiron West, Inc. (Flatiron), has completed the required work and all punch list items. The project has received final inspection and acceptance of construction is recommended.

BACKGROUND:

The construction contract for the Wells 21 and 22 Desalter Project Pipelines was awarded to Flatiron in April 2011, in the amount of \$7,839,221.76. The project consists of four pipelines: the untreated water pipeline from the well sites on Mitchell Avenue to the Desalter on Edinger, the well pump-to-waste pipeline from the well sites to the storm drain connection in Newport Avenue, the non-reclaimable waste (brine) line from the Desalter to the connection in Red Hill Avenue, and the product water pipeline from the Desalter to the Dyer Road well field transmission main in Harvard Avenue. Work included 22,625 linear feet of pipeline construction and five jack and bore installations. The Wells 21 and 22 Desalter Project is receiving 25% matching funds, up to a maximum of \$11,700,000, in Title XVI funding through the United States Bureau of Reclamation (USBR) from the American Recovery and Reinvestment Act of 2009 (ARRA).

Project Title:	Wells 21 and 22 Desalter Project Pipelines
Project No.:	10286 (1081)
Design Engineer:	RBF Consulting
Construction Management by:	IRWD Staff
Contractor:	Flatiron West, Inc.
Original Contract Cost:	\$7,839,221.76
Final Contract Cost:	\$9,431,110.68
Original Contract Days:	330
Final Contract Days:	639
Total Budget:	\$39,921,300
Total Project Cost (Est.):	\$37,524,935
Final Change Order Approved On:	March 11, 2013

FISCAL IMPACTS:

Project 10286 (1081) is included in the FY 2012-13 Capital Budget. The existing budget and Expenditure Authorization are sufficient to fund the final payment for the project.

ENVIRONMENTAL COMPLIANCE:

This project is subject to the California Environmental Quality Act. In conformance with the California Code of Regulations Title 14, Chapter 3, Section 15004, a Mitigated Negative Declaration was adopted February 8, 2010. To fulfill requirements of the American Recovery and Reinvestment Act of 2009, the project is also subject to compliance with the National Environmental Policy Act (NEPA). An Environmental Assessment was prepared to achieve NEPA compliance for the project and the USBR has adopted a Categorical Exemption for the project.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD ACCEPT CONSTRUCTION OF THE WELLS 21 AND 22 DESALTER PROJECT PIPELINES, PROJECT 10286 (1081); AUTHORIZE THE FILING OF A NOTICE OF COMPLETION; AND AUTHORIZE THE PAYMENT OF THE RETENTION 35 DAYS AFTER THE DATE OF RECORDING THE NOTICE OF COMPLETION.

LIST OF EXHIBITS:

None.

April 8, 2013

Prepared by: S. Reed

Submitted by: B. Beeman/G. Heiertz

Approved by: Paul Cook 

ACTION CALENDAR

DISCOVERY SCIENCE CENTER AGREEMENT

SUMMARY:

Irvine Ranch Water District has successfully partnered with Discovery Science Center (DSC) to create and implement an impactful educational outreach program for schools throughout the District's service area. Through the elementary school assembly program, the middle school water quality and field trip program, and the additional education outreach efforts, 60,736 students were instructed on the importance of water to Southern California, conservation and the environment over the course of the District's six-year partnership with DSC. Staff recommends the Board authorize the General Manager to execute a renewal agreement with DSC for another three-year term effective July 1, 2013 at a total cost of \$149,685.

BACKGROUND:

Irvine Ranch Water District and Discovery Science Center have enjoyed a six-year educational partnership during which time DSC has taught 60,736 students throughout IRWD's service area. Since the 1970s, IRWD has offered free water education programs to all public, private and home schools. The partnership with DSC was initiated by the District to take education outreach to the next level, encouraging an appreciation of the importance of water to Southern California and imparting water conservation information and environmental education. The goals of the DSC water education programs are to build awareness among IRWD service area residents of the work performed by IRWD, to instill a firm understanding of the natural scarcity of water in their region, and to encourage and empower residents to help conserve, protect, and preserve water. The water education program also provides a key Best Management Practice under the Memorandum of Understanding with the California Urban Water Conservation Council.

IRWD and DSC first formed a contractual partnership for water education programs in the IRWD service area in 2007. The agreement was renewed in 2010 for another three-year term. Throughout the six-year partnership, DSC has provided in-classroom lessons and field trip opportunities for kindergarten to eighth grade students throughout the District's service area. Specifically, the three components of the partnership are:

- *K-6th Grades:* Students in kindergarten through sixth grade participate in grade-specific assemblies that focus on water science and conservation. Using individual student response keypad technology, teachers engage and encourage student participation during presentations. All assemblies, regardless of grade level, stress the importance of conserving limited resources and preventing water pollution. Topics include the forms of water, water as a resource, ecosystems, the water cycle, sources of water, water recycling, energy and resources, and California's water.

- *6th-8th Grades:* Sixth, seventh and eighth grade students participate in a four-week in-class series of hands-on water chemistry and environmental resources lessons concluding with a trip to IRWD's San Joaquin Marsh. With an eye toward future careers, students use chemical test kits to determine aspects of water quality, to conduct simulated biological surveys related to water quality issues; to deepen their understanding of water as a basic element and an essential resource, and to explore current technologies such as water recycling.
- *Marsh Education Programs:* In the third year of the current agreement, DSC and IRWD have worked together to develop student and community education programs centered on the San Joaquin Marsh, including DSC summer camps at the IRWD Learning Center.

The assembly program continues to be very successful, exceeding student participant goals each year. The educational program is on track to exceed its student goals in 2012-13. By the end of June, over 10,000 students will have completed the Assembly Program. So far, 1,291 students have completed or are scheduled to complete the Field Trip Program, with more scheduling efforts under way.

Agreement Renewal:

DSC is proposing a new three-year agreement to continue delivering water education programs for IRWD from July 2013 through June 2016. The primary goal of the partnership continues to be to provide water education programs for students in the IRWD service area in order to encourage conservation, resource protection and general knowledge about water supply and related issues. The curriculum is designed to meet and support the state education standards.

Scope of Work:

It is proposed that during the next three fiscal years, FY 2014 through FY 2016, DSC will deliver a suite of water education programs for IRWD to include:

- Assembly-style programs that will focus on K-5th grade students;
- A two-part workshop-style program for middle school students to include a field trip program at the San Joaquin Marsh and/or the Michelson Water Recycling facility; and
- Development of public education programs at the San Joaquin Marsh.

DSC will deliver all aspects of the education programs, including:

- Managing the creation, production, procurement, and storage of take-home, grade-specific booklets, workshop supplies, student kits, and other materials required for program delivery;
- Promoting the water education programs to the schools within the IRWD-service area, including booking program times and scheduling of instructors; and
- Compiling and reporting results from each of the programs, including survey responses, kit distribution and other program outcomes.

Staff recommends the Board authorize the General Manager to execute a renewal agreement with DSC for another three-year term effective July 1, 2013 at a total cost of \$149,685. DSC's proposal is attached as Exhibit "A".

FISCAL IMPACTS:

The proposed FY 2013-14 IRWD operating budget includes \$149,685 in funding for the 2013-14 water education program. The subsequent two fiscal year budgets will also include the \$149,685 funding. In addition, the proposed operating budget includes \$26,460 in Always Water Smart funding for the conservation kits.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on April 4, 2013.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A RENEWAL AGREEMENT WITH THE DISCOVERY SCIENCE CENTER FOR A THREE-YEAR TERM EFFECTIVE JULY 1, 2013 AT A TOTAL COST OF \$149,685 FOR WATER EDUCATION PROGRAMS TO SCHOOLS WITHIN THE IRWD SERVICE AREA.

LIST OF EXHIBITS:

Exhibit "A" – Discovery Science Center Scope of Work (2013-2016)

EXHIBIT “A”

Discovery Science Center Irvine Ranch Water District 3-year Educational Outreach Scope of Work (2013 – 2016)

Discovery Science Center (DSC) will continue to conduct water educational programs for Irvine Ranch Water District (IRWD).

1. Parties:

Discovery Science Center, 2500 North Main Street, Santa Ana, CA 92705

Contact: Sean Fitzgerald, Director of Strategic Development sfitzgerald@discoverycube.org
and Janet Yamaguchi, Vice President, Education jyamaguchi@discoverycube.org

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

Contact: Beth Beeman, Director of Public Affairs, beeman@irwd.com and
Shannon Reed, Public Affairs Manager, reeds@irwd.com.

2. Obligations of the parties:

Scope of work

DSC will continue to deliver water education programs for IRWD. It is proposed that during the next three years (2013 – 2016), DSC will deliver assembly-style programs to K-5th grade students within the IRWD service area, as has been done during the previous three years. DSC will also deliver a two-part workshop-style program to middle school students within the IRWD-service area, along with a field trip program to the San Joaquin Marsh and/or Michelson Water Recycling facility, as appropriate. In addition, DSC will continue to develop public education programs at the San Joaquin Marsh for the edification of the residents within the IRWD service area. These Marsh-focused water education programs will be delivered by DSC staff. The goals of all of the water education programs are to ensure that IRWD service area residents are aware of the work performed by IRWD and that they have a firm understanding of the natural scarcity of water in their region, and to encourage and empower these residents to help conserve, protect, and preserve our most precious resource, water. During the span of this contract, DSC staff will continue to work closely and meet frequently with IRWD staff, who oversees the IRWD/DSC educational programs.

Deliverables

DSC will teach:

- 10,000 K-5th grade students in assembly-style programs at a rate of \$3.65 per student
- 1,800 middle school students in two-part workshop-style programs at a rate of \$9.30 per student
- 1,800 middle school students in a field trip to San Joaquin Marsh and/or the Michelson Water Recycling facility at a rate of \$12.00 per student. This rate also pays for the buses to transport the students. These 1,800 students are the same students involved in the 2-part workshop-style programs.
- 1,800 conservation kits were added to the middle school program at a rate of \$14.70 per kit. The water conservation kits would allow the students to immediately put into place the water conservation concepts that they learn during the program. The kits will also

encourage multi-generational education as the students become the instructors at home for their family. Each take-home kit would include a 1.5 gallon per minute (gpm) showerhead, 1.5 gpm swivel spray kitchen aerator, two 1.0 gpm bathroom aerators, toilet water saver fill cycle diverter, two toilet leak detection tablets, flow meter bag, water conservation wheel, and accompanying home survey. DSC will order and distribute the kits, along with directions for how to use the kits and for the completion/assessment of the home survey.

- Print and provide take-home, grade-specific booklets to the 10,000 K-5th grade students engaged in the assembly-style programs at a rate of \$2.25 per booklet.
- Promote the water education programs to the schools within the IRWD service area.
- Create, develop and implement a continuing series of public education programs held at the San Joaquin Marsh to facilitate public understanding of the work of IRWD, the function of the Marsh, and how to conserve and preserve water. In addition, permanent projects at the Marsh, such as educational gardens and informational graphics, will be developed and fabricated, led by DSC staff, but in concert with IRWD staff.

3. Payment Terms:

Similarly to the previous three years, DSC will invoice IRWD at the end of each month by providing a series of reports detailing the numbers and grade levels of students, names of schools, dates of participation, etc, associated with the deliverables. Monthly, DSC will report on programs provided during the previous month, as well as a yearly update of students and schools that have reserved the program. Once received, IRWD will pay invoices within a 30-day period. In addition, DSC will provide IRWD with an annual report on the home survey results captured through the use and dissemination of the water conservation kits.

4. 2013-2016 Budget:

Component	Rate	Quantity	Total	20%* Admin	Total
Assembly Programs	\$3.65/student	10,000	\$36,500	\$7,300	\$43,800
Water Quality Classes	\$9.30/student	1,800	\$16,740	\$3,348	\$20,088
Field Trip (Buses)	\$12.00/student	1,800	\$21,600	\$4,320	\$25,920
Conservation Kits	\$14.70/student	1,800	\$26,460	\$5,292	\$31,752
Assembly Materials	\$2.25/student	2,050	\$22,500	n/a	\$22,500
Brochures/Expenses	n/a	n/a	\$5,625	n/a	\$5,625
TOTAL					\$149,685

* A 20 percent administration fee will be added to the student classes and kits (see budget) as per previous years' contracts. This administration fee covers DSC's supporting staff, such as bookings, marketing and supervisorial.