

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

January 24, 2022

CALL TO ORDER 5:00 p.m.

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

THE BOARD OF DIRECTORS WILL MEET VIRTUALLY VIA TELECONFERENCE
PUBLIC PARTICIPATION WILL BE AVAILABLE IN PERSON AT THE IRVINE RANCH
WATER DISTRICT BOARD ROOM, OR VIRTUALLY BY PHONE OR VIDEO
TELECONFERENCE

Due to the ongoing COVID pandemic and the recent surge in Omicron Variant cases, the Board will be meeting remotely under the provisions of AB 361. The public may observe and participate in the meeting by appearing in person at the IRWD Board Room located at **15600 Sand Canyon Avenue, Irvine, CA** or by participating from remote locations by accessing the Webex link identified below. IRWD will make available at the Sand Canyon location a live video feed of the Webex as well as the ability to participate in the meeting, including giving public comment at that time and location as indicated below. All in-person attendees will be required to wear an appropriate mask over their nose and mouth at all times, including while providing public comment.

To observe this meeting virtually, please join online using the link and information below:

Via WebEx:

<https://irwd.webex.com/irwd/j.php?MTID=me94975bb693ac2a655576bb7e77f0db5>

Number (Access Code): 2492 147 4169

Meeting Password: TUhRPCip242

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

PUBLIC COMMENT NOTICE

Public comments are limited to three minutes per speaker on each subject. If you wish to address the Board of Directors on any item, you may attend the meeting in person and submit a “speaker slip” to the Secretary. Forms are provided outside of IRWD’s Board Room. If attending via Webex, please submit your comment via the “chat” feature and your remarks will be read into the record at the meeting. You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 12:00 p.m. on Monday, January 24, 2022.

ALL VOTES SHALL BE TAKEN BY A ROLL CALL VOTE.

REMOTE MEETING DETERMINATION

(Next Resolution No. 2022-1)

1. FORMAT OF IRWD BOARD AND COMMITTEE MEETINGS DURING COVID-19 OMICRON SURGE

Recommendation: Adopt a resolution making findings that the proclaimed state of emergency impacts the ability to meet safely in person.

Reso. 2022-1

COMMUNICATIONS TO THE BOARD

2. A. Written:

3. B. Oral:

4. ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

PUBLIC HEARINGS

5. PROPOSED CHANGES TO THE SCHEDULE OF RATES AND RATES AND CHARGES EFFECTIVE FEBRUARY 1, 2022

- a) Recommendation: Open the hearing
- b) Inquire of the Secretary how the hearing was noticed
- c) Receive and file the Affidavit of mailing and posting
- d) Request Legal Counsel to describe the nature of the proceedings
- e) Request a staff report and provide the number of written comments including any protests received
- f) Inquire if anyone present has any comments or questions
- g) Inquire of the Board if it has any comments or questions
- h) Close the hearing, and adopt a resolution Rescinding Resolution No. 2021-15 and adopt changes to the Schedule of Rates and Charges for Fiscal Years 2022 through 2023 as set forth in Exhibit "B" to the Rules and Regulations for potable water, sewer, recycled water services and urban runoff source control and treatment programs

Reso. 2022-2

6. 2021 REDISTRICTING: COMPOSITION OF REDISTRICTED DIVISIONS AND PROPOSED DRAFT DIVISION MAPS

- a) Declare the Board meeting to be the time and place for a second Public Hearing;
- b) Secretary to announce where the hearing was noticed by publication;
- c) Receive and file the Affidavits of Posting and Proof of Publication;
- d) Request staff to describe the nature of the proceedings and purpose;
- e) Secretary to notify the Board of any written communications;

PUBLIC HEARINGS (CONTINUED)

- f) Inquire if there are any persons present who wish to provide comments
- g) Inquire if there are any comments or questions from the Board members who wish to be heard; and
- h) Close the hearing by taking one of the following recommended actions:

Recommended motion: That the second public hearing be closed and that the Board authorize staff to agendize at the third public hearing on February 14, 2022, consideration of adoption of a final map of division boundaries based on map ___ (*1 or 2*).

or

Recommended motion: That the second public hearing be closed and that the Board authorize staff to revise the draft map(s) or develop additional map(s), and agendize, at the third public hearing on February 14, 2022, for the Board of Directors to solicit and accept comment on the draft division maps and agendize possible consideration of adoption of a final map of division boundaries.

CONSENT CALENDAR, ITEMS 7-15

7. BOARD MEETING MINUTES

Recommendation: That the minutes of the December 13, 2021, Regular Board meeting be approved as presented.

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

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

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

Recommendation: That the Board receive and file the memorandum dated January 10, 2022, titled Officers of the Board, Committee Appointments and Other Assignments and approve attendance for meetings and events for the Board's representation for calendar year 2022 as delineated.

10. IRWD OPERATIONAL PERFORMANCE MEASURES

Recommendation: Receive and file.

CONSENT CALENDAR, ITEMS (CONTINUED) Items 7-15

11. DECEMBER 2021 TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer's Investment Summary report, the Summary of Fixed and Variable Rate Debt, and Disclosure Report of reimbursements to Board members and staff, approve the December 2021 summary of Payroll ACH payments in the total amount of \$3,346,735, and approve the December 2021 accounts payable disbursement summary of Warrants 423100 through 423983, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$24,151,186.

12. 2022 INDEX TENDER NOTES REMARKETING

Recommendation: That the Board of Directors approve the 2022 Index Tender Notes Remarketing Statement, and adopt a resolution approving the remarketing statement relating to unscheduled mandatory Tenders (Refunding Series 2011A-1 and Refunding Series 2011A-2)

Reso. 2022-3

13. SILVERADO CANYON BRIDGE 175 TEMPORARY DOMESTIC WATER BYPASS FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Silverado Canyon Bridge 175 Temporary Domestic Water Bypass, Project 11587, authorize the General Manager to file a Notice of Completion, and authorize the payment of the retention 35 days after the date of recording the Notice of Completion.

14. MICHELSON WATER RECYCLING PLANT TERTIARY FILTER IMPROVEMENTS VARIANCE

Recommendation: That the Board authorize the General Manager to execute Variance No. 3 in the amount of \$81,430 with HDR Engineering, Inc. for additional engineering design services to rehabilitate the backwash supply tank for the MWRP Tertiary Filter Improvements, Project 07892

15. 2022 LEGISLATIVE AND REGULATORY UPDATE

Recommendation: That the Board adopt an "oppose/oppose unless amended" position on AB 1434 (Friedman).

ACTION CALENDAR

16. IRVINE LAKE – MASTER AGREEMENT FOR RESOLUTION OF REAL PROPERTY MATTERS

Recommendation: That the Board approve the Irvine Lake Property and Recreation Rights Umbrella Agreement subject to non-substantive changes, authorize the General Manager to execute the Agreement and all related documents, and authorize the General Manager to execute a Letter of Intent to issue a joint Request for Proposal to select a lessee to operate recreational activities at Irvine Lake.

17. IRWD POLICY POSITION PAPER ON REGIONAL WATER SHORTAGE RESPONSE ACTIONS

Recommendation: That the Board adopt the IRWD Regional Water Shortage Response Actions Policy Position Paper, as revised, based on input from the Board of Directors.

18. TERMS FOR WATER STORAGE AND TRANSFER PILOT PROGRAM WITH MOJAVE WATER AGENCY

Recommendation: That the Board authorize the General Manager to develop and execute a Water Storage and Transfer Pilot Program Agreement between IRWD and Mojave Water Agency based on the terms presented.

OTHER BUSINESS

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

19. General Manager's Report

20. Receive oral update(s) from District liaison(s) regarding communities within IRWD's service area and provide information on relevant community events.

21. Directors' Comments

OTHER BUSINESS (CONTINUED)

22. Closed Session

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(d)(1): *Kessner, et al. v. City of Santa Clara, IRWD, et al.*, Santa Clara County Superior Court Case No. 20CV364054.

23. Open Session

24. Adjournment

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

January 24, 2022
Prepared and
submitted by: C. Compton
Approved by: Paul A. Cook *P.A.C.*

ACTION CALENDAR

FORMAT OF IRWD BOARD AND COMMITTEE MEETINGS
DURING COVID-19 OMICRON SURGE

SUMMARY:

From March 17, 2020, until September 30, 2021, local agencies could hold meetings of its governing boards and their standing committees (i.e., its legislative bodies) via entirely virtual or telephonic meetings in accordance with executive orders issued by Governor Newsom waiving certain provisions of the Brown Act. On October 1, 2021, these waivers expired.

In September 2021, AB 361 was enacted and provided that as of October 1, 2021, a local agency may conduct entirely remote virtual / teleconference meetings if the legislative body of that local agency finds that the Governor has declared a state of emergency, and either state or local officials have imposed or recommended measures to promote social distancing or the legislative body determines that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees. AB 361 also puts additional requirements on these meetings while waiving some of the Brown Act's rules for teleconference meetings.

With the current omicron-driven surge in COVID-19 cases, staff recommends the Board affirm that meetings of the full Board and the standing Board committees will temporarily be conducted via teleconference following the restrictions and rules outlined in AB 361, and that the Board adopted a resolution to this effect.

BACKGROUND:

On March 17, 2020, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act related to teleconferencing to allow legislative bodies to more easily conduct meetings remotely in order to help reduce the spread of COVID-19. This order was subsequently extended to remain in effect through September 30, 2021, and then expire. AB 361 (R. Rivas, D-Salinas) became law on September 16, 2021. AB 361, which included an urgency clause and was to take effect upon the Governor's signature, took effect on October 1, 2021, pursuant to Executive Order N-15-21.

AB 361 permits a local agency to hold its meeting via entirely virtual or telephonic meetings without complying with the normal teleconferencing requirements of the Brown Act when the Governor has declared a state of emergency and either:

- State or local officials have imposed or recommended measures to promote social distancing, or
- The legislative body, by majority vote, determines that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

To continue meeting under the modified teleconference rules of AB 361, the legislative body of a local agency must find every 30 days that:

- The legislative body has reconsidered the circumstances of the state of emergency, and
- The state of emergency continues to either directly impact the ability of the members to meet safely in person, or state or local officials continue to impose or recommend measures to promote social distancing.

While AB 361 eliminates many of the normal requirements for meetings held via teleconference, many provisions of the Brown Act remain the same regardless of AB 361's changes. For example, the Brown Act's agenda posting requirements, requirement for roll call votes during teleconference meetings, and the closed session rules (among others) remain unchanged.

Additionally, AB 361 places several other new restrictions and requirements on teleconference meetings if its teleconferencing provisions are utilized. Of note is AB 361's requirement that, if a disruption prevents the meeting from being broadcasted to members of the public or if there is a disruption within the local agency's control that prevents members of the public from offering public comments, the legislative body must stop the meeting and take no further action until public access is restored.

Recommended Approach for Near-Term IRWD Board and Committee Meetings:

Since June, the IRWD Board of Directors and its standing committees have been meeting in-person, and have broadcasted these meetings using Webex. This approach has worked well for the Board, staff, and the public. With the recent surge in COVID-19 cases due to the omicron variant, staff recommends that the in-person meetings be temporarily moved to virtual, teleconference meetings for at least the next four weeks. To effectuate this temporary transition, staff recommends that the Board adopt a resolution making findings that the proclaimed COVID-19 state of emergency impacts the ability to meet safely in person. A draft resolution is provided as Exhibit "A".

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

That the Board adopt the following resolution by title:

RESOLUTION NO. 2022-1

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
MAKING FINDINGS THAT THE PROCLAIMED STATE OF EMERGENCY
IMPACTS THE ABILITY TO MEET SAFELY IN PERSON

LIST OF EXHIBITS:

Exhibit "A" – Resolution

Note: This page is intentionally left blank.

EXHIBIT "A"

RESOLUTION NO. 2022-1

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
MAKING FINDINGS THAT THE PROCLAIMED STATE OF EMERGENCY
IMPACTS THE ABILITY TO MEET SAFELY IN PERSON

On March 4, 2020, Governor Newsom declared a State of Emergency to exist in California as a result of the threat of COVID-19.

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act related to teleconferencing to allow legislative bodies to conduct meetings remotely to help protect against the spread of COVID-19 and to protect the health and safety of the public.

On June 11, 2021, the Governor issued Executive Order N-08-21, which specified that Executive Order N-29-20 remains in effect through September 30, 2021, and then expires.

On September 16, 2021, the Governor signed Assembly Bill (AB) 361 in to law, as urgency legislation that goes into effect immediately, that amends Government Code Section 54953 to allow legislative bodies to continue to meet remotely during a proclaimed state of emergency provided certain conditions are met and certain findings are made.

On September 20, 2021, the Governor issued Executive Order N-15-21, which suspended Assembly Bill 361 through September 30, 2021.

The Governor's proclaimed State of Emergency remains in effect, and state and local officials, including the Orange County Health Officer, the California Department of Public Health, or the Department of Industrial Relations, have imposed or recommended measures to promote social distancing.

To help protect against the spread of COVID-19 and its variants, and to protect the health and safety of the public, the Board of Directors desires to take the actions necessary to comply with AB 361 and to maintain the ability to hold its Board and committee meetings remotely.

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

Section 1. The Board of Directors of the Irvine Ranch Water District has considered the circumstances of the State of Emergency, and finds that the State of Emergency continues to directly impact the ability of the members to meet safely in person, and state or local officials continue to impose or recommend measures to promote social distancing.

Section 2. The District will comply with the requirements of Government Code Section 54953(e)(2) when holding Board and committee meetings pursuant to this Resolution, including but not limited to the following:

(1) provide notice of the meeting, including the means by which members of the public may access the meeting and offer public comment via a call-in option or an internet-based service option, and post the agenda as otherwise required by the Brown Act;

(2) if an event disrupts the District from broadcasting the meeting to members of the public via the call-in or internet-based service option, then the Board or Committee will take no further action on items appearing on the agenda until the broadcast is restored;

(3) not require public comments to be submitted in advance of the meeting;

(4) provide the opportunity for the public to offer comment in real time; and

(5) provide a reasonable amount of time per agenda item to allow members of the public to provide public comment.

Section 3. The Board will consider the findings in this Resolution every 30 days and may, by motion approved by a majority of the Board, reaffirm these findings.

ADOPTED, SIGNED AND APPROVED on January 24, 2022.

President

Secretary

APPROVED AS TO FORM;
Hanson Bridgett LLP

By: _____
District Counsel

January 24, 2022
Prepared by: D. Pardee / C. Smithson
Submitted by: C. Clary
Approved by: Paul A. Cook

P.A.C.

PUBLIC HEARING

PROPOSED CHANGES TO THE SCHEDULE OF RATES AND CHARGES EFFECTIVE FEBRUARY 1, 2022

SUMMARY:

IRWD's Fiscal Year (FY) 2021-22 and 2022-23 Operating Budgets were adopted at the April 26, 2021, IRWD Board meeting. The proposed changes to IRWD's rates and charges were publicly noticed by mail as required under Proposition 218, and protests to the implementation of those rates and charges have been tallied by the District's independent auditors.

As of January 19, 2022, four written protest letters were received by the District, which represents less than 0.01% of the total customers and substantially less than the 50% which would have been required to prevent the Board from adopting the current proposed rates and charges. Protests may be received up until the commencement of the Public Hearing. Staff will provide an updated report as part of the hearing process.

Pursuant to the requirements of Proposition 218, a Public Hearing on the rates and charges is required. Following the Public Hearing, staff recommends that the Board adopt the proposed changes to the Schedule of Rates and Charges effective February 1, 2022, required to fund budgeted operating expenses through June 30, 2023.

OUTLINE OF PROCEEDINGS

President: Declare this to be the time and place for a hearing on the proposed changes to the rates and charges. Ask the Secretary how the hearing was noticed.

Secretary: The hearing was noticed by mail. Present affidavit of mailing.

Board: RECOMMENDED MOTION: "RECEIVE AND FILE THE AFFIDAVIT OF MAILING BY AN INDEPENDENT PROCESSING FIRM AS PRESENTED BY THE SECRETARY."

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

Legal Counsel: The public hearing is held, pursuant to Proposition 218, Article XIID of the Constitution of the State of California, for all persons interested to be heard, to present objections or protests, including any written comments submitted, concerning the increase in property-related rates and charges and any proposed new property-related rates and charges.

President: Request a staff report from the Executive Director of Finance or her Designee on the proposed rates and charges and inquire whether there have been any written communications.

Executive
Director
of Finance or

Designee: Provide staff report and respond regarding the number of protests received to the implementation of the rates and charges.

President: Inquire whether there is anyone present who wishes to address the Board regarding the proposed changes to the rates and charges.

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

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

RESOLUTION NO. 2022 -

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
ADOPTING CHANGES TO THE SCHEDULE OF RATES AND CHARGES
FOR WATER, SEWER AND RECLAIMED WATER SERVICE

BACKGROUND:

Proposed Rates and Charges effective February 1, 2022:

The proposed rates and charges are included in the resolution attached as Exhibit "A". The proposed changes include both updates identified through the rate setting process and changes to the wording and format to better communicate the application of the District's rates to the customer. Using a PowerPoint presentation provided as Exhibit "B", staff will summarize the rates and charges as part of the Public Hearing.

All changes from the factors identified were included in the budget and rate setting process. Staff has reviewed costs and revenues for the treated water system, the sewer system, the recycled water system, and the over-allocation and natural treatment system. As a result of this review, changes to the water and sewer rates for the Irvine Ranch Water District are recommended to be effective February 1, 2022. These changes include the following:

The Potable Water System:

- The potable water tiered rates are based on cost of service and will provide the necessary funding for the water system. The rates are as follows (per ccf):

Tiers	FY 2020-21	Effective February 1, 2022	Change
Low Volume	\$1.47	\$1.53	\$0.06
Base Rate	\$2.00	\$2.42	\$0.42
Inefficient	\$4.86	\$5.15	\$0.29
Wasteful	\$13.63	\$14.64	\$1.01

- Monthly fixed service charges for the treated water system are based on cost of service. The monthly fixed service charge for the treated water system increases from \$10.35 to \$10.75 for a 5/8-inch by 3/4-inch meter. The monthly service charge includes a user rate contribution of \$2.78 per month for capital infrastructure enhancements and replacements.

The Sewer System:

- The sewer system rates are also based on cost of service. The rates identified will provide the necessary funding for the sewer system. The increase for a residential customer using less than 5 ccf will increase from \$19.55 to \$20.45 per month. The monthly sewer rate includes a user rate contribution of \$8.33 per month for capital infrastructure enhancements and replacements.

The Recycled Water System:

- The recycled commodity rates are also based on cost of service. The rates identified will provide the necessary funding for the recycled system. The rates are as follows (per ccf):

Tiers	FY 2020-21	Effective February 1, 2022	Change
Low Volume	\$1.19	\$1.23	\$0.04
Base Rate	\$1.57	\$2.16	\$0.59
Inefficient	\$3.15	\$4.03	\$0.88
Wasteful	\$6.62	\$7.20	\$0.58

- Monthly fixed service charges for the recycled water system are based on cost of service. The monthly fixed service charge for the treated water system increases from \$10.35 to \$10.75 for a 5/8-inch by 3/4-inch meter. The monthly service charge for both fiscal years includes a user rate contribution of \$2.78 per month for capital infrastructure enhancements and replacements.

The Over-allocation and Natural Treatment System (NTS):

- The commodity rates shown above for the Potable and Recycled System include the necessary funding for water conservation programs, urban runoff costs, and water banking. Costs are allocated among usage tiers based on each tier’s share of costs to fund these programs.

Water Shortage Contingency Plan (WSCP) Rates:

- The WSCP Rates are expected to provide cost of service equity for the budgeted Board-approved operating variable costs and additional costs incurred as a direct result of a water shortage declaration at the associated stage level. Implementation of WSCP rates would require additional Board action. The rates at each level are as follows:

<i>Tiers</i>	<i>WSCP Levels</i>					
	<i>Tiered Rates</i>					
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
	1-10%	11-20%	21-30%	1-40%	41-50%	51% +
Low Volume	\$1.53	\$1.53	\$1.53	\$1.55	\$1.57	\$1.60
Base	\$2.43	\$2.46	\$2.50	\$2.53	\$2.57	\$2.62
Inefficient	\$5.45	\$5.86	\$6.34	\$6.91	\$7.40	\$7.71
Wasteful	\$15.77	\$17.11	\$18.74	\$19.90	\$21.21	\$21.86

Schedule of Rates and Charges:

Exhibit “A” shows the proposed rates effective February 1, 2022 and required to fund budgeted operating expenses through June 30, 2023.

User/Replacement and Enhancement Capital Component:

Combined with the existing replacement and enhancement rate components, it is expected that the proposed rate increases will result in the following contributions to the enhancement and replacement funds by system:

- Potable Water: \$19.0 million;
- Sewer: \$45.4 million; and
- Recycled Water: \$2.4 million.

The expected total contribution is \$66.8 million.

Comparison to City of Orange Rates:

On August 28, 2006, IRWD and the City of Orange executed an agreement by which IRWD would provide services to the area known as the “Santiago Hills II / East Orange Area”. One of the conditions stipulated in this agreement was that the cumulative fixed and commodity charges for water service to an IRWD customer using the City of Orange median amount of water (18 ccf per month) would not exceed the same charges incurred by a City of Orange customer. Based on the rates as proposed effective February 1, 2022, a customer in IRWD using 18 ccf per month would pay an average of \$47.19 per month for fixed and commodity charges. Based on the most current water rates in the City of Orange, a customer using 18 ccf per month would pay an average of \$63.71 per month for fixed and commodity charges, or 35.0% more than a comparable ratepayer in IRWD.

Proposition 218 Notice:

Proposition 218, enacted in 1996, mandates that proposed increases in “property-related fees” must be noticed to property owners, and that such owners have an opportunity to protest prior to the enactment of the fee increases. In July 2006, the California Supreme Court issued a decision in the matter of Bighorn, which held that water delivery charges are property-related. Following the Supreme Court’s logic, most interpretations of the decision are that both water and sewer charges should be noticed in order to be in compliance with Proposition 218.

Under Proposition 218, the notice to customers must be sent to all property owners. As permitted by statute, the District sent its notices to all of its property owners and customers (including tenants) in the District’s service area. The Prop 218 notices are included in Exhibit “A”.

The District contracted with Davis Farr, Certified Public Accountants to collect and count the rate increase protests. They will provide management with a report prior to the Board meeting on January 24, 2022 (more than 45 days from the date of mailing the Prop 218 notices), and they will be present at the Public Hearing established for approval of the rates to answer questions on the process and final results.

As of January 19, 2022, the District received four written protests from customers or property owners in the District at a separate post office box from the rest of the District’s mail. The four written protests represent 0.004% of the 116,077 notices sent. Under Proposition 218, more than 50% of the IRWD customers would have had to protest in order to prevent the Board from adopting the Proposed Rates and Charges.

Copies of all four protest letters received to date are attached as Exhibit “C”.

ENVIRONMENTAL COMPLIANCE:

The establishment, modification, structuring, restructuring or approval of rates, tolls, fares, or other charges by public agencies are exempt from the requirements of the California Environmental Quality Act (CEQA) provided that certain findings are made specifying the basis for the claim of exemption. The necessary findings are contained in the proposed resolution.

FISCAL IMPACTS:

For standard rates, the proposed commodity rates are expected to cover budgeted Board-approved operating variable costs. Proposed fixed water and sewer service charges will cover operating fixed costs. The proposed rate increases will result in contributions to the Enhancement and Replacement Fund totaling approximately \$66.8 million. The Conservation Fund is expected to generate and use approximately \$29.5 million over the same two fiscal years.

WSCP rates will only be implemented in the event of a water shortage declaration and upon approval by the Board of Directors. Rates that are not implemented have no fiscal impact.

COMMITTEE STATUS:

The proposed changes to the Schedule of Rates and Charges were reviewed by the Finance and Personnel Committee on March 2, 2021, March 24, 2021, April 6, 2021, October 14, 2021, and November 2, 2021.

LIST OF EXHIBITS:

- Exhibit “A” – Resolution to Adopt Schedule of Rates and Charges
- Exhibit “B” – PowerPoint Presentation
- Exhibit “C” – Protest Letters received as of January 19, 2022

RESOLUTION NO. 2022-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
ADOPTING CHANGES TO THE SCHEDULE OF RATES AND CHARGES
FOR WATER, SEWER AND RECLAIMED WATER SERVICE

Statutory Authority. The Irvine Ranch Water District (“**IRWD**”) is a California Water District organized and existing under the California Water District Law, and all of the lands within the boundaries of IRWD are located in the County of Orange, State of California. California Water Code Sections 35423, 35470 and Section 35501 empower IRWD to establish, print and distribute equitable rules and regulations and prescribe and collect rates or other charges for water and sewer service.

Prior Rate Adoption. The Board of Directors of IRWD, by adoption of Resolution No. 2019-32 approved and adopted “Rules and Regulations of Irvine Ranch Water District for Water, Sewer, Recycled Water, and Natural Treatment System Service,” effective December 16, 2019. The Rules and Regulations, last amended July 12, 2021 by Resolution 2021-15, sets forth at Exhibit B a *Schedule of Rates and Charges* that may be changed from time to time.

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

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

Rate Study/FOG/WSCP. IRWD conducted a cost of service and rate design study through its consultant, Raftelis Financial Consultants, Inc., and the Board of Directors has received the final study dated January 24, 2022 (the “**Cost of Service Study**”), a Fats, Oils, and Grease Fees Study prepared by Raftelis Financial Consultants, Inc. dated February 22, 2018 (“**FOG Study**”), and a **Water Shortage Contingency Plan** effective July 1, 2021, each of which are posted and available on the District’s website www.IRWD.com.

Intent to Amend Rates. The Board of Directors of IRWD deems it advisable and finds that it would be in the best interest of the District to amend or establish certain rates and charges, consistent with applicable constitutional and statutory requirements and consistent with recommendations described in the Cost of Service Study, FOG Study, and the Water Shortage Contingency Plan.

Prop. 218. Prop. 218, enacted as Article XIID of the Constitution of the State of California provides that, in imposing or increasing any property-related fee or charge, an agency shall provide

written notice by mail (a “**Prop. 218 Notice**”) of the proposed fee or charge to the record owner of each identified parcel upon which the fee or charge is proposed for imposition, the amount, basis of calculating, and reason for such proposed fee or charge, and the date, time and location of a public hearing on the proposed fee or charge to be conducted not less than 45 days after the mailing of said notice, and Government Code Section 53755 provides for that Prop. 218 Notice to be given by mailing to the address where billing statements are customarily sent by the District.

Notices. Prop. 218 notices were duly mailed to each property owner and ratepayer in the District, setting Monday, January 24, 2022, at 5:00 p.m. in the Board of Directors Room of Irvine Ranch Water District, 15600 Sand Canyon Avenue, Irvine, California, as the time and place for a public hearing on the proposed establishment of or increases in property-related rates and charges, and those Prop. 218 Notices are attached as Exhibit A to this resolution.

Hearing. At the time set, the duly noticed public hearing was held and all persons interested were given an opportunity to be heard concerning the proposed establishment of or increases in property-related rates and charges as described in the Prop. 218 Notices.

Protests. This Board of Directors has considered all protests presented to the District by owners of identified parcels against the proposed establishment of or increases in property-related rates and charges.

Supersession. The Board of Directors previously adopted rates and charges under Resolution 2021-15, and the Board of Directors intends in adopting this Resolution to rescind, supersede, and replace Resolution 2021-15 effective February 1, 2022.

The Board of Directors of IRWD therefore resolves as follows:

Section 1. It is hereby found and determined that the number of written protests presented to the District against the proposed establishment of or increases in property-related rates and charges has been tabulated and does not constitute a majority of the number of owners of identified parcels.

Section 2. It is hereby found and determined that the proposed changes to the rates and charges as set forth in the Prop. 218 Notices are within the purposes set forth in Section 21080(b) of the Public Resources Code including but not by way of limitation, the purposes of (1) meeting operating expenses, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements, and (4) obtaining funds for capital projects necessary to maintain service within existing areas, and therefore, that such changes are exempt from CEQA.

Section 3. The recommendations set forth in the Cost of Service Study (Section 4.1.4 – changes to Multi-Family Residential water budget; Section 4.3.4 – Private Fireline Service Charge rate calculation methodology; and Section 5.1.1 – Sewer Service Charge rate calculation methodology) are hereby adopted.

Section 4. It is hereby found and determined that the rates, charges and fees adopted hereby are imposed upon the request for or use of services; that the rates, charges and fees recover and allocate the costs of service in accordance with the criteria and requirements of the

Constitution of the State of California; and that the water user charges satisfy the criteria and requirements of Water Code Sections 370 *et seq.* relating to allocation-based conservation water pricing. The Board of Directors further finds that the rates and charges adopted in connection with the declaration of a water shortage level under the Water Shortage Contingency Plan are consistent with state law.

Section 5. It is hereby found and determined that relative to Article XIII B of the Constitution of the State of California, the user charges and fees and regulatory fees established or increased hereby do not produce revenues exceeding the costs reasonably borne in providing the regulation, product or service and/or are used for debt service or qualified capital outlay projects and accordingly do not constitute proceeds of taxes, the appropriation of which is limited under Article XIII B, and that the documentation used in making those determinations has been on file in the office of IRWD for not less than 15 days prior to the date hereof, pursuant to Section 7910 of the Government Code of the State of California.

Section 6. The new and/or revised rates, fees and/or charges as set forth in Exhibits A and B to this resolution are hereby adopted and will take effect beginning February 1, 2022, on which date the corresponding rates, fees or charges in effect as a result of the adoption of Resolution 2021-15, are superseded. Staff is directed to incorporate the new or revised rates, fees, and charges into the Rules and Regulations at Exhibit B effective February 1, 2022.

Section 7. The Water Shortage Contingency rates are hereby adopted but will only be implemented upon the Board's separate resolution declaring a water shortage level and corresponding potable water use budget reduction.

Section 8. This Resolution becomes effective upon adoption. The Secretary is hereby ordered and directed to post a certified copy of this Resolution in a public place within the Irvine Ranch Water District.

ADOPTED, SIGNED and APPROVED this 24th day of January, 2022

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:
Hanson Bridgett, LLP

By: _____
District Counsel



Irvine Ranch Water District Notice of Proposed Water and Sewer Rate Change

Irvine Ranch Water District (IRWD) is a public agency that provides water and sewer service. Our rates are based on the actual cost to provide water and sewer service to our customers, and are based on the expenses included in IRWD's budget. The basis for the proposed rates is detailed in the Cost of Service Study, which is available at IRWD.com/services/proposed-rates. The IRWD Board of Directors adopted a two-year budget on April 26, 2021. **The proposed rates, if adopted, will be effective January 24, 2022, and implemented beginning February 1, 2022. As proposed, they are expected to increase the average residential bill by 8.9%.** The increase is due primarily to uncontrollable pass-through cost increases from regional agencies that supply water, regional sewage, or energy services to IRWD, as well as increases in costs associated with continuing to provide the current high level of water and sewer service our customers expect. See below for how the rates are calculated.

A critical IRWD objective is to keep costs, and therefore rates, as low as possible for our customers. Even with the proposed increase, when compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest.

First rate increase since July 2019

Rates have not been increased in 2½ years. In recognition of financial challenges facing customers during the first 20 months of the COVID-19 pandemic, the IRWD Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020, and deferred a rate increase for costs associated with the new two-year budget approved in April 2021.

Understanding basic components of your residential water bill

Your water bill has two basic components: variable water usage charges and service charges.

- **Variable water usage charges:** Variable costs — for water you use both inside and outside your home each month. These charges are based on the cost of local and imported water, and other costs of providing service that vary based on usage.
- **Service charges:** Fixed costs — to recover the fixed expenses of operating and maintaining IRWD's infrastructure. There are separate service charges for water and sewer service. These monthly fixed costs fluctuate depending on the number of days in a billing cycle.

For customers who live at higher elevations, a pumping surcharge is added to the variable water usage charge to cover pumping costs to serve higher elevations.

Variable water usage charge

Each residence is assigned a monthly water usage budget. How much you pay for each 100 cubic feet (CCF) of water depends on whether you stay within your water budget. IRWD allocates its lowest-cost water for usage within the monthly water budget. Higher-cost water is used to meet demands of customers who use water above their budgets. For example, groundwater from local wells is the least expensive, while imported water from out of state or Northern California costs the most.

Rates are broken into four tiers. Each tier is assigned a rate based on the actual cost of serving customers within each tier. Cost of service includes both the cost of water based on the source of water and other variable costs as detailed below. The Low Volume and Base rate tiers are for water used within each customer's budget, which is sourced primarily from lower-cost groundwater and reduces the need to import expensive water. The majority of imported water costs are allocated to the Inefficient and Wasteful tiers. Expenses for districtwide water-efficiency programs (districtwide conservation programs) that educate customers on ways to conserve water and assist customers with conservation are not included in the Low Volume rate since customers who remain in this tier do not need this assistance, but those expenses are included in the higher tiers. Additional costs associated with targeted conservation programs, urban runoff treatment, and water banking are paid only by customers with usage in the Inefficient and Wasteful tiers because their higher usage: (i) requires individualized conservation assistance, (ii) leads to urban runoff that requires costly treatment, and (iii) requires greater water reserves through water banking to provide reliable water supplies during a drought or other water shortage. Costs are allocated among those two tiers based on their share of costs to run these programs. IRWD would not need these programs if all customers remained within their individual water budgets.

Proposed variable water rates per CCF* beginning February 1, 2022

Service	Low Volume tier	Base tier	Inefficient tier	Wasteful tier
Total water source cost	\$1.53	\$2.34	\$3.29	\$3.29
Districtwide conservation programs		\$0.08	\$0.08	\$0.08
Conservation programs targeted to over-budget customers, urban runoff costs and water banking costs			\$1.78	\$11.27
Total cost per CCF per tier proposed beginning February 2022	\$1.53	\$2.42	\$5.15	\$14.64
Current rates	\$1.47	\$2.00	\$4.86	\$13.63
Change	\$0.06	\$0.42	\$0.29	\$1.01

* 1 CCF = 748 gallons



Irvine Ranch Water District Notice of Proposed Water and Sewer Rate Change

Why did the cost of water service increase?

The main reasons for the change include uncontrollable cost increases to IRWD attributed to:

- Pass-through charges (5.7% increase) from Orange County Water District (OCWD) for pumping local groundwater, which is still the lowest-cost water.
- Pass-through charges from Metropolitan Water District of Southern California (MWD) for imported water purchased through the regional wholesaler, the Municipal Water District of Orange County (MWDOC) (4.6% increase).
- Pass-through charges from Southern California Edison (SCE) for electricity used in IRWD service operations (10% increase).
- Increases in costs associated with continuing to provide the current high level of water service our customers expect, including costs associated with repairs and maintenance related to maintaining the existing infrastructure (11.8% increase).

In recognition of financial challenges facing customers during the first 20 months of the COVID-19 pandemic, the IRWD Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020, and deferred a rate increase for costs associated with the adoption of the new two-year budget in April 2021. IRWD is now increasing rates based on its current cost of providing water service.

Summary of proposed residential variable water rates beginning February 1, 2022

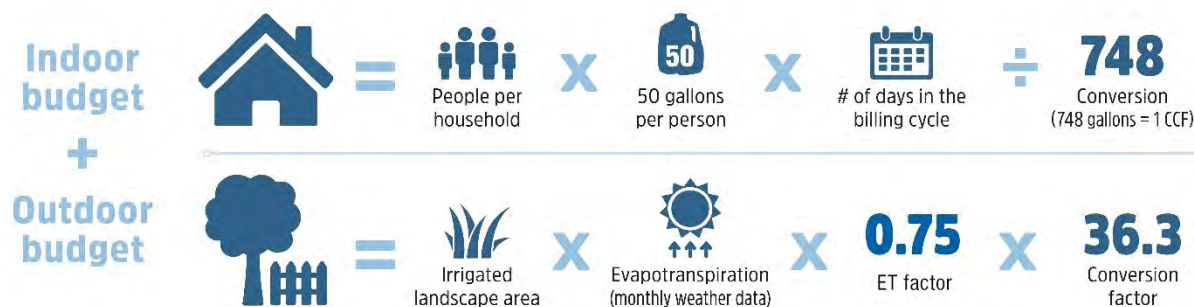
Tier	Percentage use of monthly water budget for residential customers	Current rates per CCF	Proposed rates per CCF beginning February 1, 2022
Low Volume	0-40%	\$1.47	\$1.53
Base Rate	41-100%	\$2.00	\$2.42
Inefficient	101-140%	\$4.86	\$5.15
Wasteful	141%+	\$13.63	\$14.64

How your water budget is calculated

Your monthly household water usage budget is the sum of your **indoor + outdoor water budgets**. Together they represent an efficient volume of water to meet your individualized water needs.

- **Indoor water budget:** 50 gallons per person per day (divided by 748, to convert gallons to CCF). For single-family homes, we assume a default of four people per household. For condominiums, we assume three people per household, and for apartments we assume two people per unit. If your household is larger, you may apply for a variance to increase your water budget.
- **Outdoor water budget:** is calculated for your property using actual data from local weather stations. We multiply your irrigated landscape area (in acres) x evapotranspiration x 0.75 ET factor x 36.3 conversion factor to convert acre inches of water to CCF.

- ✓ **CCF** is the basic measurement of water use. One CCF equals 100 cubic feet of water — about 748 gallons.
- ✓ **Evapotranspiration or ET** is a measure of actual daily plant water loss.
- ✓ **ET factor** accounts for the fact that at least 40% of your landscape should be drought-tolerant and provides 20% additional water to account for inefficiency in your irrigation system.



Monthly water budgets and rate calculator available on IRWD.com

For more information about the rate tiers, the types of usage that determine the monthly water budget, how the monthly water budget is calculated, and to use the IRWD budget-based-rate calculator, please visit the IRWD website at [IRWD.com/services/proposed-rates](https://www.irwd.com/services/proposed-rates). The calculator shows how staying within your monthly water budget or exceeding it will affect your monthly bill.



Irvine Ranch Water District Notice of Proposed Water and Sewer Rate Change

Pumping surcharges

A pumping surcharge will be added to the variable water usage charge for customers who reside at higher elevations and cause IRWD to incur additional pumping costs to supply their water. The surcharge is based on the actual prevailing energy costs and varies depending upon the elevation of the area served. If you live in an area affected by a pumping surcharge, the charge is itemized on your monthly bill. Please visit the IRWD website at IRWD.com/services/proposed-rates to see charges by area.

Proposed changes to pumping surcharges		
Component	Current rates (rates vary by pumping surcharge area)	Proposed rates beginning February 1, 2022 (rates vary by pumping surcharge area)
Pumping surcharges by area	\$0.25 to \$0.68/CCF	\$0.33 to \$0.79/CCF

Fixed water and sewer service charges

In addition to the water usage charges that you control based on the amount of water you use, your bill contains fixed charges for water service and sewer service. Fixed water service charges are based on the size of your water meter providing water flow to your property. These charges are assessed whether or not you use water that month and may increase or decrease based on the number of days in the billing period. Monthly service charges are fixed charges that cover IRWD's cost of operations, maintenance, and infrastructure, and do not change based on the amount of a customer's monthly water or sewer use. Monthly service charges are based on a 30-day calendar month, so billing cycles that are longer or shorter than 30 days are billed based on the proportional number of days. The fixed charge includes an amount set aside for the future inevitable repair and replacement of infrastructure such as pipes, pumping stations, and treatment facilities. This way, IRWD can avoid significant one-time rate spikes when the repairs and replacements are made. These charges are not used to pay for facilities that extend service to new development.

Water fixed service charges

The fixed monthly water service charges for the average residential customer are used to pay for operations and maintenance costs, including inevitable water infrastructure enhancements and replacements. The charge is based on the size of your meter.

Proposed water service fixed monthly charges for system operation and maintenance		
Residential meter size homes, condos, apartments	Current meter rates	Proposed rates beginning February 1, 2022
5/8" x 3/4" Disc	\$10.35	\$10.75
3/4" Disc	\$15.55	\$16.15
1" Disc	\$25.90	\$26.90
1½" Disc	\$51.75	\$64.50
1½" Single Jet	\$51.75	\$53.75
2" Disc or Single Jet	\$82.80	\$86.00
2" Turbo	\$108.70	\$134.40
3" Turbo	\$248.40	\$349.40
4" Turbo	\$517.50	\$671.90
6" Turbo	\$1,035.05	\$1,343.75
8" Turbo	\$1,811.35	\$2,526.25
6" Turbo Omni F-2	\$1,447.50	\$1,075.00
8" Turbo Omni F-2	\$2,574.15	\$2,526.25
Residential master meter (shared) apartments and condominiums 5/8" x 3/4" meter	\$10.35	\$10.75

The current amount for your meter size appears on your bill. Customers who remain in the Low Volume tier for most of the year will have a larger percentage of their bill made up of the fixed charge. Customers who remain in the Low Volume tier for nine out of 12 months of the prior calendar year will receive a \$2.00 credit per month, which will be itemized on each bill. New customers do not receive this credit unless they have been with the District for a full calendar year.

Sewer fixed service charges

Fixed monthly sewer service charges are used to pay for operations and maintenance costs associated with providing sewer service, including inevitable sewer infrastructure enhancements and replacements of infrastructure such as pipes, pumping stations, and treatment facilities. Each customer's use of IRWD sewer service derives from the customer's use of potable water from IRWD, so each customer is billed in one of three tiers, based on the customer's three months with the lowest potable water usage from the prior calendar year. Until IRWD has a new customer's full calendar year of usage history, the customer is billed at the middle tier rate.



Irvine Ranch Water District Notice of Proposed Water and Sewer Rate Change

Proposed changes to sewer service fixed monthly charges for system operation and maintenance

Usage	Current monthly rates	Proposed rates beginning February 1, 2022
Average water usage exceeds 10 CCFs per month	\$26.10	\$29.75
Average water usage falls between 5 and 10 CCFs	\$23.50	\$25.50
Average water usage falls below 5 CCFs	\$19.55	\$20.45

Private fireline service charges

Private firelines provide water to sprinkler systems for fire suppression within private improvements such as buildings and other structures. Water is supplied for private fire service through pipes and appurtenances on private property. These include all water-based fire protection systems, such as fire protection sprinklers and private fire hydrants that are not part of, but are connected to, the public water service. Costs are billed to the customers owning the private fire protection systems and are based upon the size of the fireline.

Proposed changes to monthly fireline service charges

Private fireline size	Current monthly rates	Proposed rates beginning February 1, 2022
1"	\$13.60	\$6.20
2"	\$27.20	\$8.45
3"	\$40.80	\$13.55
4"	\$54.40	\$22.45
6"	\$81.60	\$54.15
8"	\$108.80	\$108.90
10"	\$136.00	\$191.05
11"	\$149.60	\$245.15
12"	\$163.20	\$306.70

Other Charges

IRWD also charges for setting up new accounts for a property already connected to IRWD's service system and for reconnecting water service after it has been shut off.

Proposed changes to fees to set up a service account and reconnect service after a shut-off

Component	Current rates	Proposed rates beginning February 1, 2022
One-time setup fee for new accounts	\$25.00	\$25.00
Shut-off reconnection fees	\$70.00 - \$95.00	\$50.00 - \$95.00

Automatic pass-through adjustments and other surcharges

IRWD used its best available information to calculate proposed increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid to OCWD for pumping groundwater, the cost for regional treatment of sewage paid to the Orange County Sanitation District (OC San), and the cost of electricity charged by SCE. IRWD has no control over the charges set by regional agencies (MWD, MWDOC, OCWD, OC San, SCE, etc.) or penalties, taxes and fees assessed by the state, and must pass those costs through to IRWD customers. Should any of the regional agencies or the State of California adopt an additional increase (or decrease) in its charges, taxes, or fees ("pass-through amount"), IRWD may automatically recalculate its rates to include the pass-through amount. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of the adjustment, IRWD will provide its customers with notice of the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

If the State Water Resources Control Board (State Board) imposes fines on IRWD because of a violation(s) of a State Board regulation adopted to prevent the waste or unreasonable use of water, or to promote water conservation, to the extent such violation(s) are due to consumption of water in excess of customers' water usage budgets, IRWD may levy a surcharge on the volume of water used of up to \$1.57 per hundred cubic feet. If IRWD is fined by the State Board, at least 30 days before implementing a surcharge, IRWD will provide its customers with notice of the surcharge amount(s), which will generally be calculated as the total projected fine divided by the total water use in the Inefficient and Wasteful tiers.



Water Shortage Contingency Plan (WSCP)

IRWD is required by the California Water Code Section 10632 to prepare and adopt a Water Shortage Contingency Plan (WSCP) as part of its Urban Water Management Plan. The WSCP, adopted by IRWD on June 28, 2021, includes plans to implement locally appropriate water shortage response actions for six standard water shortage levels. The following are the rates proposed as a potential response action for each water shortage level. These rates are based on the actual cost to provide service to our customers in times of water shortage. For a detailed explanation of the District's water shortage responses, please refer to the District's WSCP at bit.ly/wscp-2021. An overview of the supply shortage response actions considered for each level of water shortage can be found on Page 33, Table 3-3 of the WSCP. Achieving the WSCP reductions for each level will require a broad approach. The table below includes the target potable water use reduction for each level, the minimum potable water budget provided at each level, and the steps necessary to meet the water shortage at each level.

Minimum potable water budgets at each level of water shortage

Water Shortage Contingency Plan level	Target reduction (Midpoint of the level)	Messaging and outreach	Outdoor potable water landscape plant assumption (Includes residential, dedicated irrigation, non-agricultural and CII outdoor)	ET factor	Indoor gallons per capita	2022 & 2023 projected water shortage (Assuming five consecutive years of drought)
Normal/ non-shortage water budget	0	Water efficiency programs and outreach	40% drought-tolerant plants	.75	50	No water shortage; 100% reliable
Level 1 0-10%	5% 2,500 AF	Expanded messaging and targeted outreach	40% drought-tolerant plants	.75	50	No water shortage; 100% reliable
Level 2 11-20%	15% 7,700 AF	Expanded messaging and targeted outreach	No turf; 100% drought-tolerant plants	.625	50	No water shortage; 100% reliable
Level 3 21-30%	25% 12,800 AF	Expanded messaging and targeted outreach	No turf; tree health affected; 75% native plants; 25% drought-tolerant plants	.35	40	No water shortage; 100% reliable
Level 4 31-40%	35% 18,000 AF	Expanded messaging and targeted outreach	No turf; tree health affected; 100% native plants only	.25	32.5	No water shortage; 100% reliable
Level 5 41-50%	45% 23,000 AF	Expanded messaging and targeted outreach	No landscape	0	30	No water shortage; 100% reliable
Level 6 51%+	55% 28,200 AF	Expanded messaging and targeted outreach	No landscape	0	Basic needs only; 20	No water shortage; 100% reliable

How a water shortage could affect rates

If IRWD experiences a water shortage, IRWD may be required to implement water shortage response actions that would include possible water rate increases due to changes in costs to provide customers with water during a shortage. The water rates at each water shortage level are shown in the



Irvine Ranch Water District Notice of Proposed Water and Sewer Rate Change

following table. The IRWD Board of Directors will consider adopting these rates concurrently with the water and sewer rates discussed above. The water shortage contingency rates would only be charged to potable customers depending on the level and duration of the water shortage as defined in the WSCP, and only when conditions declared by IRWD's Board are met. Customers will receive communication of when these conditions have been met and when the water shortage contingency rates are being charged.

Proposed water shortage contingency rates per CCF beginning February 1, 2022

Rate tiers	Level 1: up to 10% water shortage	Level 2: 11% to 20% water shortage	Level 3: 21% to 30% water shortage	Level 4: 31% to 40% water shortage	Level 5: 41% to 50% water shortage	Level 6: greater than 50% water shortage
Low Volume	\$1.53	\$1.53	\$1.53	\$1.55	\$1.57	\$1.60
Base Rate	\$2.43	\$2.46	\$2.50	\$2.53	\$2.57	\$2.62
Inefficient	\$5.45	\$5.86	\$6.34	\$6.91	\$7.40	\$7.71
Wasteful	\$15.77	\$17.11	\$18.74	\$19.90	\$21.21	\$21.86

For more information regarding how the monthly water budget is calculated for each of these rates, and to use a WSCP budget-based-rate calculator, visit IRWD.com/wscp-rates.

Public hearing

Any customer or property owner within the IRWD service area may file a written protest for the proposed rate increases with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest, and your original signature. Protest letters received by January 24, 2022, will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on January 24, 2022, at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, California. Any customer or property owner may appear at the hearing to make comments regarding the proposed rates. Protest letters may be delivered in person and must be received prior to the conclusion of the January 24 public hearing.

Pursuant to Government Code Section 53759, there is a 120-day statute of limitations for any judicial action or proceeding challenging any new, increased, or extended water and sewer fee or charge.

Additional information

For more information about IRWD's water efficiency programs and rebates, plus tips on how you can use water more efficiently, visit IRWD.com. If you have questions, please contact IRWD Customer Service at 949-453-5300.



Irvine Ranch Water District Notice of Proposed Water and Sewer Rate Change

Irvine Ranch Water District (IRWD) is a public agency that provides water and sewer service. Our rates are based on the actual cost to provide water and sewer service to our customers, and are based on the expenses included in IRWD's budget. The basis for the proposed rates is detailed in the Cost of Service Study, which is available at IRWD.com/services/proposed-rates. The IRWD Board of Directors adopted a two-year budget on April 26, 2021. **The proposed rates, if adopted, will be effective January 24, 2022, and implemented beginning February 1, 2022.** The increase is due primarily to uncontrollable pass-through cost increases from regional agencies that supply water, regional sewer, or energy services to IRWD, as well as increases in costs associated with continuing to provide the current high level of water and sewer service our customers expect. See below for how the rates are calculated.

A critical IRWD objective is to keep costs, and therefore rates, as low as possible for our customers. Even with the proposed increase, when compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest.

First rate increase since July 2019

Rates have not been increased in 2½ years. In recognition of financial challenges facing customers during the first 20 months of the COVID-19 pandemic, the IRWD Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020, and deferred a rate increase for costs associated with the new two-year budget approved in April 2021.

Understanding basic components of your water bill

Your water bill has two basic components: variable water usage charges and service charges.

- **Variable water usage charges:** Variable costs — for the amount of water you use inside and outside each month. These charges are based on the cost of local and imported water, and other costs of providing service that vary based on usage.
- **Service charges:** Fixed costs — to recover the fixed expenses of operating and maintaining IRWD's infrastructure. There are separate service charges for water and sewer service. These monthly fixed costs fluctuate depending on the number of days in a billing cycle.

For customers who are located at higher elevations, a pumping surcharge is added to the variable water usage charge to cover pumping costs to serve higher elevations.

Variable water usage charge

Each customer is assigned a monthly water usage budget. How much you pay for each 100 cubic feet (CCF) of water depends on whether you stay within your water budget. IRWD allocates its lowest-cost water for usage within the monthly water budget. Higher-cost water is used to meet demands of customers who use water above their budgets. For example, groundwater from local wells is the least expensive, while imported water from out of state or Northern California costs the most.

Potable rates are broken into two tiers. Each tier is assigned a rate based on the actual cost of serving customers within each tier. Cost of service includes both the cost of water based on the source of water and other variable costs as detailed below. The Base rate tier is for water used within each commercial, industrial, public authority or non-residential mixed use customer's (CII) budget, which is sourced primarily from lower-cost groundwater and supplemented with imported water. The majority of imported water costs are allocated to the Wasteful tier. Expenses for districtwide water-efficiency programs (districtwide conservation programs) that educate customers on ways to conserve water and assist customers with conservation are included in both tiers. Additional costs associated with targeted conservation programs, urban runoff treatment, and water banking are paid only by customers with usage in the Wasteful tier because their higher usage: (i) requires individualized conservation assistance, (ii) leads to urban runoff that requires costly treatment, and (iii) requires greater water reserves through water banking to provide reliable water supplies during a drought or other water shortage. Costs are allocated to the Wasteful tier based on their share of costs to run these programs. IRWD would not need these programs if all customers remained within their individual water budgets.

Proposed potable variable water rates per CCF* beginning February 1, 2022

Service	Base tier	Wasteful tier
Total water source cost	\$2.34	\$3.29
Districtwide conservation programs	\$0.08	\$0.08
Conservation programs targeted to over-budget customers, urban runoff costs and water banking costs		\$11.27
Total cost per CCF per tier proposed beginning February 2022	\$2.42	\$14.64
Current rates	\$2.00	\$13.63
Change	\$0.42	\$1.01

* 1 CCF = 748 gallons



Irvine Ranch Water District Notice of Proposed Water and Sewer Rate Change

Why did the cost of water service increase?

The main reasons for the change include uncontrollable cost increases to IRWD attributed to:

- Pass-through charges (5.7% increase) from Orange County Water District (OCWD) for pumping local groundwater, which is still the lowest-cost water.
- Pass-through charges from Metropolitan Water District of Southern California (MWD) for imported water purchased through the regional wholesaler, the Municipal Water District of Orange County (MWDOC) (4.6% increase).
- Pass-through charges from Southern California Edison (SCE) for electricity used in IRWD service operations (10% increase).
- Increases in costs associated with continuing to provide the current high level of water service our customers expect, including costs associated with repairs and maintenance related to maintaining the existing infrastructure (11.8% increase).

In recognition of financial challenges facing customers during the first 20 months of the COVID-19 pandemic, the IRWD Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020, and deferred a rate increase for costs associated with the adoption of the new two-year budget approved in April 2021. IRWD is now increasing rates based on its current cost of providing water service.

How your water budget is calculated

Your monthly water usage budget represents an efficient volume of water to meet your specific water use needs and uses. IRWD establishes an individualized water budget for each CII customer based on an analysis of the indoor and outdoor water use needs. This may include an on-site assessment. Usage up to 100% of the water budget is billed at the Base rate. Usage above a customer's water budget is billed at a higher Wasteful rate because IRWD must use more expensive water to meet Wasteful demands. For more information on the potable Base and Wasteful CII rates, and all other CII rates, please visit the IRWD website at IRWD.com/services/proposed-rates. If you would like additional information regarding the monthly water budget for your property, please contact Customer Service at 949-453-5300.

Variable water charges

IRWD is proposing a variable water (commodity) charge increase as shown in the chart below. The Base rate tier is for customers that stay within their monthly water budget. The Wasteful tier is for customers that exceed their monthly water budget.

Summary of proposed potable commercial commodity rates beginning February 1, 2022

Tier	Percentage of monthly water budget	Current rates per CCF	Proposed rates per CCF beginning February 1, 2022
Base Rate	0-100%	\$2.00	\$2.42
Wasteful	101+	\$13.63	\$14.64

Summary of proposed recycled water commercial commodity rates beginning February 1, 2022

Tier	Percentage of monthly water budget	Current rates per CCF	Proposed rates per CCF beginning February 1, 2022
Base Rate	0-100%	\$1.19	\$1.23
Wasteful	101+	\$6.62	\$7.20

Temporary (construction) commodity rates beginning February 1, 2022

Component	Current rates per CCF	Proposed rates per CCF beginning February 1, 2022
Potable	\$3.45	\$2.88
Recycled	\$1.75	\$1.40

Untreated water commercial commodity rate beginning February 1, 2022

Current rate per CCF	Proposed rates per CCF beginning February 1, 2022
\$1.70	\$1.82

Pumping surcharges

A pumping surcharge will be added to the variable water usage charge for those customers who are located at higher elevations and cause IRWD to



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incur additional pumping costs to supply their water. The surcharge is based on the actual prevailing energy costs and varies depending upon the elevation of the area served. If your property is in an area affected by a pumping surcharge, the charge is itemized on your monthly bill. Please visit the IRWD website at IRWD.com/services/proposed-rates to see charges by zone.

Proposed changes to pumping surcharge		
Component	Current rates (rates vary by pumping surcharge area)	Proposed rates beginning February 1, 2022 (rates vary by pumping surcharge area)
Potable	\$0.25 to \$0.68/CCF	\$0.33 to \$0.79/CCF
Recycled	\$0.13 to \$0.43/CCF	\$0.14 to \$0.47/CCF

Water and sewer fixed service charges

In addition to the water usage charges that you control based on the amount of water you use, your bill contains fixed charges for water service and sewer service. Fixed water service charges are based on the size of your water meter providing water flow to your property. These charges are assessed whether or not you use water that month and may increase or decrease based on the number of days in the billing period. Monthly service charges are fixed charges which cover IRWD's cost of operations, maintenance and infrastructure and do not change based on the amount of a customer's monthly water or sewer use. Monthly service charges are based on a 30-day calendar month so billing cycles which are longer or shorter than 30 days are billed based on the proportional number of days. The fixed charge includes an amount set aside for the future inevitable repair and replacement of infrastructure such as pipes, pumping stations and treatment facilities. This way, IRWD can avoid significant one-time rate spikes when the repairs and replacements are made. These charges are not used to pay for facilities that extend service to new development.

Water fixed service charges

The fixed monthly water service charges for CII customers are used to pay for operations and maintenance costs, including inevitable infrastructure enhancements and replacements. The charge is based on the size of your meter.

Proposed water service fixed monthly charges for system operation and maintenance		
Meter size	Current meter rates	Proposed rates beginning February 1, 2022
5/8" by 3/4" Disc	\$10.35	\$10.75
3/4" Disc	\$15.55	\$16.15
1" Disc	\$25.90	\$26.90
1 1/2" Disc	\$51.75	\$64.50
2" Disc	\$82.80	\$86.00
2" Turbo	\$108.70	\$134.40
3" Turbo	\$248.40	\$349.40
4" Turbo	\$517.50	\$671.90
6" Turbo	\$1,035.05	\$1,343.75
8" Turbo	\$1,811.35	\$2,526.25
10" Turbo	\$2,173.60	\$3,762.50
6" Magnetic Meter	\$1,447.50	\$1,503.40
8" Magnetic Meter	\$2,574.15	\$2,673.55
6" Propeller	\$698.65	\$483.75
8" Propeller	\$931.55	\$645.00
10" Propeller	\$1,242.05	\$860.00
12" or 14" Propeller	\$1,746.65	\$1,182.50
16", 18", or 20" Propeller	\$2,949.90	\$2,042.50
4" Omni F-2	\$643.30	\$537.50
6" Omni F-2	\$1,447.50	\$1,075.00
8" Omni F-2	\$2,574.15	\$2,526.25
1 1/2" Single Jet	\$51.75	\$53.75
2" Single Jet	\$82.80	\$86.00
6" Single Jet	\$517.50	\$537.50

Sewer fixed service charges

The proposed fixed monthly sewer service charges are used to pay for operations and maintenance costs, including inevitable infrastructure enhancements and replacements of infrastructure such as pipes, pumping stations, and treatment facilities. Each customer's use of IRWD sewer service derives from the customer's use of water from IRWD. Additional fixed monthly charges for the operation and maintenance of the system are based on 90% of the volume of water used and treated in excess of 10 CCF per month because IRWD assumes that is the portion sent to IRWD's sewer system. The proposed fixed and variable monthly charges are presented below.



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Proposed changes to sewer service fixed monthly charges for system operation and maintenance

Monthly usage	Current monthly rates	Proposed rates beginning February 1, 2022
Average water usage <= 10 CCF per month	\$26.10	\$29.75
Quantity service charge (beyond 10 CCF)	\$2.78/CCF	\$2.19/CCF
Industrial waste service charge (if applicable)	\$0.136/CCF	\$0.107/CCF
OC SAN special purpose permit discharge rate (if applicable)	Up to \$1,545.35 per million gallons	Up to \$1,545.35 per million gallons

Proposed changes for areas receiving collection service or treatment service only

Monthly usage	Current monthly rates	Proposed rates beginning February 1, 2022
Collection service charge	\$8.50 per unit	\$9.25 per unit
Treatment service charge	\$15.00 per unit	\$16.25 per unit

Private fireline service charges

Private firelines provide water to sprinkler systems for fire suppression within private improvements such as buildings and other structures. Water is supplied for private fire service through pipes and appurtenances on private property. These include all water-based fire protection systems, such as fire protection sprinklers and private fire hydrants that are not part of, but are connected to, the public water service. Costs are billed to the customers owning the private fire protection systems and are based upon the size of the fireline.

Proposed changes to monthly fireline service charges

Private fireline size	Current monthly rates	Proposed rates beginning February 1, 2022
1"	\$13.60	\$6.20
2"	\$27.20	\$8.45
3"	\$40.80	\$13.55
4"	\$54.40	\$22.45
6"	\$81.60	\$54.15
8"	\$108.80	\$108.90
10"	\$136.00	\$191.05
11"	\$149.60	\$245.15
12"	\$163.20	\$306.70

Other charges

IRWD also charges for setting up new accounts for a property already connected to IRWD's service system and for reconnecting water service after it has been shut off.

Proposed changes to set-up and reconnection fees

Component	Current rates	Proposed rates beginning February 1, 2022
One-time setup fee for new accounts	\$25.00	\$25.00
Shut-off reconnection fees	\$70.00 - \$95.00	\$50.00 - \$95.00

Automatic pass-through adjustments and other surcharges

IRWD used its best available information to calculate proposed increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid to OCWD for pumping groundwater, the cost for regional treatment of sewage paid to the Orange County Sanitation District (OC San), and the cost of electricity charged by SCE. IRWD has no control over the amounts set by regional agencies (MWD, MWDOC, OCWD, OC San, SCE, etc.) or penalties, taxes and fees assessed by the state, and must pass those costs through to IRWD customers. Should any of the regional agencies or the State of California adopt an additional increase (or decrease) in its charges, taxes, or fees ("pass-through amount"), IRWD may automatically recalculate its rates to include the pass-through amount. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the



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effective date of the adjustment, IRWD will provide its customers with notice of the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

If the State Water Resources Control Board (State Board) imposes fines on IRWD because of a violation(s) of a State Board regulation adopted to prevent the waste or unreasonable use of water, or to promote water conservation, to the extent such violation(s) are due to consumption of water in excess of customers' water usage budgets, IRWD may levy a surcharge on the volume of potable water used of up to \$1.57 per hundred cubic feet. If IRWD is fined by the State Board, at least 30 days before implementing a surcharge, IRWD will provide its customers with notice of the surcharge amount(s), which will generally be calculated as the total projected fine divided by the total water use in the Inefficient and Wasteful tiers.

Water Shortage Contingency Plan (WSCP)

IRWD is required by the California Water Code Section 10632 to prepare and adopt a Water Shortage Contingency Plan (WSCP) as part of its Urban Water Management Plan. The WSCP, adopted by IRWD on June 28, 2021, includes plans to implement locally appropriate water shortage response actions for six standard water shortage levels. The following are the rates proposed as a potential response action for each water shortage level. These rates are based on the actual cost to provide service to our customers in times of water shortage. For a detailed explanation of the District's water shortage responses, please refer to the District's WSCP at bit.ly/wscp-2021. An overview of the supply shortage response actions considered for each level of water shortage can be found on Page 33, Table 3-3 of the WSCP. Achieving the WSCP reductions for each level will require a broad approach. The table below includes the target potable water use reduction for each level, the minimum potable water budget provided at each level and the steps necessary to meet the water shortage at each level.

Minimum potable water budgets at each level of water shortage

Water Shortage Contingency Plan level	Target reduction (Midpoint of the level)	Messaging and outreach	Outdoor potable water landscape plant assumption (Includes residential, dedicated irrigation, non-agricultural and CII outdoor)	ET factor	Potable Commercial, Industrial and Institutional (CII) percent indoor reduction	2022 & 2023 projected water shortage (Assuming five consecutive years of drought)
Normal/ non-shortage water budget	0	Water efficiency programs and outreach	40% drought-tolerant plants	.75	0%	No water shortage; 100% reliable
Level 1 0-10%	5% 2,500 AF	Expanded messaging and targeted outreach	40% drought-tolerant plants	.75	0%	No water shortage; 100% reliable
Level 2 11-20%	15% 7,700 AF	Expanded messaging and targeted outreach	No turf; 100% drought-tolerant plants	.625	0%	No water shortage; 100% reliable
Level 3 21-30%	25% 12,800 AF	Expanded messaging and targeted outreach	No turf; tree health affected; 75% native plants; 25% drought-tolerant plants	.35	0%	No water shortage; 100% reliable
Level 4 31-40%	35% 18,000 AF	Expanded messaging and targeted outreach	No turf; tree health affected; 100% native plants only	.25	10%	No water shortage; 100% reliable



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Level 5 41-50%	45% 23,000 AF	Expanded messaging and targeted outreach	No landscape	0	20%	No water shortage; 100% reliable
Level 6 51%+	55% 28,200 AF	Expanded messaging and targeted outreach	No landscape	0	30%	No water shortage; 100% reliable

How a water shortage could affect rates

If IRWD experiences a water shortage, IRWD may be required to implement water shortage response actions that would include possible water rate increases due to changes in costs to provide customers with water during a shortage. The water rates at each water shortage level are shown in the following table. The IRWD Board of Directors will consider adopting these rates concurrently with the water and sewer rates discussed above. The water shortage contingency rates would only be charged to potable customers depending on the level and duration of the water shortage as defined in the WSCP, and only when conditions declared by IRWD's Board are met. Customers will receive communication of when these conditions have been met and when the water shortage contingency rates are being charged.

Proposed potable water shortage contingency rates per CCF beginning February 1, 2022						
Rate tiers	Level 1: up to 10% water shortage	Level 2: 11% to 20% water shortage	Level 3: 21% to 30% water shortage	Level 4: 31% to 40% water shortage	Level 5: 41% to 50% water shortage	Level 6: greater than 50% water shortage
Base Rate	\$2.43	\$2.46	\$2.50	\$2.53	\$2.57	\$2.62
Wasteful	\$15.77	\$17.11	\$18.74	\$19.90	\$21.21	\$21.86

For more information regarding how the monthly budget is calculated for each of these rates, please contact customer service at 949-453-5300.

Public Hearing

Any customer or property owner within the IRWD service area may file a written protest for the proposed rate increases with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest, and your original signature. Protest letters received by January 24, 2022, will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on January 24, 2022, at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, California. Any customer or property owner may appear at the hearing to make comments regarding the proposed rates. Protest letters may be delivered in person and must be received prior to the conclusion of the January 24 public hearing.

Pursuant to Government Code Section 53759, there is a 120-day statute of limitations for any judicial action or proceeding challenging any new, increased, or extended water and sewer fee or charge.

Additional Information

For more information about IRWD's water efficiency programs and rebates, plus tips on how you can use water more efficiently, visit IRWD.com. If you have questions, please contact IRWD Customer Service at 949-453-5300.



Irvine Ranch Water District (IRWD) is a public agency that provides water and sewer service. Our rates are based on the actual cost to provide water and sewer service to our customers, and are based on the expenses included in IRWD's budget. The basis for the proposed rates is detailed in the Cost of Service Study, which is available at IRWD.com/services/proposed-rates. The IRWD Board of Directors adopted a two-year budget on April 26, 2021. **The proposed rates, if adopted, will be effective January 24, 2022, and implemented beginning February 1, 2022.** The increase is due primarily to uncontrollable pass-through cost increases from regional agencies that supply water, regional sewer, or energy services to IRWD, as well as increases in costs associated with continuing to provide the current high level of water and sewer service our customers expect. See below for how the rates are calculated.

A critical IRWD objective is to keep costs, and therefore rates, as low as possible for our customers. Even with the proposed increase, when compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest.

First rate increase since July 2019

Rates have not been increased in 2½ years. In recognition of financial challenges facing customers during the first 20 months of the COVID-19 pandemic, the IRWD Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020, and deferred a rate increase for costs associated with the new two-year budget approved in April 2021.

Understanding basic components of your water bill

Your water bill has two basic components: variable water usage charges and service charges.

- **Variable water usage charges:** Variable costs — for water you use outdoors each month. These charges are based on the cost of local and imported water, and other costs of providing service that vary based on usage.
- **Service charges:** Fixed costs — to recover the fixed expenses of operating and maintaining IRWD's infrastructure. These monthly fixed costs fluctuate depending on the number of days in a billing cycle.

For customers located at higher elevations, a pumping surcharge is added to the variable water usage charge to cover pumping costs to serve higher elevations.

Landscape / non-agricultural customers

Variable water usage charge

Each customer is assigned a monthly water usage budget. How much you pay for each 100 cubic feet (CCF) of water depends on whether you stay within your water budget. IRWD allocates its lowest-cost water for usage within the monthly water budget. Higher-cost water is used to meet demands of customers who use water above their budgets. For example, groundwater from local wells is the least expensive, while imported water from out of state or Northern California costs the most.

Rates are broken into four tiers. Each tier is assigned a rate based on the actual cost of serving customers within each tier. Cost of service includes both the cost of water based on the source of water and other variable costs as detailed below. The Low Volume and Base rate tiers are for water used within each customer's budget, which for potable water is sourced primarily from lower-cost groundwater and reduces the need to import expensive water. The majority of imported water costs are allocated to the Inefficient and Wasteful tiers. For both potable and recycled water, expenses for districtwide water-efficiency programs (districtwide conservation programs) that educate customers on ways to conserve water and assist customers with conservation are not included in the Low Volume rate since customers who remain in this tier do not need this assistance, but those expenses are included in the higher tiers. Additional costs associated with targeted conservation programs, urban runoff treatment, and water banking (for potable only) are paid only by customers with usage in the Inefficient and Wasteful tiers because their higher usage: (i) requires individualized conservation assistance, (ii) leads to urban runoff that requires costly treatment, and (iii) requires greater water reserves through water banking to provide reliable water supplies during a drought or other water shortage. Costs are allocated among those two tiers based on their share of costs to run these programs. IRWD would not need these programs if all customers remained within their individual water budgets.

Proposed potable variable water rates per CCF* beginning February 1, 2022

Service	Low Volume tier	Base tier	Inefficient tier	Wasteful tier
Total water source cost	\$1.53	\$2.34	\$3.29	\$3.29
Districtwide conservation programs		\$0.08	\$0.08	\$0.08
Conservation programs targeted to over-budget customers, urban runoff costs and water banking costs			\$1.78	\$11.27
Total cost per CCF per tier proposed beginning February 2022	\$1.53	\$2.42	\$5.15	\$14.64
Current rates	\$1.47	\$2.00	\$4.86	\$13.63
Change	\$0.06	\$0.42	\$0.29	\$1.01

* 1 CCF = 748 gallons



Proposed recycled variable water rates per CCF beginning February 1, 2022

Service	Low Volume tier	Base tier	Inefficient tier	Wasteful tier
Total water source cost	\$1.23	\$2.08	\$3.31	\$3.31
Districtwide conservation programs		\$0.08	\$0.08	\$0.08
Conservation programs targeted to over-budget customers, and urban runoff costs			\$0.64	\$3.81
Total cost per CCF per tier proposed beginning February 2022	\$1.23	\$2.16	\$4.03	\$7.20
Current rates	\$1.19	\$1.57	\$3.15	\$6.62
Change	\$0.04	\$0.59	\$0.88	\$0.58

Summary of proposed potable variable water rates beginning February 1, 2022

Tier	Percentage of monthly water budget for landscape/non-ag customers	Current rates per CCF	Proposed rates per CCF beginning February 1, 2022
Low Volume	0-40%	\$1.47	\$1.53
Base Rate	41-100%	\$2.00	\$2.42
Inefficient	101-140%	\$4.86	\$5.15
Wasteful	141%+	\$13.63	\$14.64

Summary of proposed recycled variable water rates beginning February 1, 2022

Tier	Percentage of monthly water budget for landscape/non-ag customers	Current rates per CCF	Proposed rates per CCF beginning February 1, 2022
Low Volume	0-40%	\$1.19	\$1.23
Base Rate	41-100%	\$1.57	\$2.16
Inefficient	101-140%	\$3.15	\$4.03
Wasteful	141%+	\$6.62	\$7.20

How water budgets for potable landscape and recycled water customers (non-agricultural) are calculated

Your monthly water usage budget is based on your irrigated landscape area and represents an efficient volume of water to meet your individualized water needs.

- **Potable landscape water budget:** is calculated for your property using actual data from local weather stations. We multiply your irrigated landscape area (in acres) x evapotranspiration (ET) x 0.75 ET factor (assumes that your landscape is 60% warm-season turf and includes 20% additional water to account for inefficiency in your irrigation system) x 36.3 conversion factor to convert acre inches to CCF.

- ✓ CCF is the basic measurement of water use. One CCF equals 100 cubic feet of water – about 748 gallons.
- ✓ **Evapotranspiration or ET** is a measure of actual daily plant water loss.
- ✓ **ET factor** adjusts for the plants in your landscape and provides an allowance for inefficiency in your irrigation system.



- **Recycled (non-agricultural) water budget:** is calculated for your property using actual data from local weather stations. We multiply your irrigated landscape area (in acres) x evapotranspiration x 0.87 ET factor (assumes that 100% of your landscape is warm-season turf and it includes 25% additional water to account for inefficiency in your irrigation system) x 36.3 conversion factor to convert acre inches to CCF.



Water fixed service charges

In addition to the variable water usage charges that you control based on the amount of water you use, your bill contains fixed charges for water service. Fixed water service charges are based on the size of your water meter providing water flow to your property. These charges are assessed whether or not you use water that month and may increase or decrease based on the number of days in the billing period. The monthly fixed service charges cover IRWD's cost of operations, maintenance, and infrastructure, and do not change based on the amount of a customer's monthly water use. Monthly service charges are based on a 30-day calendar month so billing cycles that are longer or shorter than 30 days are billed based on the proportional number of days. The fixed charge includes an amount set aside for the future inevitable repair and replacement of infrastructure such as pipes, pumping stations, and treatment facilities. This way, IRWD can avoid significant one-time rate spikes when the repairs and replacements are made. These charges are not used to pay for facilities that extend service to new development.

Proposed water service fixed monthly charges for system operation and maintenance

Meter size	Current meter rates	Proposed rates beginning February 1, 2022
5/8" by 3/4" Disc	\$10.35	\$10.75
3/4" Disc	\$15.55	\$16.15
1" Disc	\$25.90	\$26.90
1 1/2" Disc	\$51.75	\$64.50
2" Disc	\$82.80	\$86.00
2" Turbo	\$108.70	\$134.40
3" Turbo	\$248.40	\$349.40
4" Turbo	\$517.50	\$671.90
6" Turbo	\$1,035.05	\$1,343.75
8" Turbo	\$1,811.35	\$2,526.25
10" Turbo	\$2,173.60	\$3,762.50
6" Magnetic Meter	\$1,447.50	\$1,503.40
8" Magnetic Meter	\$2,574.15	\$2,673.55
6" Propeller	\$698.65	\$483.75
8" Propeller	\$931.55	\$645.00
10" Propeller	\$1,242.05	\$860.00
12" or 14" Propeller	\$1,746.65	\$1,182.50
16", 18", or 20" Propeller	\$2,949.90	\$2,042.50
4" Omni F2	\$643.30	\$537.50
6" Omni F2	\$1,447.50	\$1,075.00
8" Omni F2	\$2,574.15	\$2,526.25
1 1/2" Single Jet	\$51.75	\$53.75
2" Single Jet	\$82.80	\$86.00
6" Single Jet	\$517.50	\$537.50

The current amount for your meter size appears on your bill. Potable customers who remain in the Low Volume tier for most of the year will have a larger percentage of their bill made up of the fixed charge. Customers who remain in the Low Volume tier for nine out of 12 months of the prior calendar year will receive a \$2.00 credit per month, which will be itemized on each bill. New customers do not receive this credit unless they have been with the District for a full calendar year.

Agricultural customers

Water charges

Agricultural water use charges are billed monthly based on the actual volume of water used. Because agricultural water use is highly variable month-to-month and year-to-year (e.g., based on cropping patterns) it is billed based on actual usage rather than a water budget. The water rate for agricultural customers incorporates both the variable and fixed charge components. As a result, agricultural customers are not billed a separate fixed monthly charge based on their meter size.

Proposed changes to agricultural water rates

Tier	Current rate per CCF	Proposed rate beginning February 1, 2022
Potable	\$2.77	\$3.25
Recycled	\$1.64	\$1.70
Untreated	\$1.80	\$1.91



All customers

Why did the cost of water service increase?

The main reasons for the change include uncontrollable cost increases attributed to:

- Pass-through charges (5.7% increase) from Orange County Water District (OCWD) for pumping local groundwater, which is still the lowest-cost water.
- Pass-through charges from Metropolitan Water District of Southern California (MWD) for imported water purchased through the regional wholesaler, the Municipal Water District of Orange County (MWDOC) (4.6% increase).
- Pass-through charges from Southern California Edison (SCE) for electricity used in IRWD service operations (10% increase).
- Increases in costs associated with continuing to provide the current high level of water service our customers expect, including costs associated with repairs and maintenance related to maintaining the existing infrastructure (11.8% increase).

In recognition of financial challenges facing customers during the first 20 months of the COVID-19 pandemic, the IRWD Board of Directors suspended a rate increase that was to become effective on July 1, 2020, and deferred a rate increase for costs associated with the adoption of the new two-year budget in April 2021. IRWD is now increasing rates that are based on the current cost of providing water service.

Pumping surcharges

A pumping surcharge will be added to the variable water usage charge for customers who are located at higher elevations and cause the District to incur additional pumping costs to supply their water. The surcharge is based on the actual prevailing energy costs and varies depending upon the elevation of the area served. If your property is in an area affected by a pumping surcharge, the charge is itemized on your monthly bill. Please visit the IRWD website at IRWD.com/services/proposed-rates to see charges by area.

Proposed changes to pumping surcharges		
Component	Current rates <i>(rates vary by pumping surcharge area)</i>	Proposed rates beginning February 1, 2022 <i>(rates vary by pumping surcharge area)</i>
Potable	\$0.25 to \$0.68/CCF	\$0.33 to \$0.79/CCF
Recycled	\$0.13 to \$0.43/CCF	\$0.14 to \$0.47/CCF

Other charges

IRWD also charges for setting up new accounts for a property already connected to IRWD's service system and for reconnecting water service that has been shut off.

Proposed changes to fees to set up service account and reconnect service after a shut-off		
Component	Current rates	Proposed rates beginning February 1, 2022
One-time setup fee for new accounts	\$25.00	\$25.00
Shut-off reconnection fees	\$70.00 - \$95.00	\$50.00 - \$95.00

Monthly water budgets and rate calculator available on IRWD.com

For more information about the rate tiers, the types of usage that determine the monthly water budget, how the monthly water budget is calculated, and to use the IRWD budget-based-rate calculator, please visit the IRWD website at IRWD.com/services/proposed-rates. The calculator shows how staying within your monthly water budget or exceeding it will affect your monthly bill.

Automatic pass-through adjustments and other surcharges

IRWD used its best available information to calculate proposed increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid to OCWD for pumping groundwater, the cost for regional treatment of sewage paid to the Orange County Sanitation District (OC San), and the cost of electricity charged by SCE. IRWD has no control over the charges set by regional agencies (MWD, MWDOC, OCWD, OC San, SCE, etc.) or penalties, taxes and fees assessed by the state, and must pass those costs through to IRWD customers. Should any of the regional agencies or the State of California adopt an additional increase (or decrease) in its charges, taxes, or fees ("pass-through amount"), IRWD may automatically recalculate its rates to include the pass-through amount. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of the adjustment, IRWD will provide its customers with notice of the expected adjustment(s), which will generally be calculated as



the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

If the State Water Resources Control Board (State Board) imposes fines on IRWD because of a violation(s) of a State Board regulation adopted to prevent the waste or unreasonable use of water, or unreasonable method of use of water or to promote water conservation, to the extent such violation(s) are due to consumption of water in excess of customers' water usage budgets, IRWD may levy a surcharge on the volume of water used of up to \$1.57 per hundred cubic feet. If IRWD is fined by the State Board, at least 30 days before implementing a surcharge, IRWD will provide its customers with notice of the surcharge amount(s), which will generally be calculated as the total projected fine divided by the total water used in the Inefficient and Wasteful tiers.

Water Shortage Contingency Plan (WSCP)

IRWD is required by the California Water Code Section 10632 to prepare and adopt a Water Shortage Contingency Plan (WSCP) as part of its Urban Water Management Plan. The WSCP, adopted by IRWD on June 28, 2021, includes plans to implement locally appropriate water shortage response actions for six standard water shortage levels. The following are the rates proposed as a potential response action for each water shortage level. These rates are based on the actual cost to provide service to our customers in times of water shortage. For a detailed explanation of the District's water shortage responses, please refer to the District's WSCP at bit.ly/wscp-2021. An overview of the supply shortage response actions considered for each level of water shortage can be found on Page 33, Table 3-3 of the WSCP. Achieving the WSCP reductions for each level will require a broad approach. The table below includes the target potable water use reduction for each level, the minimum potable water budget provided at each level and the steps necessary to meet the water shortage at each level.

Minimum potable water budgets at each level of water shortage

Water Shortage Contingency Plan level	Target potable reduction (Midpoint of the level)	Messaging and outreach	Outdoor potable water landscape plant assumption (Includes residential, dedicated irrigation, non-agricultural and CII outdoor)	ET factor	2022 & 2023 projected water shortage (Assuming five consecutive years of drought)
Normal/ non-shortage water budget	0	Water efficiency programs and outreach	40% drought-tolerant plants	.75	No water shortage; 100% reliable
Level 1 0-10%	5% 2,500 AF	Expanded messaging and targeted outreach	40% drought-tolerant plants	.75	No water shortage; 100% reliable
Level 2 11-20%	15% 7,700 AF	Expanded messaging and targeted outreach	No turf; 100% drought-tolerant plants	.625	No water shortage; 100% reliable
Level 3 21-30%	25% 12,800 AF	Expanded messaging and targeted outreach	No turf; tree health affected; 75% native plants; 25% drought-tolerant plants	.35	No water shortage; 100% reliable
Level 4 31-40%	35% 18,000 AF	Expanded messaging and targeted outreach	No turf; tree health affected; 100% native plants only	.25	No water shortage; 100% reliable



Irvine Ranch Water District Notice of Proposed Water Rate Change

LANDSCAPE / AGRICULTURAL

Level 5 41-50%	45% 23,000 AF	Expanded messaging and targeted outreach	No landscape	0	No water shortage; 100% reliable
Level 6 51%+	55% 28,200 AF	Expanded messaging and targeted outreach	No landscape	0	No water shortage; 100% reliable

How a water shortage could affect potable rates

If IRWD experiences a water shortage, IRWD may be required to implement water shortage response actions that would include possible potable water rate increases due to changes in costs to provide customers with water during a shortage. The water rates at each water shortage level are shown in the following table. The IRWD Board of Directors will consider adopting these rates concurrently with the water rates discussed above. The water shortage contingency rates would only be charged to potable customers depending on the level and duration of the water shortage as defined in the WSCP, and only when conditions declared by IRWD's Board are met. Customers will receive communication of when these conditions have been met and when the water shortage contingency rates are being charged.

Proposed potable water shortage contingency rates per CCF beginning February 1, 2022						
Rate tiers	Level 1: up to 10% water shortage	Level 2: 11% to 20% water shortage	Level 3: 21% to 30% water shortage	Level 4: 31% to 40% water shortage	Level 5: 41% to 50% water shortage	Level 6: greater than 50% water shortage
Low Volume	\$1.53	\$1.53	\$1.53	\$1.55	\$1.57	\$1.60
Base Rate	\$2.43	\$2.46	\$2.50	\$2.53	\$2.57	\$2.62
Inefficient	\$5.45	\$5.86	\$6.34	\$6.91	\$7.40	\$7.71
Wasteful	\$15.77	\$17.11	\$18.74	\$19.90	\$21.21	\$21.86

For more information regarding how the monthly water budget is calculated for each of these rates, and to use a WSCP budget-based-rate calculator, visit IRWD.com/wscp-rates.

Public hearing

Any customer or property owner within the IRWD service area may file a written protest for the proposed rate increases with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest, and your original signature. Protest letters received by January 24, 2022, will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on January 24, 2022, at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, California. Any customer or property owner may appear at the hearing to make comments regarding the proposed rates. Protest letters may be delivered in person and must be received prior to the conclusion of the January 24 public hearing.

Pursuant to Government Code Section 53759, there is a 120-day statute of limitations for any judicial action or proceeding challenging any new, increased, or extended water and sewer fee or charge.

Additional information

For more information about IRWD's water efficiency programs and rebates, plus tips on how you can use water more efficiently, visit IRWD.com. If you have questions, please contact IRWD Customer Service at 949-453-5300.



Irvine Ranch Water District (IRWD) is a public agency that provides water and sewer service. IRWD provides sewer service to the Newport/North area. Our sewer rates are based on the actual cost to provide sewer service to our customers and are based on the expenses included in IRWD's budget. The basis for the proposed rates is detailed in the Cost of Service Study, which is available at IRWD.com/services/proposed-rates. The IRWD Board of Directors adopted a two-year budget on April 26, 2021. **The proposed rates, if adopted, will be effective January 24, 2022, and implemented beginning February 1, 2022.** The increase in sewer service rates is due primarily to uncontrollable pass-through cost increases from regional agencies that supply regional sewer or energy services to IRWD, as well as increases in costs associated with continuing to provide the current high level of sewer service our customers expect.

A critical IRWD objective is to keep costs, and therefore rates, as low as possible for our customers. Even with the proposed increase, when compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest.

First rate increase since July 2019

Rates have not been increased in 2½ years. In recognition of financial challenges facing customers during the first 20 months of the COVID-19 pandemic, the IRWD Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020, and deferred a rate increase for costs associated with the new two-year budget approved in April 2021.

Sewer fixed service charges

Monthly service charges are fixed charges that cover IRWD's cost of operations, maintenance, and infrastructure, and do not change based on the amount of a customer's monthly sewer use. Monthly service charges are based on a 30-day calendar month, so billing cycles that are longer or shorter than 30 days are billed based on the proportional number of days. The fixed charge includes an amount set aside for the future inevitable repair and replacement of infrastructure such as pipes, pumping stations, and treatment facilities. This way, IRWD can avoid significant one-time rate spikes when the repairs and replacements are made. These charges are not used to pay for facilities that extend service to new development.

Proposed sewer service fixed monthly charges for system operation and maintenance beginning February 1, 2022

Usage	Current monthly rates	Proposed rates beginning February 1, 2022
Single family homes, townhouses & condominiums	\$26.10	\$29.75
Apartments	\$19.55	\$20.45

Automatic pass-through adjustments and other surcharges

IRWD used its best available information to calculate proposed increases in the cost of regional treatment of sewage paid to the Orange County Sanitation District (OC San), and the cost of electricity charged by SCE. IRWD has no control over the amounts set by regional agencies (OC San, Southern California Edison, etc.) or penalties, taxes and fees assessed by the state, and must pass those costs through to IRWD customers. Should any of the regional agencies or the State of California adopt an additional increase (or decrease) in its charges, taxes, or fees ("pass-through amount"), IRWD may automatically recalculate its rates to include the pass-through amount. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of the adjustment, IRWD will provide its customers with notice of the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

Public hearing

Any customer or property owner within the IRWD service area may file a written protest for the proposed rate increases with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest, and your original signature. Protest letters received by January 24, 2022, will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on January 24, 2022, at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, California. Any customer or property owner may appear at the hearing to make comments regarding the proposed rates. Protest letters may be delivered in person and must be received prior to the conclusion of the January 24 public hearing.

Pursuant to Government Code Section 53759, there is a 120-day statute of limitations for any judicial action or proceeding challenging any new, increased, or extended sewer fee or charge.

Additional Information

For more information about IRWD's water efficiency programs and rebates, plus tips on how you can use water more efficiently, visit IRWD.com. If you have questions, please contact IRWD Customer Service at **949-453-5300**.

***IRVINE RANCH WATER DISTRICT
SCHEDULE OF RATES AND CHARGES***



Adopted January 24, 2022

Effective February 1, 2022

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Section 1: Water System

Monthly Water Service Charge

Residential, Commercial, Industrial, Public Authority, Landscape, and Temporary Usage Customers ¹		
Meter Size	Flow Range in GPM ²	Meter Rates ³
5/8" by 3/4" Disc	1/2-20	\$10.75
3/4" Disc	3/4-30	\$16.15
1" Disc	3-50	\$26.90
1 1/2" Disc	2-100	\$64.50
2" Disc	2 1/2-250	\$86.00
2" Turbo	1-190	\$134.40
3" Turbo	2 1/2-650	\$349.40
4" Turbo	2-1000	\$671.90
6" Turbo	2 1/2-2000	\$1,343.75
8" Turbo	4-3500	\$2,526.25
10" Turbo	5-5500	\$3,762.50
6" Magnetic Meter	1601-3000	\$1,503.40
8" Magnetic Meter	2001-5000	\$2,673.55
6" Propeller	90-900	\$483.75
8" Propeller	100-1200	\$645.00
10" Propeller	1601-2000	\$860.00
12" or 14" Propeller	2001-3500	\$1,182.50
16", 18", or 20" Propeller	3500-5500	\$2,042.50
4" Omni F2*	3/4-1000	\$537.50
6" Omni F2*	1 1/2-2000	\$1,075.00
8" Omni F2*	2 1/2-3500	\$2,526.25
1 1/2" Single Jet	2-100	\$53.75
2" Single Jet	2 1/2-500	\$86.00
6" Single Jet	125-1000	\$537.50

*Fireline meters only

¹ Service charges are included in the commodity rate for agricultural usage customers.

² GPM is Gallons per Minute.

³ Potable residential and landscape customers that have 12 calendar months of billing history and stay within the low volume tier for 9 of those 12 months of the prior calendar year will receive a \$2.00 credit per month on their water service charge.

Service Charges – Private Fire Protection Service

Service-line charge

Fireline Size	Monthly Rate	Fireline Size	Monthly Rate
1"	\$6.20	8"	\$108.90
2"	\$8.45	10"	\$191.05
3"	\$13.55	11"	\$245.15
4"	\$22.45	12"	\$306.70
6"	\$54.15		

2. Fire hydrant charge

The monthly charge for private fire hydrant service is \$54.15 per hydrant. This charge includes water used for fire extinguishing purposes.

3. Fire flow testing

The District will charge \$300.00 to administer any fire flow tests.

Commodity Charges

Irvine Ranch Water District (IRWD) establishes a water budget for each customer. The rates billed are based on use as a percentage of budget. Water budgets are based on an assumed number of residents (and units, in the case of apartments), landscape square footage and actual daily weather and evapotranspiration (ET) data for each of three microclimates within the District. Customers may apply for budget variances for larger than normal landscaped areas, more people living in the home or special medical needs. Rates are based on usage per hundred cubic feet (ccf). The budget process is described in detail in Budgets and Variances on page 10 and residential customers can apply for a variance at <https://www.irwd.com/services/request-a-water-variance>.

Commodity Charges: Potable Water System

1. Residential detached dwelling units

Tier	Rate/ccf	Percent of Budget
Low Volume	\$1.53	0-40
Base Rate	\$2.42	41-100
Inefficient	\$5.15	101-140
Wasteful	\$14.64	141+

2. Residential condo attached/detached dwelling units

Tier	Rate/ccf	Percent of Budget
Low Volume	\$1.53	0-40
Base Rate	\$2.42	41-100
Inefficient	\$5.15	101-140
Wasteful	\$14.64	141+

3. Apartments

Tier	Rate/ccf	Percent of Budget
Low Volume	\$1.53	0-40
Base Rate	\$2.42	41-100
Inefficient	\$5.15	101-140
Wasteful	\$14.64	141+

4. Commercial, industrial, public authority and non-residential mixed usage

Tier	Rate/ccf	Percent of Budget
Base Rate	\$2.42	0-100
Wasteful	\$14.64	101+

5. Landscape/Non-agricultural irrigation

Tier	Rate/ccf	Percent of Budget
Low Volume	\$1.53	0-40
Base Rate	\$2.42	41-100
Inefficient	\$5.15	101-140
Wasteful	\$14.64	141+

6. Agricultural irrigation

Potable water supplied under this section shall be used only for the growing or raising, in conformity with recognized practices of husbandry, for the purposes of commerce, trade, or industry, of agricultural, or floricultural products, and produced (1) for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, such products to be grown or raised on parcels of land having an area of not less than five acres utilized exclusively for that purpose.

Type	Rate/ccf	Per Acre Foot
Agricultural	\$3.25	\$1,415.70

Commodity Charges: Untreated Water

1. Untreated and Santiago Aqueduct Commission (SAC) water

Type	Rate/ccf	Per Acre Foot
Agricultural	\$1.91	\$832.00
Non-Agricultural	\$1.82	\$792.79

2. Landscape irrigation

Tier	Rate/ccf	Percent of Budget
Low Volume	\$1.23	0-40
Base Rate	\$2.16	41-100
Inefficient	\$4.03	101-140
Wasteful	\$7.20	141+

Commodity Charges: Recycled Water System

1. Landscape irrigation

Tier	Rate/ccf	Percent of Budget
Low Volume	\$1.23	0-40
Base Rate	\$2.16	41-100
Inefficient	\$4.03	101-140
Wasteful	\$7.20	141+

2. Landscape irrigation recycled loan customers

Tier	Rate/ccf	Percent of Budget
Low Volume	\$1.53	0-40
Base Rate	\$2.42	41-100
Inefficient	\$5.15	101-140
Wasteful	\$14.64	141+

3. Agricultural irrigation

Type	Rate/ccf	Per Acre Foot
Recycled	\$1.70	\$740.52

4. Commercial and industrial

Tier	Rate/ccf	Percent of Budget
Base Rate	\$1.23	0-100
Wasteful	\$7.20	101+

5. Commercial and industrial loan customers

Tier	Rate/ccf	Percent of Budget
Base Rate	\$2.42	0-100
Wasteful	\$14.64	101+

Budgets and Variances

1. Base budgets for commodity charges

Monthly budget includes a fixed component for indoor usage and a variable component based on evapotranspiration (ET) rate for landscape irrigation.

Account Type	Base Budget Number of Residents	Landscape Area (LA)	Base Budget Indoor	Base Budget Outdoor ET x LA x PF	Total Budget
Residential Detached	4	1300 sq. ft (0.03 acres)	# Residents x 50 gpd (IU)	ET x LA x 0.75	(Indoor x # days in bill service period) + Outdoor
Residential Condo Attached/ Detached*	3	435 sq. ft (0.01 acres)	# Residents x 50 gpd (IU)	ET x LA x 0.75	(Indoor x # days in bill service period) + Outdoor
Apartments*	2	N/A	# Residents x 50 gpd (IU)		Indoor x # days in bill service period
Potable Irrigation		Site specific based on irrigated acreage	N/A	ET x LA x 0.75	Outdoor based on bill service period
Recycled Irrigation		Site specific based on irrigated acreage	N/A	ET x LA x 0.87	Outdoor based on bill service period
Commercial, Industrial, Institutional			Site specific, based on productivity, employees, water use efficiency practices etc.	Site specific, based on irrigation needs	Site specific, adjusted for # days in bill service period

*For master-metered apartments and condominiums, the base budget is multiplied by the number of dwelling units.

CCF = 100 cubic feet. 1 CCF = 1 billing unit = 748 gallons

ET = reference evapotranspiration – from IRWD weather stations located in coastal, central or foothill zones for cool season turf

GPD = gallons per day

IU = Internal Use – assumes 50 GPD per person

LA = irrigated landscape acres

PF = plant factor. Adjusts ET based on plant needs relative to cool season turf and irrigation system efficiency requirements. The plant factor for potable irrigation is 0.75. For recycled water, the plant factor is 0.87.

2. Budget variances

Variances are available for larger than normal landscaped areas, more people living in the home or special medical needs. Applications for variances may be obtained from the District website

<https://www.irwd.com/services/request-a-water-variance> or from Customer Service at (949) 453-5300. See IRWD Rules and Regulations, Section 12.6 for variance procedures.

3. Grounds for variance

Applicants must provide proof acceptable to the District to support any variance request.

a. Number of people residing in a residential dwelling unit

Each additional person increases the budget by 1.6 ccf/month which is IU x 0.8.

b. Landscape

Increased budgets shall be given for residential lot size beyond the standard base budget lot size. Applicants must provide acceptable documentation to the District of the actual irrigated landscape area served.

c. Medical needs

- Approval is contingent upon medical documentation.
- Increased budget will be determined on a case by case basis and based on the type of medical need.

d. Licensed care facilities (in a residential dwelling unit)

- A current license from appropriate regulatory agency will be required.
- A licensed 24-hour care facility will be provided budget increases based on the IU x 0.8 for each additional resident.
- A licensed day care facility (not 24-hour) will be provided budget increases based on the IU x 0.5 for each additional person.
- Additional budget for medical reasons will be determined on a case by case basis.

e. Fire control zones

- Adjustments to budgets will be determined by the District based upon relevant factors such as area, slope, planting material, etc.

f. Commercial/industrial/public authority

- Adjustments to the base budget will be determined on a case by case basis. Relevant factors will include expansion of productive capacity, existing conservation practices that can be shown to have reduced water usage, severe economic hardship, etc.

g. New account establishment variance

- Landscape accounts – billed at the base rate for the first six months and, beginning in the seventh month, the budget will be based on irrigated acres.
- Commercial and industrial accounts – billed at the base rate on usage for the first six months and, beginning in the seventh month, the monthly budget will be based on unique business and site demands as determined by the District.

4. Limitations

- a. An approved variance will become effective on the date the request for variance is approved by the District but must be submitted within thirty (30) days of receipt of the bill.
- b. Approvals are valid for a period specified by the District (one year or less) and must be resubmitted on or before the expiration date to remain in effect.

5. Effect of increased budgets

a. Residential

Approved variances will extend each tier of the residential structure by a percentage.

b. Non-residential

Approved variances will extend each tier of the non-residential structure by a given percentage (or other method) determined on a case by case basis.

Pumping Surcharges

A surcharge will be added to the commodity rate of those users who reside at higher elevations and cause the District to incur additional pumping costs to supply their water. The surcharge is based upon prevailing energy costs.

1. Potable water pumping surcharges

Area Name	Surcharge/ccf
Area 1	\$0.33
Area 2	\$0.46
Area 3	\$0.79

2. Recycled water pumping surcharges

Area Name	Surcharge/ccf
Area 1	\$0.14
Area 2	\$0.25
Area 3	\$0.47

Temporary Water Service Connection

1. Monthly service charge

See Chart on page 4.

2. Commodity charge

Wherever feasible, recycled water shall be used for temporary construction uses. The Commodity Charge shall be as follows:

Potable	\$2.88/ccf
Recycled	\$1.40 /ccf

3. Meter deposit

A deposit equal to the replacement cost of the construction meter shall be collected at the time of service application. The deposit will be applied to the closing bill and any remaining amount refunded to the customer. Lost meters will result in forfeiture of deposit.

Size	Cost
1", 1-1/2", 2" Disc	\$ 1,000.00
3" Turbo T2 & H2	1,900.00
4" Turbo	2,600.00
6" Turbo	4,680.00
8" Turbo	7,930.00
10" Turbo	11,750.00

4. Materials for repairing damaged construction meters

Item	Cost
Meter	Cost by size is shown in section 3 above
Swivel Hose Coupling-Female	\$ 240.00
Register With AMR & Pulse Wire	275.00
Swivel Adapter	158.00
Fire Hose Adapter 3" MIP x 2-1/2" MFH	42.00
Lock	15.00
H2 Hydrant Meter Handle	22.00
Fire Hydrant Meter Lock - LRG	122.00
Rotor and Shaft Assembly (3")	721.00
Barrel Lock	30.00
Male Fitting	95.00
Hydrant Collar	100.00
Rotor Cap	27.00
Collar (with barrel lock)	106.00
Labor & Overhead	120.00

5. High-lines for redevelopment

A high-line is a temporary service connection installed by the District to an existing customer during system upgrades or repairs to the District's system. Whenever feasible, high-lines will be metered and the customers will be billed at their regular rate. The District will determine whether a high-line should be metered.

If a high-line is unmetered, the customer will be charged using a reasonable average daily consumption based on prior consumption or based on other reasonable calculations in the absence of historical data.

New Account Fees and Security Deposits for Water Service

This section is applicable to all requests for new or transferred service.

1. Service establishment fee

A fee of \$25.00 shall be collected to establish a new account for water and sewer service, or to transfer an existing account to a new location.

2. Residential service deposit

For residential customers, a deposit of \$50.00 may be required until a one year payment history is established.

3. Non-residential service deposit

For non-residential customers, a deposit of \$100.00 is required until a one year payment history is established.

Other Water System Charges

1. Delinquency charges

All bills and charges for water, sewer and recycled water service shall be due and payable upon presentation and shall become delinquent twenty-five (25) calendar days thereafter. If payment is not made within twenty-five (25) calendar days after presentation, a late charge will be levied upon the unpaid balance as follows:

For residential and non-residential accounts with an unpaid balance of \$10 or more, a one-time charge of 10% of the unpaid balance plus 1.5% interest will be assessed, and each month thereafter the unpaid balance will be subject to an interest charge of 1.5%.

2. Non-sufficient funds checks

A \$20.00 service fee will be charged for each check returned from the bank for non-sufficient funds.

3. Service restoration charges

When service is discontinued because of delinquency in payment of a water, sewer, or recycled water bill, the service shall not be restored until all delinquent charges, late charges and interest charges, and a trip charge as specified below, have been paid.

a. Trip charge during normal working hours

The trip charge applicable for work requested to be performed during normal working hours of the District will be \$70.00. Certain exceptions may apply.

b. Trip charge after normal working hours

The trip charge applicable for work requested to be performed after normal working hours of the District will be \$95.00.

4. Tampering

If any person tampers with a District meter or District side angle stop and damages it, the customer shall pay the District for the cost of repairs, including but not limited to: parts, labor, and equipment. In addition, the customer will be liable for any charges imposed under the District's Rules and Regulations.

5. Non-compliance charges for illegal connections

The District may impose charges in accordance with Section 14 of the District's Rules and Regulations.

Water Shortage Contingency Plan (WSCP) Rates:

The IRWD Board of Directors adopted an updated Water Shortage Contingency Plan (WSCP) in June 2021. The WSCP includes a “toolbox” of potential strategies for responding to each level of water shortage. The Board approved maximum water shortage water budget adjustments associated with levels of shortage at the October 26, 2021 Board meeting. Using WSCP as a guide and following Proposition 218’s requirements, rates were developed for each shortage level. These will be referred to as “WSCP rates” and have only been developed for the potable system commodity rates. They have no impact on the monthly fixed service water or sewer charges or on the recycled system.

The rates at each level are as follows.

<i>Tiers</i>	<i>WSCP Levels</i>					
	<i>Commodity Rates</i>					
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
	1-10%	11-20%	21-30%	1-40%	41-50%	51% +
Low Volume	\$1.53	\$1.53	\$1.53	\$1.55	\$1.57	\$1.60
Base	\$2.43	\$2.46	\$2.50	\$2.53	\$2.57	\$2.62
Inefficient	\$5.45	\$5.86	\$6.34	\$6.91	\$7.40	\$7.71
Wasteful	\$15.77	\$17.11	\$18.74	\$19.90	\$21.21	\$21.86

If the Board of Directors elect to implement any of these WSCP rates, the commodity rates are expected to provide cost of service equity for the budgeted Board-approved operating variable costs and additional costs incurred as a direct result of a water shortage declaration at the associated stage level. Implementation of WSCP rates would require additional Board action.

Section 2: Sewer System

Monthly Sewer Service Charge

1. Residential

<p>(a) Single Family and Multi-family Dwelling Units <u>AVERAGE MONTHLY WATER USE^{1, 2, 3, 4}</u> Over 1000 cubic feet (> 10.0 ccf)</p>	<p><u>SEWAGE SERVICE CHARGE PER MONTH</u> • 100% rate = \$ 29.75 per unit</p>
<p>501-1000 cubic feet (5.01-10.0 ccf)</p>	<p>• 90% rate = \$ 25.50 per unit</p>
<p>0-500 cubic feet (0.0-5.0 ccf)</p>	<p>• 75% rate = \$ 20.45 per unit</p>
<p>(1) Monthly sewage service charge based upon the average of the actual lowest three months' water usage during the prior calendar year. Charges are based on a 30 day billing period.</p> <p>(2) Customers with less than a full calendar year of history are charged the 90% rate.</p> <p>(3) No credit will be granted for vacancies resulting from the normal turnover of occupants in an existing multiple dwelling unit. The price structure contained herein includes considerations of average vacancy rates.</p> <p>(4) A newly constructed multiple dwelling unit may be billed at the non-residential metered rate, with appropriate allowance for landscape irrigation, until the structure is released for occupancy.</p>	
<p><u>SEWAGE SERVICE CHARGE PER MONTH</u></p>	
<p>(b) Collection Service Charge (assumes 10.0 ccf)</p>	<p>\$ 9.25 per unit</p>
<p>(c) Treatment Service Charge (assumes 10.0 ccf)</p>	<p>\$ 16.25 per unit</p>

2. Non-Residential (Commercial, Industrial, and Institutional)

<p>Quantity charges are based on the assumption that 90% of non-residential water consumption returns to the sewer. Because of landscape irrigation or consumptive usage, some non-residential users may discharge substantially less of their metered water into the sewer system. Those users may, upon request to the District, be permitted to have the amount of water being discharged into the sewer determined by means acceptable to the District. Upon request by the user and at the sole discretion of the District, an alternate service charge may be applied.</p>										
<p>To qualify for the sewage service charge only, a customer usage history cannot be greater than 120 ccf in a full calendar year based on actual meter readings. Usage exceeding 10.0 ccf per month will pay a quantity charge. During construction, prior to occupancy, these rates are applicable.</p>	<p style="text-align: center;"><u>SEWAGE SERVICE /QUANTITY/COMMODITY CHARGE PER MONTH</u></p>									
<p>Sewage service charge</p> <p>Quantity charge beyond 10.0 ccf</p> <p>Industrial Waste Charge if applicable</p>	<table style="width: 100%; border: none;"> <tr> <td style="text-align: right;">\$ 29.75</td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;">\$ 2.19 /ccf</td> <td style="font-size: 2em; vertical-align: middle;">}</td> <td></td> </tr> <tr> <td style="text-align: right;">\$ 0.107 /ccf</td> <td style="font-size: 2em; vertical-align: middle;">}</td> <td style="text-align: right; vertical-align: middle;">\$2.297/ccf</td> </tr> </table>	\$ 29.75			\$ 2.19 /ccf	}		\$ 0.107 /ccf	}	\$2.297/ccf
\$ 29.75										
\$ 2.19 /ccf	}									
\$ 0.107 /ccf	}	\$2.297/ccf								

Other Sewer System Charges

This section shall be applicable to non-residential customers who discharge extra-strength sewage into the sewage collection system, or discharge or have the potential to discharge constituents subject to federal or state standards and local discharge limitations.

1. Alternative service charges

At the sole discretion of the District, users may request the application of an alternative service charge for use. The alternative service charge shall be based on measured quantity and quality of water being discharged to the sewer from the user's facility by a means acceptable to the District. The alternative service charge for use shall be computed by the following formula:

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

Where V = Total volume of flow in hundred cubic feet.

B = Total discharge of biochemical oxygen demand (BOD) in pounds.

S = Total discharge of suspended solids (SS) in pounds

R_v = \$ 1.590 per hundred cubic feet

R_b = \$ 0.443 per pound of BOD

R_s = \$ 0.386 per pound of SS

2. Charges for noncompliance with permit conditions

a. Minor violation

Condition where the limitation is less than the violation and the violation is less than the technical review criterion.

Fee per violation - \$350

b. Significant noncompliance or significant violation

Condition where the violation is greater than the technical review criterion or qualifies under the definition of significant noncompliance.

Fee per violation - \$550

c. Batch dump or slug load

Fee per violation - \$550

d. Probation orders

Enforcement Compliance Schedule Agreements and subsequent two year probation, and Regulatory Compliance Schedule Agreements.

Fee per violation - \$550

e. Appeals to the Board of Directors

Appeal fee - \$500

3. Fats, oils, and grease (FOG) control programs fees

All terms and requirements for the Fats, Oils, and Grease (FOG) Control Program can be found in Section 7.13 of the District’s Rules and Regulations for Water, Sewer, Recycled Water, and Natural Treatment System Service.

a. FOG wastewater discharge permit fees (pursuant to Rules and Regs 7.13.6(4)) Food service establishments (FSE), and those FSE that are issued a conditional waiver (CW) by the District, shall pay the following FOG wastewater discharge permit fees which do not exceed the amount determined in Table 2-29 of the 2018 Fats, Oils, & Grease Fees Study:

FSE Monthly Permit Fee:	\$7.89 per month
CW Monthly Permit Fee:	\$3.51 per month

b. These charges shall be incorporated in the monthly sewage service charges.

c. Special services/fees

1) FOG plan check fees

The following FOG plan check fees must be paid at the time FOG plans are submitted.

Food Service Establishments (FSE) and Conditional Waivers (CW)

Initial Plan Check	\$350.12
Permit Issuance and Initial Inspection	255.00
<hr/>	
Total =	\$605.12

Limited Food Prep (LFP)

Initial Plan Check	\$350.12
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For FSE, CW or LFP, all initial plan checks include the initial plan check and up to one revision. If more than one revision is required, the FSE, CW or LFP will be required to pay additional plan check fees in the amount of \$301.92. This subsequent plan check fee includes up to two (2) more revisions.

2) Compliance follow-up inspection fee

If during an inspection the FSE is deemed to be out of compliance with the FOG Control Program and a compliance follow-up inspection is required, the FSE shall be required to pay \$115.00 for the compliance follow-up inspection.

3) Enforcement fees

If an FSE is deemed to be out of compliance and a Notice of Violation is issued by the District to the FSE, the FSE will be charged an enforcement fee in the amount of \$1,203.79 per incident.

4) Special study fee

This fee is for the District to review special studies at the request of the FSE, such as a performance study of bio-additives to a grease interceptor. The special study fee in the amount of \$610.02 will be required at the time of request by the FSE to the District.

5) FOG-related private lateral sewage discharge response fee

If District staff responds to a private lateral sewage discharge (PLSD) that after investigation by District staff is found to be FOG-related, the following fees shall be charged to the FSE, CW or LFP:

PLSD Response Fees During Working Hours

First Response Hour -	\$932.57
Each Additional Response Hour -	484.72 per hour

PLSD Response Fees After Working Hours

First Response Hour -	\$1,160.62
Each Additional Response Hour -	712.77 per hour

4. Special purpose discharger service charges

Special purpose discharge service fees apply to customers who have been required by the District to obtain a special purpose discharge permit issued jointly by the District and Orange County Sanitation District (OCSD). Sewage service charges will be based on reported and verified monthly flow to sewer.

Flow Service Charge: up to \$1,545.35 per Million Gallons

5. Discharge limits

Discharge limits are included in Exhibit C of the Rules and Regulations.

Section 3: Developer Services

Water Connection Fees

1. Residential

	Improvement <u>District</u>	0-5.8 <u>DUs/acre</u>	5.9-10.8 <u>DUs/acre</u>	10.9-25.8 <u>DUs/acre</u>	25.9+ <u>DUs/acre</u>
Connection Fees Per Dwelling Unit	111*	\$4,055	\$3,576	\$3,031	\$2,559
	112	\$1,888	\$1,888	\$1,888	\$1,888
	112a (tax exempt)	\$3,180	\$3,180	\$3,180	\$3,180
	113	\$1,259	\$1,259	\$1,259	\$1,259
Development shall be gross acres excluding private parks.	125	\$2,893	\$2,893	\$2,893	\$2,893
	153	\$1,110	\$1,110	\$1,110	\$1,110
	153 PA 30	\$4,258	\$4,258	\$4,258	\$4,258
	185	\$1,813	\$1,813	\$1,813	\$1,813
	188	\$1,638	\$1,638	\$1,638	\$1,638

*All others

2. Commercial, industrial, and public authority

	Improvement <u>District</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Public Authority</u>
Connection Fees Per Gross Acre	111*	\$22,501	\$34,271	\$22,501
	112	\$11,228	\$11,228	\$11,228
	112a (tax exempt)	\$20,660	\$20,660	\$20,660
	113	\$23,779	\$0	\$23,779
	125	\$14,349	\$20,369	\$14,349
	153	\$7,419	\$10,530	\$7,419
	PA 30	\$21,128	\$29,992	\$21,128
	185	\$8,470	\$8,470	\$8,470
	188	\$6,469	\$6,469	\$6,469

*All others

3. Parks and churches

	Improvement <u>District</u>	Indoor <u>Water Use</u>	Outdoor ⁽¹⁾ <u>Water Use</u>
Connection Fees Per Fixture Unit	111*	\$70.47	\$247.99
	125	\$47.69	\$167.15
(1) Calculated per Uniform Code	153	\$24.69	\$86.53
	PA 30	\$70.27	\$246.29
	185	\$48.73	\$171.13
	188	\$32.32	\$113.71

*All others

4. Schools (public and private)

	Improvement <u>District</u>	Indoor <u>Primary &/or Intermediate</u>	<u>Secondary</u>	Outdoor <u>Primary Intermediate & Secondary</u>
Connection Fees Per 100 Students Based on Max Daily Attendance	111*	\$5,554	\$7,447	\$239
	125	\$3,750	\$5,036	\$168
	153	\$1,942	\$2,606	\$86
	PA 30	\$5,526	\$7,420	\$247
	185	\$3,674	\$5,154	\$166
	188	\$2,957	\$3,957	\$128

*All others

3. Meter installations by District

Customers may request the District to install or replace (downsize or upsize) domestic water or recycled water meters. To request an action listed above, the customer must submit a Quote Request for Service or Meter Modifications which can be obtained by contacting the District’s Development Services. The District may require OCFA approval documents prior to the installation of certain meter sizes. District staff will prepare a cost estimate for the requestor. When payment is received, a work order will be issued to District staff to begin coordination and installation.

a. Meter Costs

<u>Meter size</u>	<u>Cost</u>	<u>Meter size</u>	<u>Cost</u>
5/8"	\$ 110.00	2" Disc	\$ 750.00
3/4"	170.00	2" Turbo	2,680.00
1"	240.00		
1 1/2"	580.00		

- b. The customer shall pay for the cost of additional parts and labor needed for the installation or replacement. For example, the cost to convert from 5/8" or 3/4" to a 1" meter is \$2,000. This price is in addition to the cost for a 1" meter.
- c. The customer will be responsible for any plumbing modifications downstream of the water meter.
- d. Meter cost includes strainer.

4. Upsizing and downsizing meter request requirements

- a. It is the customer’s responsibility to ensure that any upsizing or downsizing of the meter will not have any adverse effects to the customer’s system as it relates to water pressure, fire protection or ability to successfully serve the demand of the home or business. The District may require OCFA approval of any modifications and/or a signed Request & Authorization to Change Meter Size form.
- b. Any private-side (downstream of the water meter) modifications or repairs are the sole responsibility of the customer.
- c. If for any reason the customer chooses to change back to the original size meter, all installation costs would once again apply.

A quote request for service or meter modifications can be obtained at the District’s Development Services counter.

5. Domestic water, recycled water, and Natural Treatment System (NTS) plan check and inspection fees

Plan check and inspection fees for water systems shall be calculated as 10% of the bondable cost for the off-site, public, potable or recycled water system or a fixed fee as described below. Plan check and inspection fees for Natural Treatment System (NTS) shall be calculated as 5% of the bondable cost or a minimum of \$30,000.00. Residential or Natural Treatment Systems plans require a non-refundable deposit of 5% of the estimated cost. Non-residential plans require a nonrefundable \$100 deposit. The deposit shall be submitted when submitting for first plan check. Any remaining fees shall be paid prior to final approval of the plans.

Installation of a 1" or 2" service	\$1,000.00
Removal of a 1" or 2" service	1,000.00
Installation of Fire DCBA or fire hydrants	1,000.00
Installation of recycled water hydrants or temporary construction connections	1,000.00

The overtime inspection rate is \$175.00/hr.

6. Interim water service charge – new development

Builders and developers will be charged \$43.15 per connection for water service directly related to the vertical construction process of homes. The charge applies only in a new tract and/or development for the period of time after in-tract pipelines, service mains and sewer pipelines have been connected to the District's water system. Once connections to the District pipelines are made and housing phases are released for occupancy, water used through the occupants metered house connection will be billed to the developer or resident as appropriate. Connection methods and appropriate use of water is at the sole discretion of the District. Examples of permitted uses may include construction of living structures, lot soft-scape, exterior of the home stucco/ plaster, drywall, interior stonework, interior finishing work and clean-up. Examples of unpermitted uses may include, but are not limited to, connections to sales/construction trailers, flat work, hardscaping, retaining and other walls, lot or pad soaking, streetscape, water trucks/ buffaloes or any connection practice that could pose a risk to public health resulting from a backflow condition. Unpermitted connections require a temporary construction meter. Failure to properly connect to the District's Distribution System will subject the builder/developer to non-compliance charges.

Unmetered water service is not permitted for custom lots. Developers for custom lots will be required to apply for a domestic water construction meter prior to starting construction.

Sewer Connection Fees

1. Residential

	Improvement District	0-5.8 DUs/acre	5.9-10.8 DUs/acre	10.9-25.8 DUs/acre	25.9+ DUs/acre
Connection Fees Per Dwelling Unit	1 (222) *	\$7,200	\$6,408	\$5,275	\$4,161
	212	\$4,350	\$4,350	\$4,350	\$4,350
	212a (tax exempt)	\$8,297	\$8,297	\$8,297	\$8,297
	213	\$7,691	\$7,691	\$7,691	\$7,691
Total acreage for any given	240	\$3,973	\$3,973	\$3,973	\$3,973
development shall be gross	225	\$3,124	\$3,124	\$3,124	\$3,124
acres excluding private parks.	253	\$1,944	\$1,944	\$1,944	\$1,944
Parks.	253 PA 30	\$4,444	\$4,444	\$4,444	\$4,444
	256	\$6,334	\$6,334	\$6,334	\$6,334
	285	\$3,236	\$3,236	\$3,236	\$3,236
	288	\$2,811	\$2,811	\$2,811	\$2,811
	OPA1 (Ridgeline)	\$6,492	\$6,492	\$6,492	\$6,492
	*All others				

2. Commercial, industrial, and public authority

	Improvement District	Commercial	Industrial	Public Authority
Connection Fees Per Gross Acre	1 (222) *	\$40,354	\$70,405	\$40,354
	212	\$26,920	\$26,920	\$26,920
	212a (tax exempt)	\$49,535	\$49,535	\$49,535
	213	\$33,935	\$0	\$33,935
	240	\$18,141	\$0	\$18,141
	225	\$15,274	\$18,069	\$15,274
	253	\$7,530	\$12,495	\$7,530
	253 PA 30	\$19,814	\$32,878	\$19,814
	285	\$6,467	\$6,467	\$6,467
	288	\$11,091	\$11,091	\$11,091
	*All others			

3. Parks and churches

	Improvement District	Fee
Connection Fees Per Fixture Unit	1 (222) *	\$446.47
	240	\$269.90
	225	\$239.40
	253	\$118.02
	253 PA 30	\$310.54
	288	\$73.60
	*All others	

4. Schools (public and private)

	Improvement District	Primary &/or Intermediate	Secondary
Connection Fees Per 100 Students	1 (222) *	\$21,156	\$28,212
	240	\$12,756	\$17,011
Based on Max Daily Attendance	225	\$11,248	\$14,997
	253	\$5,545	\$7,393
	253 PA 30	\$14,590	\$19,454
	288	\$3,543	\$4,721
	*All others		

Other Sewer Connection Charges

1. Sewer lateral installations by District

The District does not install sewer laterals.

2. Irvine Business Complex (IBC) – non-residential

-----Commercial/Industrial-----

	<u>Low Demand</u>	<u>Average Demand</u>	<u>High Demand</u>
Connection Fees Per 1,000 Square Feet	\$278	\$1,716	\$4,067

- a. Low Demand connections are the following categories of users: Nurseries, Warehouses, Parking Structures, RV Storage, Churches, Truck Terminals, RV Parks, Lumber/Construction Yards, and other discharge whose flow is similar in volume to these listed categories.
- b. Average Demand connections other than listed in Low or High Demand categories.
- c. High Demand connections are the following categories of users: Restaurants, Supermarkets, Car Washes, Coin Laundries, Amusement Parks, Shopping Centers with Restaurants, Food Processing Facilities, Textile Manufacturers, and other discharges whose flow is similar in volume to these listed categories.

3. High volume user – Non-Residential

This section shall apply to commercial, industrial, and public authority applicants in addition to standard connection fees in all improvement districts.

Connection Fee Formula Additional High Volume Sewer User Connection Fee =

* Sewer GPD = 90% of water GPD [Est. GPD use * – (no. acres x use factor**)] x \$18.42/Gal. of Sewer Flow

**Non-Residential Sewage Flow Generators (Use Factors)	<u>Land Use Category</u>	<u>Average Flows</u>
	Commercial	1,300.00
	Industrial	2,600.00
	UCI	Special Contract

Definitions Commercial: Commercial development includes but is not limited to the following uses: Hotels, retail, and offices.
Industrial: Industrial development includes but is not limited to the following uses: Manufacturing, research and development, and distribution.
GPD: Gallons per Day

Methodology for calculating redevelopment connection fees

Redevelopment connection fees will be calculated using the following methodology, effective January 1, 2014:

- 1) Calculate water and sewer connection fee based on redevelopment plans utilizing current rates and charges;
- 2) Provide a credit based on the existing project (to be redeveloped) by calculating a connection fee using current rates and charges; and

- 3) The redevelopment connection fee calculation is the difference between the new development connection fee and the connection fee credit. No refunds will be given if the credit is greater than connection fee.

4. Sanitary sewer plan check and inspection fees

The plan check and inspection fee for public sewer systems will be calculated as 10% of the bondable cost for the off-site public sewer system. Residential plans require a non-refundable deposit of 5% of the estimated cost. Non-residential plans require a non-refundable \$100 deposit. The deposit shall be submitted when submitting for first plan check. Any remaining fees shall be paid prior to final approval of the plans. The overtime inspection rate is \$175.00/hr.

District closed circuit television inspection charges

a. Initial TV inspection fee

A fee of \$0.85 per linear foot as measured from the center line of manholes will be charged for all 6-inch and larger sewer lines to be inspected by a closed circuit television camera. The District will furnish the special camera equipment and manpower to fulfill this inspection requirement. This fee is to be paid along with the other connection, meter, and inspection fees prior to the District signing developer's tract utility plans.

b. Reinspection

Fees will be assessed for reinspection by District TV Crew after corrective work is completed. Those portions of the pipeline system that have been corrected must be re-televised.

- 1) District fees for re-televising corrective work will be a flat set-up fee of two hundred fifty dollars (\$250.00) plus \$0.85 per linear foot of sewer line reinspected measured centerline to centerline of manholes.
- 2) Payment for re-televising estimated inspection fees must be received by the Development and Inspection Services prior to scheduling the reinspection. Re-televising will not be done until the fees are paid.

c. Cancellation of District's TV inspection

If it is determined by either the Contractor or Developer that the job site will not be ready or accessible for the television inspection on the scheduled date, as notified, the Contractor shall notify the District Inspection Division of the necessary cancellation at least 24 hours in advance of the scheduled inspection to avoid being charged a cancellation fee.

- 1) If the District's television crew arrives at the job site and the work is not ready or accessible, the Contractor and owner will be billed for the cancellation fee of two hundred fifty dollars (\$250.00), payable to the District prior to the date of the rescheduled television inspection.
- 2) A rescheduled inspection is to be made through the District's project inspection division.

d. Optional developer TV inspection

If the Contractor or Owner desires to have a portion of, or the entire job, TV inspected for convenience, they will be charged a fee of one hundred fifty dollars (\$150.00) plus \$0.85 per linear foot of sewer line inspected measured centerline to centerline of manholes.

Exhibit B: History of Revisions to Schedule of Rates and Charges

DATE ADOPTED	RESOLUTION	REVISION	EFFECTIVE DATE
05-23-77	1977-49	Rescind 1973-48 & 1977-42	
08-29-77	1977-71	Change in Connection Charges	09-01-77
02-27-78	1978-31	Rescind 1977-71	
		Discontinue Water & Sewer Service	03-01-78
07-10-78	1978-135	Rescind 1978-31	07-10-78
08-28-78	1978-154	Rescind 1978-135	08-28-78
01-08-79	1979-02	Rescind 1978-154	
		Increase Water Commodity Charges	01-08-79
06-25-79	1979-25	Rescind 1979-02	
		Increase Water & Sewer Charges	07-01-79
07-30-79	1979-41	Rescind 1979-25	07-30-79
06-23-80	1980-28	Rescind 1979-41	07-01-80
08-25-80	1980-49	Rescind 1980-28	08-25-80
12-22-80	1980-77	Rescind 1980-49	
		Increase Wastewater System Charges	01-01-81
06-15-81	1981-103	Rescind 1980-77	07-13-81
07-13-81	1981-132	Rescind 1981-103	07-13-81
06-28-82	1982-48	Rescind 1981-132	
		Increase Connection Fees & Water & Sewer Rates	07-01-82
09-27-82	1982-61	Rescind 1982-48	10-01-82
11-22-82	1982-67	Rescind 1981-61	12-01-82
06-27-83	1983-116	Rescind 1982-67	07-01-83
11-21-83	1983-137	Rescind 1983-116	
		Increase Dom. Water Rates & Imply. Mod. Sewer Rates	01-01-84
12-12-83	1983-132	Rescind 1983-131	
		High-rise Connection Fees (Sewer)	01-01-84
04-23-84	1984-13	Rescind 1983-132	
		Untreated & Recycled Water For Ag Use Commodity Charges Increase	06-01-84
06-25-84	1984-22	Rescind 1984-13	
		Decrease Water & Sewer Charges, Increase Connection Fees	07-01-84
09-10-84	1984-43	Rescind 1984-22	10-01-84
01-28-85	1985-2	Rescind 1984-43	02-01-85
02-25-85	1985-7	Rescind 1985-2	02-25-85
03-25-85	1985-31	Rescind 1985-7	03-25-85
		Reduce Connection Fees I.D. 103 & 3(203)	
06-24-85	1985-37	Rescind 1985-31	07-01-85
		Decrease Water & Sewer Chgs. Change Recycled Landscape Charge	
12-16-85	1985-115	Rescind 1985-37	01-01-86
06-23-86	1986-28	Rescind 1985-115	07-01-86
03-23-87	1987-11	Rescind 1986-28	04-01-87
		High Volume Connection Fees	

Continued

DATE ADOPTED	RESOLUTION	REVISION		EFFECTIVE DATE
06-22-87	1987-27	Rescind 1987-11	Increase R-W; Nonpotable Ag	07-01-87
08-10-87	1987-44	Rescind 1987-27	Reduce Connection Fees I.D.'s 103,3(203), 102(120)121 & 106(160)161	07-10-87
09-28-87	1987-49	Rescind 1987-44	Industrial Waste Program	10-01-87
01-25-88	1988-18	Rescind 1987-49	Add Portola Hills Sewer Serf. Add Water Pumping Surcharge	02-01-88
06-27-88	1988-61	Rescind 1988-18	Reduce Monthly Sewer Charge	07-01-88
08-22-88	1988-66	Rescind 1988-61	Adjust Connection Fees	08-23-88
06-26-89	1989-38	Rescind 1988-66	Reduce Monthly Sewer Charge Reduce Recycled Landscape Increase Untreated and Recycled Ag Rates	07-01-89
08-28-89	1989-58	Rescind 1989-38	Adjust Connection Fees	08-28-89
06-26-90	1990-20	Rescind 1989-58	Reduce Monthly Sewer Charge Reduce Untreated and Recycled Ag Rates	07-01-90
07-23-90	1990-24	Rescind 1990-20	Adjust Connection Fees	07-23-90
01-28-91	1991-05	Rescind 1990-24	Eliminate High Rise and Adjust Connection Fees	
			Add Excessive Use Surcharge	02-01-91
04-22-91	1991-09	Rescind 1991-05	Ascending Block Rate Structure and Request for Variance	06-01-91
05-28-91	1991-13	Rescind 1991-9	Commodity Rates for Landscape Customers	06-01-91
06-10-91	1991-19	Rescind 1991-13	Commodity Rates for Ag., Untreated Landscape, Portola Hills Sewer Rates and Coastal Recycled Rates	07-01-91
07-12-91	1991-37	Rescind 1991-19	Adjust Connection Fees	07-12-91
10-28-81	1991-46	Rescind 1991-37	Increase Ag Water Rate	10-28-91
04-30-92	1992-12	Rescind 1991-46	Modify Ascending Block Rate Structure	04-30-92
06-22-92	1992-22	Rescind 1991-13	Modify Ascending Block Rate Structure	07-02-92
09-28-92	1992-40	Rescind 1992-22	Adjust Connection Fees	09-28-92
01-25-93	1993-3	Rescind 1992-40	Landscape Irrigation Rates	02-01-93
03-04-93	1993-8	Rescind 1993-3	Modify Ascending Block Rate Structure	04-01-93
06-28-93	1993-22	Rescind 1993-8	Increase Water Rate and Reduce Monthly Sewer Charge	07-01-93
07-28-93	1993-26	Rescind 1993-22	Decrease Water Rates	08-01-93
09-13-93	1993-29	Rescind 1993-26	Adjust Connection Fees	09-14-93

Continued

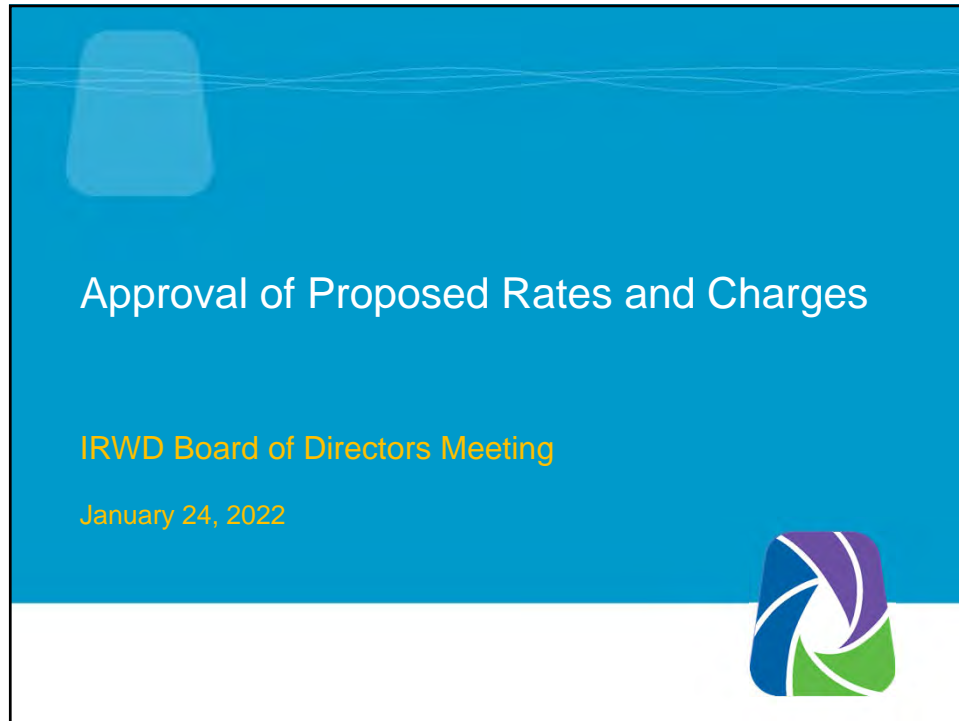
DATE ADOPTED	RESOLUTION		REVISION	EFFECTIVE DATE
06-13-94	1994-10	Rescind 1993-29	Increase Water Rate	07-01-94
08-08-94	1994-18	Rescind 1993-10	Adjust Connection Fees	08-08-94
08-14-95	1995-20	Rescind 1994-18	Adjust Connection Fees	08-14-95
08-28-95	1995-24	Rescind 1995-20	Adjust Pumping Surcharges	10-01-95
09-25-95	1995-27	Rescind 1995-20	Adjust Connection Fees and	09-25-95
09-25-95	1995-27	Rescind 1995-24	Adjust Pumping Surcharges	11-01-95
10-23-95	1995-31	Rescind 1995-27	Adjust Pumping Surcharges	11-01-95
11-27-95	1995-35	Rescind 1995-31	Add Monthly Sewer Service Charge - Newport Coast	12-01-95
01-08-96	1996-3	Rescind 1995-35	Adjust Connection Fees to I.D. 240	01-08-96
06-10-96	1996-19	Rescind 1996-3	Adjust Pumping Surcharges Increase Nonpotable Water Charges and Modify Ascending Block Rate Allocations	07-01-96
08-12-96	1996-27	Rescind 1996-19	Adjust Connection Fees	08-12-96
08-27-96	1996-28	Rescind 1996-27	Adjust Connection Fees to I.D.'s 140 & 240	08-27-96
09-23-96	1996-32	Rescind 1996-28	Adjust Water and Sewer Fixed Charges	09-23-96
10-14-96	1996-33	Rescind 1996-32	Adjust Sewer Service Charges for Non- Residential & Portola Hills	10-14-96
06-30-97	1997-17	Rescind 1996-33	Modify Rates and Charges and Connection Fees	06-30-97
10-01-97	1997-29	Rescind 1997-17	Modify Ascending Block Rate Structure Terminology	10-01-97
06-08-98	1998-21	Rescind 1997-29	Miscellaneous Adjustments to Schedule of Rates and Charges	07-01-98
08-24-98	1998-33	Rescind 1998-21	Adjust Connection Fees	08-24-98
06-28-99	1999-25	Rescind 1998-33	Adjustments to Schedule of Rates and Charges	07-01-99
06-26-00	2000-18	Rescind 1999-25	Adjustments to Schedule of Rates and Charges	07-01-00
07-24-00	2000-24	Rescind 2000-18	Adjustments to Schedule of Rates and Charges	07-25-00
06-25-01	2001-24	Rescind 2000-24	Adjustments to Schedule of Rates and Charges	07-01-01
06-24-02	2002-22	Rescind 2001-24	Adjustments to Schedule of Rates and Charges	07-01-02
12-09-02	2002-47	Rescind 2002-22	Adjustments to Schedule of Rates and Charges	12-09-02
03-10-03	2003-7	Rescind 2002-47	Adjustments to Schedule of Rates and Charges	03-10-03
06-23-03	2003-20	Rescind 2003-7	Adjustments to Schedule of Rates and Charges	07-01-03
09-08-03	2003-35	Rescind 2003-20	Adjustments to Schedule of Rates and Charges	09-08-03
06-28-04	2004-25	Rescind 2003-35	Adjustments to Schedule of Rates and Charges	07-01-04
07-12-04	2004-32	Rescind 2004-25	Adjustments to Schedule of Rates and Charges	07-12-04
10-11-04	2004-51	Rescind 2004-32	Adjustments to Schedule of Rates and Charges	10-11-04
06-27-05	2005-20	Rescind 2004-51	Adjustments to Schedule of Rates and Charges	07-01-05

DATE ADOPTED	RESOLUTION		REVISION	EFFECTIVE DATE
09-26-05	2005-31	Rescind 2005-20	Adjustments to Schedule of Rates and Charges	10-10-05
10-10-05	2005-35	Rescind 2005-31	Adjustments to Schedule of Rates and Charges	10-10-05
06-26-06	2006-20	Rescind 2005-35	Adjustments to Schedule of Rates and Charges	06-27-06
07-24-06	2006-27	Rescind 2006-20	Changes to Water & Sewer Connection Fees	07-24-06
06-25-07	2007-16	Partially Modifies 2006-27	Adjustments to Schedule of Rates and Charges	06-26-07
07-16-07	2007-21	Partially Modifies 2006-27	Changes to Water & Sewer Connection Fees	07-17-07
06-23-08	2008-36	Rescind 2007-21	Adjustments to Schedule of Rates and Charges	07-01-08
07-28-08	2008-45	Partially Modifies 2008-36	Changes to Water & Sewer Connection Fees	07-29-08
06-22-09	2009-20		Adjustments to Schedule of Rates and Charges	06-23-09
07/27/09	2009-24	Partially Modifies 2009-20	Changes to Water & Sewer Connection Fees	07/28/09
06/28/10	2010-19		Adjustments to Schedule of Rates and Charges	07/01/10
07/26/10	2010-22	Partially Modifies 2010-19	Changes to Water & Sewer Connection Fees	07/27/10
02/28/11	2011-3	Partially Modifies 2010-22	Changes to Sewer Connection Fees	03/01/11
06/27/11	2011-25	Rescind 2010-19	Adjustments to Schedule of Rates and Charges	07/01/11
07/25/11	2011-33	Rescind 2011-25	Changes to Water & Sewer Connection Fees	07/26/11
06/25/12	2012-26	Rescind 2011-25	Adjustments to Schedule of Rates and Charges	07/01/12
10/08/12	2012-41	Partially Modifies 2012-26	Changes to Water & Sewer Connection Fees	10/09/12
12/10/12	2012-57		Adjust Connection Fees to IDs 112 & 212	12/11/12
06/24/13	2013-21	Rescind 2012-26	Adjustments to Schedule of Rates and Charges	07/01/13
12/16/13	2013-60	Partially Modifies 2013-21	Changes to Water & Sewer Connection Fees	01/01/14
06/23/14	2014-32		Adjustments to Schedule of Rates and Charges	07/01/14
07/14/14	2014-33	Partially Modifies 2014-32	Changes to Water & Sewer Connection Fees	07/15/14
11/10/14	2014-50		Changes to the Rules and Regulations for Water, Sewer, Recycled Water, and Natural Treatment System Service	11/11/14
06/22/15	2015-17	Rescind 2014-50	Adjustments to Schedule of Rates And Charges	07/01/15
07/27/15	2015-19	Partially Modifies	Changes to Water & Sewer Connection Fees	07/28/15
06/27/16	2016-10		Adjustments to Schedule of Rates and Charges	07/01/16
07/25/2016	2016-21	Partially Modifies	Changes to Water & Sewer Connection Fees	07/26/2016

DATE ADOPTED	RESOLUTION	REVISION	EFFECTIVE DATE
06/26/2017	2017-17		Adjustments to Schedule of Rates and Charges 07/01/2017
07/24/2017	2017-19	Partially Modifies 2017-17	Changes to Water & Sewer Connection Fees 09/01/2017
06/25/2018	2018-16	Rescind 2017-17	Adjustments to Schedule of Rates and Charges 07/01/2018
07/23/2018	2018-21	Partially Modifies 2018-16	Changes to Water & Sewer Connection Fees 08/01/2018
06/24/2019	2019-17	Rescind 2018-16	Adjustments to Schedule of Rates and Charges 07/01/2019
07/08/2019	2019-21	Partially Modifies 2019-17	Changes to Water & Sewer Connection Fees 08/01/2019
06/24/2019	2020-	Rescind 2019-21	Adjustments to Schedule of Rates and Charges 07/01/2020
07/08/2019	2020-	Partially Modifies 2019-21	Changes to Water & Sewer Connection Fees 08/01/2020
07/13/2020	2020-14	Partially Modifies 2019-21	Changes to Water & Sewer Connection Fees 08/01/2020
07/13/2021	2021-15	Partially Modifies 2019-21	Changes to Water & Sewer Connection Fees 08/01/2021

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Exhibit "B"



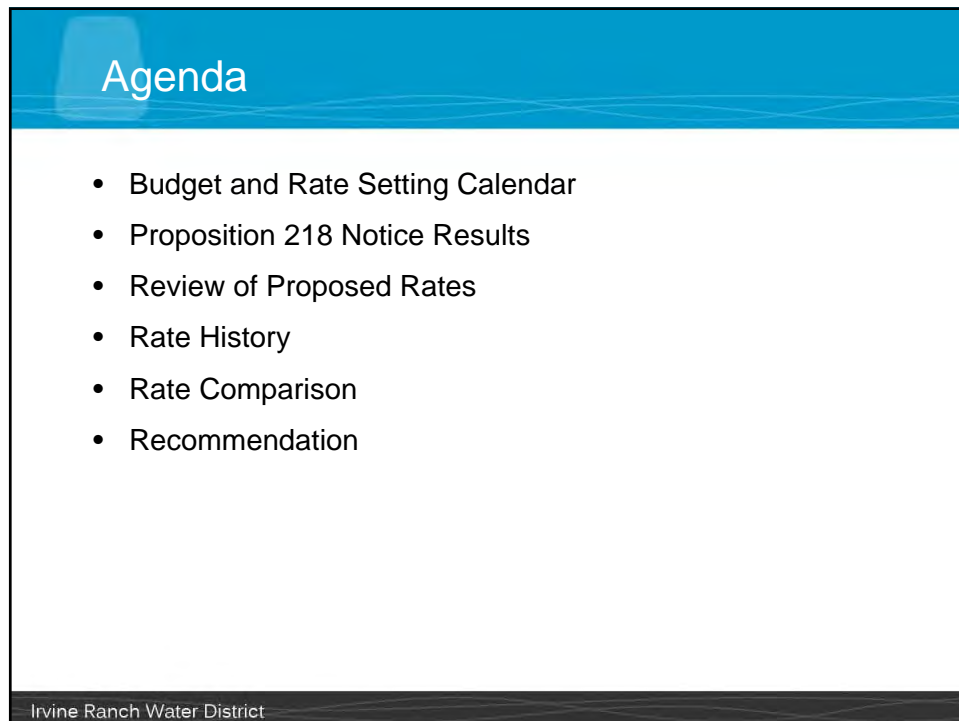
Approval of Proposed Rates and Charges

IRWD Board of Directors Meeting

January 24, 2022



1



Agenda

- Budget and Rate Setting Calendar
- Proposition 218 Notice Results
- Review of Proposed Rates
- Rate History
- Rate Comparison
- Recommendation

Irvine Ranch Water District

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Proposed Rate Increase


Budget & Rate Setting Calendar:

- ~~03/02/21 F & P Preliminary Budget Review~~
- ~~03/24/21 F & P Operating Budget Review for FY 2021-22 & FY 2022-23~~
- ~~04/06/21 F & P Additional Review of Operating Budgets~~
- ~~04/12/21 Board Operating Budget Review~~
- ~~04/26/21 Board Operating Budget Approval~~
- ~~10/14/21 F & P Rate Review~~
- ~~11/02/21 F & P Rate Review~~
- ~~11/22/21 Board: Proposed Rates, 2021 Cost of Service Study, Prop 218 Notices~~
- ~~12/06/21 Prop 218 Notices Mailed~~
- ~~01/17/22 Results of Prop 218 Notices are Generated~~
- 01/24/22 Board – Public Hearing on Proposed Rates and Charges**
- 01/24/22 Board – Adopt Rates and Charges**
- 02/01/22 New Rates Effective February 1, appearing on Customer Bills Beginning March 1, 2022

Irvine Ranch Water District

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Proposition 218 Notice Results



4

Proposition 218 Notices

Noticing Procedure & Results

December 7 - 116,077 notices mailed

Separate notices for:

Residential, Non-residential (CII), Landscape/Agricultural, &
Newport North

As of January 24, 2022, 4 response letters received

Verification of protest letter counts by the District's independent
auditors (Davis Farr)

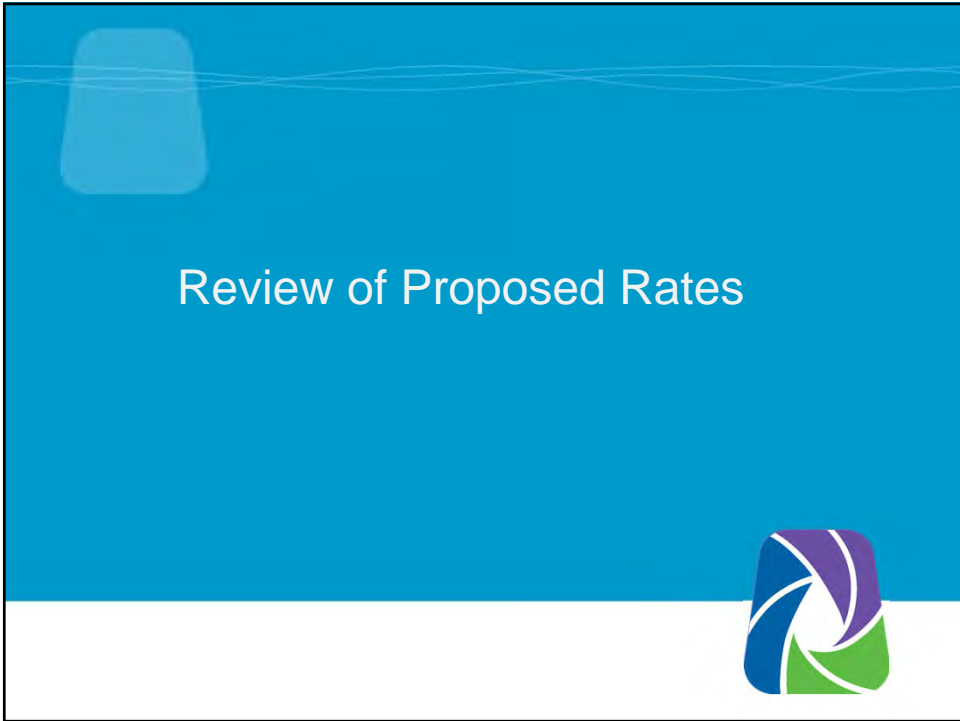
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Proposition 218 Notices


Primary issues raised by the protest letters:

- 3 letters - Simple protest of the rate increase
- 1 letter - Increased cost from large family

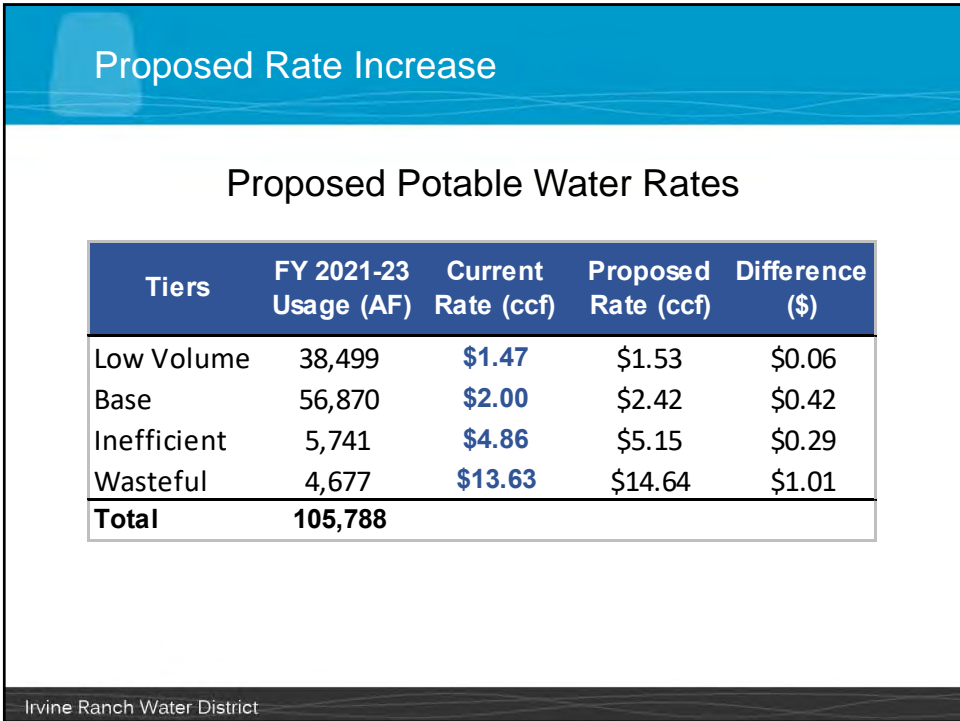
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Review of Proposed Rates



7



Proposed Rate Increase

Proposed Potable Water Rates

Tiers	FY 2021-23 Usage (AF)	Current Rate (ccf)	Proposed Rate (ccf)	Difference (\$)
Low Volume	38,499	\$1.47	\$1.53	\$0.06
Base	56,870	\$2.00	\$2.42	\$0.42
Inefficient	5,741	\$4.86	\$5.15	\$0.29
Wasteful	4,677	\$13.63	\$14.64	\$1.01
Total	105,788			

Irvine Ranch Water District

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Proposed Rate Increase

Proposed Recycled Water Rates

Tiers	FY 2021-23 Usage (AF)	Current Rate (ccf)	Proposed Rate (ccf)	Difference (\$)
Low Volume	27,868	\$1.19	\$1.23	\$0.04
Base	27,758	\$1.57	\$2.16	\$0.59
Inefficient	2,717	\$3.15	\$4.03	\$0.88
Wasteful	1,832	\$6.62	\$7.20	\$0.58
Total	60,175			

Irvine Ranch Water District

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Proposed Rate Increase

Proposed Sewer Rates

Proposed changes to sewer service fixed monthly charges for system Operations and Maintenance		
Usage	Current Monthly Rates	Proposed rates beginning Feb. 1, 2022
Average water usage exceeds 10 ccfs per month	\$26.10	\$29.75
Average water usage falls between 5 and 10 ccfs	\$23.50	\$25.50
Average water usage falls below 5 ccfs	\$19.55	\$20.40
Commercial, Industrial, & Public Authority		
Quantity Service Charge (beyond 10 ccf)	\$2.78/ccf	\$2.19/ccf
Industrial Waster Service Charge (if applicable)	\$0.136/ccf	\$0.107/ccf

Irvine Ranch Water District

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Water Shortage Contingency Plan Rates

WSCP Levels and Associated Rates

LEVEL	0	1	2	3	4	5	6
Low Volume	\$1.53	\$1.53	\$1.53	\$1.53	\$1.55	\$1.57	\$1.60
Base	\$2.42	\$2.43	\$2.46	\$2.50	\$2.53	\$2.57	\$2.62
Inefficient	\$5.15	\$5.45	\$5.86	\$6.34	\$6.91	\$7.40	\$7.71
Wasteful	\$14.64	\$15.77	\$17.11	\$18.74	\$19.90	\$21.21	\$21.86

Implementation of WSCP rates would require additional Board action.

Irvine Ranch Water District

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Typical Residential Customer Bill

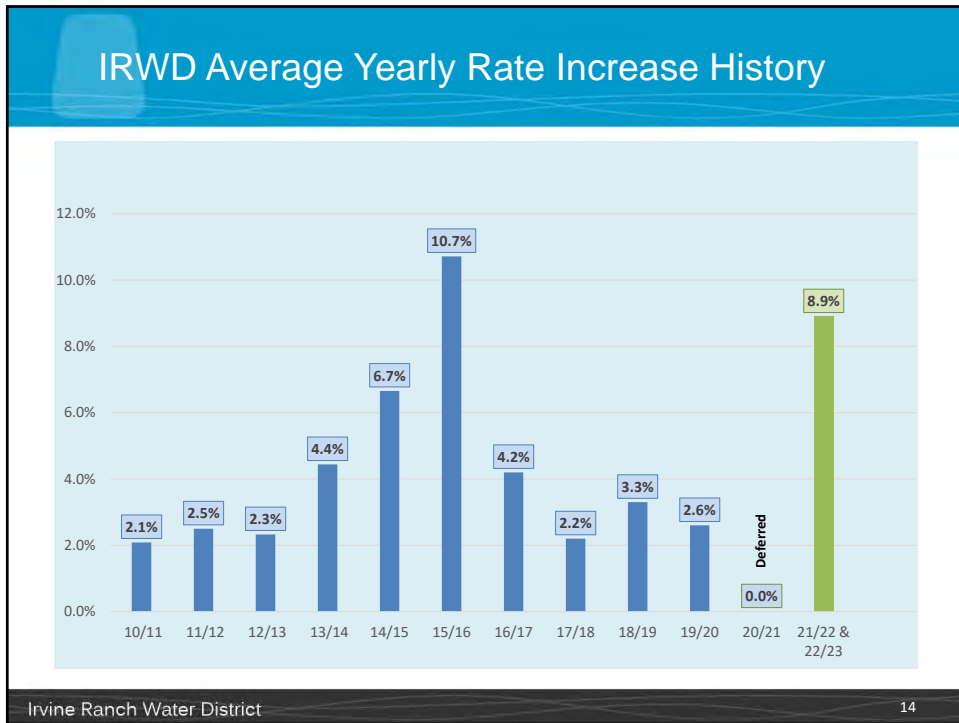
Current Residential Rates:	Water	Sewer
Low Volume	\$1.47	
Commodity Rate	\$2.00	
Operations	\$7.55	\$11.12
Replacements	\$2.10	\$7.75
Enhancements	\$0.70	\$0.68
Total Service Charge	\$10.35	\$19.55
Commodity (12ccf's)	\$21.35	
Current Monthly	\$51.25	
Proposed Residential Rate Adjustment:	Water	Sewer
Low Volume	\$1.53	
Base Commodity Rate	\$2.42	
Operations	\$7.97	\$12.12
Replacements	\$2.08	\$7.65
Enhancements	\$0.70	\$0.68
Total Service Charge	\$10.75	\$20.45
Commodity	\$24.59	
Proposed Monthly	\$55.79	
Current Monthly	\$51.25	
Difference	\$4.54	
Change %	8.9%	

Irvine Ranch Water District

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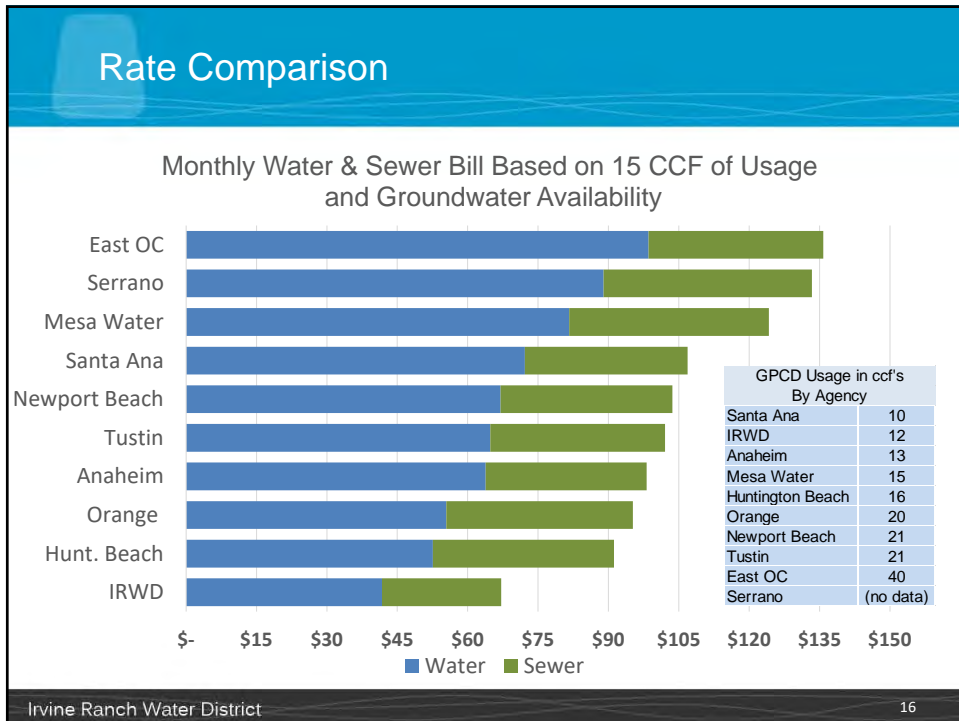
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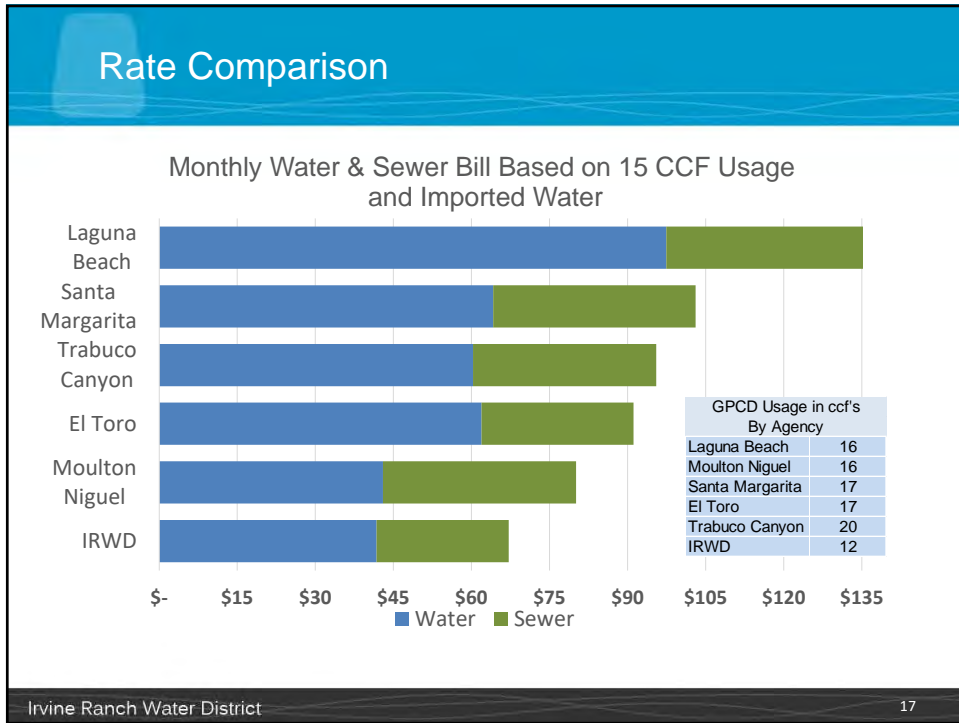
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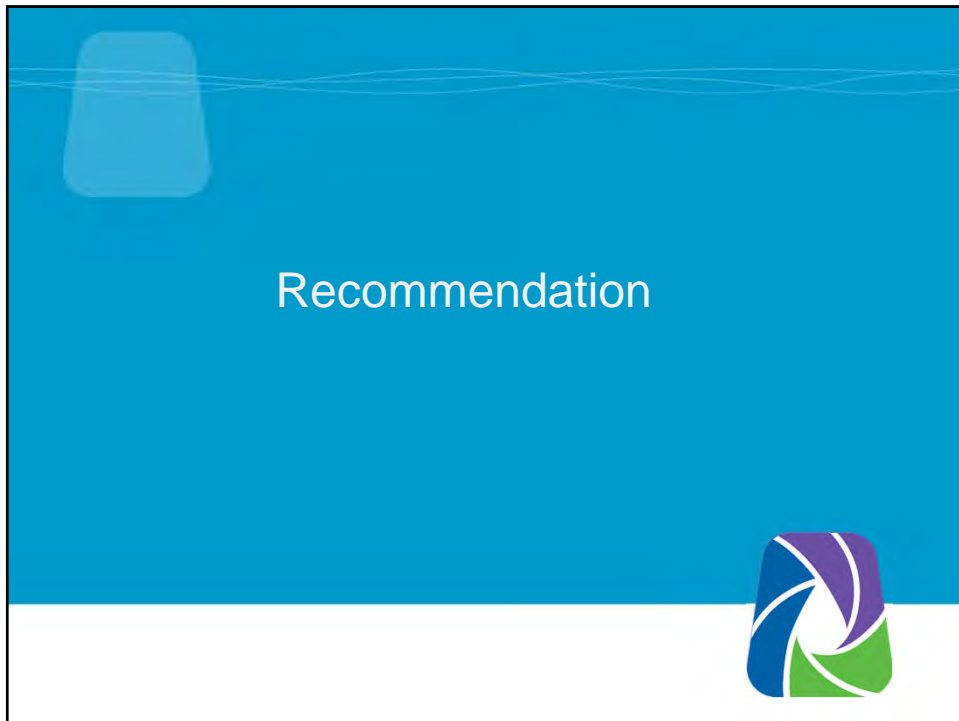
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Recommendation

That the Board adopt the proposed Rates and Charges effective February 1, 2022

Irvine Ranch Water District

12/10/21

Irwin Ranch Water
Board Members
P.O. Box 5149
Irwin, CA 92616

1 Petersburg, Irwin, CA 92620

Writing to protest your regular occurrence of proposals
for sewer and water charge increases

We know it costs to import water. We know about
the cost of "research" your company does. Outrageous
monthly sewer charges vis-a-vis water cost, also.

What you need to do is (1) stop raising prices;

(2) stop the Irwin Council from working so loyally with
developers to build more houses, bring more 3 generation
households who will use more water;

(3) stop the Council from indiscriminately allowing
rentals, ^{renters} who care less about water/sewer use.

That's where your efforts need to go
and not to long time homeowners.

Yes this is a protest letter.

Reduce sewer prices. That could help

No increases - Better planning

H. Kharouba

Dec. 13, 2021

IRWD,

Vinh Chu

18 Santa Victoria Aisle

Irvine, CA 92606

Acct # 9631210000

I am writing to voice my concern and unfairness to my family in regards to the propose rate increase coming up.

We have a family of seven people - Husband, wife and five kids. We are conserving water as much as we can. We are not abusing waster of water. This rate change will drastically put a dent in our budget along with the current inflation rate with all prices.

Please consider our case for any rate increases.

Thank you.

Vinh Chu

To:
IRWD
P.O. Box 5149
Irvine, CA 92616

From:
Dr. Roman Jaklitsch
88 Thoroughbred
Irvine, CA 92602

Statement of Protest

An increase of 8.9% is not acceptable for home owners, and it will further drive already unbearable inflation.

The arguments of pass through rates are not sufficient to justify this rate increase.

To whom should home owners 'pass through' the rate increase?

IRWD must find other ways to decrease cost by becoming more efficient in terms of management cost and effective negotiations with energy providers like SCE (with a shocking rate increase of 10%).

Thanks for trying to find other ways to mitigate the rate increase to a more moderate level.

After all the pandemic is still ongoing and many home owners struggle with their finances.

Signature



Date

Dec 12, 2021

12/15/21

To IRWD,

I live at 1305 Sun Dial

Dr Justin at 92782. I


am against the proposed
increase in water rates.

Property owner,

Binh Phuong & Carolyn Nguyen

Daung Nguyen

January 24, 2022
Prepared and
submitted by: C. Compton
Approved by: Paul A. Cook



PUBLIC HEARING

2021 REDISTRICTING: COMPOSITION OF REDISTRICTED DIVISIONS AND PROPOSED DRAFT DIVISION MAPS

SUMMARY:

Every 10 years, local governments with by-division elections must redistrict and redraw their division boundaries using the new census data to reflect how local populations have changed, and to ensure that the divisions are, as far as practicable, equal in population. In California, Elections Code Sections 22000-22002 govern how special districts, such as IRWD, redistrict after each federal decennial census. The IRWD Board of Directors is responsible for approving new division boundaries which, once approved, will become effective for the next election of the IRWD Board of Directors in November 2022.

The Board held a public hearing on December 13, 2021, before the drawing of draft maps of proposed division boundaries. The purposes of that hearing were to invite and solicit public comment on the criteria for and the composition of the redistricted divisions, and for the Board of Directors to discuss the criteria to be used by the District in the drawing of proposed Director division boundaries.

A second public hearing is now being held after the drawing of draft maps. The purpose of this hearing is to invite and solicit public comments on the composition of redistricted divisions and the proposed draft division maps, which have been published by the District on its website.

RECOMMENDED HEARING PROCEDURE:

President: Declare the Board meeting of January 24, 2022, to be the time and place for a hearing on the redistricting of the Irvine Ranch Water District Board of Directors Division Boundaries, and to receive public comments on the composition of the redistricted divisions and the draft maps. Ask the Board Secretary to announce how the hearing was noticed.

Secretary: The public hearing was noticed by publication in the *Orange County Register* on January 9 and January 16, 2022; by publication in Spanish in the *Excelsior Unidos* on January 7 and January 14, 2022; by publication in Korean in the *Korea Times* on January 7 and January 14, 2022; by publication in Traditional Chinese in the *World Journal* on January 9 and January 16, 2022; by publication in Farsi in *Hafteh Bazaar* on January 7 and January 14, 2022; by electronic posting in English, Farsi, Korean, Traditional Chinese, and Spanish on the IRWD website, which can be translated into approximately 20 languages; and by physical posting at IRWD's headquarters. The Board Secretary presents affidavits of posting and proof of publication to the Board related to the hearing.

President: Ask the Board for a motion to receive and file the Affidavit of Posting and Proof of Publication

President: Request staff to describe the nature of the proceedings, explain the purpose of the hearing as being the opportunity to invite and solicit public comment on the draft division maps, which have been published by the District on its website at least seven days prior to the hearing, and present to the Board.

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

Secretary: Respond.

President: Inquire whether there is any person present who wishes to provide comments.

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

Board: Close the hearing by taking one of the following recommended actions:

RECOMMENDED MOTION: THAT THE SECOND PUBLIC HEARING BE CLOSED AND THAT THE BOARD AUTHORIZE STAFF TO AGENDIZE AT THE THIRD PUBLIC HEARING ON FEBRUARY 14, 2022, CONSIDERATION OF ADOPTION OF A FINAL MAP OF DIVISION BOUNDARIES BASED ON MAP ___ (1 OR 2).

OR

RECOMMENDED MOTION: THAT THE SECOND PUBLIC HEARING BE CLOSED AND THAT THE BOARD AUTHORIZE STAFF TO REVISE THE DRAFT MAP(S) OR DEVELOP ADDITIONAL MAP(S), AND AGENDIZE, AT THE THIRD PUBLIC HEARING ON FEBRUARY 14, 2022, FOR THE BOARD OF DIRECTORS TO SOLICIT AND ACCEPT COMMENT ON THE DRAFT DIVISION MAPS AND AGENDIZE POSSIBLE CONSIDERATION OF ADOPTION OF A FINAL MAP OF DIVISION BOUNDARIES.

BACKGROUND:

Prior to 2020, IRWD used an at-large method to elect the members of its Board of Directors. The at-large method allowed for voters from the entire service area to elect each of the five members of the Board of Directors. After undertaking a yearlong public process to evaluate moving from an at-large election process to division-based elections, the IRWD Board of Directors voted to transition the election of the IRWD Board of Directors to division-based elections.

A by-division method divides a service area into separate divisions and allows the voters from each division to elect a member of the Board of Directors for that division. In a by-division method of election, the elected individual serves as the division's representative on the Board and must reside in that division. The November 2020 election was the first election in which the IRWD Board of Directors were elected through division-based elections.

Current IRWD Division Map:

On May 13, 2019, the IRWD Board of Directors adopted the current [IRWD Division Boundary Map](#). The Board Members from Divisions 1 and 4 were elected in 2020 and the Board Members from Divisions 2, 3 and 5 will be elected in 2022.

To help the community better understand the divisions and the division in which each village is located, a reference map that has an overlay of the villages located in each division, the [Village Reference Map](#), was made available for the public. The District also made an [Interactive Division Map](#) available to the public.

Statutorily Mandated Process for Redistricting:

Every 10 years, local governments with by-division elections must redistrict and redraw their division boundaries using the new census data to reflect how local populations have changed, and to ensure that the divisions are, as far as practicable, equal in population.

Elections Code Sections 22000-22002 govern how special districts like IRWD redistrict after each federal decennial census. That process requires, at a minimum, that a special district hold at least two public hearings to discuss division maps, prior to adopting a final redistricted map. The IRWD Board of Directors is responsible for approving new division boundaries which, once approved, will become effective for the next election of the IRWD Board of Directors in November 2022.

Legally Required Factors Considered When Evaluating Division Boundaries:

While a number of federal and state laws govern the drawing of division boundaries, the U.S. Constitution establishes the fundamental principle which governs the drawing of division boundaries. Above all else, the Constitution requires that divisions be equal, or nearly equal, in total population. Federal courts have ruled that this means that the population difference between the most and least populous divisions may not exceed ten percent. California Elections Code section 22000 further states that divisions should be drawn to be, "as far as practicable, equal in population" using the population numbers from the last federal decennial census.

Provided that the equality in population, based on the last decennial census, requirement is met, the Elections Code also allows for consideration of: (1) topography, (2) geography, (3) cohesiveness, contiguity, integrity, and compactness of territory, and (4) communities of interests of the division when determining where division boundaries are placed.

Staff presented proposed criteria for the Board's consideration and for use by the District when redrawing proposed director division boundaries at the first public hearing on December 13, 2021. Staff also provided a summary of the census data on the population characteristics of IRWD's service area, and discussed the criteria proposed to be used as the District redraws the division boundaries. Additionally, staff presented information on how the public could submit additional comments on the composition of possible divisions and how the public could submit conceptual maps for consideration as the potential division area maps are drawn.

The staff report, presentation and existing conditions presented to the Board at the first public hearing can be viewed at https://www.irwd.com/images/pdf/about-us/district-election-process/december_13_2021_public_hearing_materials.pdf.

Public Comment Period:

Prior to the drawing of potential division maps, the District invited the public to submit additional comments on the composition of possible divisions and to submit conceptual maps for consideration as the potential division area maps are drawn. The deadline to submit these additional comments and conceptual maps was January 6, 2022, at 5:00 pm. The District received no comments or conceptual maps.

Draft Division Maps:

IRWD is conducting a second public hearing to invite and solicit public comment on the draft division maps, which have been published by the District on its website: Plan 1 and Plan 2. The two draft maps are attached as Exhibit "A". Staff will present these two draft maps to the Board for its consideration. The draft PowerPoint presentation is attached as Exhibit "B".

It is important to note that the draft maps are a starting point for the Board's discussion on possible division boundaries, and additional maps or refinements may be made should the Board want to see other options at the next public hearing.

FISCAL IMPACTS:

The District is incurring costs of a demographer and special legal counsel in order to redistricting division boundaries.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE SECOND PUBLIC HEARING BE CLOSED AND THAT THE BOARD AUTHORIZE STAFF TO AGENDIZE AT THE THIRD PUBLIC HEARING ON FEBRUARY 14, 2022, CONSIDERATION OF ADOPTION OF A FINAL MAP OF DIVISION BOUNDARIES BASED ON MAP ____ (*1 OR 2*).

OR

THAT THE SECOND PUBLIC HEARING BE CLOSED AND THAT THE BOARD AUTHORIZE STAFF TO REVISE THE DRAFT MAP(S) OR DEVELOP ADDITIONAL MAP(S), AND AGENDIZE, AT THE THIRD PUBLIC HEARING ON FEBRUARY 14, 2022, FOR THE BOARD OF DIRECTORS TO SOLICIT AND ACCEPT COMMENT ON THE DRAFT DIVISION MAPS AND AGENDIZE POSSIBLE CONSIDERATION OF ADOPTION OF A FINAL MAP OF DIVISION BOUNDARIES.

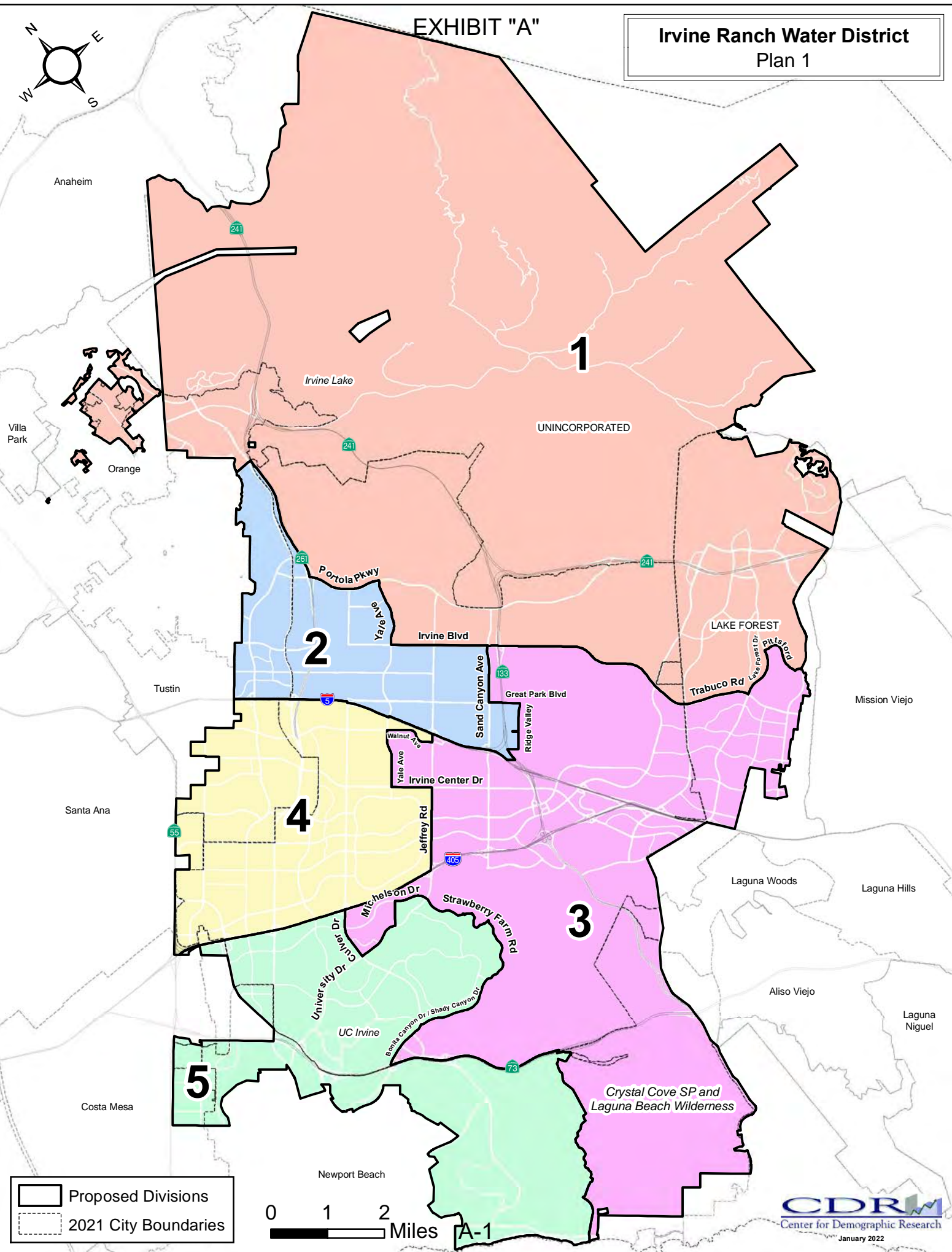
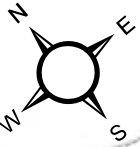
LIST OF EXHIBITS:

- Exhibit “A” –Draft Division Maps
- Exhibit “B” – Draft PowerPoint Presentation

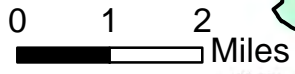
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EXHIBIT "A"

Irvine Ranch Water District
Plan 1



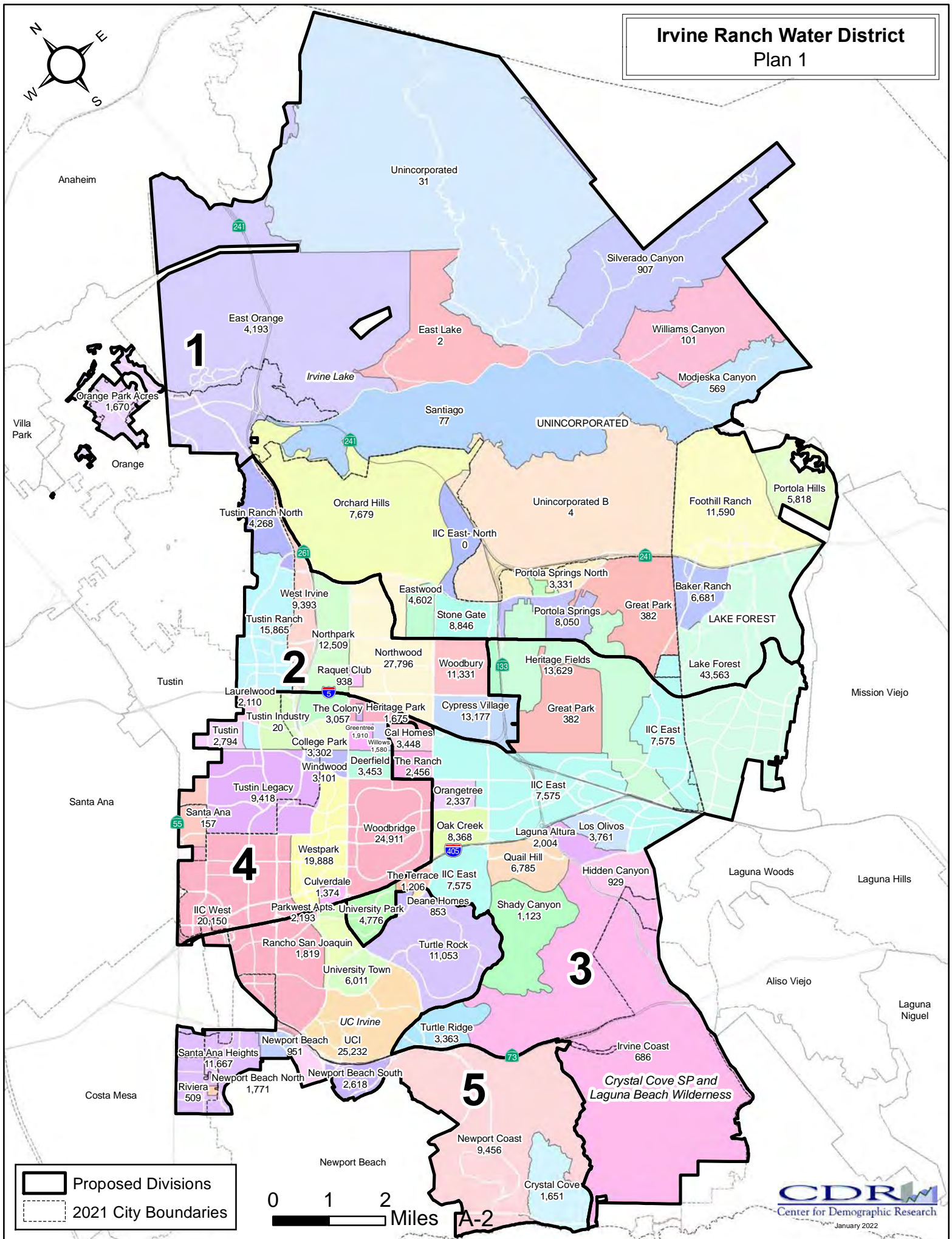
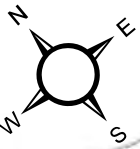
Proposed Divisions
 2021 City Boundaries



A-1



Irvine Ranch Water District Plan 1



Proposed Divisions
 2021 City Boundaries

0 1 2 Miles

A-2



January 2022

**Irvine Ranch Water District Redistricting 2022
Plan 1**

Table 1. Population by Division and Race/Ethnicity

	DIVISION					Total
	1	2	3	4	5	
Total Population	90,350	91,611	88,069	89,087	88,051	447,168
Hispanic or Latino of any Race	11,209	10,698	13,366	11,849	14,947	62,069
Non-Hispanic White	32,920	29,800	38,871	33,890	40,259	175,740
Non-Hispanic Black or African-American	1,238	1,713	1,421	1,826	2,467	8,665
Non-Hispanic American Indian or Alaska Native	142	72	113	81	94	502
Non-Hispanic Asian	39,513	43,944	28,649	35,748	24,426	172,280
Non-Hispanic Native Hawaiian or Other Pacific Islander	109	111	104	127	65	516
Non-Hispanic Some Other Race	446	415	547	580	490	2,478
Non-Hispanic Two or More Races	4,773	4,858	4,998	4,986	5,303	24,918
Population 18 Years and Older	67,412	69,648	69,225	70,506	76,261	353,052
Hispanic or Latino of any Race	7,905	7,720	9,671	8,665	13,152	47,113
Non-Hispanic White	26,712	24,384	32,627	28,333	34,948	147,004
Non-Hispanic Black or African-American	958	1,261	1,152	1,413	2,264	7,048
Non-Hispanic American Indian or Alaska Native	110	45	72	53	84	364
Non-Hispanic Asian	28,742	33,135	22,117	28,395	21,327	133,716
Non-Hispanic Native Hawaiian or Other Pacific Islander	95	76	89	92	58	410
Non-Hispanic Some Other Race	292	286	402	430	396	1,806
Non-Hispanic Two or More Races	2,598	2,741	3,095	3,125	4,032	15,591
Citizen Voting Age Population (CVAP)	44,760	52,335	53,096	54,214	57,509	261,914
Hispanic or Latino of any Race	4,912	5,315	6,509	6,841	8,508	32,085
Non-Hispanic White	24,601	22,808	30,817	28,137	33,149	139,512
Non-Hispanic Black or African-American	1,100	864	655	1,000	1,164	4,783
Non-Hispanic American Indian or Alaska Native	159	0	94	89	122	464
Non-Hispanic Asian	12,627	21,562	13,114	15,869	12,771	75,943
Non-Hispanic Native Hawaiian or Other Pacific Islander	32	75	2	172	28	309
Non-Hispanic Two or More Races	1,288	1,429	1,628	2,008	1,622	7,975
Target Division Population	89,434					
Division Difference from Target Population	916	2,177	-1,365	-347	-1,383	
Percent Difference from Target Population	1.02%	2.43%	-1.53%	-0.39%	-1.55%	
Percentage Spread	3.98%					

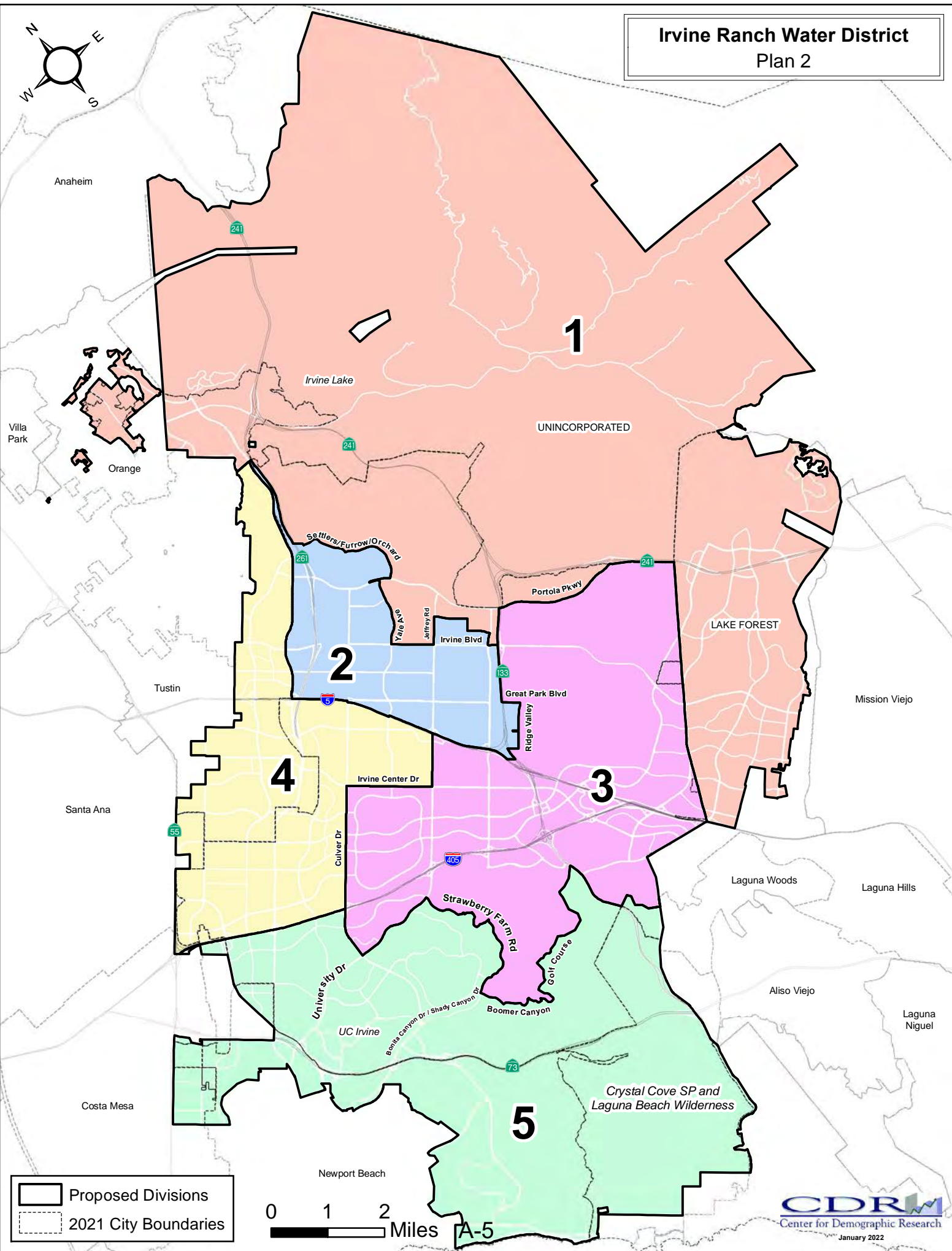
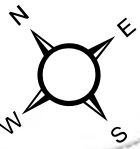
**Irvine Ranch Water District Redistricting 2022
Plan 1**

Table 2. Share of Division Populations

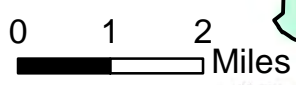
	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	12.4%	11.7%	15.2%	13.3%	17.0%
Non-Hispanic White	36.4%	32.5%	44.1%	38.0%	45.7%
Non-Hispanic Black or African-American	1.4%	1.9%	1.6%	2.0%	2.8%
Non-Hispanic American Indian or Alaska Native	0.2%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Asian	43.7%	48.0%	32.5%	40.1%	27.7%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.1%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Some Other Race	0.5%	0.5%	0.6%	0.7%	0.6%
Non-Hispanic Two or More Races	5.3%	5.3%	5.7%	5.6%	6.0%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	11.7%	11.1%	14.0%	12.3%	17.2%
Non-Hispanic White	39.6%	35.0%	47.1%	40.2%	45.8%
Non-Hispanic Black or African-American	1.4%	1.8%	1.7%	2.0%	3.0%
Non-Hispanic American Indian or Alaska Native	0.2%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Asian	42.6%	47.6%	31.9%	40.3%	28.0%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.1%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Some Other Race	0.4%	0.4%	0.6%	0.6%	0.5%
Non-Hispanic Two or More Races	3.9%	3.9%	4.5%	4.4%	5.3%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	11.0%	10.2%	12.3%	12.6%	14.8%
Non-Hispanic White	55.0%	43.8%	58.3%	52.0%	57.8%
Non-Hispanic Black or African-American	2.5%	1.7%	1.2%	1.8%	2.0%
Non-Hispanic American Indian or Alaska Native	0.4%	0.0%	0.2%	0.2%	0.2%
Non-Hispanic Asian	28.2%	41.4%	24.8%	29.3%	22.3%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.1%	0.1%	0.0%	0.3%	0.0%
Non-Hispanic Two or More Races	2.9%	2.7%	3.1%	3.7%	2.8%

Notes: Percent shares calculated using unrounded numbers, but table displays only to tenths; therefore, percents displayed may not sum to 100%.
CVAP percentages are calculated from sum of individual categories, not Total Estimated CVAP.

Irvine Ranch Water District Plan 2



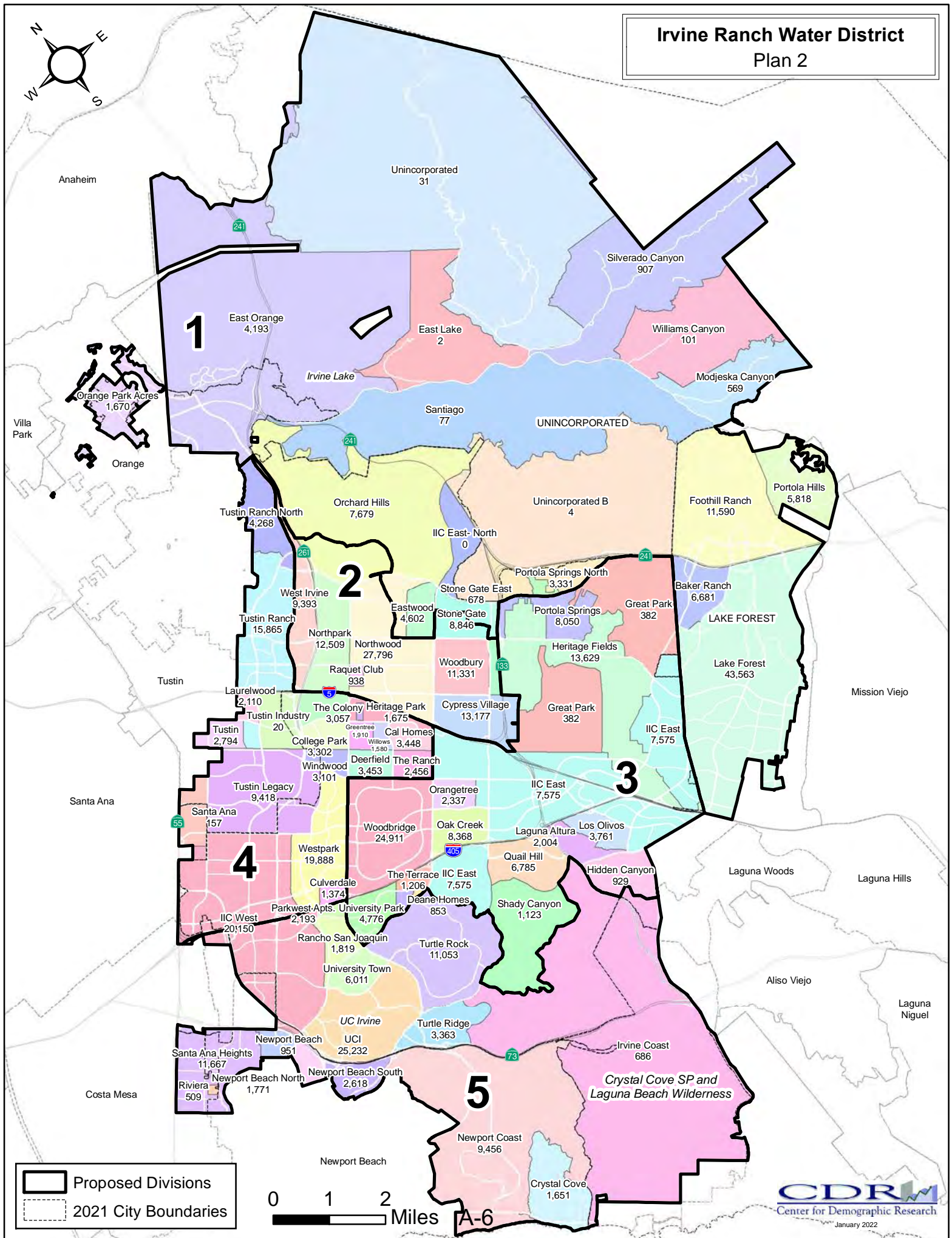
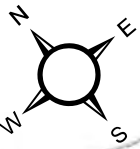
Legend:
[Solid Line] Proposed Divisions
[Dashed Line] 2021 City Boundaries



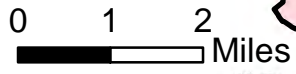
A-5

CDRM
Center for Demographic Research
January 2022

Irvine Ranch Water District Plan 2



Proposed Divisions
 2021 City Boundaries



A-6



**Irvine Ranch Water District Redistricting 2022
Plan 2**

Table 1. Population by Division and Race/Ethnicity

	DIVISION					Total
	1	2	3	4	5	
Total Population	93,904	85,115	87,509	90,213	90,427	447,168
Hispanic or Latino of any Race	16,998	8,139	8,583	13,382	14,967	62,069
Non-Hispanic White	41,468	24,993	35,304	32,429	41,546	175,740
Non-Hispanic Black or African-American	1,282	1,553	1,510	1,888	2,432	8,665
Non-Hispanic American Indian or Alaska Native	157	66	95	87	97	502
Non-Hispanic Asian	28,245	45,691	36,208	36,742	25,394	172,280
Non-Hispanic Native Hawaiian or Other Pacific Islander	128	102	83	137	66	516
Non-Hispanic Some Other Race	473	353	626	542	484	2,478
Non-Hispanic Two or More Races	5,153	4,218	5,100	5,006	5,441	24,918
Population 18 Years and Older	72,477	63,741	67,297	71,620	77,917	353,052
Hispanic or Latino of any Race	12,058	5,837	6,236	9,831	13,151	47,113
Non-Hispanic White	34,512	20,290	28,997	27,306	35,899	147,004
Non-Hispanic Black or African-American	1,032	1,134	1,168	1,475	2,239	7,048
Non-Hispanic American Indian or Alaska Native	130	42	52	56	84	364
Non-Hispanic Asian	21,401	33,797	27,184	29,332	22,002	133,716
Non-Hispanic Native Hawaiian or Other Pacific Islander	107	71	71	102	59	410
Non-Hispanic Some Other Race	323	252	432	408	391	1,806
Non-Hispanic Two or More Races	2,914	2,318	3,157	3,110	4,092	15,591
Citizen Voting Age Population (CVAP)	57,271	43,866	47,302	55,604	57,871	261,914
Hispanic or Latino of any Race	7,945	3,735	4,482	7,481	8,442	32,085
Non-Hispanic White	34,461	18,383	26,679	26,720	33,269	139,512
Non-Hispanic Black or African-American	1,242	744	492	1,139	1,166	4,783
Non-Hispanic American Indian or Alaska Native	133	56	125	15	135	464
Non-Hispanic Asian	11,857	19,533	13,716	17,822	13,015	75,943
Non-Hispanic Native Hawaiian or Other Pacific Islander	15	91	3	172	28	309
Non-Hispanic Two or More Races	1,438	1,204	1,587	2,107	1,639	7,975
Target Division Population	89,434					
Division Difference from Target Population	4,470	-4,319	-1,925	779	993	
Percent Difference from Target Population	5.00%	-4.83%	-2.15%	0.87%	1.11%	
Percentage Spread	9.83%					

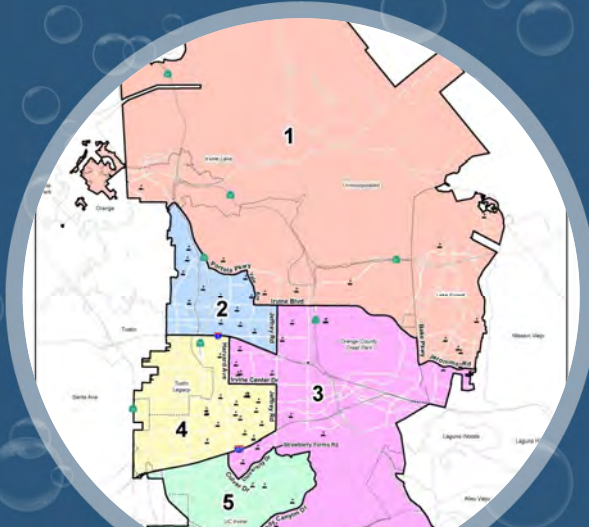

**Irvine Ranch Water District Redistricting 2022
Plan 2**

Table 2. Share of Division Populations

	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	18.1%	9.6%	9.8%	14.8%	16.6%
Non-Hispanic White	44.2%	29.4%	40.3%	35.9%	45.9%
Non-Hispanic Black or African-American	1.4%	1.8%	1.7%	2.1%	2.7%
Non-Hispanic American Indian or Alaska Native	0.2%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Asian	30.1%	53.7%	41.4%	40.7%	28.1%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.1%	0.1%	0.1%	0.2%	0.1%
Non-Hispanic Some Other Race	0.5%	0.4%	0.7%	0.6%	0.5%
Non-Hispanic Two or More Races	5.5%	5.0%	5.8%	5.5%	6.0%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	16.6%	9.2%	9.3%	13.7%	16.9%
Non-Hispanic White	47.6%	31.8%	43.1%	38.1%	46.1%
Non-Hispanic Black or African-American	1.4%	1.8%	1.7%	2.1%	2.9%
Non-Hispanic American Indian or Alaska Native	0.2%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Asian	29.5%	53.0%	40.4%	41.0%	28.2%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.1%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Some Other Race	0.4%	0.4%	0.6%	0.6%	0.5%
Non-Hispanic Two or More Races	4.0%	3.6%	4.7%	4.3%	5.3%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	13.9%	8.5%	9.5%	13.5%	14.6%
Non-Hispanic White	60.4%	42.0%	56.7%	48.2%	57.7%
Non-Hispanic Black or African-American	2.2%	1.7%	1.0%	2.1%	2.0%
Non-Hispanic American Indian or Alaska Native	0.2%	0.1%	0.3%	0.0%	0.2%
Non-Hispanic Asian	20.8%	44.7%	29.1%	32.1%	22.6%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.0%	0.2%	0.0%	0.3%	0.0%
Non-Hispanic Two or More Races	2.5%	2.8%	3.4%	3.8%	2.8%

Notes: Percent shares calculated using unrounded numbers, but table displays only to tenths; therefore, percents displayed may not sum to 100%.
CVAP percentages are calculated from sum of individual categories, not Total Estimated CVAP.

EXHIBIT "B"



REDISTRICTING PUBLIC HEARING #2:



REDISTRICTING MAP PROPOSALS

JANUARY 24, 2022

1

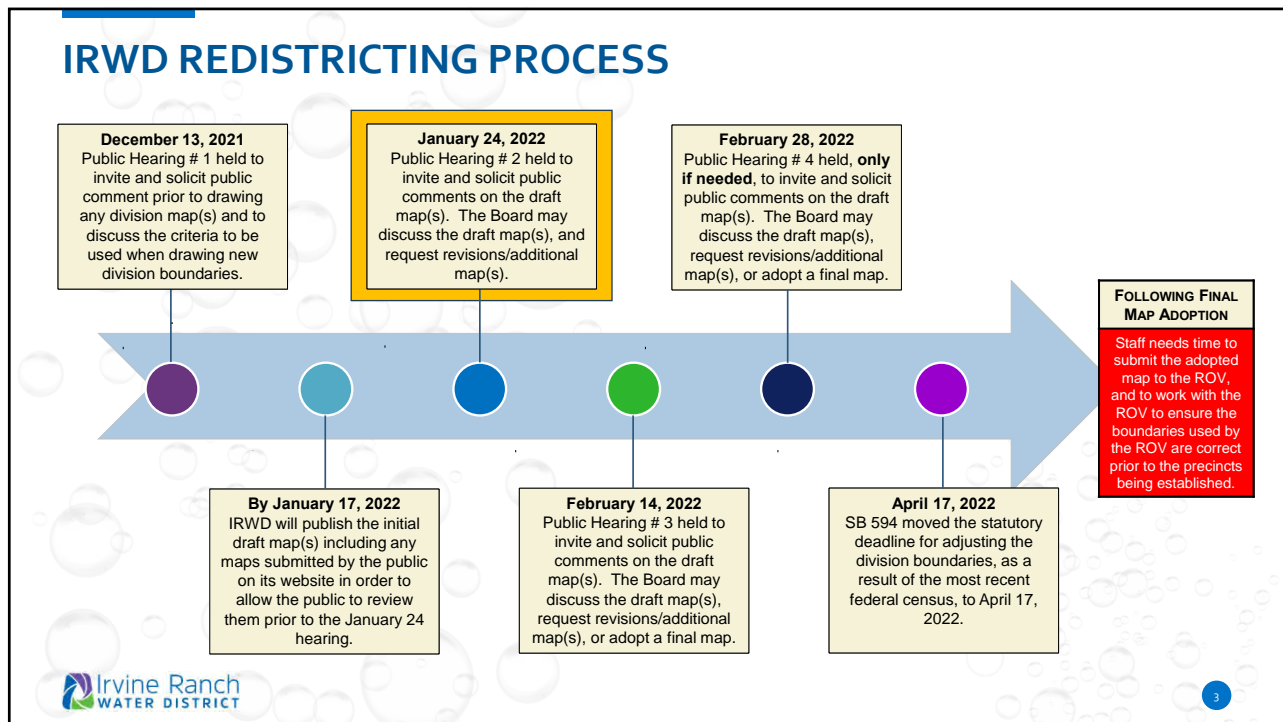
AGENDA

- Review of Redistricting Process & Timeline
- Review of Existing Conditions
- Redistricting Criteria
- Draft Map Plans
- Discussion & Next Steps



2

2



3

PUBLIC COMMENT & MAP SUBMISSION PERIOD

- IRWD held a public comment period from December 2, 2021, to January 6, 2022
- The purpose to the comment period was to invite:
 - Additional comments on the composition of possible divisions; and
 - Submission of conceptual maps for consideration as the potential division area maps are drawn
- No comments or maps were received

4



5

REDISTRICTING DATA & EXISTING CONDITIONS

Redistricting Data:

- 2020 Census Public Law 94-171 Redistricting Data
- Citizen Voting Age Population from American Community Survey 2015-2019 5-Year Estimates
- IRWD 2020 Population: 447,168
- Target Division Population = 89,434

Complied population data for IRWD's service area is available at:
www.irwd.com/about-us/district-election-process

Irvine Ranch Water District

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REQUIRED AND PERMISSIBLE REDISTRICTING CRITERIA

- Equal population between divisions
 - ✓ Viable plans must have a spread of under 10%
- Must meet the Federal Voting Rights Act
- Consideration may be given to the following factors:
 - ✓ Topography
 - ✓ Geography
 - ✓ Cohesiveness, contiguity, integrity, and compactness of territory
 - ✓ Communities of interest



7

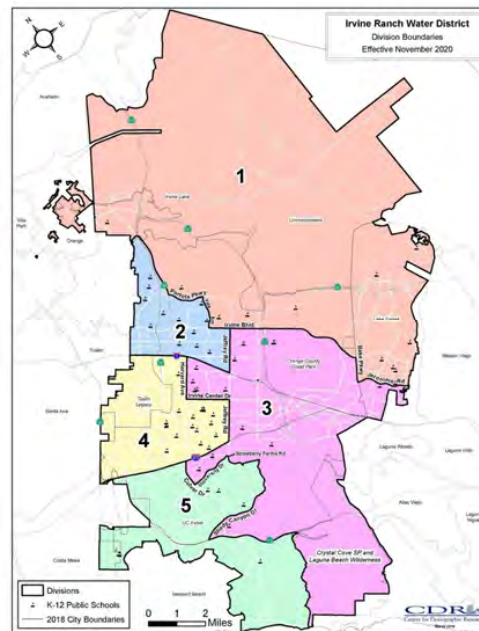
7

DIFFERENCES WITH TARGET DIVISION POPULATION

Division #	Current Population		Target Population	Difference	
	Population	% of Target		Population	% of Target
4	43,671	66.64%	109,202	19,768	22.10%
5	82	0.12%	67,103	-22,331	-24.97%
6	38,356	57.94%	104,558	15,124	16.91%
7	10,732	15.51%	79,927	-9,507	-10.63%
8	17,176	24.82%	86,378	-3,056	-3.42%

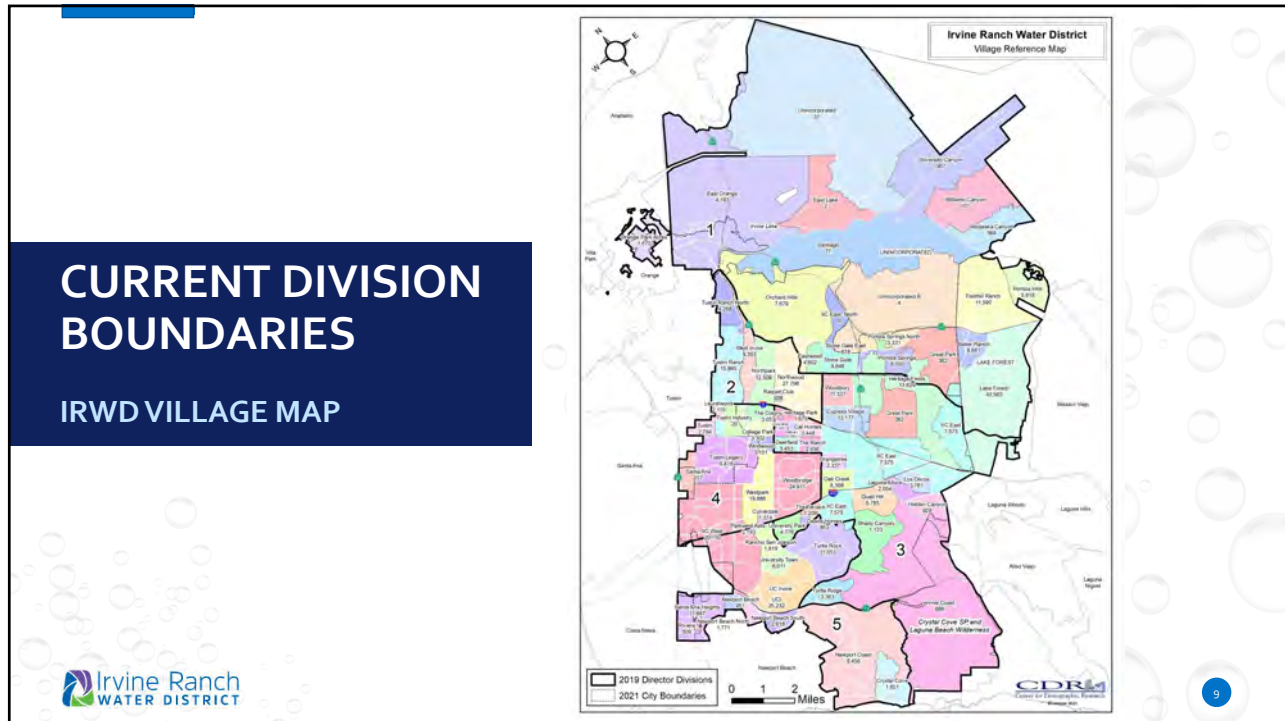
Target Division Population= 89,434

Percent Spread: 47.1%

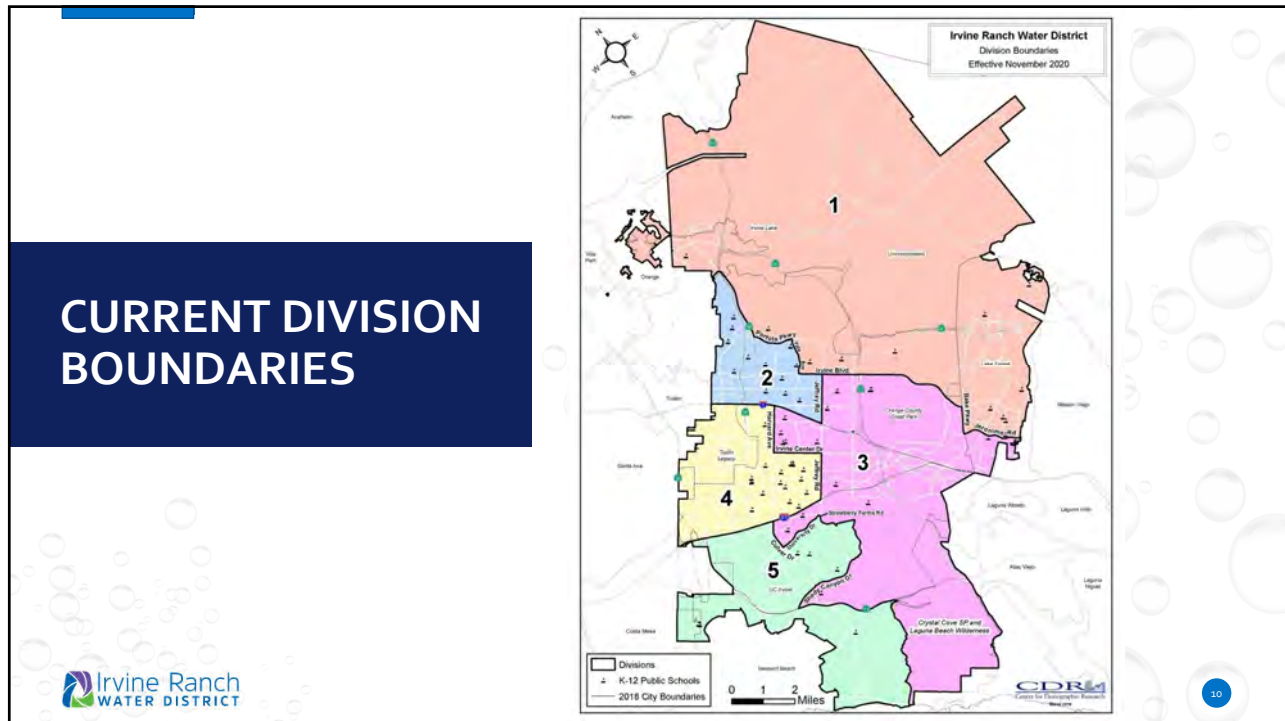


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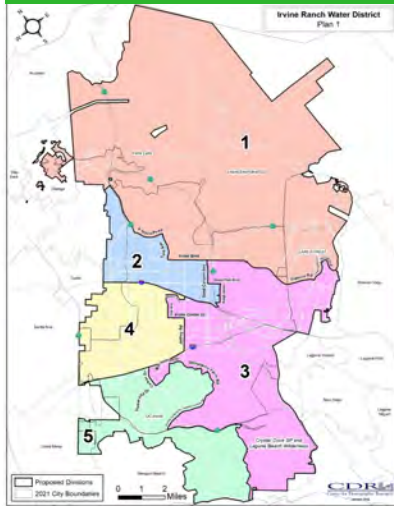
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10

DRAFT MAPS

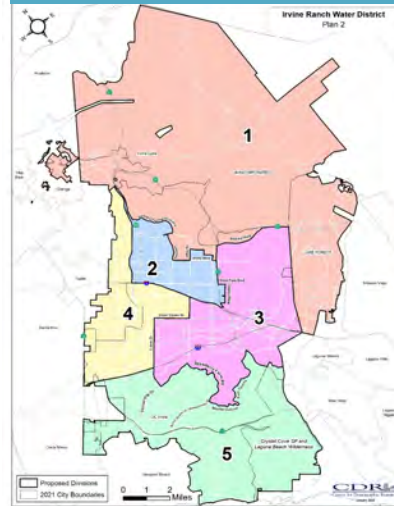
PLAN 1



11

11

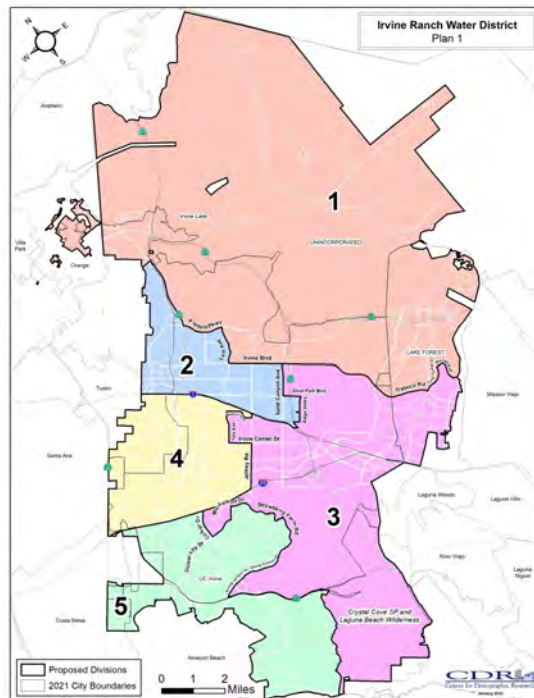
PLAN 2



PLAN 1

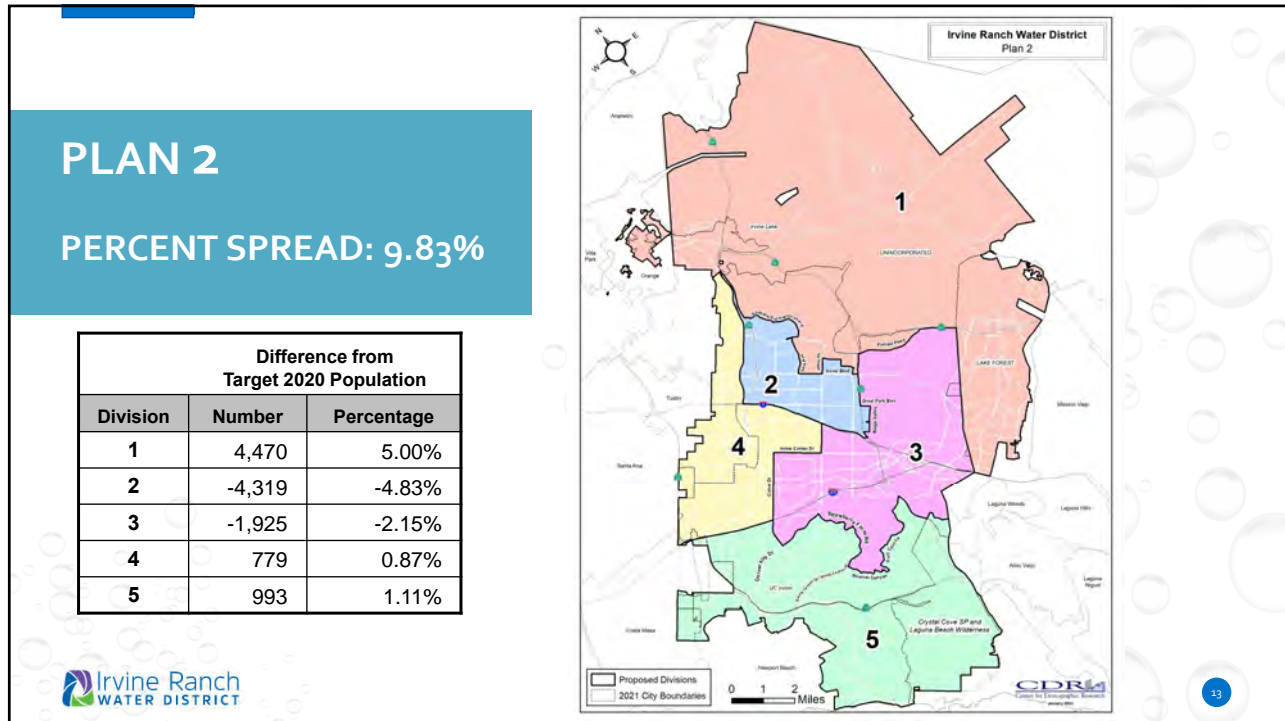
PERCENT SPREAD: 3.98%

Difference from Target 2020 Population		
Division	Number	Percentage
1	916	1.02%
2	2,177	2.43%
3	-1,365	-1.53%
4	-347	-0.39%
5	-1,383	-1.55%

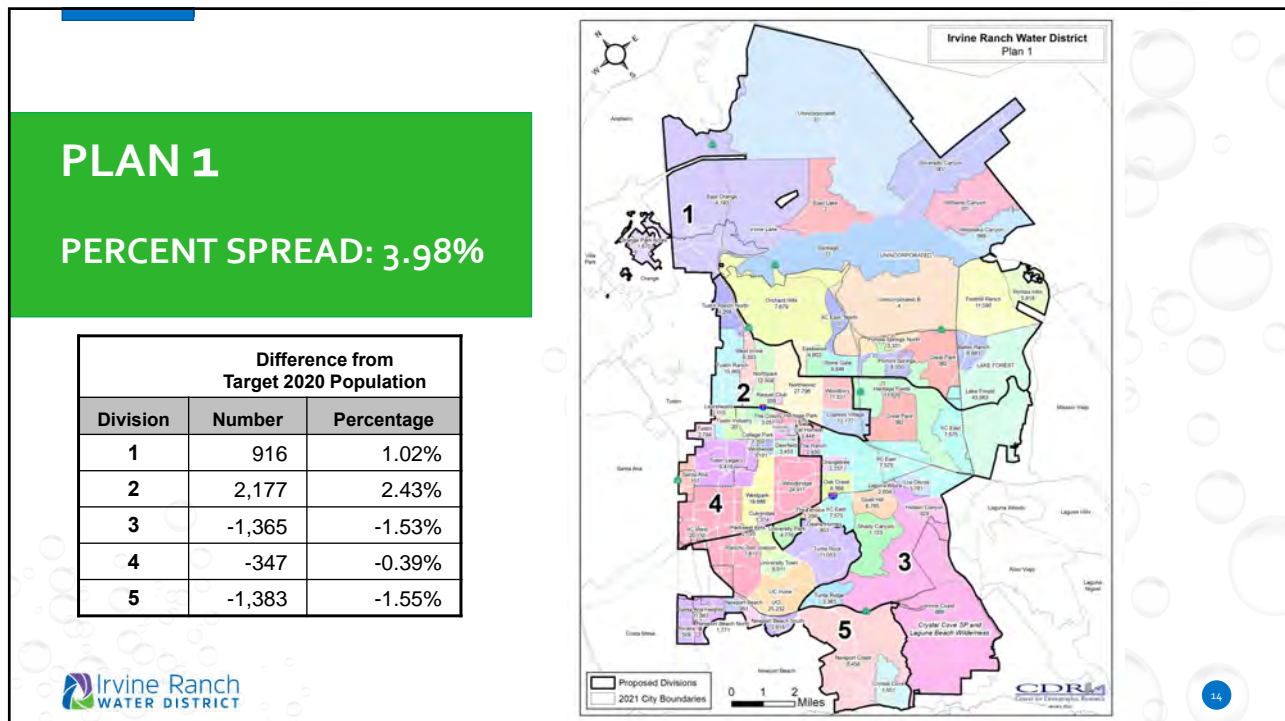


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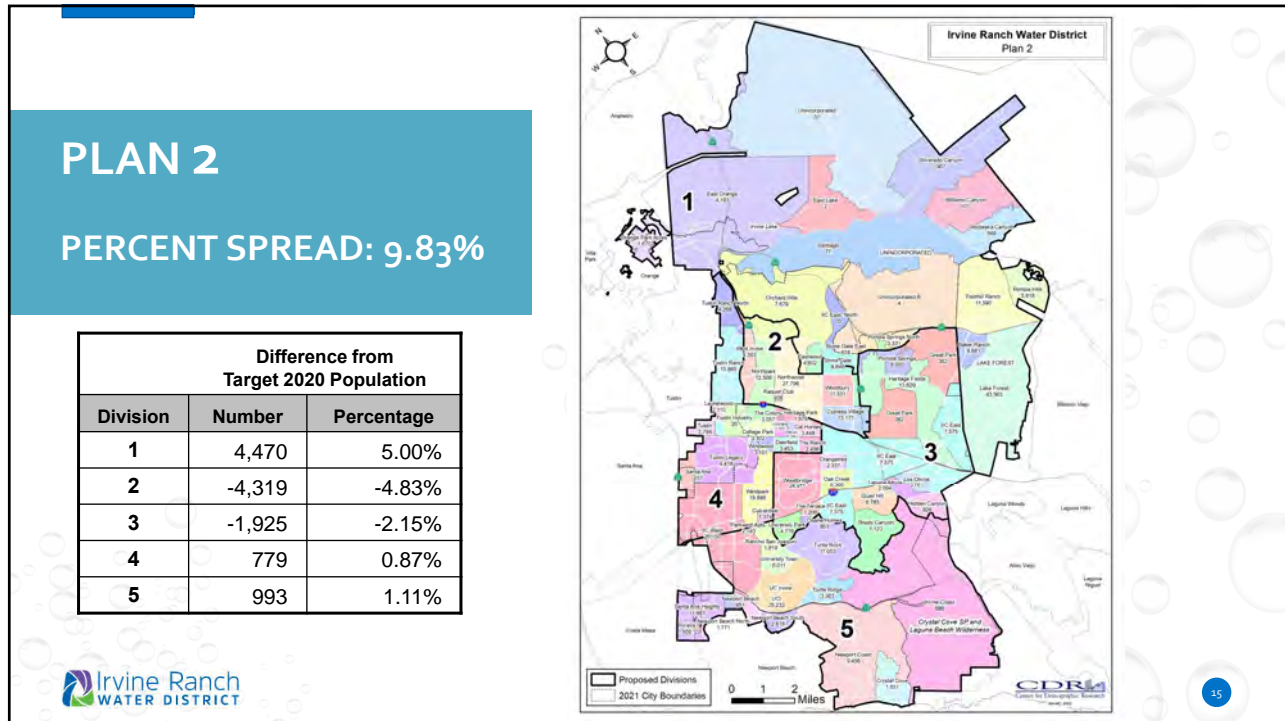
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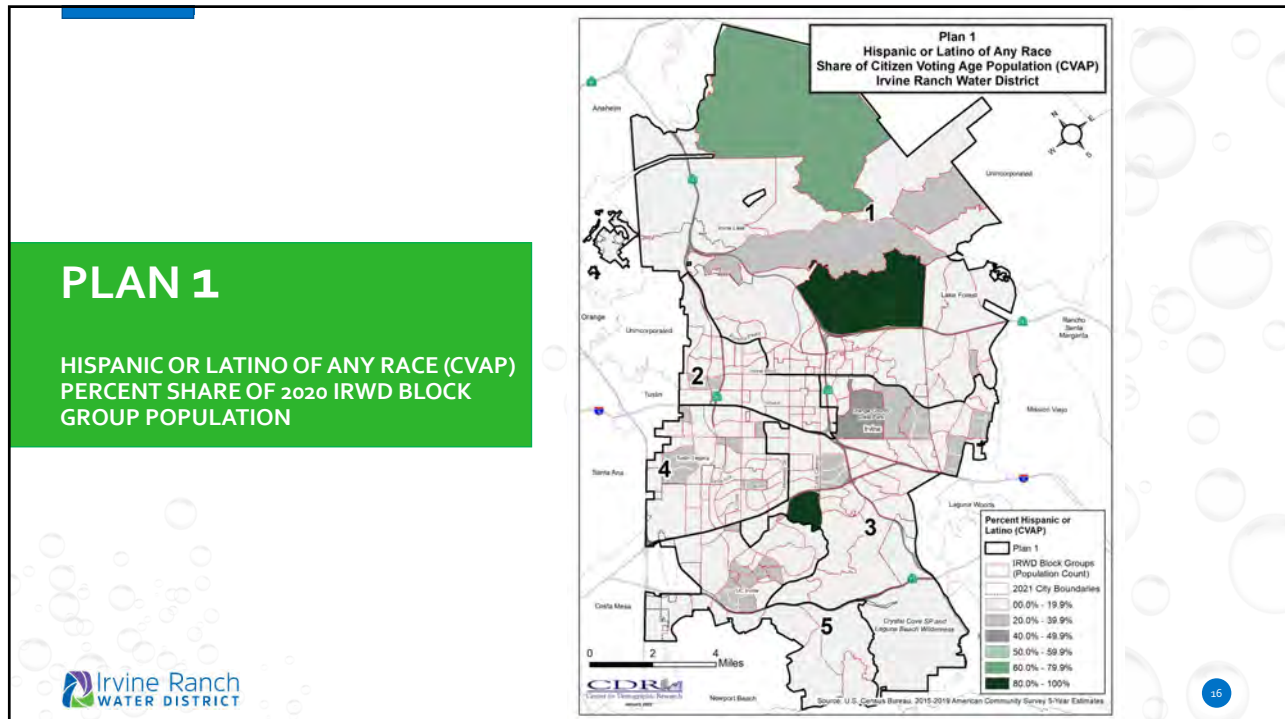
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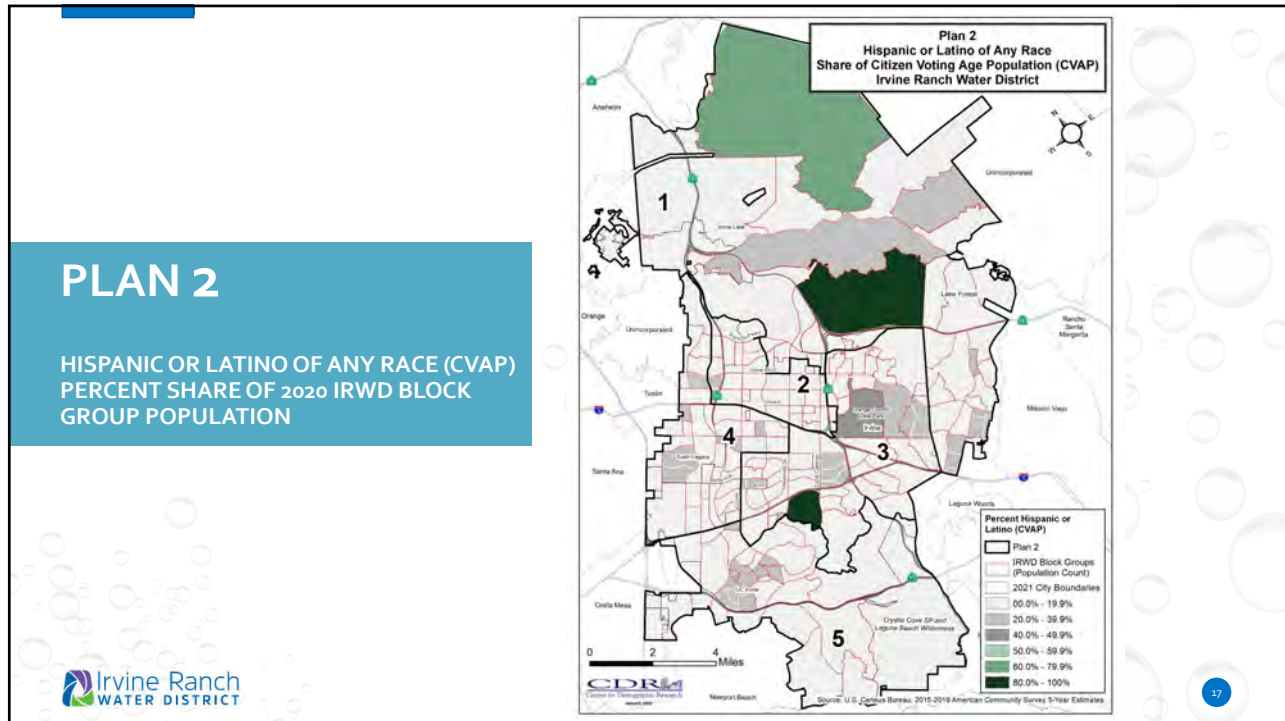
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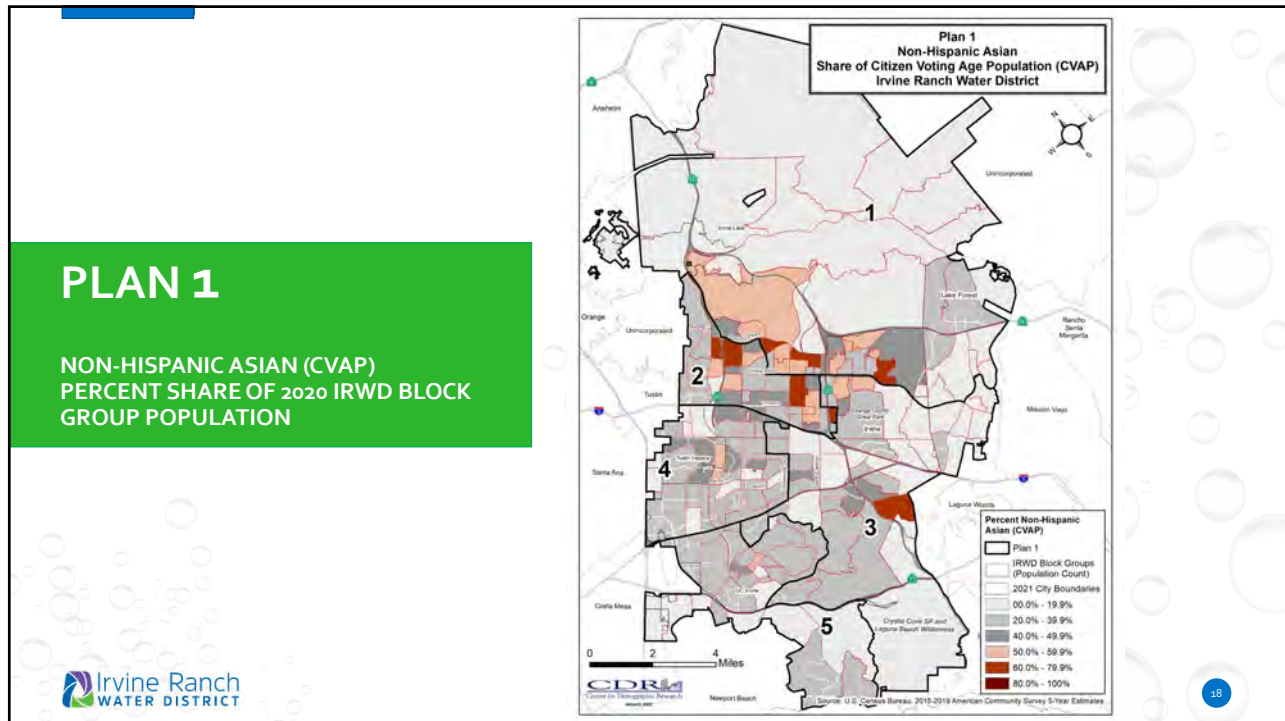
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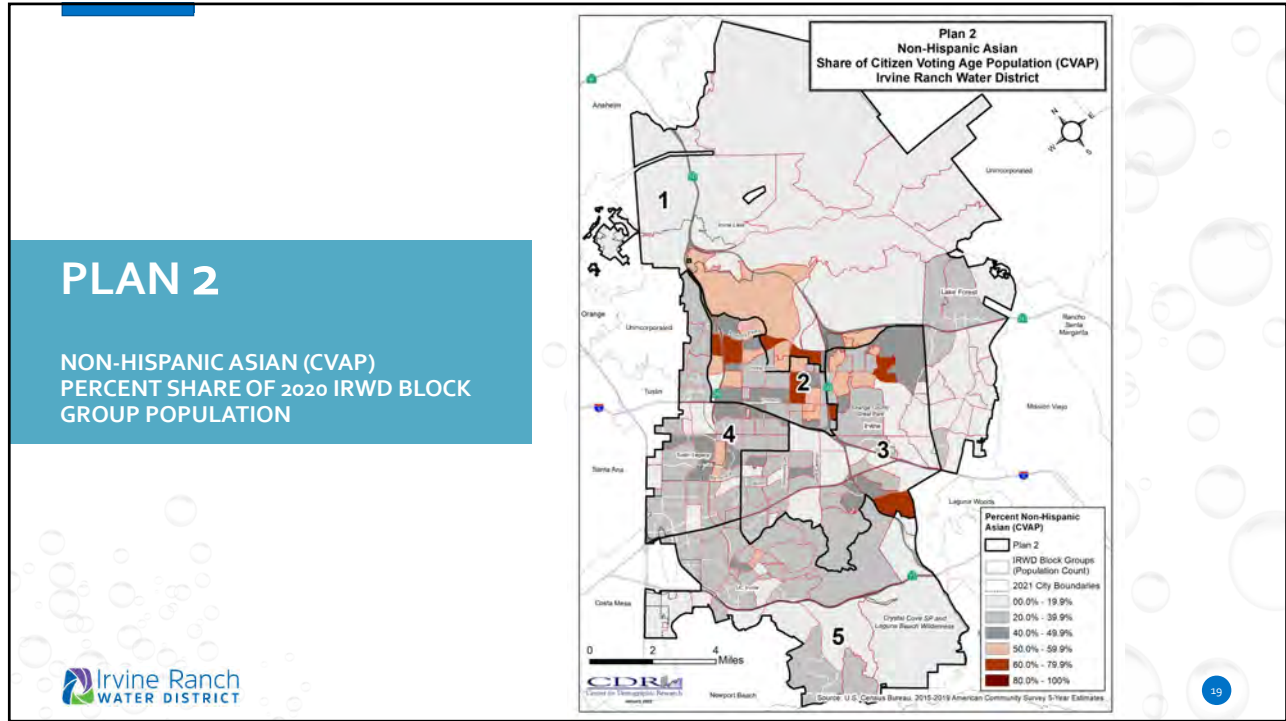
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18



19

PLAN 1: CITIZEN VOTING AGE POPULATION (CVAP)

Proposed Division	Total Population	Hispanic or Latino of any Race	Non-Hispanic White	Non-Hispanic Black or African-American	Non-Hispanic American Indian or Alaska Native	Non-Hispanic Asian	Non-Hispanic Native Hawaiian or Other Pacific Islander	Non-Hispanic Two or More Races
1	100.0%	11.0%	55.0%	2.5%	0.4%	28.2%	0.1%	2.9%
2	100.0%	10.2%	43.8%	1.7%	0.0%	41.4%	0.1%	2.7%
3	100.0%	12.3%	58.3%	1.2%	0.2%	24.8%	0.0%	3.1%
4	100.0%	12.6%	52.0%	1.8%	0.2%	29.3%	0.3%	3.7%
5	100.0%	14.8%	57.8%	2.0%	0.2%	22.3%	0.0%	2.8%
IRWD TOTAL	100.0%	12.3%	53.4%	1.8%	0.2%	29.1%	0.1%	3.1%

Source: Statewide Database 2015-2019 Citizen Voting Age Population on 2020 Census Blocks, Revised 9/27/2021

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PLAN 2: CITIZEN VOTING AGE POPULATION (CVAP)

Proposed Division	Total Population	Hispanic or Latino of any Race	Non-Hispanic White	Non-Hispanic Black or African-American	Non-Hispanic American Indian or Alaska Native	Non-Hispanic Asian	Non-Hispanic Native Hawaiian or Other Pacific Islander	Non-Hispanic Two or More Races
1	100.0%	13.9%	60.4%	2.2%	0.2%	20.8%	0.0%	2.5%
2	100.0%	8.5%	42.0%	1.7%	0.1%	44.7%	0.2%	2.8%
3	100.0%	9.5%	56.7%	1.0%	0.3%	29.1%	0.0%	3.4%
4	100.0%	13.5%	48.2%	2.1%	0.0%	32.1%	0.3%	3.8%
5	100.0%	14.6%	57.7%	2.0%	0.2%	22.6%	0.0%	2.8%
IRWD TOTAL	100.0%	12.3%	53.4%	1.8%	0.2%	29.1%	0.1%	3.1%

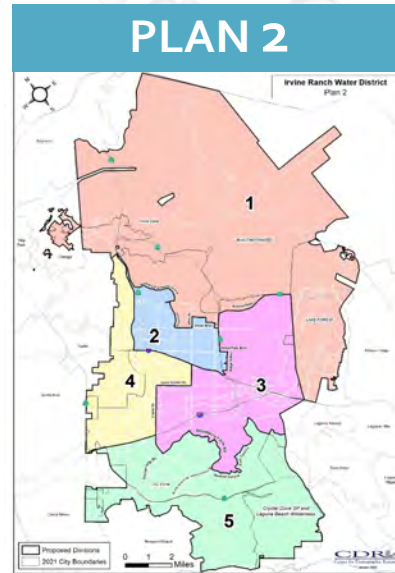
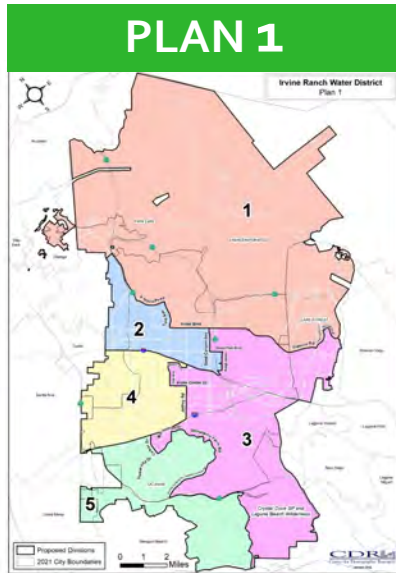


Source: Statewide Database 2015-2019 Citizen Voting Age Population on 2020 Census Blocks, Revised 9/27/2021

21

21

DRAFT MAPS

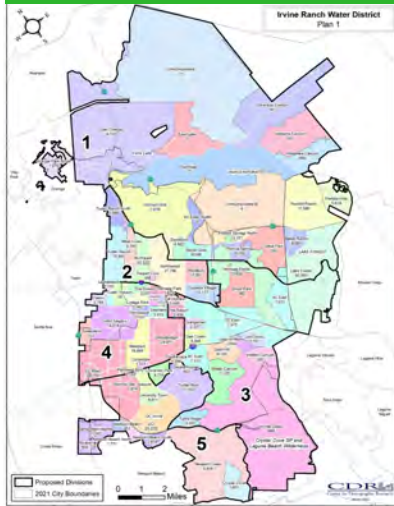


22

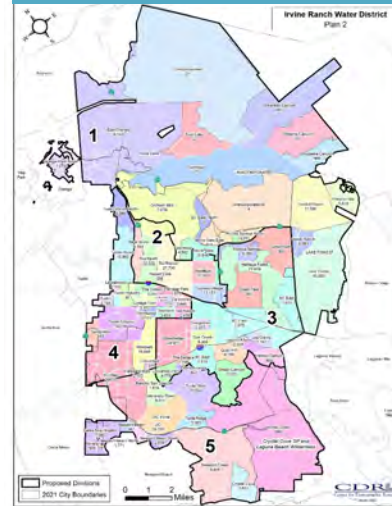
22

DRAFT MAPS WITH IRWD VILLAGE REFERENCE MAP

PLAN 1



PLAN 2



23

NEXT STEPS

- Comments can be provided at meetings or to comments@irwd.com
- Public Hearing #3 will be held on February 14 to receive public comment on the draft map(s) and the Board may adopt a final map following the close of that public hearing
- Revised or additional draft maps will be drawn if needed



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QUESTIONS & PUBLIC COMMENTS

www.irwd.com/about-us/district-election-process

Irvine Ranch
WATER DISTRICT

25

25

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January 24, 2022
Prepared and
submitted by: L. Bonkowski
Approved by: Paul A. Cook *P.A.C.*

CONSENT CALENDAR

BOARD MEETING MINUTES

SUMMARY:

Provided are the minutes of the December 13, 2021, Regular Board meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE DECEMBER 13, 2021 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – December 13, 2021 Minutes

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EXHIBIT “A”

MINUTES OF REGULAR MEETING –DECEMBER 13, 2021

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 December 13, 2021, in person at the District’s headquarters located at 15600 Sand Canyon Avenue, Irvine, California. The meeting was also broadcast via Webex as a convenience to the public.

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

Directors Absent: None.

Written and Oral Communications: None.

Also Present: General Manager Cook, Executive Director of Technical Services Burton, Executive Director of Operations Chambers, Executive Director of Finance and Administration Clary, Executive Director of Water Policy Weghorst, Director of Treasury and Risk Management Jacobson, Director of Recycling Operations Zepeda, Director of Water Resources Sanchez, Director of Human Resources Mitcham, Director of Water Quality and Regulatory Compliance Colston, Director of Strategic Communications and Advocacy/Deputy General Counsel Compton, Secretary Bonkowski, Assistant Secretary Swan, General Counsel Collins, Special Legal Counsel DeMayo, Consultant Ms. Deborah Diep, Consultant Newell, and others.

PUBLIC HEARING

2021 REDISTRICTING CRITERIA AND THE COMPOSITION OF REDISTRICTED DIVISIONS

General Manager Cook reported that every 10 years, local governments with by-division elections must redistrict and redraw their division boundaries using the new census data to reflect how local populations have changed, and to ensure that the divisions are, as far as practicable, equal in population. Mr. Cook said that the public hearing is being held before the drawing of a draft map or maps of proposed division boundaries.

President Reinhart declared the Board meeting of December 13, 2021, to be the time and place for a hearing on redistricting the Irvine Ranch Water District Board of Directors Division Boundaries, and to receive public comments on the criteria for and the composition of the redistricted divisions. He asked the Board Secretary to announce how the hearing was noticed.

Secretary Bonkowski said that the public hearing was noticed by publication in the *Orange County Register* on November 28, 2021, and December 5, 2021; by publication in Spanish in the *Excelsior Unidos* on November 26, 2021, and December 3, 2021; by publication in Korean in the *Korea Times* on November 26, 2021, and December 3, 2021; by publication in Traditional Chinese in the *World Journal* on November 28, 2021, and December 5, 2021; by publication in Farsi in *Haftah Bazaar* on November 26, 2021, and December 3, 2021; by electronic posting in English, Farsi, Korean, Traditional Chinese, and Spanish on the IRWD website, which can be translated into approximately 20 languages; and by physical posting at IRWD’s headquarters. She presented the affidavits of posting and proof of publication to the Board related to the hearing. On MOTION by Swan, seconded by LaMar and unanimously carried, THE BOARD RECEIVED AND FILED THE AFFIDAVIT OF POSTING AND PROOF OF PUBLICATION.

PUBLIC HEARING (CONTINUED)

President Reinhart asked staff to describe the nature of the proceedings. Director of Strategic Communications and Advocacy/Deputy General Counsel Compton described the proceedings noting that both Legal Counsel DeMayo and Consultant Diep will be assisting with this process.

Using a PowerPoint presentation, Ms. Compton reviewed the timeline for the process noting that draft maps will be published by January 17, a second public hearing will be held on January 24 to receive public comment on the draft maps, and a third public hearing will be held on February 14 to receive public comment and the Board may adopt a final map following the close of that public hearing. She further said that SB 594 moved the statutory deadline for adjusting the division boundaries as a result of the most recent federal census to April 17, 2022. Consultant Diep then reviewed the data and information used in redistricting and summarized the existing director divisions. She said that the goal is for equal population of the current 447,168 with a target division equaling 89,434 for each division. Special legal counsel DeMayo reviewed the required and permissible redistricting criteria, examples of other factors that may be considered, and proposed criteria to be used when drawing proposed division boundaries. Ms. Diep reviewed how the public can submit conceptual maps and comments which are to be submitted no later than January 6, 2022. Ms. Compton then reviewed the next steps.

Following comments by the Board, on MOTION by Withers, seconded by LaMar, and unanimously carried, THE BOARD RECEIVED AND FILED STAFF'S PRESENTATION.

CONSENT CALENDAR

On MOTION by Withers, seconded by McLaughlin and unanimously carried, CONSENT CALENDAR ITEMS 5 THROUGH 14 WERE APPROVED AS FOLLOWS:

5. BOARD MEETING MINUTES

Recommendation: That the minutes of the November 22, 2021, 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 Douglas Reinhart, Peer Swan, and John Withers, as described.

7. NOVEMBER 2021 TREASURY REPORT

Recommendation: That the Board receive and file the Treasurer's Investment Summary report, the Summary of Fixed and Variable Rate Debt, and Disclosure Report of reimbursements to Board members and staff, approve the November 2021 summary of Payroll ACH payments in the total amount of \$2,412,671, and approve the November 2021 accounts payable disbursement summary of Warrants 422575 through 423099, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$13,267,002.

CONSENT CALENDAR (CONTINUED)

8. IRWD INVESTMENT POLICY FOR 2022

Recommendation: That the Board adopt the following resolution approving an investment policy and authorizing the Treasurer and Assistant Treasurers to invest and reinvest funds of the District of each of its Improvement Districts and to sell and exchange securities.

RESOLUTION NO. 2021-25

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
IRVINE RANCH WATER DISTRICT APPROVING AN INVESTMENT
POLICY AND AUTHORIZING THE TREASURER AND ASSISTANT
TREASURERS TO INVEST AND REINVEST FUNDS OF THE
DISTRICT AND OF EACH OF ITS IMPROVEMENT DISTRICTS
AND TO SELL AND EXCHANGE SECURITIES

9. AMENDMENT AND RESTATEMENT OF THE 401(A) PURCHASE PENSION PLAN

Recommendation: That the Board approve amending the District's 401(a) Money Purchase Plan to include the required language related to the additional contribution type of mandatory excess accrual contributions.

10. REVISED PERSONNEL POLICY UPDATE

Recommendation: That the Board adopt the following resolution superseding Resolution No. 2021-2 and establish Revised Personnel Policies and Procedures.

RESOLUTION NO. 2021-26

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
SUPERSEDING RESOLUTION NO. 2021-2 AND
ESTABLISHING REVISED PERSONNEL POLICIES
AND PROCEDURES

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

Recommendation: That the Board adopt the following resolution rescinding Resolution No. 2021-21 and adopting a revised Schedule of Positions and Salary Rate Ranges.

RESOLUTION NO. 2021 -27

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE IRVINE RANCH WATER DISTRICT RESCINDING
RESOLUTION NO. 2021-21 AND ADOPTING A REVISED
SCHEDULE OF POSITIONS AND SALARY RATE RANGES

CONSENT CALENDAR (CONTINUED)

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

Recommendation: That the Board authorize a budget increase in the amount of \$900,000, from \$265,542,100 to \$266,442,100, accept construction of the Biosolids and Energy Recovery Facilities, authorize the General Manager to file a Notice of Completion, and authorize the payment of the retention 35 days after the date of recording the Notice of Completion for Project 04286.

13. ADDENDUM NO. 2 TO INITIAL STUDY / MITIGATED NEGATIVE DECLARATION FOR DOMESTIC WATER RESERVOIRS PROJECT

Recommendation: That the Board approve the proposed Addendum No. 2 to the Final Initial Study/Mitigated Negative Declaration for the reservoir management system, chlorine analyzers and reservoir mixers/samplers at domestic water reservoirs project, including the determinations set forth in Addendum No. 2; approve the modifications to the project; and authorize staff to file a Notice of Determination.

14. 2022 GENERAL COUNSEL CONTRACT

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with Hanson Bridgett LLP for General Counsel Legal Services focused on municipal law, transactional and non-complex issues, and rate-setting with a term of January 1, 2022, to December 31, 2022, and a not-to-exceed value of \$1,050,000.

ACTION CALENDAR

PFAS TREATMENT UPDATE AND SHALLOW GROUNDWATER UNIT PFAS TREATMENT SYSTEM CONSULTANT SELECTION

Executive Director of Technical Services Burton reported that per-and polyfluoroalkyl substance (PFAS) compounds have emerged as “contaminants of concern” primarily due to human health impacts. Mr. Burton said that design of treatment systems to remove PFAS compounds from IRWD’s Orange Park Acres Well No. 1 (OPA-1) and the Department of the Navy’s Well ET-1 are nearing completion. IRWD also plans to design and construct a PFAS treatment facility for groundwater produced from the Department of the Navy’s extraction wells that currently discharges to IRWD’s Shallow Groundwater Unit (SGU) treatment facility.

Mr. Burton said that staff requested a proposal from Tetra Tech for engineering design services for the proposed treatment system at the SGU which includes a scope for removal of the existing treatment system and design of the proposed treatment system and other ancillary improvements to existing infrastructure that are needed to support the proposed treatment system. Staff confirmed that the insurance carrier does not require multiple proposals and that IRWD can select a design engineer of its choice.

On MOTION by Withers, seconded by McLaughlin and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH TETRA TECH IN THE AMOUNT OF \$348,000 FOR ENGINEERING DESIGN SERVICES FOR THE SGU PFAS TREATMENT SYSTEM, PROJECT 11834.

FY 2020-21 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Executive Director of Finance and Administration Clary reported that IRWD's auditor Davis Farr LLP has completed its annual audit of the District's financial statements for the Fiscal Year (FY) ended June 30, 2021, and concluded that in all material aspects, the statements fairly present the District's financial position as of June 30, 2021, and conforms with generally accepted accounting principles.

Director Swan said that this item was reviewed by the Finance and Personnel Committee on November 2, 2021, and complimented staff on their efforts. On MOTION by Swan, seconded by LaMar and unanimously carried, THE BOARD APPROVED THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021.

ANNUAL BOARD OF DIRECTORS' FEES

General Manager Cook reported that the Finance and Personnel Committee annually reviews the Board of Directors' compensation and recommends to the Board to either accept, decline, or defer an increase in the per diem fee for the new calendar year. Pursuant to the District's Ordinance No. 1989-1 and enacted under Section 20202 et seq. of the California Water Code, the Board's meeting compensation increases on January 1 of each year, not exceed an amount equal to five (5%) percent, and no per diem compensation for more than 10 days in a calendar month.

Director Swan said that this item was reviewed by the Finance and Personnel Committee on December 7, 2021, and that the Committee recommended accepting the 5% increase. Director LaMar said that by accepting the increase, it is comparable with OCWD's per diem director fee and this makes sense to adjust the fee at this time. Director Reinhart said that he did not agree with an increase at this time and would be voting no. There being no further comments, on MOTION by Swan, seconded by LaMar and carried, Swan, LaMar, Withers, McLaughlin voting aye, and Reinhart voting no (4-1 vote), THE BOARD ACCEPTED THE FIVE PERCENT (5%) COMPENSATION INCREASE FOR CALENDAR YEAR 2022, RESULTING IN MEETING FEES OF \$315 PER MEETING.

ELECTION OF OFFICERS FOR 2022

General Manager Cook reported that the Bylaws of the District provide that the President and Vice President shall be elected by the Board from among its members with the term of office for one year, or until the election and qualification of their successors. Mr. Cook, acting as temporary Chairman conducted the election for President. Director Withers asked to nominate a slate with Director LaMar as President and Director McLaughlin as Vice President. No other nominations were made. On MOTION by Withers, seconded by Reinhart, DIRECTOR LAMAR WAS ELECTED PRESIDENT AND DIRECTOR MCLAUGHLIN WAS ELECTED VICE PRESIDENT. President LaMar thanked Director Reinhart for his efforts in serving as President during 2021.

GENERAL MANAGER'S REPORT

General Manager Cook reported that there have not been any recent COVID-19 cases and that all employees are now back to work in the office.

Mr. Cook reported that the Governor declared today that this Wednesday masking will be required in all public places until January 15, 2022.

COMMUNITY UPDATE

Mr. Cook said that Consultant Newell attended tonight's Board meeting, but because of the upcoming rain events, he had to leave earlier due to activities in the canyons.

DIRECTORS' COMMENTS

Director Reinhart reported on his attendance at a South Orange County Agencies Group meeting, a Groundwater Banking Joint Powers Authority Special Board meeting, two days at an ACWA Fall conference, an OCWD Administrative Finance Issues Committee meeting, a SOCWA Board meeting, and a WACO meeting.

Director Withers reported on his attendance on the meetings listed including an ACWA Fall conference, an ISDOC Executive Committee meeting, a Santiago Aqueduct Commission meeting, a WACO meeting, and an OCWD Board meeting.

Director Swan reported on his attendance at a Groundwater Banking Joint Powers Authority Special Board meeting, an ACWA JPIA fall meeting, an ACWA conference, a Newport Beach Chamber meeting, an OCWD Government Affairs meeting, a CASA planning meeting, and a WACO meeting.

Director McLaughlin reported on her attendance at the ACWA conference and a South Orange County Watershed Executive Committee meeting.

Director LaMar reported on his attendance at the ACWA conference and a WACO meeting.

CLOSED SESSION

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

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(d)(1): *IRWD v. OCWD, et al.*, Case No. 30-2016-00858584-CU-WM-CJC.

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors McLaughlin, Swan, Reinhart, LaMar and Withers present. No action was reported.

ADJOURNMENT

There being no further business, President LaMar adjourned the meeting at 6:59 p.m.

APPROVED and SIGNED this 24th day of January 2022.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, General Counsel
Hanson Bridgett LLP

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January 24, 2022
Prepared and
submitted by: K. Swan
Approved by: Paul A. Cook



CONSENT CALENDAR

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

SUMMARY:

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

Steven LaMar

December 8, 2021 Southern California Edison PSPS Advisory Committee Meeting via teleconference
February 10, 2022 2022 OCBC Annual Dinner & Installation of Board of Directors, Anaheim

Douglas Reinhart

December 8, 2021 Meeting with Legal Counsel and District staff regarding OCWD Litigation matters via teleconference
December 16, 2021 Meeting with SOCWA Management Consultant via teleconference
December 22, 2021 CEQA Meeting with District Staff and Legal Counsel via teleconference
January 21, 2022 Southern California Water Coalition Quarterly Meeting & Luncheon, Newport Beach

Peer Swan

December 3, 2021 Orange County Business Council's Advocacy and Government Affairs Committee Meeting
December 14, 2021 Newport Beach Chamber of Commerce 2021 Mayor's Reception & Chamber Member Awards
December 14, 2021 Orange County Business Council's Infrastructure Committee Meeting
December 21, 2021 City of Lake Forest 30th Anniversary of Incorporation
January 21, 2022 Southern California Water Coalition Quarterly Meeting & Luncheon, Newport Beach
February 27 – March 2 California Association of Sanitation Agencies' 2022 Washington, D.C. Forum

John Withers

January 21, 2022 Southern California Water Coalition Quarterly Meeting & Luncheon, Newport Beach

RECOMMENDATION:

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

LIST OF EXHIBITS:

None.

January 24, 2022
Prepared and
submitted by: C. Compton
Approved by: Paul A. Cook



CONSENT CALENDAR

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

SUMMARY:

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

- Receive and file the January 10, 2022, Memorandum on Officers of the Board, Committee Appointments and Other Assignments (Memorandum), and
- Approve attendance at meetings and events by Director for the 2022 calendar year.

BACKGROUND:

IRWD Directors serve on various standing committees and ad hoc committees (when such a committee is created by the Board President), and also serve the District in various other assignments. President LaMar has reviewed and updated the Committee appointments and other District assignments for 2022; the updated Memorandum is provided as Exhibit "A". The changes from appointments and assignments memorandum for 2022 are highlighted in red text.

Approval of Attendance at Meetings and Events:

Pursuant to Resolution 2014-38 (Resolution), adopted on August 25, 2014, approval / ratification of attendance at events and meetings for non-IRWD Board or Committee meetings is required by the Board of Directors for certain meetings and events. For those meetings and events falling under Section 2(b) of Article II of Exhibit "A" to the Resolution, approval is requested to authorize attendance of the Board Members assigned as the District's representative/lead, and their alternates, as listed in the Memorandum, at meetings and events of governmental agencies and external organizations during the 2022 calendar year. Also provided in Exhibit "A" is a list of the approved organizations.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

Consent Calendar: Memorandum on Officers of the Board, Committee Appointments and Other Assignments
January 24, 2022
Page 2

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD RECEIVE AND FILE THE MEMORANDUM DATED JANUARY 10, 2022, TITLED OFFICERS OF THE BOARD, COMMITTEE APPOINTMENTS AND OTHER ASSIGNMENTS AND APPROVE ATTENDANCE FOR MEETINGS AND EVENTS FOR THE BOARD'S REPRESENTATION FOR CALENDAR YEAR 2022 AS DELINEATED.

LIST OF EXHIBITS:

Exhibit "A" – Memorandum from President LaMar dated January 10, 2022, titled Officers of the Board, Committee Appointments and Other Assignments

Exhibit "A"

MEMORANDUM – DRAFT

DATE: January 10, 2022
TO: Board of Directors
FROM: Steve LaMar, President
SUBJECT: MEMORANDUM RELATIVE TO OFFICERS OF THE BOARD, COMMITTEE APPOINTMENTS, AND OTHER ASSIGNMENTS

District Board of Directors:

- President Steve LaMar
- Vice President Karen McLaughlin
- Directors Doug Reinhart, Peer Swan, and John Withers

Officers of the District, Staff:

- District Treasurer Rob Jacobson
- Assistant District Treasurer Cheryl Clary, Jennifer Davis
- District Secretary Leslie Bonkowski
- Assistant District Secretaries Kristine Swan, Christine Compton

Standing Committees Appointments:

Committee chair name shown first:

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

Governmental Agencies Representation and Assignments:

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

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

** Need to notify these agencies of any changes

External Organizations Assignments:

- Association of California Cities (ACC) – OC All Board Members
- Association of CA Water Agencies (ACWA) All Board Members
- ACWA/Joint Powers Insurance Authority Swan (District Lead), LaMar (Alternate)
- CalDesal LaMar (District Lead), Reinhart (Alternate)
- CA Association of San. Agencies (CASA) All Board Members
- CA Council for Environmental and Economic Balance CCEEB / WQ Task Force LaMar (District Lead); Compton and Colston (Alternates)
- County of Orange Area Safety Task Force LaMar (District Lead); Prewoznik (Alternate)
- El Toro Restoration Advisory Board McLaughlin (District Lead), Colston (Alt.)
- Independent Special Districts of OC (ISDOC) Withers (District Lead), Reinhart (Alt.), All
- Greater Irvine Chamber of Commerce LaMar (District Lead); McLaughlin (Alternate)
- Kern Fan Groundwater Banking Authority Same as members of IRWD SRP Committee
- Kern Fan GBA Finance Committee (Ad Hoc) Swan and Clary
- Kern Fan GBA Project Committee (Ad Hoc) Reinhart, Cook, and Clary
- National Water Research Institute (NWRI) Withers (District Lead), Reinhart (Alternate)
- Newport Chamber of Commerce Swan (District Lead), Reinhart (Alternate)
- Orange County Business Council (OCBC) LaMar (District Lead),
Withers (Infrastructure Committee)
Compton (Govt. Affairs & Advocacy)
All Board Members
- Orange County Water Association All Board Members
- Public Policy Institute of California Swan (District Lead), LaMar (Alternate)
- South Orange County Economic Coalition McLaughlin (District Lead), Reinhart (Alt.)
- South Orange County Water Agencies Group Reinhart (District Lead), LaMar (Alternate)
- Southern California Water Dialogue Group Swan (District Lead), LaMar (Alternate)
- Southern California Water Coalition LaMar (District Lead), McLaughlin (Alternate)
- Urban Water Institute All Board Members
- WaterReuse Association All Board Members
- Water Advisory Committee of OC (WACO) All Board Members
- Water Education Foundation All Board Members

IRWD-Associated Organizations Officers:

- Bardeen Partners, Inc. Withers, President; Swan, Vice President
LaMar, McLaughlin, & Reinhart as Members
Jacobson, Treasurer
Clary, Assistant Treasurer
L. Bonkowski, Secretary
- IRWD Water Service Corporation Reinhart, President;
Withers, Vice President
LaMar, McLaughlin, & Swan as Members
Jacobson, Treasurer
Clary, Assistant Treasurer
L. Bonkowski, Secretary
- Post-employment Benefits Retirement Trust Board Swan, Chairman; LaMar, Vice Chair
Cook, Member (Alt. Withers)
Jacobson, Treasurer
Clary, Assistant Treasurer
L. Bonkowski, Secretary

IRWD-Supported Organizations Representation:


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

NOTE: The officers and directors of these two groups are selected by the Board of each organization, not IRWD.

Organization / Committee Staff Representation and Support:

- Association of CA Cities – OC (ACC-OC) Cook, Compton
- Association of CA Water Agencies (ACWA) Compton, Collins
- Bioenergy Association of CA Compton (Vice Chair)
- California Assoc. of Sanitation Agencies Chambers, Zepeda, Colston, Compton
- California Municipal Utilities Assoc. (CMUA) Cook (Board Member), Compton
- California Special Districts Assoc. (CSDA) Compton
- California Water Environmental Assoc. Chambers, Zepeda
- National Water Research Institute (NWRI) Colston, Clary (Treasurer)
- Newport Bay Watershed Mgmt. Comm. Tettermer (Representative), Cook (Alternate)
- Orange County Business Council (OCBC) Compton
- Santiago Aqueduct Commission (SAC) Cook (General Manager), Burton (Engineer)
Clary (Treasurer)
- South Orange County Watershed Mgmt. Area Executive Committee Tettermer
- WaterReuse California Cook (Board member), Tettermer, Compton

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January 24, 2022
Prepared by: D. Pardee / C. Smithson
Submitted by: C. Clary
Approved by: Paul A. Cook 

CONSENT CALENDAR

IRWD OPERATIONAL PERFORMANCE MEASURES

SUMMARY:

Provided as Exhibit “A” are the IRWD Operational Performance Measures and informational items for the Board’s review. These measures are intended to reflect the critical performance measures that gauge the District’s key business objectives.

BACKGROUND:

The Operational Performance Measures document summarizes several operational, financial, customer service, and other key measures important to the ongoing operation of the District. These measures were selected and designed to provide a “snapshot” view of the measures that are of interest to the Board.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

RECEIVE AND FILE.

LIST OF EXHIBITS:

Exhibit “A” – Operational Performance Measures as of December 31, 2021

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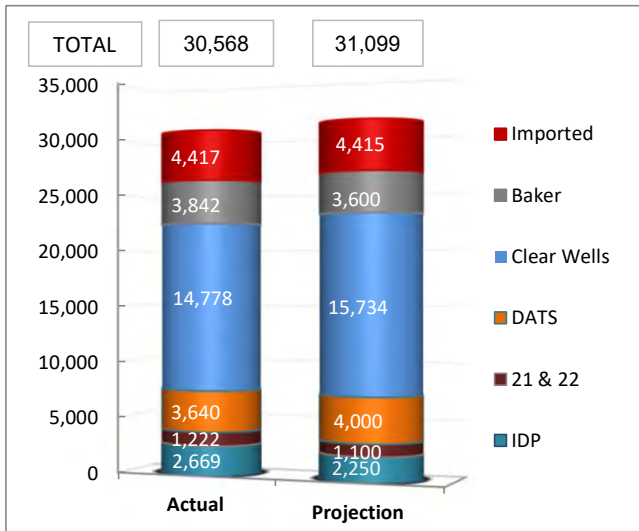
Exhibit "A"

IRVINE RANCH WATER DISTRICT

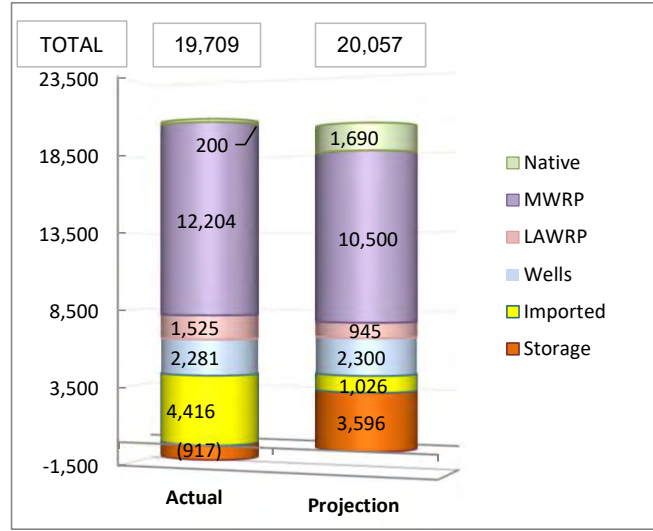
Operational Performance Measures

Data as of December 31, 2021

Potable Water Production FYTD
(AF)



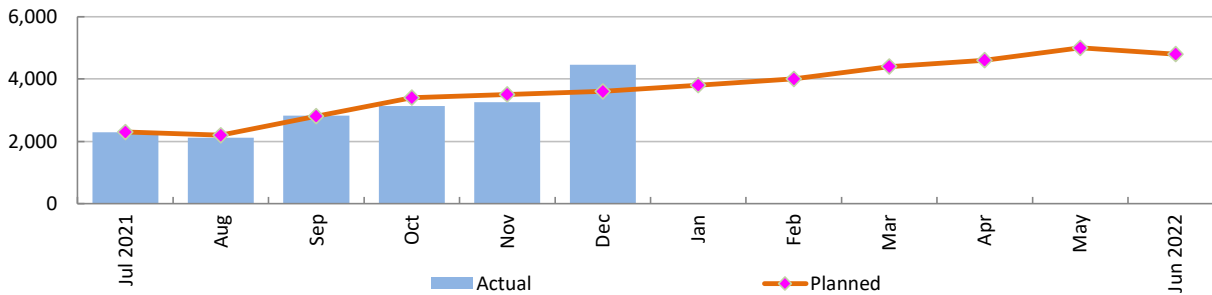
Non-Potable Water Production FYTD
(AF)



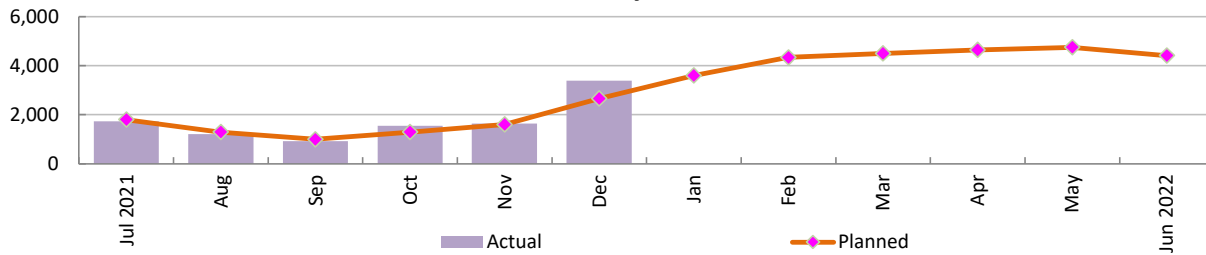
Non-Potable Reservoir Storage

(AF)

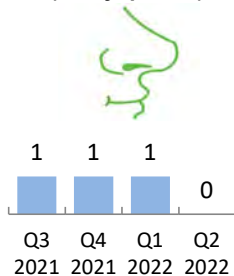
Irvine Lake



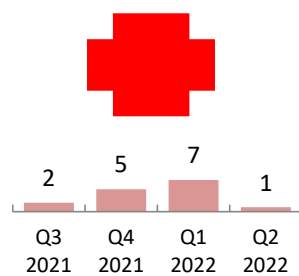
Recycled



Odor Complaints (FY by quarter)



OSHA Recordables Incidents



Regulatory Compliance Incidents

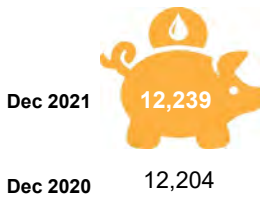
Category	Q3 2021	Q4 2021	Q1 2022	Q2 2022
AQMD	1	3	9	4
Plants	0	1	0	0
Sewer Spills	3	1	0	0

IRVINE RANCH WATER DISTRICT

Other Statistical Information

Data as of December 31, 2021

State Project (AF)

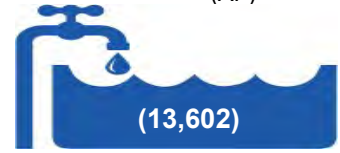


Banked Water

Non-State Project (AF)



Net YTD Water In/(Out) (AF)*



*Calendar Year including extraordinary supply received.

Certificates of Occupancies FYTD

Apartment Condominium Single Family



	Apartment	Condominium	Single Family
FY 2021-22	285	335	115
FY 2020-21	0	330	59

Total Potable Water

FYTD

Q2



	AF	GPCD
FY 2021-22	30,568	73
Three Yr Avg	30,299	72
Change	0.9%	2%

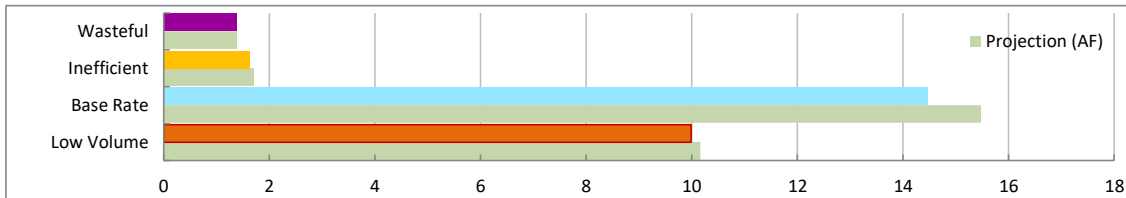
Acre-Feet Per Acre Irrigation



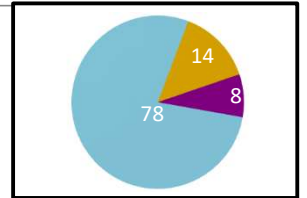
	Actual	Water Budget
FY 2021-22	1.64	1.99
Three Yr Avg	1.68	2.05

Potable Sales by Tier FYTD

(in thousands)

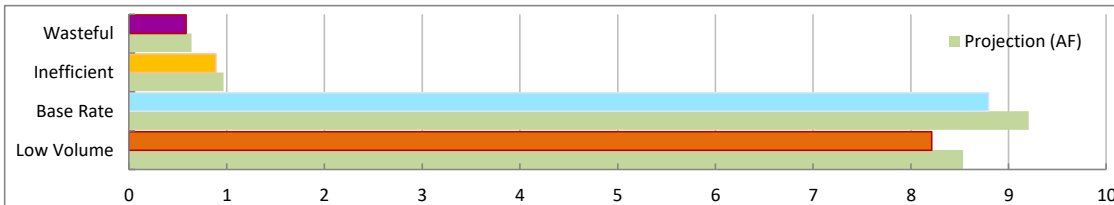


% of Customers by Tier

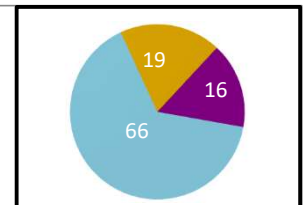


Non-Potable Sales by Tier FYTD

(in thousands)

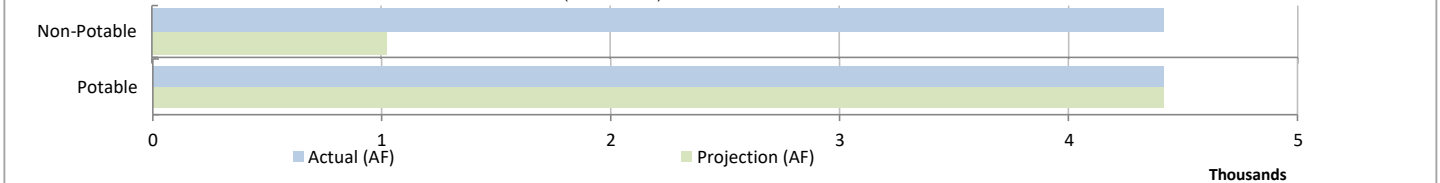


% of Customers by Tier



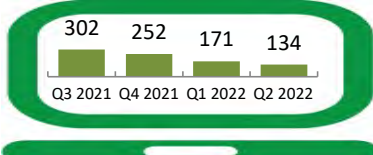
Imported Water Purchases FYTD

(in thousands)

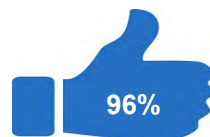


Website Hits

(in thousands)



Customer Satisfaction Index**



** 12 month rolling average

January 24, 2022

Prepared by: O. Mendoza / J. Davis

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook



CONSENT CALENDAR

DECEMBER 2021 TREASURY REPORT

SUMMARY:

The following is submitted for the Board's information and approval:

- A. The December 2021 Investment Summary Report. This Investment Summary Report conforms with the 2021 Investment Policy and provides sufficient liquidity to meet estimated expenditures during the next six months, as outlined in Exhibit "A";
- B. The Summary of Fixed and Variable Rate Debt as of December 31, 2021, as outlined in Exhibit "B";
- C. The Monthly Interest Rate Swap Summary as of December 31, 2021, as outlined in Exhibit "C";
- D. The December 31, 2021 Disbursement Summary of warrants 423100 through 423983, wire transfers, Workers' Compensation distributions, payroll withholding distributions, and voided checks in the total amount of \$24,151,186, as outlined in Exhibit "D";
- E. The Summary of Payroll ACH payments in the total amount of \$3,346,735 as outlined in Exhibit "E"; and
- F. The Disclosure Report of Reimbursements to Board members and staff for December 2021, detailing payments or reimbursements for individual charges of \$100 or more per transaction, as outlined in Exhibit "F".

FISCAL IMPACTS:

As of December 31, 2021, the book value of the investment portfolio was \$390,232,845, with a 0.39% rate of return and a market value of \$389,800,684. Based on IRWD's December 31, 2021, quarterly real estate investment rate of return of 12.23%, the weighted average return for the fixed income and real estate investments was 2.82%.

As of December 31, 2021, the outstanding principal amount of fixed and variable rate debt was \$630,825,000. The monthly weighted average all-in variable rate was 0.38%. Including IRWD's weighted average fixed rate bond issues of 3.70% and the negative cash accruals from fixed payer interest rate swaps, which hedge a portion of the District's variable rate debt, the total average debt rate was 2.99%.

Payroll ACH payments totaled \$3,346,735 and wire transfers, all other ACH payments, and checks issued for debt service, accounts payable, payroll, and water purchases for December totaled \$24,151,186.

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 not submitted to a Committee; the investment and debt reports are submitted to the Finance and Personnel Committee monthly.

RECOMMENDATION:

THAT THE BOARD RECEIVE AND FILE THE TREASURER'S INVESTMENT SUMMARY REPORT, THE SUMMARY OF FIXED AND VARIABLE RATE DEBT, AND DISCLOSURE REPORT OF REIMBURSEMENTS TO BOARD MEMBERS AND STAFF, APPROVE THE DECEMBER 2021 SUMMARY OF PAYROLL ACH PAYMENTS IN THE TOTAL AMOUNT OF \$3,346,735, AND APPROVE THE DECEMBER 2021 ACCOUNTS PAYABLE DISBURSEMENT SUMMARY OF WARRANTS 423100 THROUGH 423983, WORKERS' COMPENSATION DISTRIBUTIONS, WIRE TRANSFERS, PAYROLL WITHHOLDING DISTRIBUTIONS AND VOIDED CHECKS IN THE TOTAL AMOUNT OF \$24,151,186.

LIST OF EXHIBITS:

Exhibit "A" – Investment Summary Report

Exhibit "B" – Summary of Fixed and Variable Debt

Exhibit "C" – Monthly Interest Rate Swap Summary

Exhibit "D" – Monthly Summary of District Disbursements

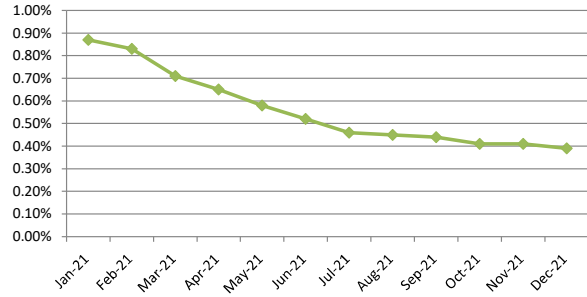
Exhibit "E" – Monthly Payroll ACH Summary

Exhibit "F" – Disclosure of Reimbursements to Board Members and Staff

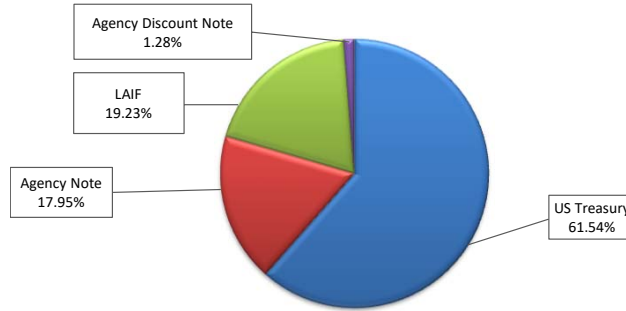
Exhibit "A"

Irvine Ranch Water District Investment Portfolio Summary December 2021

Monthly Fixed Income Yield



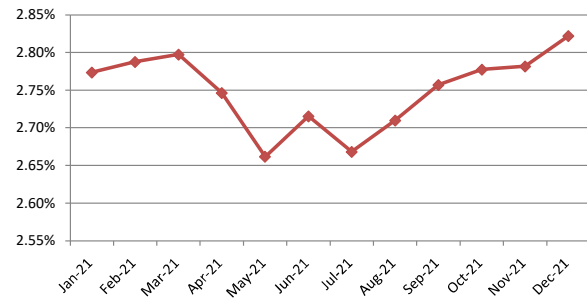
Portfolio Distribution



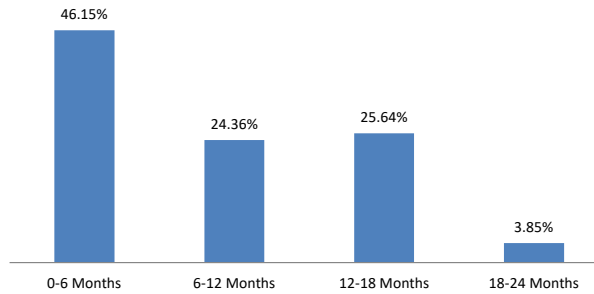
Investment Summary

Type	PAR	Book Value	Market Value
US Treasury	240,000,000	240,134,517	239,802,400
LAIF	75,000,000	75,000,000	74,807,934
Agency Note	70,000,000	70,098,378	70,190,350
Agency Discount Note	5,000,000	4,999,950	5,000,000
Grand Total	390,000,000	390,232,845	389,800,684

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
US Treasury	240,000,000	61.54%
State of California Tsy.	75,000,000	19.23%
Fed Farm Credit Bank	50,000,000	12.82%
Fed Home Loan Bank	10,000,000	2.56%
Fed Home Loan Mortgage Corp	10,000,000	2.56%
Fed Natl Mortgage Assoc	5,000,000	1.29%
Grand Total	390,000,000	100.00%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

12/31/21

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 12/31/2021	UNREALIZED ⁽²⁾ GAIN/(LOSS)
01/14/20			01/01/22		LAIF	State of California Tsy.	\$75,000,000		0.212%	\$75,000,000.00	\$75,000,000.00	74,807,934.00	(192,066.00)
08/31/21	NA	NA	01/10/22	NR	FFCB - Discount Note	Fed Farm Credit Bank	5,000,000	0.040%	0.041%	4,999,266.67	4,999,950.00	5,000,000.00	50.00
05/26/21	NA	NA	01/11/22	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	2.625%	0.031%	5,081,057.95	5,003,524.26	5,002,850.00	(674.26)
11/25/19	NA	NA	01/13/22	Aaa/NA/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.375%	1.635%	5,077,250.00	5,001,188.46	5,003,250.00	2,061.54
08/14/20	NA	NA	01/13/22	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.375%	0.147%	5,157,297.23	5,003,651.00	5,003,250.00	(401.00)
03/08/19	NA	NA	01/15/22	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	2.500%	2.460%	5,005,468.75	5,000,073.34	5,004,000.00	3,926.66
12/19/19	NA	NA	01/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	1.641%	5,024,218.75	5,000,938.71	5,006,900.00	5,961.29
03/21/19	NA	NA	02/03/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	2.030%	2.361%	4,954,350.00	4,998,565.29	5,007,850.00	9,284.71
12/19/19	NA	NA	02/15/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.500%	1.652%	5,089,453.13	5,005,101.89	5,014,300.00	9,198.11
11/13/20	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	0.139%	5,112,304.69	5,013,800.15	5,014,100.00	299.85
11/19/20	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.750%	0.126%	5,103,710.94	5,012,908.23	5,013,100.00	191.77
06/09/21	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.125%	0.051%	5,038,964.84	5,008,560.46	5,008,300.00	(260.46)
03/08/19	NA	NA	03/11/22	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.500%	2.549%	5,002,750.00	5,022,172.66	5,022,700.00	22,527.34
12/23/20	NA	NA	03/22/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	10,000,000	0.090%	0.090%	10,000,000.00	10,000,000.00	9,998,700.00	(1,300.00)
12/19/19	NA	NA	03/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	1.645%	5,025,585.94	5,002,733.67	5,021,300.00	18,566.33
04/30/21	NA	NA	03/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.375%	0.056%	5,014,648.44	5,003,891.68	5,003,400.00	(491.68)
02/21/20	NA	NA	04/14/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.400%	1.414%	4,998,500.00	4,999,668.58	5,017,100.00	17,431.42
04/23/20	NA	NA	04/21/22	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	10,000,000	1.580%	0.320%	10,250,200.00	10,040,554.40	10,043,100.00	2,545.60
08/12/21	NA	NA	05/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	1.750%	0.061%	10,135,156.25	10,087,942.31	10,065,200.00	(22,742.31)
04/22/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.082%	10,005,078.13	10,002,106.14	9,996,100.00	(6,006.14)
04/30/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.082%	5,002,539.06	5,001,072.84	4,998,050.00	(3,022.84)
05/28/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.064%	5,003,320.31	5,001,501.65	4,998,050.00	(3,451.65)
05/20/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.750%	0.065%	5,093,750.00	5,041,564.04	5,037,900.00	(3,664.04)
01/15/20	NA	NA	07/15/22	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.600%	1.594%	5,000,750.00	5,000,160.36	5,037,450.00	37,289.64
12/23/21	NA	NA	07/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.157%	9,998,046.88	9,998,126.78	9,993,000.00	(5,126.78)
04/28/21	NA	NA	08/31/22	Aaa/NR/NR	Treasury - Note	US Treasury	5,000,000	0.125%	0.102%	5,001,562.50	5,000,771.68	4,995,700.00	(5,071.68)
12/15/21	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	0.188%	5,059,570.31	5,055,660.29	5,052,350.00	(3,310.29)
04/28/21	NA	NA	09/09/22	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.000%	0.112%	5,128,632.30	5,064,702.82	5,060,200.00	(4,502.82)
12/03/21	NA	NA	09/30/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.210%	4,996,484.38	4,996,823.09	4,993,350.00	(3,473.09)
04/22/21	NA	NA	10/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.110%	10,002,343.75	10,004,009.35	9,983,200.00	(20,809.35)
12/23/21	NA	NA	10/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.253%	9,989,062.50	9,989,378.00	9,983,200.00	(6,178.00)
05/20/21	NA	NA	11/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.103%	5,001,647.15	5,000,981.22	4,988,650.00	(12,331.22)
12/20/21	NA	NA	11/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.266%	9,986,718.75	9,987,180.71	9,977,300.00	(9,880.71)
10/15/21	NA	NA	12/15/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	1.625%	0.140%	10,173,046.88	10,141,362.24	10,118,000.00	(23,362.24)
11/30/21	NA	NA	12/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.216%	9,990,234.38	9,991,023.52	9,969,100.00	(21,923.52)
09/30/21	NA	NA	01/31/23	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.143%	4,998,828.13	4,999,051.46	4,982,800.00	(16,251.46)
12/30/21	NA	NA	01/31/23	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.417%	9,968,359.38	9,968,518.78	9,965,600.00	(2,918.78)
11/18/21	NA	NA	02/10/23	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	10,000,000	0.160%	0.285%	9,984,690.00	9,986,190.31	9,993,900.00	7,709.69
10/07/21	NA	NA	02/28/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.181%	9,992,187.50	9,993,507.49	9,959,000.00	(34,507.49)
09/09/21	NA	NA	03/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.153%	9,995,703.13	9,996,565.53	9,954,300.00	(42,265.53)
11/02/21	NA	NA	03/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.308%	4,987,109.38	4,988,614.12	4,977,150.00	(11,464.12)
09/30/21	NA	NA	04/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.202%	9,987,890.63	9,989,842.40	9,946,900.00	(42,942.40)
10/19/21	NA	NA	04/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.307%	9,972,265.63	9,975,943.66	9,946,900.00	(29,043.66)
11/16/21	NA	NA	05/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.385%	9,960,156.25	9,963,423.30	9,938,300.00	(25,123.30)
12/29/21	NA	NA	06/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.563%	4,967,187.50	4,967,367.13	4,966,400.00	(967.13)
11/26/21	NA	NA	09/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.250%	0.572%	9,941,015.63	9,944,170.81	9,930,500.00	(13,670.81)
SUB-TOTAL							\$390,000,000			\$391,258,364.02	\$390,232,844.80	\$389,800,684.00	(\$432,160.80)
TOTAL INVESTMENTS							\$390,000,000			\$391,258,364.02	\$390,232,844.80	\$389,800,684.00	(\$432,160.80)

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

12/31/21

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 12/31/2021	UNREALIZED ⁽²⁾ GAIN/(LOSS)
					Petty Cash					3,400.00			
					Ck Balance	Bank of America	ECR	0.19%		16,444,771.53			
										<u>\$407,706,535.55</u>			

⁽¹⁾ LAIF market value is as of the most recent quarter-end as reported by LAIF.
Security market values are determined using Bank of New York ("Trading Prices"), Bloomberg and/or broker dealer pricing.

⁽²⁾ Gain (loss) calculated against carry value using the trading value provided by Bank of New York/or Brokers

⁽³⁾ Real estate rate of return is based on most recent quarter end return

Outstanding Variable Rate Debt	\$239,100,000
Net Outstanding Variable Rate Debt (Less \$60 million fixed-payer swaps)	\$179,100,000
Investment Balance:	\$407,706,536
Investment to Variable Rate Debt Ratio:	228%
Portfolio - Average Number of Days To Maturity	213

	Investment Portfolio	Real Estate ⁽³⁾ Portfolio	Weighted Avg. Return
December	0.39%	12.23%	2.82%
November	0.41%	11.65%	2.78%
Change	-0.02%		0.04%

This Investment Summary Report is in conformity with the 2021 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.
*S - Step up

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

12/31/21

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Municipal Bonds	US Treasury
12/21	75,000,000	19.23%	\$75,000,000				
01/22	30,000,000	7.69%		15,000,000	5,000,000		10,000,000
02/22	25,000,000	6.41%		5,000,000			20,000,000
03/22	25,000,000	6.41%		15,000,000			10,000,000
04/22	15,000,000	3.85%		15,000,000			
05/22	10,000,000	2.56%					10,000,000
06/22	25,000,000	6.41%					25,000,000
07/22	15,000,000	3.85%		5,000,000			10,000,000
08/22	10,000,000	2.56%					10,000,000
09/22	10,000,000	2.56%		5,000,000			5,000,000
10/22	20,000,000	5.13%					20,000,000
11/22	15,000,000	3.85%					15,000,000
SUB-TOTAL	\$275,000,000	70.51%	\$75,000,000	60,000,000	5,000,000		135,000,000

13 Months - 3 YEARS							
12/01/2022 - 02/31/2023	\$55,000,000	14.10%		10,000,000			45,000,000
03/01/2023 - 05/31/2023	\$45,000,000	11.54%					45,000,000
06/01/2023 +	\$15,000,000	3.85%					15,000,000
TOTALS	\$390,000,000	100.00%	\$75,000,000	70,000,000	5,000,000		240,000,000

% OF PORTFOLIO 19.23% 17.95% 1.28% 61.54%

Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
12/31/2021

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 6/30/2021	ANNUALIZED RATE OF RETURN QUARTER ENDED 12/31/2021
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 43,550,810	\$ 170,000,000	22.19%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	\$ 32,258,924	8.52%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,739,845	\$ 12,000,000	9.49%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,630,577	\$ 11,600,000	7.57%
Sand Canyon Professional Center - Medical Office	Jul-12	Medical Office	Fee Simple	\$ 8,648,594	\$ 11,900,000	9.56%
Sand Canyon Professional Center - General Office	Sep-20	Office Building	Fee Simple	\$ 25,985,968	\$ 33,250,000	-0.56%
Total - Income Properties				\$ 98,555,794	\$ 271,008,924	12.23%

**IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT
INVESTMENT ACTIVITY**

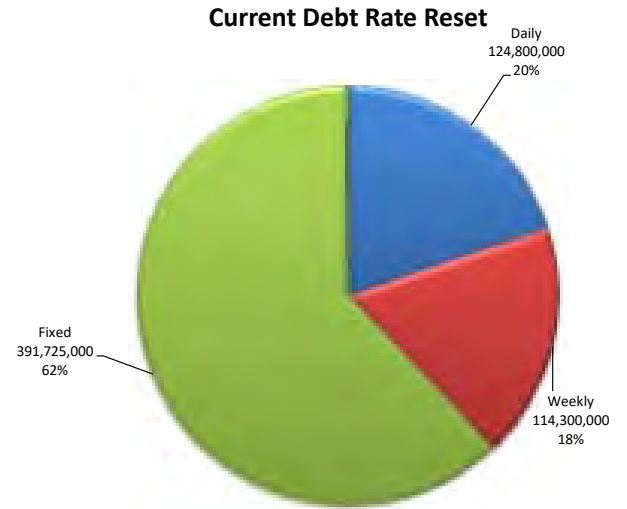
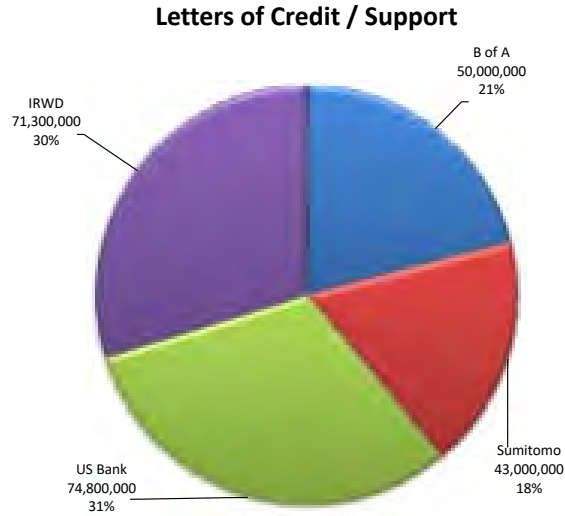
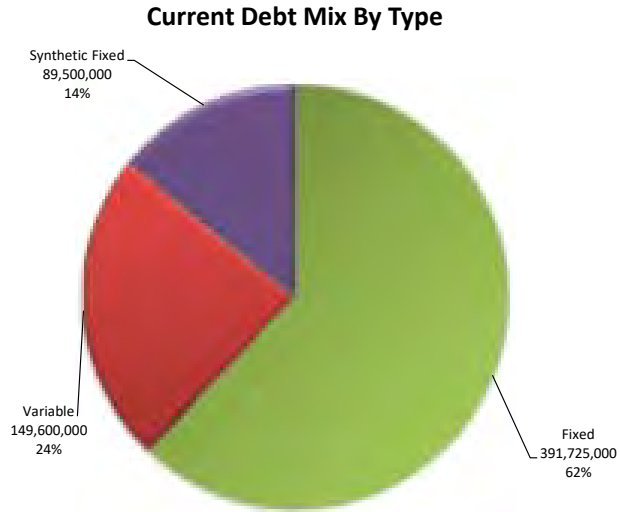
Dec-21

MATURITIES/SALES/CALLS

PURCHASES

DATE	SECURITY TYPE	PAR	YIELD	Settlement Date	Maturity Date	SECURITY TYPE	PAR	YIELD TO MATURITY
12/3/2021	FFCB - Note	\$5,000,000	0.12%	12/3/2021	9/30/2022	Treasury - Note	\$5,000,000	0.21%
12/15/2021	Treasury - Note	\$5,000,000	0.13%	12/15/2021	8/31/2022	Treasury - Note	\$5,000,000	0.19%
12/20/2021	FHLB - Note	\$10,000,000	0.31%	12/20/2021	11/30/2022	Treasury - Note	\$10,000,000	0.27%
12/30/2021	Treasury - Bill	\$5,000,000	0.04%	12/23/2021	7/31/2022	Treasury - Note	\$10,000,000	0.16%
12/31/2021	Treasury - Note	\$5,000,000	1.62%	12/23/2021	10/31/2022	Treasury - Note	\$10,000,000	0.25%
12/31/2021	Treasury - Note	\$10,000,000	0.03%	12/29/2021	6/30/2023	Treasury - Note	\$5,000,000	0.56%
				12/30/2021	1/31/2023	Treasury - Note	\$10,000,000	0.42%

Exhibit "B"
Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
December 2021



Outstanding Par by Series

Series	Issue Date	Maturity Date	Remaining Principal	Percent	Letter of Credit/Support	Rmkt Agent	Mode	Reset
Series 1993	05/19/93	04/01/33	\$24,800,000	3.93%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	\$43,000,000	6.82%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	\$42,780,000	6.78%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	\$28,520,000	4.52%	IRWD	Goldman	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	\$50,000,000	7.93%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	\$50,000,000	7.93%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	\$113,325,000	17.96%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	\$175,000,000	27.74%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	\$103,400,000	16.39%	N/A	N/A	Fixed	Fixed
Total			\$630,825,000	100.00%				

IRVINE RANCH WATER DISTRICT
SUMMARY OF FIXED & VARIABLE RATE DEBT

December-21

ITN
Daily
Weekly

GENERAL BOND INFORMATION							LETTER OF CREDIT INFORMATION										TRUSTEE INFORMATION									
VARIABLE RATE ISSUES	Issue Date	Maturity Date	Principal Payment Date	Payment Date	Original Par Amount	Remaining Principal	Letter of Credit	Reimbursement Agreement Date	L/C Exp. Date	MOODY'S	S&P	FITCH	LOC Stated Amount	LOC Fee	Annual LOC Cost	Rmkt Agent	Reset	Rmkt Fees	Annual Cost	Trustee						
SERIES 1993	05/19/93	04/01/33	Apr 1	5th Bus. Day	\$38,300,000	\$24,800,000	US BANK	05/07/15	05/01/25	Aa3/VMIG1	AA-/A-1+	N/R	\$25,134,290	0.3000%	\$75,403	BAML	DAILY	0.10%	\$24,800	BANK OF NY						
SERIES 2008-A Refunding	04/24/08	07/01/35	Jul 1	5th Bus. Day	\$60,215,000	\$43,000,000	SUMITOMO	04/01/11	05/28/25	A1/P-1	A/A-1	A/F1	\$43,636,164	0.3150%	\$137,454	BAML	WED	0.07%	\$30,100	BANK OF NY						
SERIES 2011-A-1 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$60,545,000	\$42,780,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$53,475	BANK OF NY						
SERIES 2011-A-2 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$40,370,000	\$28,520,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$35,650	BANK OF NY						
SERIES 2009 - A	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$50,000,000	US BANK	04/01/11	05/01/25	Aa2/VMIG 1	AA-/A-1+	AA/F1+	\$50,558,904	0.3000%	\$151,677	US Bank	DAILY	0.07%	\$35,000	US BANK						
SERIES 2009 - B	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$50,000,000	B of A	04/01/11	05/16/22	Aa2/VMIG 1	A/A-1	A1/F1+	\$50,558,904	0.3000%	\$151,677	Goldman	DAILY	0.10%	\$50,000	US BANK						
					\$349,430,000	\$239,100,000	SUB-TOTAL VARIABLE RATE DEBT																			
							\$169,888,263										0.3038%	\$516,210								
							(Wt. Avg)										(Wt. Avg)									
FIXED RATE ISSUES																										
2010 GO Build America Taxable Bonds	12/16/10	05/01/40	May (2025)	May/Nov	\$175,000,000	\$175,000,000	N/A	N/A	N/A	Aa1	AAA	NR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK						
2016 COPS	09/01/16	03/01/46	Mar 1	Mar/Sept	\$116,745,000	\$113,325,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK						
SERIES 2016	10/12/16	02/01/46	Feb (2022)	Feb/Aug	\$103,400,000	\$103,400,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	BANK OF NY						
					\$395,145,000	\$391,725,000	SUB-TOTAL FIXED RATE DEBT																			
					\$744,575,000	\$630,825,000	TOTAL- FIXED & VARIABLE RATE DEBT																			

Remarketing Agents			GO VS COP's		
Goldman	121,300,000	51%	GO:	517,500,000	82%
BAML	67,800,000	28%	COPS:	113,325,000	18%
US Bank	50,000,000	21%	Total	<u>630,825,000</u>	
	<u>239,100,000</u>				

LOC Banks		Breakdown Between Variable & Fixed Rate Mode	
SUMITOMO	43,000,000	Daily Issues	124,800,000 20%
BANK OF AMERICA	50,000,000	Weekly Issues	43,000,000 7%
US BANK	74,800,000	ITN Issues	71,300,000 11%
	<u>167,800,000</u>	Sub-Total	<u>239,100,000</u>
		Fixed Rate Issues	\$391,725,000 62%
		Sub-Total - Fixed	<u>391,725,000</u>
		TOTAL DEBT	
		FIXED & VAR.	<u>630,825,000</u> 100%

SUMMARY OF DEBT RATES

Dec-21

Rmkt Agent Mode	GOLDMAN DAILY	GOLDMAN WEEKLY	GOLDMAN WEEKLY	MERRILL LYNCH DAILY	MERRILL LYNCH WEEKLY	US BANK DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993	2008-A	2009-A
Par Amount	50,000,000	42,780,000	28,520,000	24,800,000	43,000,000	50,000,000
LOC Bank	BOFA	(SIFMA + 3)	(SIFMA + 3)	US BANK	Sumitomo	US BANK
Reset		Wednesday	Wednesday		Wednesday	
12/1/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.02%
12/2/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
12/3/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
12/4/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
12/5/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
12/6/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
12/7/2021	0.02%	0.08%	0.08%	0.01%	0.05%	0.02%
12/8/2021	0.02%	0.08%	0.08%	0.03%	0.05%	0.03%
12/9/2021	0.03%	0.09%	0.09%	0.08%	0.06%	0.06%
12/10/2021	0.04%	0.09%	0.09%	0.08%	0.06%	0.08%
12/11/2021	0.04%	0.09%	0.09%	0.08%	0.06%	0.08%
12/12/2021	0.04%	0.09%	0.09%	0.08%	0.06%	0.08%
12/13/2021	0.05%	0.09%	0.09%	0.08%	0.06%	0.07%
12/14/2021	0.05%	0.09%	0.09%	0.08%	0.06%	0.07%
12/15/2021	0.05%	0.09%	0.09%	0.08%	0.06%	0.08%
12/16/2021	0.04%	0.12%	0.12%	0.08%	0.09%	0.06%
12/17/2021	0.04%	0.12%	0.12%	0.06%	0.09%	0.06%
12/18/2021	0.04%	0.12%	0.12%	0.06%	0.09%	0.06%
12/19/2021	0.04%	0.12%	0.12%	0.06%	0.09%	0.06%
12/20/2021	0.04%	0.12%	0.12%	0.07%	0.09%	0.06%
12/21/2021	0.04%	0.12%	0.12%	0.07%	0.09%	0.06%
12/22/2021	0.04%	0.12%	0.12%	0.08%	0.09%	0.08%
12/23/2021	0.04%	0.14%	0.14%	0.07%	0.11%	0.07%
12/24/2021	0.04%	0.14%	0.14%	0.07%	0.11%	0.07%
12/25/2021	0.04%	0.14%	0.14%	0.07%	0.11%	0.07%
12/26/2021	0.04%	0.14%	0.14%	0.07%	0.11%	0.07%
12/27/2021	0.04%	0.14%	0.14%	0.07%	0.11%	0.06%
12/28/2021	0.03%	0.14%	0.14%	0.07%	0.11%	0.05%
12/29/2021	0.03%	0.14%	0.14%	0.06%	0.11%	0.05%
12/30/2021	0.04%	0.13%	0.13%	0.08%	0.11%	0.05%
12/31/2021	0.04%	0.13%	0.13%	0.06%	0.11%	0.05%
Avg Interest Rates	0.03%	0.11%	0.11%	0.06%	0.08%	0.05%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%	0.07%
LOC Fee	0.30%			0.30%	0.32%	0.30%
All-In Rate	0.43%	0.23%	0.23%	0.46%	0.46%	0.42%
Par Amount		92,780,000	28,520,000		67,800,000	50,000,000

Interest Rate Mode	Percent of Total Variable Rate Debt	Par Outstanding	Weighted All-In Average Rate	Base Rate Average
Daily	52.20%	124,800,000	0.43%	0.05%
Weekly	47.80%	114,300,000	0.32%	0.10%
	100.00%	\$ 239,100,000	0.38%	0.07%
Fixed				
COPS 2016	28.93%	113,325,000	2.90%	
BABS 2010	44.67%	175,000,000	4.44%	(1)
SERIES 2016	26.40%	103,400,000	3.32%	
	100.00%	\$ 391,725,000	3.70%	
All-In Debt Rate Including \$60 Million Notional Amount of Swaps				2.99%

(1) Rate adjusted up from 4.35% as a result of sequestration reducing BAB's subsidy by 5.7%

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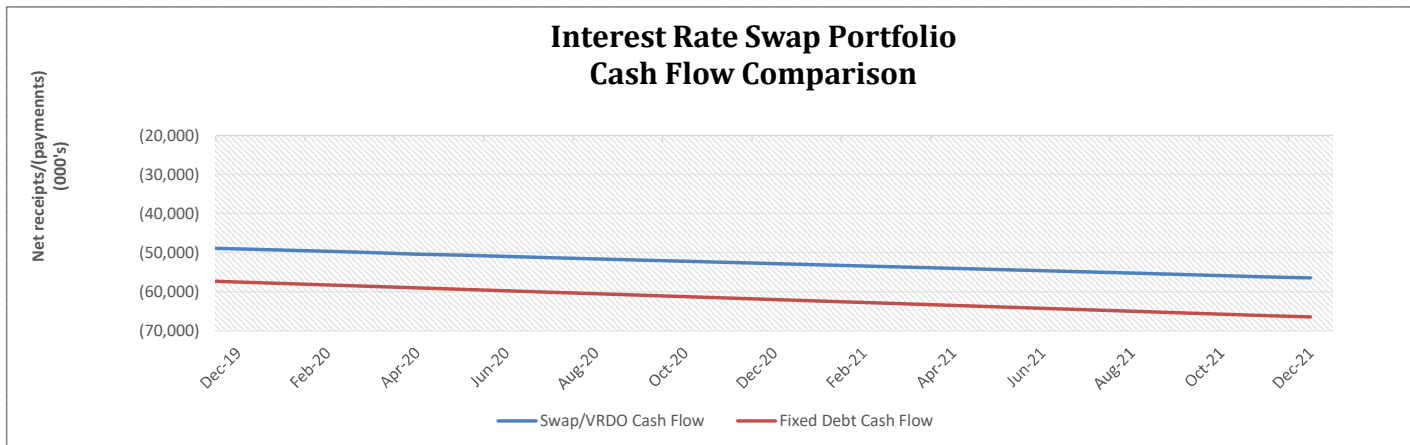
Exhibit "C"
Irvine Ranch Water District
Interest Rate Swap Summary
December 2021

	Prior Mo.	Current Mo.	12-Mo Avg
LIBOR Avg %	0.09%	0.10%	0.10%

Current Fiscal Year Active Swaps								Cash Flow				Mark to Market	
Effective Date	Maturity Date	Years to Maturity	Counter Party	Notional Amt	Type	Base Index	Fixed Rate	Prior Month	Current Month	Fiscal YTD	(Since 3/07) Cumulative Net Accrual	Current Mark to Market	Notional Difference
Fixed Payer Swaps - By Effective Date													
3/10/2007	3/10/2029	7.2	ML	30,000,000	FXP	LIBOR	5.687%	(144,535)	(144,381)	(843,704)	(20,602,971)	20,964,172	(9,035,828)
3/10/2007	3/10/2029	7.2	CG	30,000,000	FXP	LIBOR	5.687%	(144,535)	(144,381)	(843,704)	(20,602,971)	20,974,189	(9,025,811)
Totals/Weighted Avgs		7.2		\$ 60,000,000			5.687%	\$ (289,070)	\$ (288,762)	\$ (1,687,408)	\$ (41,205,941)	\$ 41,938,361	\$ (18,061,639)
Total Current Year Active Swaps				\$ 60,000,000				\$ (289,070)	\$ (288,762)	\$ (1,687,408)	\$ (41,205,941)	\$ 41,938,361	\$ (18,061,639)

Current Fiscal Year Terminated Swaps								Cash Flow				Mark to Market	
Effective Date	Maturity Date		Counter Party	Notional Amt	Type	Base Index	Fixed Rate	Prior Month	Current Month	Fiscal YTD	Cumulative Net Accrual	Current Mark to Market	Notional Difference
Total Current Year Terminated Swaps				\$ -				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Current Fiscal Year - Total Swaps								Cash Flow				Mark to Market	
								Prior Month	Current Month	Fiscal YTD	Cumulative Net Accrual	Current Mark to Market	Notional Difference
Total Current Year Active & Terminated Swaps				\$ 60,000,000				\$ (289,070)	\$ (288,762)	\$ (1,687,408)	\$ (41,205,941)	\$ 41,938,361	\$ (18,061,639)



Cash Flow Comparison Synthetic Fixed vs. Fixed Rate Debt	
	<u>Cash Flow to Date</u>
Synthetic Fixed =	\$56,468,406
Fixed Rate =	\$66,469,154
Assumptions:	
- Fixed rate debt issued at 4.93% in Mar-07 (estimated TE rate - Bloomberg)	
- 'Synthetic' includes swap cash flow + interest + fees to date	

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Exhibit "D"

IRVINE RANCH WATER DISTRICT AP DISBURSEMENTS AND VOIDS FOR DEC 2021

CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423100	2-Dec-21	Arce, Jesus (Jesse)	110.00	IRWD Check	Reconciled
423101	2-Dec-21	Barboza, Armando	60.00	IRWD Check	Reconciled
423102	2-Dec-21	Bornhoff, Mike (Mike)	109.85	IRWD Check	Reconciled
423103	2-Dec-21	Clinton, Bryan R (Bryan)	200.00	IRWD Check	Reconciled
423104	2-Dec-21	Estrada, Robert C	229.00	IRWD Check	Reconciled
423105	2-Dec-21	Jackson, Bradley E (Brad)	60.00	IRWD Check	Reconciled
423106	2-Dec-21	Kanady, Jacob	118.53	IRWD Check	Negotiable
423107	2-Dec-21	Lin, Eileen (Eileen)	250.00	IRWD Check	Reconciled
423108	2-Dec-21	Pan, Jenny W (Jenny)	1,134.62	IRWD Check	Reconciled
423109	2-Dec-21	Rutherford, Allan	192.00	IRWD Check	Reconciled
423110	2-Dec-21	Tedesucci, Frank	52.80	IRWD Check	Reconciled
423111	2-Dec-21	Sagert, Justin	267.82	IRWD Check	Reconciled
423112	2-Dec-21	8X8 INC	57.51	IRWD Check	Reconciled
423113	2-Dec-21	ABC ICE, INC	912.30	IRWD Check	Reconciled
423114	2-Dec-21	ACE INDUSTRIES, INC.	6,486.47	IRWD Check	Reconciled
423115	2-Dec-21	AECOM TECHNICAL SERVICES, INC.	589,037.07	IRWD Check	Reconciled
423116	2-Dec-21	AGILENT TECHNOLOGIES, INC.	649.95	IRWD Check	Reconciled
423117	2-Dec-21	AIRGAS, INC.	323.84	IRWD Check	Reconciled
423118	2-Dec-21	AIRKINETICS, INC	6,993.00	IRWD Check	Reconciled
423119	2-Dec-21	ALSTON & BIRD LLP	41,112.28	IRWD Check	Reconciled
423120	2-Dec-21	AM CONSERVATION GROUP, INC.	830.37	IRWD Check	Reconciled
423121	2-Dec-21	AMAYA SOLUTIONS INC.	7,729.88	IRWD Check	Reconciled
423122	2-Dec-21	AMAZON CAPITAL SERVICES, INC.	13,259.14	IRWD Check	Reconciled
423123	2-Dec-21	ANTHONY N. LARSEN	275.00	IRWD Check	Reconciled
423124	2-Dec-21	AT&T	58.37	IRWD Check	Reconciled
423125	2-Dec-21	AT&T	7,191.59	IRWD Check	Reconciled
423126	2-Dec-21	AT&T	475.96	IRWD Check	Reconciled
423127	2-Dec-21	ATLAS COPCO USA HOLDINGS, INC	8,700.20	IRWD Check	Reconciled
423128	2-Dec-21	AUTOZONE PARTS, INC.	204.73	IRWD Check	Reconciled
423129	2-Dec-21	BATTERIES PLUS AND BATTERIES PLUS BULBS	6,288.61	IRWD Check	Reconciled
423130	2-Dec-21	BELL TOWER FLORIST & GIFTS	368.47	IRWD Check	Negotiable
423131	2-Dec-21	BOOT WORLD, INC.	225.00	IRWD Check	Reconciled
423132	2-Dec-21	BORCHARD SURVEYING & MAPPING, INC.	1,957.50	IRWD Check	Reconciled
423133	2-Dec-21	BRENNTAG PACIFIC INC	5,971.29	IRWD Check	Reconciled
423134	2-Dec-21	BRIAN HOMSY	5,328.76	IRWD Check	Reconciled
423135	2-Dec-21	BROWN AND CALDWELL	6,767.43	IRWD Check	Reconciled
423136	2-Dec-21	BURLINGTON SAFETY LABORATORY OF CALIFORNIA INC	525.00	IRWD Check	Reconciled
423137	2-Dec-21	C WELLS PIPELINE MATERIALS INC	91,427.22	IRWD Check	Reconciled
423138	2-Dec-21	CALIFORNIA BARRICADE RENTAL, INC.	32,066.54	IRWD Check	Reconciled
423139	2-Dec-21	CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION	1,379.66	IRWD Check	Reconciled
423140	2-Dec-21	CALIFORNIA DEPT OF PUBLIC HEALTH	540.00	IRWD Check	Reconciled
423141	2-Dec-21	CALIFORNIA PACIFIC HOMES	1,108.47	IRWD Check	Reconciled
423142	2-Dec-21	CDW GOVERNMENT LLC	6,036.00	IRWD Check	Reconciled
423143	2-Dec-21	CIMARRON ENERGY, INC	4,525.50	IRWD Check	Reconciled
423144	2-Dec-21	CITY OF IRVINE	107,016.00	IRWD Check	Reconciled
423145	2-Dec-21	CITY OF NEWPORT BEACH	1,989.32	IRWD Check	Reconciled
423146	2-Dec-21	CITY OF TUSTIN	269.78	IRWD Check	Reconciled
423147	2-Dec-21	COMMONWEALTH LAND TITLE COMPANY	1,750.00	IRWD Check	Reconciled
423148	2-Dec-21	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	635.53	IRWD Check	Reconciled
423149	2-Dec-21	CONSTELLATION NEWENERGY, INC.	33,942.55	IRWD Check	Reconciled
423150	2-Dec-21	COUNTY OF ORANGE	76.68	IRWD Check	Reconciled
423151	2-Dec-21	COX COMMUNICATIONS, INC.	3,554.49	IRWD Check	Reconciled
423152	2-Dec-21	CR & R INCORPORATED	67.27	IRWD Check	Reconciled
423153	2-Dec-21	DANA AND ROBERT RAY ONORATO	50.34	IRWD Check	Reconciled
423154	2-Dec-21	DENALI WATER SOLUTIONS LLC	7,562.13	IRWD Check	Reconciled
423155	2-Dec-21	DIRECTV INC	293.98	IRWD Check	Reconciled
423156	2-Dec-21	DISCOVERY SCIENCE CENTER OF ORANGE COUNTY	30,779.64	IRWD Check	Reconciled
423157	2-Dec-21	DM COLOR EXPRESS, INC.	368.51	IRWD Check	Reconciled
423158	2-Dec-21	DOPUDJA & WELLS CONSULTING INC.	7,200.00	IRWD Check	Reconciled
423159	2-Dec-21	DRAKE TRAFFIC CONTROL SERVICES INC	7,245.00	IRWD Check	Reconciled
423160	2-Dec-21	DUDEK	8,305.00	IRWD Check	Reconciled
423161	2-Dec-21	EAST ORANGE COUNTY WATER DISTRICT	3,158.58	IRWD Check	Reconciled
423162	2-Dec-21	ECO SERVICES LLC	5,905.13	IRWD Check	Reconciled
423163	2-Dec-21	ENVIRONMENTAL EXPRESS INC	1,072.25	IRWD Check	Reconciled
423164	2-Dec-21	ENVIRONMENTAL RESOURCE ASSOCIATES	148.58	IRWD Check	Reconciled
423165	2-Dec-21	ENVIRONMENTAL SCIENCE ASSOCIATES	13,151.24	IRWD Check	Reconciled
423166	2-Dec-21	EQUALTOX, LLC	7,375.00	IRWD Check	Reconciled
423167	2-Dec-21	EUROFINS CALSCIENCE, LLC	2,283.75	IRWD Check	Reconciled
423168	2-Dec-21	EXECUTIVE LIGHTING & ELECTRIC	6,395.72	IRWD Check	Reconciled
423169	2-Dec-21	FARRELL & ASSOCIATES	152.87	IRWD Check	Reconciled
423170	2-Dec-21	FEDEX	313.75	IRWD Check	Reconciled
423171	2-Dec-21	FERGUSON ENTERPRISES, LLC	649.15	IRWD Check	Reconciled

**IRVINE RANCH WATER DISTRICT
AP DISBURSEMENTS AND VOIDS FOR DEC 2021**

CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423172	2-Dec-21	FIRST CHOICE SERVICES	1,303.20	IRWD Check	Reconciled
423173	2-Dec-21	FISHER SCIENTIFIC COMPANY LLC	4,594.15	IRWD Check	Reconciled
423174	2-Dec-21	FLUID SOUND, INC.	22,139.43	IRWD Check	Reconciled
423175	2-Dec-21	FRANCHISE TAX BOARD	400.00	IRWD Check	Reconciled
423176	2-Dec-21	FRONTIER CALIFORNIA INC.	910.32	IRWD Check	Reconciled
423177	2-Dec-21	FULLER TRUCK ACCESSORIES	1,780.03	IRWD Check	Reconciled
423178	2-Dec-21	FUSCOE ENGINEERING, INC.	2,825.00	IRWD Check	Reconciled
423179	2-Dec-21	GARY BALE REDI-MIX CONCRETE, INC.	877.33	IRWD Check	Reconciled
423180	2-Dec-21	GEI CONSULTANTS INC	1,920.00	IRWD Check	Reconciled
423181	2-Dec-21	GEIGER BROS	1,255.48	IRWD Check	Reconciled
423182	2-Dec-21	GETTINGS, DAVID	17.43	IRWD Check	Reconciled
423183	2-Dec-21	GJ AUTOMOTIVE EQUIPMENT CO INC	185.09	IRWD Check	Reconciled
423184	2-Dec-21	GM SAGER CONSTRUCTION CO,INC.	52,800.00	IRWD Check	Reconciled
423185	2-Dec-21	GRAINGER	3,890.07	IRWD Check	Reconciled
423186	2-Dec-21	GRAYBAR ELECTRIC COMPANY	2,715.66	IRWD Check	Reconciled
423187	2-Dec-21	HAAKER EQUIPMENT COMPANY	2,001.56	IRWD Check	Reconciled
423188	2-Dec-21	HACH COMPANY	8,810.32	IRWD Check	Reconciled
423189	2-Dec-21	HAMILTON, KURT	1,588.61	IRWD Check	Reconciled
423190	2-Dec-21	HARPER & ASSOCIATES ENGINEERING INC	2,850.00	IRWD Check	Reconciled
423191	2-Dec-21	HAZEN AND SAWYER	9,662.25	IRWD Check	Reconciled
423192	2-Dec-21	HDR ENGINEERING INC	74,588.92	IRWD Check	Reconciled
423193	2-Dec-21	HELPMATES STAFFING SERVICES LLC	5,180.00	IRWD Check	Reconciled
423194	2-Dec-21	HI-LINE INC	3,208.80	IRWD Check	Reconciled
423195	2-Dec-21	HILL BROTHERS CHEMICAL COMPANY	25,563.49	IRWD Check	Reconciled
423196	2-Dec-21	HOME DEPOT USA INC	1,586.45	IRWD Check	Reconciled
423197	2-Dec-21	HSG INC	1,951.00	IRWD Check	Reconciled
423198	2-Dec-21	HURRY, FARIBA	35.47	IRWD Check	Reconciled
423199	2-Dec-21	IMPERIAL SPRINKLER SUPPLY, INC.	1,350.94	IRWD Check	Reconciled
423200	2-Dec-21	INDUSTRIAL METAL SUPPLY CO	806.37	IRWD Check	Reconciled
423201	2-Dec-21	INDUSTRIAL SCIENTIFIC CORPORATION	56,453.92	IRWD Check	Reconciled
423202	2-Dec-21	INNOVATIVE MACHINE TOOL REPAIR LLC	1,300.24	IRWD Check	Reconciled
423203	2-Dec-21	INTEGRITY GENERAL ENGINEERING CONTRACTORS	1,472.92	IRWD Check	Reconciled
423204	2-Dec-21	INTEGRITY MUNICIPAL SERVICES LLC	2,575.00	IRWD Check	Reconciled
423205	2-Dec-21	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 47	3,383.28	IRWD Check	Reconciled
423206	2-Dec-21	IRVINE PIPE & SUPPLY INC	2,267.12	IRWD Check	Reconciled
423207	2-Dec-21	IRWD-PETTY CASH CUSTODIAN	1,051.71	IRWD Check	Reconciled
423208	2-Dec-21	J B BOSTICK COMPANY, INC.	2,234.11	IRWD Check	Negotiable
423209	2-Dec-21	JACOBS ENGINEERING GROUP INC.	26,896.23	IRWD Check	Reconciled
423210	2-Dec-21	JESSICA DUONG AND HENRY HOANG	76.41	IRWD Check	Reconciled
423211	2-Dec-21	JONSET LLC	1,780.00	IRWD Check	Reconciled
423212	2-Dec-21	JUST ENERGY SOLUTIONS INC.	208.47	IRWD Check	Reconciled
423213	2-Dec-21	KAESER COMPRESSORS, INC.	677.51	IRWD Check	Reconciled
423214	2-Dec-21	KING, PATRICIA	29.93	IRWD Check	Reconciled
423215	2-Dec-21	KUTAK ROCK LLP	2,870.00	IRWD Check	Reconciled
423216	2-Dec-21	LA HABRA FENCE COMPANY INC	4,398.00	IRWD Check	Reconciled
423217	2-Dec-21	LAGUNA BEACH COUNTY WATER DISTRICT	10,152.49	IRWD Check	Reconciled
423218	2-Dec-21	LEE & RO, INC.	17,341.00	IRWD Check	Reconciled
423219	2-Dec-21	LEONARD, SCOTT	104.94	IRWD Check	Reconciled
423220	2-Dec-21	LGC GEOTECHNICAL, INC.	865.00	IRWD Check	Reconciled
423221	2-Dec-21	LINDE GAS & EQUIPMENT INC.	5,712.10	IRWD Check	Reconciled
423222	2-Dec-21	LINDSAY POLIC CONSULTING, INC.	9,100.00	IRWD Check	Reconciled
423223	2-Dec-21	MBC AQUATIC SCIENCES, INC.	1,400.00	IRWD Check	Reconciled
423224	2-Dec-21	MBK ENGINEERS	183.75	IRWD Check	Reconciled
423225	2-Dec-21	MC FADDEN-DALE INDUSTRIAL	524.14	IRWD Check	Reconciled
423226	2-Dec-21	MC MASTER CARR SUPPLY CO	242.00	IRWD Check	Reconciled
423227	2-Dec-21	MERRIMAC PETROLEUM, INC.	33,165.21	IRWD Check	Reconciled
423228	2-Dec-21	MISSION COMMUNICATIONS, LLC	2,817.00	IRWD Check	Reconciled
423229	2-Dec-21	MR CRANE INC	1,182.50	IRWD Check	Negotiable
423230	2-Dec-21	MYERS & SONS HI-WAY SAFETY, INC.	3,146.30	IRWD Check	Reconciled
423231	2-Dec-21	O'REILLY AUTO ENTERPRISES, LLC	605.59	IRWD Check	Reconciled
423232	2-Dec-21	OLD TRABUCO HIGHLANDS	3,746.89	IRWD Check	Reconciled
423233	2-Dec-21	OLIN CORPORATION	53,982.23	IRWD Check	Reconciled
423234	2-Dec-21	OLIVER, VERENIA	33.64	IRWD Check	Negotiable
423235	2-Dec-21	ONESOURCE DISTRIBUTORS LLC	8,628.26	IRWD Check	Reconciled
423236	2-Dec-21	ORACLE AMERICA, INC.	20,004.01	IRWD Check	Reconciled
423237	2-Dec-21	ORANGE COUNTY AUTO PARTS CO	3,206.82	IRWD Check	Reconciled
423238	2-Dec-21	ORANGE COUNTY FIRE PROTECTION	3,878.15	IRWD Check	Reconciled
423239	2-Dec-21	ORANGE COUNTY SANITATION DISTRICT	128,067.00	IRWD Check	Reconciled
423240	2-Dec-21	PACIFIC AUTO WASH PARTNERS	17.99	IRWD Check	Reconciled
423241	2-Dec-21	PACIFIC COAST BOLT CORP	1,239.05	IRWD Check	Reconciled
423242	2-Dec-21	PACIFIC PARTS & CONTROLS INC	3,470.26	IRWD Check	Reconciled
423243	2-Dec-21	PACRIM ENGINEERING INC.	1,275.00	IRWD Check	Reconciled

**IRVINE RANCH WATER DISTRICT
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CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423244	2-Dec-21	PAULUS ENGINEERING, INC.	178,782.43	IRWD Check	Reconciled
423245	2-Dec-21	PAYMENTUS GROUP INC.	68,426.72	IRWD Check	Reconciled
423246	2-Dec-21	PELLETIER & ASSOCIATES, INC.	598.00	IRWD Check	Reconciled
423247	2-Dec-21	PERS LONG TERM CARE	777.64	IRWD Check	Reconciled
423248	2-Dec-21	PETRUSSE-NORRIS PAINTING, INC.	12,400.00	IRWD Check	Reconciled
423249	2-Dec-21	PIPELOGIX INC	3,000.00	IRWD Check	Negotiable
423250	2-Dec-21	PLUMBERS DEPOT INC.	1,190.91	IRWD Check	Reconciled
423251	2-Dec-21	PPG INDUSTRIES SALES, INC.	177.88	IRWD Check	Reconciled
423252	2-Dec-21	PREMIER PAVING INC.	1,514.20	IRWD Check	Reconciled
423253	2-Dec-21	TAWEKJIAN, MEHRAN	650.00	IRWD Check	Reconciled
423254	2-Dec-21	PROBOLSKY RESEARCH LLC	11,518.75	IRWD Check	Reconciled
423255	2-Dec-21	PS BUSINESS PARKS	6,736.99	IRWD Check	Negotiable
423256	2-Dec-21	PYRO-COMM SYSTEMS INC	310.00	IRWD Check	Reconciled
423257	2-Dec-21	QUADIENT FINANCE USA, INC.	2,000.00	IRWD Check	Reconciled
423258	2-Dec-21	QUINN COMPANY	3,000.00	IRWD Check	Reconciled
423259	2-Dec-21	R&B AUTOMATION, INC.	3,941.35	IRWD Check	Reconciled
423260	2-Dec-21	RAM AIR ENGINEERING INC	35,526.41	IRWD Check	Reconciled
423261	2-Dec-21	RED WING SHOE STORE	1,352.79	IRWD Check	Reconciled
423262	2-Dec-21	REDDY, SUSHMITHA	439.89	IRWD Check	Negotiable
423263	2-Dec-21	RENTOKIL NORTH AMERICA, INC	400.00	IRWD Check	Reconciled
423264	2-Dec-21	RICHARD C. SLADE & ASSOCIATES LLC	17,521.38	IRWD Check	Reconciled
423265	2-Dec-21	RLG ENTERPRISES, INC	814.27	IRWD Check	Reconciled
423266	2-Dec-21	RSI LLC	80.98	IRWD Check	Reconciled
423267	2-Dec-21	SANTA ANA BLUE PRINT	89.81	IRWD Check	Reconciled
423268	2-Dec-21	SANTA MARGARITA FORD	621.90	IRWD Check	Reconciled
423269	2-Dec-21	SCHINDLER ELEVATOR CORPORATION	236.62	IRWD Check	Reconciled
423270	2-Dec-21	SERVERSUPPLY.COM INC	1,461.41	IRWD Check	Reconciled
423271	2-Dec-21	SHAMROCK SUPPLY CO INC	2,614.05	IRWD Check	Reconciled
423272	2-Dec-21	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT	5,072.96	IRWD Check	Reconciled
423273	2-Dec-21	SOUTHERN CALIFORNIA EDISON COMPANY	478,918.52	IRWD Check	Reconciled
423274	2-Dec-21	SOUTHERN CALIFORNIA EDISON COMPANY	72.98	IRWD Check	Reconciled
423275	2-Dec-21	SOUTHERN CALIFORNIA GAS COMPANY	13.59	IRWD Check	Reconciled
423276	2-Dec-21	SOUTHWEST VALVE & EQUIPMENT INC	26,770.49	IRWD Check	Reconciled
423277	2-Dec-21	SPECTER, JILL	671.95	IRWD Check	Reconciled
423278	2-Dec-21	STANTEC CONSULTING SERVICES INC.	13,207.50	IRWD Check	Reconciled
423279	2-Dec-21	STETSON ENGINEERS INC.	2,178.50	IRWD Check	Reconciled
423280	2-Dec-21	SUN-STAR ELECTRIC, INC.	50,407.16	IRWD Check	Reconciled
423281	2-Dec-21	TAIT ENVIRONMENTAL SERVICES, INC.	420.00	IRWD Check	Reconciled
423282	2-Dec-21	TANKVISIONS, INC	30.00	IRWD Check	Reconciled
423283	2-Dec-21	TESTAMERICA LABORATORIES, INC.	257.50	IRWD Check	Reconciled
423284	2-Dec-21	TETRA TECH, INC	84,626.25	IRWD Check	Reconciled
423285	2-Dec-21	THOMPSON & PHIPPS INC	486.83	IRWD Check	Reconciled
423286	2-Dec-21	TILLEY CRANE INSPECTION SERVICE CO., INC.	2,800.00	IRWD Check	Reconciled
423287	2-Dec-21	TK ELEVATOR CORPORATION	211.44	IRWD Check	Reconciled
423288	2-Dec-21	TORAY MEMBRANE USA, INC.	1,356.37	IRWD Check	Reconciled
423289	2-Dec-21	TOTAL RESOURCE MANAGEMENT, INC	2,550.00	IRWD Check	Reconciled
423290	2-Dec-21	TRAFFIC MANAGEMENT, INC	2,814.00	IRWD Check	Reconciled
423291	2-Dec-21	TREE OF LIFE NURSERY	151.93	IRWD Check	Reconciled
423292	2-Dec-21	TRI COUNTY PUMP COMPANY	20,016.90	IRWD Check	Reconciled
423293	2-Dec-21	TRUCPARCO	321.28	IRWD Check	Reconciled
423294	2-Dec-21	UNITED PARCEL SERVICE INC	221.92	IRWD Check	Reconciled
423295	2-Dec-21	UNITED SITE SERVICES OF CALIFORNIA INC	953.16	IRWD Check	Reconciled
423296	2-Dec-21	UNIVAR SOLUTIONS USA INC.	10,436.10	IRWD Check	Reconciled
423297	2-Dec-21	US BANK NAT'L ASSOCIATION NORTH DAKOTA	56,929.59	IRWD Check	Reconciled
423298	2-Dec-21	VERIZON WIRELESS SERVICES LLC	12,458.53	IRWD Check	Reconciled
423299	2-Dec-21	VULCAN MATERIALS COMPANY	1,533.07	IRWD Check	Reconciled
423300	2-Dec-21	VWR INTERNATIONAL, LLC	491.58	IRWD Check	Reconciled
423301	2-Dec-21	WATER SYSTEMS OPTIMIZATION, INC.	2,500.00	IRWD Check	Reconciled
423302	2-Dec-21	WAXIE'S ENTERPRISES, INC	1,765.06	IRWD Check	Reconciled
423303	2-Dec-21	WECK LABORATORIES INC	3,170.00	IRWD Check	Reconciled
423304	2-Dec-21	WEST COAST SAND & GRAVEL INC.	1,234.89	IRWD Check	Reconciled
423305	2-Dec-21	WOODARD & CURRAN INC	3,070.22	IRWD Check	Reconciled
423306	2-Dec-21	WORKFORCE SAFETY LLC	3,000.00	IRWD Check	Reconciled
423307	2-Dec-21	XI LOU AND HAOWEI GAO	100.10	IRWD Check	Negotiable
423308	2-Dec-21	YORKE ENGINEERING, LLC	913.50	IRWD Check	Reconciled
423309	2-Dec-21	YSI, INC	119.82	IRWD Check	Reconciled
423310	6-Dec-21	COUNTY OF ORANGE	1,409.78	IRWD Check	Reconciled
423311	9-Dec-21	Barboza, Armando	200.00	IRWD Check	Reconciled
423312	9-Dec-21	Borowski, Michael (Mike)	106.00	IRWD Check	Reconciled
423313	9-Dec-21	Fehser, Noah (Noah)	55.00	IRWD Check	Reconciled
423314	9-Dec-21	Flores, Jorge	288.00	IRWD Check	Reconciled
423315	9-Dec-21	Olivolo, Eric J (Eric)	99.21	IRWD Check	Reconciled

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CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423316	9-Dec-21	8X8 INC	118.76	IRWD Check	Reconciled
423317	9-Dec-21	ABM INDUSTRY GROUPS, LLC	24,516.09	IRWD Check	Reconciled
423318	9-Dec-21	ABSOLUTE STANDARDS, INC.	365.00	IRWD Check	Negotiable
423319	9-Dec-21	ACCUSOURCE, INC.	152.33	IRWD Check	Reconciled
423320	9-Dec-21	ACCUSTANDARD INC	151.63	IRWD Check	Reconciled
423321	9-Dec-21	ACE INDUSTRIES, INC.	1,240.00	IRWD Check	Reconciled
423322	9-Dec-21	ADAM'S FALCONRY SERVICE, LLC	1,820.00	IRWD Check	Reconciled
423323	9-Dec-21	ADS CORP.	2,325.00	IRWD Check	Reconciled
423324	9-Dec-21	AGILENT TECHNOLOGIES, INC.	56.84	IRWD Check	Reconciled
423325	9-Dec-21	AIR TECHNOLOGY LABORATORIES	717.00	IRWD Check	Negotiable
423326	9-Dec-21	AIRGAS, INC.	1,416.14	IRWD Check	Reconciled
423327	9-Dec-21	ALL AMERICAN ASPHALT	83,231.32	IRWD Check	Reconciled
423328	9-Dec-21	ALLREAD, LAURIE K	159.79	IRWD Check	Reconciled
423329	9-Dec-21	AMAZON CAPITAL SERVICES, INC.	2,445.23	IRWD Check	Reconciled
423330	9-Dec-21	ARDURRA GROUP, INC.	38,580.00	IRWD Check	Reconciled
423331	9-Dec-21	ARSENAULT, GREGORY	18.35	IRWD Check	Reconciled
423332	9-Dec-21	AT&T	6,081.40	IRWD Check	Reconciled
423333	9-Dec-21	ATHENS SERVICES	1,851.36	IRWD Check	Reconciled
423334	9-Dec-21	AUTOMOTIVE TRAINING AUTHORITY, INC.	418.00	IRWD Check	Negotiable
423335	9-Dec-21	AUTOZONE PARTS, INC.	568.39	IRWD Check	Reconciled
423336	9-Dec-21	BELLEWICK COMMUNITY ASSOCIATION	231.00	IRWD Check	Reconciled
423337	9-Dec-21	BENJAMIN PETER DEMAYO	1,470.00	IRWD Check	Reconciled
423338	9-Dec-21	BEST DRILLING AND PUMP, INC.	43,700.00	IRWD Check	Reconciled
423339	9-Dec-21	BIOMAGIC INC	6,334.90	IRWD Check	Reconciled
423340	9-Dec-21	BLUE LAKE INVESTMENT, INC.	64.34	IRWD Check	Negotiable
423341	9-Dec-21	BRIAN HOMSY	1,171.30	IRWD Check	Reconciled
423342	9-Dec-21	C WELLS PIPELINE MATERIALS INC	18,053.06	IRWD Check	Reconciled
423343	9-Dec-21	C. L. OLSON & ASSOCIATES, INC.	2,262.75	IRWD Check	Reconciled
423344	9-Dec-21	CALIFORNIA BARRICADE RENTAL, INC.	4,875.00	IRWD Check	Reconciled
423345	9-Dec-21	CAMPBELL, JOSHUA JAMES	47.80	IRWD Check	Reconciled
423346	9-Dec-21	CANON SOLUTIONS AMERICA, INC.	5,300.65	IRWD Check	Reconciled
423347	9-Dec-21	CANON SOLUTIONS AMERICA, INC.	41.73	IRWD Check	Reconciled
423348	9-Dec-21	CATALAN, JULIANNE	59.98	IRWD Check	Reconciled
423349	9-Dec-21	CBS SAFARI, LLC	176.74	IRWD Check	Reconciled
423350	9-Dec-21	CDW GOVERNMENT LLC	12,216.88	IRWD Check	Reconciled
423351	9-Dec-21	CEDAR CREEK APARTMENTS	48.78	IRWD Check	Reconciled
423352	9-Dec-21	CHEN, EDDIE	36.11	IRWD Check	Reconciled
423353	9-Dec-21	CHOUN, YUNSANG	32.31	IRWD Check	Reconciled
423354	9-Dec-21	CITY CIRCUIT BREAKERS	1,963.56	IRWD Check	Reconciled
423355	9-Dec-21	CITY OF IRVINE	6,018.40	IRWD Check	Reconciled
423356	9-Dec-21	CITY OF TUSTIN	429.98	IRWD Check	Reconciled
423357	9-Dec-21	CLA-VAL COMPANY	2,979.79	IRWD Check	Reconciled
423358	9-Dec-21	CLEAN ENERGY	5,076.37	IRWD Check	Reconciled
423359	9-Dec-21	COASTAL OCCUPATIONAL MEDICAL GROUP, INC.	3,609.10	IRWD Check	Reconciled
423360	9-Dec-21	CONSTELLATION NEWENERGY, INC.	143,033.67	IRWD Check	Reconciled
423361	9-Dec-21	COUNTY CIRCUIT BREAKERS	2,051.72	IRWD Check	Reconciled
423362	9-Dec-21	COUNTY OF ORANGE	110.57	IRWD Check	Reconciled
423363	9-Dec-21	COUNTY OF ORANGE	2,483.00	IRWD Check	Reconciled
423364	9-Dec-21	COX COMMUNICATIONS, INC.	274.89	IRWD Check	Reconciled
423365	9-Dec-21	D & H WATER SYSTEMS INC.	870.85	IRWD Check	Reconciled
423366	9-Dec-21	DAGDIGIAN, JACQUELINE	18.82	IRWD Check	Negotiable
423367	9-Dec-21	DATA CLEAN CORPORATION	559.00	IRWD Check	Reconciled
423368	9-Dec-21	DAVIS FARR LLP	5,000.00	IRWD Check	Reconciled
423369	9-Dec-21	DCS MANAGEMENT LLC	1,795.00	IRWD Check	Reconciled
423370	9-Dec-21	DELL MARKETING LP	325,426.78	IRWD Check	Reconciled
423371	9-Dec-21	DESTEFANO, HELENE	87.44	IRWD Check	Reconciled
423372	9-Dec-21	DOLAN, JAMES	28.08	IRWD Check	Reconciled
423373	9-Dec-21	DPR CONSTRUCTION	198.77	IRWD Check	Voided
423374	9-Dec-21	EI&C ENGINEERING INC.	48,118.00	IRWD Check	Negotiable
423375	9-Dec-21	ENDEMIC ENVIRONMENTAL SERVICES, INC.	750.00	IRWD Check	Reconciled
423376	9-Dec-21	ENVIRONMENTAL SCIENCE ASSOCIATES	16,832.70	IRWD Check	Reconciled
423377	9-Dec-21	EUROFINS CALSCIENCE, LLC	4,656.75	IRWD Check	Reconciled
423378	9-Dec-21	FALLAHZADEH, BABAK	269.29	IRWD Check	Reconciled
423379	9-Dec-21	FASTBLUE COMMUNICATIONS INC.	1,917.00	IRWD Check	Reconciled
423380	9-Dec-21	FASTENAL COMPANY	303.27	IRWD Check	Reconciled
423381	9-Dec-21	FEDEX	216.19	IRWD Check	Reconciled
423382	9-Dec-21	FEDEX NATIONAL LTL, INC	877.79	IRWD Check	Reconciled
423383	9-Dec-21	FIRE EXTINGUISHING SAFETY & SERVICE	774.56	IRWD Check	Reconciled
423384	9-Dec-21	FISHER SCIENTIFIC COMPANY LLC	852.47	IRWD Check	Reconciled
423385	9-Dec-21	FLEET SOLUTIONS LLC	5,785.74	IRWD Check	Reconciled
423386	9-Dec-21	FLORES, DESIREE	83.06	IRWD Check	Reconciled
423387	9-Dec-21	FOUGHT, CYNTHIA J.	2,593.70	IRWD Check	Reconciled

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423388	9-Dec-21	FUSCOE ENGINEERING, INC.	7,421.50	IRWD Check	Reconciled
423389	9-Dec-21	GAYDOS, TERRI	805.28	IRWD Check	Reconciled
423390	9-Dec-21	GCI CONSTRUCTION, INC.	9,790.98	IRWD Check	Reconciled
423391	9-Dec-21	GIAZZON, MONICA	41.95	IRWD Check	Negotiable
423392	9-Dec-21	GRAINGER	3,491.67	IRWD Check	Reconciled
423393	9-Dec-21	GRAYBAR ELECTRIC COMPANY	29.70	IRWD Check	Reconciled
423394	9-Dec-21	GREENZANG, DR TED	452.81	IRWD Check	Reconciled
423395	9-Dec-21	GSRP ST SOLAR I LLC	10,567.90	IRWD Check	Reconciled
423396	9-Dec-21	HANSON BRIDGETT LLP	65,565.50	IRWD Check	Reconciled
423397	9-Dec-21	HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY	66.94	IRWD Check	Reconciled
423398	9-Dec-21	HDR ENGINEERING INC	17,634.50	IRWD Check	Reconciled
423399	9-Dec-21	HELPMATES STAFFING SERVICES LLC	1,942.50	IRWD Check	Reconciled
423400	9-Dec-21	HI-LINE INC	252.58	IRWD Check	Reconciled
423401	9-Dec-21	HILL BROTHERS CHEMICAL COMPANY	19,928.03	IRWD Check	Reconciled
423402	9-Dec-21	HOME DEPOT USA INC	787.01	IRWD Check	Reconciled
423403	9-Dec-21	IRVINE PACIFIC	909.09	IRWD Check	Negotiable
423404	9-Dec-21	IRVINE PIPE & SUPPLY INC	489.48	IRWD Check	Reconciled
423405	9-Dec-21	IRWD-PETTY CASH CUSTODIAN	807.77	IRWD Check	Reconciled
423406	9-Dec-21	JCI JONES CHEMICALS INC	3,170.88	IRWD Check	Reconciled
423407	9-Dec-21	JIANG, HONG	10.16	IRWD Check	Negotiable
423408	9-Dec-21	JOUNG, JONATHAN	19.06	IRWD Check	Negotiable
423409	9-Dec-21	KAESER COMPRESSORS, INC.	1,533.30	IRWD Check	Reconciled
423410	9-Dec-21	KAGRI, MOHAMMED	26.40	IRWD Check	Negotiable
423411	9-Dec-21	KATAYAMA, TETSUJI	38.61	IRWD Check	Negotiable
423412	9-Dec-21	KIM, LORANCE	112.43	IRWD Check	Reconciled
423413	9-Dec-21	KIM, SOOJIN	576.35	IRWD Check	Reconciled
423414	9-Dec-21	KIMBALL MIDWEST	180.81	IRWD Check	Reconciled
423415	9-Dec-21	KUSUNIS, KEITH T	42.67	IRWD Check	Reconciled
423416	9-Dec-21	LA HABRA FENCE COMPANY INC	4,596.00	IRWD Check	Reconciled
423417	9-Dec-21	LA PIERRA, MARGARET	120.14	IRWD Check	Negotiable
423418	9-Dec-21	LANDCARE HOLDINGS, INC.	69,639.60	IRWD Check	Reconciled
423419	9-Dec-21	LEIGHTON CONSULTING, INC.	2,563.40	IRWD Check	Reconciled
423420	9-Dec-21	LENNAR HOMES OF CALIFORNIA, INC.	451.42	IRWD Check	Reconciled
423421	9-Dec-21	LILLESTRAND LEADERSHIP CONSULTING, INC.	12,202.50	IRWD Check	Reconciled
423422	9-Dec-21	LU, JAIME	75.33	IRWD Check	Negotiable
423423	9-Dec-21	MAKILING, VINCE	49.32	IRWD Check	Reconciled
423424	9-Dec-21	MAP COMMUNICATIONS, INC.	1,581.09	IRWD Check	Reconciled
423425	9-Dec-21	MARK ENTERPRISES TECHNOLOGIES LLC	29,295.00	IRWD Check	Reconciled
423426	9-Dec-21	MCCALL'S METERS, INC.	642.63	IRWD Check	Reconciled
423427	9-Dec-21	MIAO, YAN	44.32	IRWD Check	Reconciled
423428	9-Dec-21	MICROSOFT CORPORATION	20.00	IRWD Check	Reconciled
423429	9-Dec-21	MILES CHEMICAL COMPANY, INC.	6,220.22	IRWD Check	Reconciled
423430	9-Dec-21	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	305.00	IRWD Check	Reconciled
423431	9-Dec-21	NEARMAP US INC.	14,850.00	IRWD Check	Reconciled
423432	9-Dec-21	NEW DIMENSION GENERAL CONSTRUCTION	42,236.78	IRWD Check	Reconciled
423433	9-Dec-21	NGUYEN, ANNIE	170.36	IRWD Check	Reconciled
423434	9-Dec-21	NGUYEN, YEN	15.47	IRWD Check	Reconciled
423435	9-Dec-21	O'REILLY AUTO ENTERPRISES, LLC	253.94	IRWD Check	Reconciled
423436	9-Dec-21	O.C. SUPERIOR CUSTOM CLEANING	4,640.00	IRWD Check	Reconciled
423437	9-Dec-21	OLIN CORPORATION	20,222.25	IRWD Check	Reconciled
423438	9-Dec-21	ONYX PAVING COMPANY INC.	13,600.00	IRWD Check	Reconciled
423439	9-Dec-21	ORACLE AMERICA, INC.	246,949.45	IRWD Check	Reconciled
423440	9-Dec-21	ORANGE COAST PLUMBING	845.65	IRWD Check	Reconciled
423441	9-Dec-21	ORANGE COUNTY AUTO PARTS CO	981.09	IRWD Check	Reconciled
423442	9-Dec-21	ORIGIN CONSULTING LLC	74,879.96	IRWD Check	Reconciled
423443	9-Dec-21	PACIFIC PARTS & CONTROLS INC	4,318.06	IRWD Check	Reconciled
423444	9-Dec-21	PACIFIC STAR CHEMICAL, LLC	4,199.96	IRWD Check	Reconciled
423445	9-Dec-21	PARKHOUSE TIRE INC	3,907.77	IRWD Check	Reconciled
423446	9-Dec-21	PAUL A. RUELAS	250.00	IRWD Check	Reconciled
423447	9-Dec-21	PENN ARCHIVE SERVICES	67.82	IRWD Check	Reconciled
423448	9-Dec-21	PILLSBURY WINTHROP SHAW PITTMAN LLP	5,994.00	IRWD Check	Reconciled
423449	9-Dec-21	PIPELINE PRODUCTS, INC.	355.25	IRWD Check	Reconciled
423450	9-Dec-21	PLUMBERS DEPOT INC.	1,227.00	IRWD Check	Negotiable
423451	9-Dec-21	PRAKASH, YASHWANTH	637.75	IRWD Check	Reconciled
423452	9-Dec-21	PRONTO GYM SERVICES, INC.	680.68	IRWD Check	Reconciled
423453	9-Dec-21	PSOMAS	72,227.50	IRWD Check	Reconciled
423454	9-Dec-21	PYRO-COMM SYSTEMS INC	985.00	IRWD Check	Negotiable
423455	9-Dec-21	RAM AIR ENGINEERING INC	7,198.35	IRWD Check	Reconciled
423456	9-Dec-21	REAL WATER CONSULTANTS INC.	20,145.00	IRWD Check	Reconciled
423457	9-Dec-21	RENTOKIL NORTH AMERICA, INC	220.00	IRWD Check	Reconciled
423458	9-Dec-21	RESILIENT COMMUNICATIONS INC.	27,679.40	IRWD Check	Reconciled
423459	9-Dec-21	RIENTON, CRISTINA	22.92	IRWD Check	Reconciled

**IRVINE RANCH WATER DISTRICT
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CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423460	9-Dec-21	RODNEY HARMSWORTH ASSOCIATES, INC.	1,850.00	IRWD Check	Reconciled
423461	9-Dec-21	SANTA ANA BLUE PRINT	288.08	IRWD Check	Reconciled
423462	9-Dec-21	SANTA MARGARITA FORD	101,905.40	IRWD Check	Reconciled
423463	9-Dec-21	SARABIA, JOSE	58.93	IRWD Check	Negotiable
423464	9-Dec-21	SECURITAS SECURITY SERVICES USA, INC.	54,486.31	IRWD Check	Reconciled
423465	9-Dec-21	SERRANO WATER DISTRICT	23,934.93	IRWD Check	Reconciled
423466	9-Dec-21	SI TESTING	10,175.00	IRWD Check	Negotiable
423467	9-Dec-21	SIGMA-ALDRICH INC	147.17	IRWD Check	Reconciled
423468	9-Dec-21	SOUTH BAY FOUNDRY, INC	8,377.56	IRWD Check	Reconciled
423469	9-Dec-21	SOUTHERN CALIFORNIA EDISON COMPANY	625,739.89	IRWD Check	Reconciled
423470	9-Dec-21	SPARKLETT'S	191.46	IRWD Check	Reconciled
423471	9-Dec-21	STATE OF CALIFORNIA, DEPARTMENT OF WATER RESOURCES	248,500.00	IRWD Check	Reconciled
423472	9-Dec-21	STEIN, ROBERT	69.74	IRWD Check	Reconciled
423473	9-Dec-21	STETSON ENGINEERS INC.	860.00	IRWD Check	Reconciled
423474	9-Dec-21	SUN, HUI	283.74	IRWD Check	Reconciled
423475	9-Dec-21	SWAYNE, ELISABETH	34.07	IRWD Check	Reconciled
423476	9-Dec-21	SYNAGRO-WWT, INC.	75,980.42	IRWD Check	Reconciled
423477	9-Dec-21	T.E. ROBERTS, INC.	51,899.45	IRWD Check	Reconciled
423478	9-Dec-21	TAKEISHI, TAKA	58.47	IRWD Check	Reconciled
423479	9-Dec-21	TALLEY INC	446.65	IRWD Check	Reconciled
423480	9-Dec-21	TENDER GREENS UCI	57.64	IRWD Check	Voided
423481	9-Dec-21	TESTAMERICA LABORATORIES, INC.	346.50	IRWD Check	Reconciled
423482	9-Dec-21	TETRA TECH, INC	1,290.00	IRWD Check	Reconciled
423483	9-Dec-21	THE HELLAN STRAINER COMPANY	21,027.81	IRWD Check	Reconciled
423484	9-Dec-21	THE PAPE' GROUP INC.	548.05	IRWD Check	Reconciled
423485	9-Dec-21	THOMPSON & PHIPPS INC	4,605.79	IRWD Check	Reconciled
423486	9-Dec-21	TONY DEMARIA ELECTRIC, INC (DBA TDE)	4,000.00	IRWD Check	Reconciled
423487	9-Dec-21	TOTAL RESOURCE MANAGEMENT, INC	12,953.60	IRWD Check	Reconciled
423488	9-Dec-21	TRUCPARCO	354.82	IRWD Check	Reconciled
423489	9-Dec-21	TSAO, MICHAEL	85.62	IRWD Check	Reconciled
423490	9-Dec-21	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	4,137.52	IRWD Check	Reconciled
423491	9-Dec-21	UNITED PARCEL SERVICE INC	61.11	IRWD Check	Reconciled
423492	9-Dec-21	UNIVAR SOLUTIONS USA INC.	10,182.40	IRWD Check	Reconciled
423493	9-Dec-21	USA BLUEBOOK	243.21	IRWD Check	Reconciled
423494	9-Dec-21	USDA FOREST SERVICE	288.55	IRWD Check	Reconciled
423495	9-Dec-21	VERIZON WIRELESS SERVICES LLC	7,808.36	IRWD Check	Reconciled
423496	9-Dec-21	VULCAN MATERIALS COMPANY	1,536.82	IRWD Check	Reconciled
423497	9-Dec-21	VWR INTERNATIONAL, LLC	1,414.74	IRWD Check	Reconciled
423498	9-Dec-21	WARMINGTON HOMES	76.54	IRWD Check	Negotiable
423499	9-Dec-21	WASTE MANAGEMENT COLLECTIONS AND RECYCLING, INC.	8,005.41	IRWD Check	Reconciled
423500	9-Dec-21	WATERSMART SOFTWARE INC	15,174.99	IRWD Check	Reconciled
423501	9-Dec-21	WAXIE'S ENTERPRISES, INC	681.03	IRWD Check	Reconciled
423502	9-Dec-21	WEAVER, CATHIE	27.27	IRWD Check	Reconciled
423503	9-Dec-21	WECK LABORATORIES INC	2,266.00	IRWD Check	Reconciled
423504	9-Dec-21	WEST YOST & ASSOCIATES, INC.	15,168.00	IRWD Check	Reconciled
423505	9-Dec-21	WESTERN WEATHER GROUP INC	3,225.00	IRWD Check	Reconciled
423506	9-Dec-21	WILLIAM LYON HOMES, INC.	102.93	IRWD Check	Negotiable
423507	9-Dec-21	WIRELESS WATCHDOGS, LLC	1,980.00	IRWD Check	Reconciled
423508	9-Dec-21	YAO, GRACE	553.79	IRWD Check	Reconciled
423509	9-Dec-21	YSI, INC	1,987.99	IRWD Check	Reconciled
423510	9-Dec-21	ZHANG, TEI	155.90	IRWD Check	Voided
423511	9-Dec-21	ZHAO, JIANG HONG	213.49	IRWD Check	Negotiable
423512	9-Dec-21	JAMES PRODUCTIONS, INC.	6,170.00	IRWD Check	Reconciled
423513	13-Dec-21	SOUTHERN CALIFORNIA GAS COMPANY	2,636.00	IRWD Check	Reconciled
423514	16-Dec-21	Bornhoff, Mike (Mike)	448.00	IRWD Check	Reconciled
423515	16-Dec-21	Karpan, Casey L (Casey)	372.00	IRWD Check	Reconciled
423516	16-Dec-21	Seesangrit, Melody M	125.22	IRWD Check	Reconciled
423517	16-Dec-21	3SE	2,995.00	IRWD Check	Reconciled
423518	16-Dec-21	8X8 INC	11,013.28	IRWD Check	Reconciled
423519	16-Dec-21	ABM INDUSTRY GROUPS, LLC	9,926.00	IRWD Check	Reconciled
423520	16-Dec-21	ABSOLUTE STANDARDS, INC.	1,438.75	IRWD Check	Negotiable
423521	16-Dec-21	ADAM'S FALCONRY SERVICE, LLC	1,820.00	IRWD Check	Reconciled
423522	16-Dec-21	AECOM TECHNICAL SERVICES, INC.	475.00	IRWD Check	Reconciled
423523	16-Dec-21	AIRGAS, INC.	3,932.40	IRWD Check	Reconciled
423524	16-Dec-21	ALLIANCE RESOURCE CONSULTING LLC	12,000.00	IRWD Check	Reconciled
423525	16-Dec-21	AMAZON CAPITAL SERVICES, INC.	2,582.31	IRWD Check	Reconciled
423526	16-Dec-21	APPLIED ENGINEERING CONCEPTS	3,960.00	IRWD Check	Reconciled
423527	16-Dec-21	ARCADIS U.S., INC.	1,375.00	IRWD Check	Reconciled
423528	16-Dec-21	ASSEMBLED PRODUCTS CORPORATION	1,180.71	IRWD Check	Reconciled
423529	16-Dec-21	ASSOCIATION OF CALIFORNIA WATER AGENCIES/JPIA	712.45	IRWD Check	Reconciled
423530	16-Dec-21	AT&T	1,681.43	IRWD Check	Reconciled
423531	16-Dec-21	AT&T	101.79	IRWD Check	Reconciled

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423532	16-Dec-21	BARRANCA BUILDING	1,433.44	IRWD Check	Reconciled
423533	16-Dec-21	BELL TOWER FLORIST & GIFTS	499.92	IRWD Check	Negotiable
423534	16-Dec-21	BIGWIG MONSTER, LLC	5,700.00	IRWD Check	Negotiable
423535	16-Dec-21	BLOOMBERG FINANCE LP	13,605.00	IRWD Check	Reconciled
423536	16-Dec-21	C WELLS PIPELINE MATERIALS INC	366.86	IRWD Check	Reconciled
423537	16-Dec-21	CALIFORNIA ASSOCIATION OF SANITATION AGENCIES	20,500.00	IRWD Check	Reconciled
423538	16-Dec-21	CALIFORNIA BARRICADE RENTAL, INC.	12,513.10	IRWD Check	Reconciled
423539	16-Dec-21	CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION	7,529.00	IRWD Check	Reconciled
423540	16-Dec-21	CANNON CORPORATION	7,559.50	IRWD Check	Reconciled
423541	16-Dec-21	CANON FINANCIAL SERVICES, INC	7,803.69	IRWD Check	Reconciled
423542	16-Dec-21	CAPTIVE AUDIENCE MARKETING INC.	79.00	IRWD Check	Reconciled
423543	16-Dec-21	CART MART INC.	189.24	IRWD Check	Reconciled
423544	16-Dec-21	CDW GOVERNMENT LLC	4,318.92	IRWD Check	Reconciled
423545	16-Dec-21	CENTROID SYSTEMS, INC.	76,325.00	IRWD Check	Reconciled
423546	16-Dec-21	CHAIREL CUSTOM HAY, INC.	5,867.26	IRWD Check	Reconciled
423547	16-Dec-21	CHARLES P CROWLEY COMPANY INC	4,179.15	IRWD Check	Reconciled
423548	16-Dec-21	CHEM TECH INTERNATIONAL INC	16,119.70	IRWD Check	Reconciled
423549	16-Dec-21	CHINESE BAPTIST CHURCH	2,070.14	IRWD Check	Negotiable
423550	16-Dec-21	CHO DESIGN ASSOCIATES, INC	2,000.00	IRWD Check	Reconciled
423551	16-Dec-21	CIMARRON ENERGY, INC	1,508.50	IRWD Check	Reconciled
423552	16-Dec-21	CITY OF TUSTIN	8,790.05	IRWD Check	Reconciled
423553	16-Dec-21	CLA-VAL COMPANY	1,563.93	IRWD Check	Reconciled
423554	16-Dec-21	CLIFFORD MORIYAMA	4,315.75	IRWD Check	Reconciled
423555	16-Dec-21	COASTAL OCCUPATIONAL MEDICAL GROUP, INC.	1,113.90	IRWD Check	Reconciled
423556	16-Dec-21	CONSERV CONSTRUCTION INC.	5,000.00	IRWD Check	Reconciled
423557	16-Dec-21	CONSTELLATION NEWENERGY, INC.	13,557.45	IRWD Check	Reconciled
423558	16-Dec-21	CORELOGIC INC	57.92	IRWD Check	Reconciled
423559	16-Dec-21	D & H WATER SYSTEMS INC.	17,347.75	IRWD Check	Reconciled
423560	16-Dec-21	DCS MANAGEMENT LLC	100.45	IRWD Check	Reconciled
423561	16-Dec-21	DELL MARKETING LP	7,618.85	IRWD Check	Reconciled
423562	16-Dec-21	DEMARIA ELECTRIC MOTOR SERVICES, INC.	6,876.09	IRWD Check	Reconciled
423563	16-Dec-21	DEX MEDIA, INC.	91.00	IRWD Check	Reconciled
423564	16-Dec-21	DILYTICS INC	2,800.00	IRWD Check	Negotiable
423565	16-Dec-21	DRAKE TRAFFIC CONTROL SERVICES INC	2,550.00	IRWD Check	Reconciled
423566	16-Dec-21	DUDEK	2,240.00	IRWD Check	Reconciled
423567	16-Dec-21	DXP ENTERPRISES, INC.	18,816.83	IRWD Check	Reconciled
423568	16-Dec-21	ELECTRABOND	3,700.00	IRWD Check	Negotiable
423569	16-Dec-21	EMD MILLIPORE CORP.	1,290.93	IRWD Check	Reconciled
423570	16-Dec-21	ENTERPRISE HOLDINGS, INC.	8,209.68	IRWD Check	Reconciled
423571	16-Dec-21	ENTERPRISE INFORMATION SYSTEMS, INC.	24,810.00	IRWD Check	Reconciled
423572	16-Dec-21	ENVIRONMENTAL ENGINEERING AND CONTRACTING, INC.	3,720.00	IRWD Check	Reconciled
423573	16-Dec-21	ENVIRONMENTAL EXPRESS INC	2,667.96	IRWD Check	Reconciled
423574	16-Dec-21	ENVIRONMENTAL RESOURCE ASSOCIATES	628.63	IRWD Check	Reconciled
423575	16-Dec-21	EUROFINS EATON ANALYTICAL, INC.	300.00	IRWD Check	Reconciled
423576	16-Dec-21	EXECUTIVE LIGHTING & ELECTRIC	4,786.93	IRWD Check	Reconciled
423577	16-Dec-21	FARRELL & ASSOCIATES	194.89	IRWD Check	Reconciled
423578	16-Dec-21	FEDEX	270.79	IRWD Check	Reconciled
423579	16-Dec-21	FERGUSON ENTERPRISES, LLC	5,355.78	IRWD Check	Reconciled
423580	16-Dec-21	FIDELITY SECURITY LIFE INSURANCE COMPANY	715.47	IRWD Check	Reconciled
423581	16-Dec-21	FIDELITY SECURITY LIFE INSURANCE COMPANY	6,692.72	IRWD Check	Reconciled
423582	16-Dec-21	FISHER SCIENTIFIC COMPANY LLC	3,015.46	IRWD Check	Reconciled
423583	16-Dec-21	FOLAND, BEVERLY	270.42	IRWD Check	Negotiable
423584	16-Dec-21	FOUGHT, CYNTHIA J.	762.01	IRWD Check	Reconciled
423585	16-Dec-21	FRONTIER CALIFORNIA INC.	58.67	IRWD Check	Reconciled
423586	16-Dec-21	GARY BALE REDI-MIX CONCRETE, INC.	1,649.65	IRWD Check	Reconciled
423587	16-Dec-21	GEA MECHANICAL EQUIPMENT US, INC.	125,558.55	IRWD Check	Reconciled
423588	16-Dec-21	GI ENDURANT LLC	51,242.90	IRWD Check	Reconciled
423589	16-Dec-21	GRAINGER	15,913.09	IRWD Check	Reconciled
423590	16-Dec-21	HAAKER EQUIPMENT COMPANY	3,579.31	IRWD Check	Reconciled
423591	16-Dec-21	HACH COMPANY	1,516.90	IRWD Check	Reconciled
423592	16-Dec-21	HARPER & ASSOCIATES ENGINEERING INC	8,027.50	IRWD Check	Negotiable
423593	16-Dec-21	HARRINGTON INDUSTRIAL PLASTICS LLC	11,415.44	IRWD Check	Reconciled
423594	16-Dec-21	HDR ENGINEERING INC	172,018.76	IRWD Check	Reconciled
423595	16-Dec-21	HELPMATES STAFFING SERVICES LLC	1,881.52	IRWD Check	Reconciled
423596	16-Dec-21	HENSEL PHELPS CONSTRUCTION CO	37.86	IRWD Check	Reconciled
423597	16-Dec-21	HI-LINE INC	570.78	IRWD Check	Reconciled
423598	16-Dec-21	HILL BROTHERS CHEMICAL COMPANY	12,590.35	IRWD Check	Negotiable
423599	16-Dec-21	HOME DEPOT USA INC	1,545.31	IRWD Check	Reconciled
423600	16-Dec-21	HOYA OPTICAL LABS OF AMERICA, INC.	211.00	IRWD Check	Reconciled
423601	16-Dec-21	INFOSEND, INC.	55,517.62	IRWD Check	Reconciled
423602	16-Dec-21	INNOVATIVE MACHINE TOOL REPAIR LLC	5,527.25	IRWD Check	Reconciled
423603	16-Dec-21	INTEGRITY MUNICIPAL SERVICES LLC	2,575.00	IRWD Check	Reconciled

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423604	16-Dec-21	IRON MOUNTAIN INFORMATION MANAGEMENT INC	676.61	IRWD Check	Reconciled
423605	16-Dec-21	IRVINE PIPE & SUPPLY INC	5,700.71	IRWD Check	Reconciled
423606	16-Dec-21	IRWD-PETTY CASH CUSTODIAN	901.76	IRWD Check	Reconciled
423607	16-Dec-21	JENIFER L. KIENLE	225.00	IRWD Check	Reconciled
423608	16-Dec-21	JIG CONSULTANTS	12,752.50	IRWD Check	Negotiable
423609	16-Dec-21	JONSET LLC	944.00	IRWD Check	Reconciled
423610	16-Dec-21	KAESER COMPRESSORS, INC.	2,417.50	IRWD Check	Reconciled
423611	16-Dec-21	KAN VENTURES, INC	6,500.00	IRWD Check	Reconciled
423612	16-Dec-21	KIMBALL MIDWEST	5,148.97	IRWD Check	Reconciled
423613	16-Dec-21	KRONICK MOSKOVITZ TIEDEMANN & GIRARD	129,645.81	IRWD Check	Reconciled
423614	16-Dec-21	LANDCARE HOLDINGS, INC.	24,888.70	IRWD Check	Reconciled
423615	16-Dec-21	LCS TECHNOLOGIES, INC.	8,235.00	IRWD Check	Reconciled
423616	16-Dec-21	LIEBERT CASSIDY WHITMORE	1,780.00	IRWD Check	Reconciled
423617	16-Dec-21	LINDE GAS & EQUIPMENT INC.	264.61	IRWD Check	Reconciled
423618	16-Dec-21	LINE-X OF SOUTH COAST	1,574.00	IRWD Check	Reconciled
423619	16-Dec-21	LUBRICATION ENGINEERS, INC.	6,287.95	IRWD Check	Reconciled
423620	16-Dec-21	MARK KADESH	10,200.00	IRWD Check	Reconciled
423621	16-Dec-21	MBF CONSULTING, INC.	27,904.72	IRWD Check	Reconciled
423622	16-Dec-21	MC MASTER CARR SUPPLY CO	817.13	IRWD Check	Reconciled
423623	16-Dec-21	MCLEAN, CAROL	500.00	IRWD Check	Reconciled
423624	16-Dec-21	MERCER (US) INC.	3,748.10	IRWD Check	Reconciled
423625	16-Dec-21	MILLER, DEBORAH	280.45	IRWD Check	Negotiable
423626	16-Dec-21	MONTROSE ENVIRONMENTAL GROUP, INC.	1,525.00	IRWD Check	Reconciled
423627	16-Dec-21	MOTION INDUSTRIES INC	112.58	IRWD Check	Reconciled
423628	16-Dec-21	MUTUAL PROPANE	27.00	IRWD Check	Reconciled
423629	16-Dec-21	NEWPORT WINDOW MAINTENANCE INC	2,075.00	IRWD Check	Negotiable
423630	16-Dec-21	O.C. SUPERIOR CUSTOM CLEANING	1,077.00	IRWD Check	Reconciled
423631	16-Dec-21	OLIN CORPORATION	47,239.23	IRWD Check	Reconciled
423632	16-Dec-21	ONESOURCE DISTRIBUTORS LLC	544.19	IRWD Check	Reconciled
423633	16-Dec-21	ORANGE COUNTY AUTO PARTS CO	1,402.12	IRWD Check	Reconciled
423634	16-Dec-21	ORANGE COUNTY FIRE PROTECTION	450.00	IRWD Check	Reconciled
423635	16-Dec-21	ORANGE COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT	2,661.51	IRWD Check	Reconciled
423636	16-Dec-21	ORANGE COUNTY SANITATION DISTRICT	625,936.71	IRWD Check	Reconciled
423637	16-Dec-21	PACIFIC AUTO WASH PARTNERS	18.99	IRWD Check	Reconciled
423638	16-Dec-21	PACIFIC HYDROTECH CORPORATION	402,302.66	IRWD Check	Reconciled
423639	16-Dec-21	PACIFIC HYDROTECH CORPORATION	12,566.32	IRWD Check	Reconciled
423640	16-Dec-21	PACIFIC HYDROTECH CORPORATION	8,607.50	IRWD Check	Reconciled
423641	16-Dec-21	PACIFIC PARTS & CONTROLS INC	7,547.80	IRWD Check	Reconciled
423642	16-Dec-21	PAPER DEPOT DOCUMENT DESTRUCTION LLC	302.00	IRWD Check	Reconciled
423643	16-Dec-21	PASCAL & LUDWIG CONSTRUCTORS	7,956.50	IRWD Check	Reconciled
423644	16-Dec-21	PASCAL & LUDWIG CONSTRUCTORS	151,173.50	IRWD Check	Reconciled
423645	16-Dec-21	PFM ASSET MANAGEMENT LLC	22,000.00	IRWD Check	Reconciled
423646	16-Dec-21	PILAR ONATE	10,300.00	IRWD Check	Reconciled
423647	16-Dec-21	POLLARDWATER.COM	955.74	IRWD Check	Reconciled
423648	16-Dec-21	POLYDYNE INC	125,787.36	IRWD Check	Reconciled
423649	16-Dec-21	PRUDENTIAL OVERALL SUPPLY	12,220.15	IRWD Check	Reconciled
423650	16-Dec-21	PSOMAS	17,135.00	IRWD Check	Reconciled
423651	16-Dec-21	QUADIENT LEASING USA, INC.	3,265.46	IRWD Check	Reconciled
423652	16-Dec-21	QUALITY ENVIRONMENTAL CONTAINERS	5,680.85	IRWD Check	Reconciled
423653	16-Dec-21	QUINTANA, WATTS & HARTMANN, LLC	5,150.00	IRWD Check	Negotiable
423654	16-Dec-21	R.F. MACDONALD CO.	16,150.00	IRWD Check	Reconciled
423655	16-Dec-21	RALPH ANDERSEN & ASSOCIATES	8,575.00	IRWD Check	Negotiable
423656	16-Dec-21	RAM AIR ENGINEERING INC	15,376.45	IRWD Check	Reconciled
423657	16-Dec-21	REFRIGERATION SUPPLIES DISTRIBUTOR	272.11	IRWD Check	Reconciled
423658	16-Dec-21	RENTOKIL NORTH AMERICA, INC	1,475.00	IRWD Check	Reconciled
423659	16-Dec-21	RINCON TRUCK CENTER INC.	13,321.56	IRWD Check	Reconciled
423660	16-Dec-21	ROSEDALE - RIO BRAVO WATER STORAGE DISTRICT	62,015.54	IRWD Check	Reconciled
423661	16-Dec-21	SAFETY-KLEEN SYSTEMS, INC	320.00	IRWD Check	Reconciled
423662	16-Dec-21	SANTA ANA BLUE PRINT	24.75	IRWD Check	Reconciled
423663	16-Dec-21	SANTIAGO AQUEDUCT COMMISSION	254,426.00	IRWD Check	Reconciled
423664	16-Dec-21	SEAL ANALYTICAL INC	581.98	IRWD Check	Reconciled
423665	16-Dec-21	SECURITAS SECURITY SERVICES USA, INC.	6,165.76	IRWD Check	Reconciled
423666	16-Dec-21	SHAMROCK SUPPLY CO INC	675.68	IRWD Check	Reconciled
423667	16-Dec-21	SHOETERIA	396.41	IRWD Check	Reconciled
423668	16-Dec-21	SIGN POST HOMES, INC.	62.40	IRWD Check	Reconciled
423669	16-Dec-21	SOUTH COAST WATER DISTRICT	180.36	IRWD Check	Reconciled
423670	16-Dec-21	SOUTHERN CALIFORNIA EDISON COMPANY	15,376.17	IRWD Check	Reconciled
423671	16-Dec-21	SOUTHERN CALIFORNIA GAS COMPANY	10,822.44	IRWD Check	Negotiable
423672	16-Dec-21	SOUTHLAND WATER TECHNOLOGIES LLC	625.33	IRWD Check	Reconciled
423673	16-Dec-21	SPARKLETTS	197.95	IRWD Check	Reconciled
423674	16-Dec-21	STATE NET	2,520.00	IRWD Check	Reconciled
423675	16-Dec-21	STATE WATER RESOURCES CONTROL BOARD	9,805.00	IRWD Check	Reconciled

**IRVINE RANCH WATER DISTRICT
AP DISBURSEMENTS AND VOIDS FOR DEC 2021**

CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423676	16-Dec-21	SUNSHINE SUPPLY COMPANY, INC.	2,734.70	IRWD Check	Reconciled
423677	16-Dec-21	SUSAN A. SIROTA	4,755.00	IRWD Check	Reconciled
423678	16-Dec-21	TAIT ENVIRONMENTAL SERVICES, INC.	675.00	IRWD Check	Reconciled
423679	16-Dec-21	TASSIN SCIENTIFIC SERVICES, LLC.	1,259.25	IRWD Check	Reconciled
423680	16-Dec-21	THOMAS SCIENTIFIC HOLDINGS, LLC	243.85	IRWD Check	Reconciled
423681	16-Dec-21	THOMPSON & PHIPPS INC	698.91	IRWD Check	Reconciled
423682	16-Dec-21	TICIC SUB LLC	4,629.83	IRWD Check	Negotiable
423683	16-Dec-21	TONG, JEANNY	662.34	IRWD Check	Negotiable
423684	16-Dec-21	TONY DEMARIA ELECTRIC, INC (DBA TDE)	11,200.00	IRWD Check	Reconciled
423685	16-Dec-21	TOTAL RESOURCE MANAGEMENT, INC	935.00	IRWD Check	Negotiable
423686	16-Dec-21	TRAFFIC MANAGEMENT, INC	7,468.00	IRWD Check	Reconciled
423687	16-Dec-21	UCT, LLC	1,767.54	IRWD Check	Reconciled
423688	16-Dec-21	UNISON SOLUTIONS, INC	17,060.00	IRWD Check	Reconciled
423689	16-Dec-21	UNITED HEALTHCARE INSURANCE COMPANY	198.60	IRWD Check	Voided
423690	16-Dec-21	UNITED HEALTHCARE INSURANCE COMPANY	198.60	IRWD Check	Voided
423691	16-Dec-21	UNITED PARCEL SERVICE INC	47.71	IRWD Check	Reconciled
423692	16-Dec-21	US BANK NAT'L ASSOC N.DAKOTA	1,430.00	IRWD Check	Reconciled
423693	16-Dec-21	USA WASTE OF CALIFORNIA, INC.	542.50	IRWD Check	Reconciled
423694	16-Dec-21	V&A CONSULTING ENGINEERS	10,327.66	IRWD Check	Reconciled
423695	16-Dec-21	VAN HOY, JEFF	33.67	IRWD Check	Reconciled
423696	16-Dec-21	VAUGHAN'S INDUSTRIAL REPAIR CO INC	6,107.38	IRWD Check	Reconciled
423697	16-Dec-21	VIDO ARTUKOVICH & SON, INC./VIDMAR, INC. A JV	370,818.19	IRWD Check	Reconciled
423698	16-Dec-21	VIDO ARTUKOVICH & SON, INC./VIDMAR, INC. A JV	19,516.74	IRWD Check	Reconciled
423699	16-Dec-21	VWR INTERNATIONAL, LLC	2,090.21	IRWD Check	Reconciled
423700	16-Dec-21	WALTERS WHOLESALE ELECTRIC	34,051.39	IRWD Check	Reconciled
423701	16-Dec-21	WAXIE'S ENTERPRISES, INC	1,097.39	IRWD Check	Reconciled
423702	16-Dec-21	WCT PRODUCTS, INC.	4,547.49	IRWD Check	Reconciled
423703	16-Dec-21	WECK LABORATORIES INC	360.00	IRWD Check	Reconciled
423704	16-Dec-21	WEST YOST & ASSOCIATES, INC.	36,716.00	IRWD Check	Reconciled
423705	16-Dec-21	WILLIAM LYON HOMES, INC.	1,006.22	IRWD Check	Reconciled
423706	17-Dec-21	ASSOCIATION OF CALIFORNIA WATER AGENCIES/JPIA	36,032.29	IRWD Check	Reconciled
423707	17-Dec-21	FRANCHISE TAX BOARD	400.00	IRWD Check	Negotiable
423708	17-Dec-21	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 47	3,383.28	IRWD Check	Reconciled
423709	17-Dec-21	PERS LONG TERM CARE	612.63	IRWD Check	Reconciled
423710	17-Dec-21	MERRIMAC PETROLEUM, INC.	30,357.82	IRWD Check	Reconciled
423711	17-Dec-21	BENNETT, RAY R	97.88	IRWD Check	Reconciled
423712	17-Dec-21	BEEMAN, BETH M	12.54	IRWD Check	Negotiable
423713	17-Dec-21	SHINBASHI, ALLEN	83.56	IRWD Check	Negotiable
423714	17-Dec-21	RYAN, SABRINA N	2.91	IRWD Check	Negotiable
423715	17-Dec-21	RONEY, JENNY LAUREN	12.71	IRWD Check	Reconciled
423716	17-Dec-21	PEREZ, LINDA	42.08	IRWD Check	Negotiable
423717	17-Dec-21	PASILLAS, KARINA	33.32	IRWD Check	Negotiable
423718	17-Dec-21	OLSON, RICHARD JR	50.12	IRWD Check	Negotiable
423719	17-Dec-21	MONROY, JONNATHAN	71.05	IRWD Check	Negotiable
423720	17-Dec-21	MALONE, THOMAS	29.23	IRWD Check	Negotiable
423721	17-Dec-21	LLEWELLYN, SHANA W	6.22	IRWD Check	Negotiable
423722	17-Dec-21	JANELLI, MATTHEW	46.32	IRWD Check	Reconciled
423723	17-Dec-21	HOFFMAN, MICHAEL S	65.44	IRWD Check	Reconciled
423724	17-Dec-21	HJORTH, CHARLES O	50.75	IRWD Check	Reconciled
423725	17-Dec-21	HAYES, JOHN H	55.50	IRWD Check	Negotiable
423726	17-Dec-21	HASTINGS, NOLA	53.76	IRWD Check	Reconciled
423727	17-Dec-21	GALATEANU, VIORICA	2.45	IRWD Check	Negotiable
423728	17-Dec-21	FOURNIER, TANJA L	10.81	IRWD Check	Reconciled
423729	17-Dec-21	DAYER, JOHN G	73.60	IRWD Check	Reconciled
423730	17-Dec-21	COOK, NICHOLAS	8.19	IRWD Check	Negotiable
423731	17-Dec-21	CONTRERAS, JOAQUIN	49.31	IRWD Check	Reconciled
423732	17-Dec-21	COLVIN, TODD C	20.75	IRWD Check	Negotiable
423733	17-Dec-21	CHAMBERS, BRYAN S	62.32	IRWD Check	Negotiable
423734	17-Dec-21	BERTCH, FREDERICK J	10.26	IRWD Check	Negotiable
423735	17-Dec-21	ZUNIGA, EMILYN BUENAFE	52.06	IRWD Check	Negotiable
423736	17-Dec-21	SOLIS, HENRY	80.74	IRWD Check	Negotiable
423737	17-Dec-21	JOHN MICHAEL COVAS	198.60	IRWD Check	Voided
423738	17-Dec-21	JOHN MICHAEL COVAS	198.60	IRWD Check	Voided
423739	17-Dec-21	UNITED HEALTHCARE INSURANCE COMPANY	324.22	IRWD Check	Voided
423740	17-Dec-21	UNITED HEALTHCARE INSURANCE COMPANY	324.22	IRWD Check	Voided
423741	17-Dec-21	JOHN MICHAEL COVAS	198.60	IRWD Check	Negotiable
423742	17-Dec-21	JOHN MICHAEL COVAS	198.60	IRWD Check	Negotiable
423743	17-Dec-21	UNITED HEALTHCARE INSURANCE COMPANY	324.22	IRWD Check	Reconciled
423744	17-Dec-21	UNITED HEALTHCARE INSURANCE COMPANY	324.22	IRWD Check	Reconciled
423745	20-Dec-21	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	1,673,805.03	IRWD Check	Voided
423746	22-Dec-21	AT&T	1,362.04	IRWD Check	Reconciled
423747	22-Dec-21	A&A WIPING CLOTH CO	1,939.50	IRWD Check	Reconciled

**IRVINE RANCH WATER DISTRICT
AP DISBURSEMENTS AND VOIDS FOR DEC 2021**

CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423748	22-Dec-21	A&Y ASPHALT CONTRACTORS, INC.	600.00	IRWD Check	Reconciled
423749	22-Dec-21	AECOM TECHNICAL SERVICES, INC.	48,847.65	IRWD Check	Reconciled
423750	22-Dec-21	AT&T	175.14	IRWD Check	Negotiable
423751	22-Dec-21	AT&T	10,375.87	IRWD Check	Reconciled
423752	22-Dec-21	ATHENS SERVICES	8,243.43	IRWD Check	Reconciled
423753	22-Dec-21	AUTOZONE PARTS, INC.	409.75	IRWD Check	Reconciled
423754	22-Dec-21	AVIAT U.S., INC	868.00	IRWD Check	Reconciled
423755	22-Dec-21	BORCHARD SURVEYING & MAPPING, INC.	1,782.50	IRWD Check	Reconciled
423756	22-Dec-21	BRUCE HADLEY NEWELL	1,250.00	IRWD Check	Negotiable
423757	22-Dec-21	BSI SERVICES AND SOLUTIONS (WEST) INC.	8,400.00	IRWD Check	Reconciled
423758	22-Dec-21	C WELLS PIPELINE MATERIALS INC	3,691.24	IRWD Check	Negotiable
423759	22-Dec-21	CALIFORNIA BARRICADE RENTAL, INC.	2,897.50	IRWD Check	Reconciled
423760	22-Dec-21	CALVO, JILLIAN	229.55	IRWD Check	Reconciled
423761	22-Dec-21	CANON FINANCIAL SERVICES, INC	539.83	IRWD Check	Reconciled
423762	22-Dec-21	CAPTIVE AUDIENCE MARKETING INC.	79.00	IRWD Check	Reconciled
423763	22-Dec-21	CART MART INC.	263.58	IRWD Check	Reconciled
423764	22-Dec-21	CHEM TECH INTERNATIONAL INC	13,060.08	IRWD Check	Negotiable
423765	22-Dec-21	CITY OF IRVINE	10,752.01	IRWD Check	Negotiable
423766	22-Dec-21	COASTAL OCCUPATIONAL MEDICAL GROUP, INC.	1,479.45	IRWD Check	Negotiable
423767	22-Dec-21	CONSTELLATION NEWENERGY, INC.	27,247.12	IRWD Check	Reconciled
423768	22-Dec-21	CR & R INCORPORATED	427.30	IRWD Check	Reconciled
423769	22-Dec-21	DAI, SHANA	1,719.60	IRWD Check	Reconciled
423770	22-Dec-21	DEMARIA ELECTRIC MOTOR SERVICES, INC.	33,539.34	IRWD Check	Reconciled
423771	22-Dec-21	DENALI WATER SOLUTIONS LLC	7,569.22	IRWD Check	Negotiable
423772	22-Dec-21	DIRECTV INC	153.24	IRWD Check	Negotiable
423773	22-Dec-21	DRAKE TRAFFIC CONTROL SERVICES INC	1,050.00	IRWD Check	Reconciled
423774	22-Dec-21	DUDEK	20,621.89	IRWD Check	Reconciled
423775	22-Dec-21	ENVIRONMENTAL SCIENCE ASSOCIATES	12,719.99	IRWD Check	Reconciled
423776	22-Dec-21	EUROFINS CALSCIENCE, LLC	2,877.00	IRWD Check	Reconciled
423777	22-Dec-21	EXTTI , INCORPORATED	6,493.75	IRWD Check	Reconciled
423778	22-Dec-21	FAN, KANGMIN	99.88	IRWD Check	Reconciled
423779	22-Dec-21	FARRELL & ASSOCIATES	106.44	IRWD Check	Reconciled
423780	22-Dec-21	FERGUSON ENTERPRISES, LLC	4,998.69	IRWD Check	Reconciled
423781	22-Dec-21	FIRST CHOICE SERVICES	2,773.36	IRWD Check	Negotiable
423782	22-Dec-21	FISHER SCIENTIFIC COMPANY LLC	242.76	IRWD Check	Reconciled
423783	22-Dec-21	FRONTIER CALIFORNIA INC.	511.92	IRWD Check	Reconciled
423784	22-Dec-21	GANAHL LUMBER CO.	2,160.43	IRWD Check	Negotiable
423785	22-Dec-21	GEA MECHANICAL EQUIPMENT US, INC.	34,341.51	IRWD Check	Reconciled
423786	22-Dec-21	GI ENDURANT LLC	26,749.70	IRWD Check	Negotiable
423787	22-Dec-21	GRAINGER	3,955.01	IRWD Check	Reconciled
423788	22-Dec-21	HACH COMPANY	2,991.88	IRWD Check	Reconciled
423789	22-Dec-21	HDR ENGINEERING INC	6,653.50	IRWD Check	Reconciled
423790	22-Dec-21	HELPMATES STAFFING SERVICES LLC	4,195.60	IRWD Check	Reconciled
423791	22-Dec-21	HI-LINE INC	1,331.58	IRWD Check	Reconciled
423792	22-Dec-21	HILL BROTHERS CHEMICAL COMPANY	7,840.65	IRWD Check	Negotiable
423793	22-Dec-21	HOME DEPOT USA INC	451.88	IRWD Check	Negotiable
423794	22-Dec-21	HUMANA INSURANCE COMPANY	65.30	IRWD Check	Reconciled
423795	22-Dec-21	HUMANA INSURANCE COMPANY	65.30	IRWD Check	Reconciled
423796	22-Dec-21	IRVINE PIPE & SUPPLY INC	2,687.82	IRWD Check	Reconciled
423797	22-Dec-21	IRWD-PETTY CASH CUSTODIAN	581.71	IRWD Check	Reconciled
423798	22-Dec-21	J M ELECTRICAL SERVICES	2,500.00	IRWD Check	Reconciled
423799	22-Dec-21	JCI JONES CHEMICALS INC	3,157.76	IRWD Check	Negotiable
423800	22-Dec-21	JOSE MARTINEZ TREE SERVICE INC.	17,000.00	IRWD Check	Negotiable
423801	22-Dec-21	JUST ENERGY SOLUTIONS INC.	299.64	IRWD Check	Reconciled
423802	22-Dec-21	KAZARIANS & ASSOCIATES, INC.	12,852.20	IRWD Check	Reconciled
423803	22-Dec-21	KIMBALL MIDWEST	278.46	IRWD Check	Reconciled
423804	22-Dec-21	LA HABRA FENCE COMPANY INC	8,805.00	IRWD Check	Negotiable
423805	22-Dec-21	LABWORKS, LLC	15,600.00	IRWD Check	Reconciled
423806	22-Dec-21	LANDCARE HOLDINGS, INC.	21,800.00	IRWD Check	Reconciled
423807	22-Dec-21	LINDE GAS & EQUIPMENT INC.	2,831.74	IRWD Check	Reconciled
423808	22-Dec-21	MICHAEL BAKER INTERNATIONAL, INC.	6,980.00	IRWD Check	Reconciled
423809	22-Dec-21	MICROSOFT CORPORATION	522.23	IRWD Check	Reconciled
423810	22-Dec-21	MISSION COMMUNICATIONS, LLC	14,648.40	IRWD Check	Reconciled
423811	22-Dec-21	NCL OF WISCONSIN INC	838.35	IRWD Check	Negotiable
423812	22-Dec-21	NIXON-EGLI EQUIPMENT COMPANY INC.	22,520.02	IRWD Check	Reconciled
423813	22-Dec-21	OLIN CORPORATION	6,712.10	IRWD Check	Negotiable
423814	22-Dec-21	ORANGE COUNTY AUTO PARTS CO	80.00	IRWD Check	Negotiable
423815	22-Dec-21	PAPER DEPOT DOCUMENT DESTRUCTION LLC	306.00	IRWD Check	Reconciled
423816	22-Dec-21	PARKHOUSE TIRE INC	2,928.18	IRWD Check	Reconciled
423817	22-Dec-21	PAULUS ENGINEERING, INC.	79,901.05	IRWD Check	Reconciled
423818	22-Dec-21	PAYNE & FEARS LLP	3,872.00	IRWD Check	Reconciled
423819	22-Dec-21	PETRUSSE-NORRIS PAINTING, INC.	4,488.40	IRWD Check	Reconciled

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CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423820	22-Dec-21	POLLARDWATER.COM	60.34	IRWD Check	Reconciled
423821	22-Dec-21	QUINN COMPANY	4,200.00	IRWD Check	Reconciled
423822	22-Dec-21	RAM AIR ENGINEERING INC	2,395.05	IRWD Check	Reconciled
423823	22-Dec-21	RANGE KLEEN MFG. INC	660.00	IRWD Check	Negotiable
423824	22-Dec-21	REAL WATER CONSULTANTS INC.	24,885.00	IRWD Check	Reconciled
423825	22-Dec-21	RED WING SHOE STORE	761.90	IRWD Check	Reconciled
423826	22-Dec-21	RENTOKIL NORTH AMERICA, INC	598.00	IRWD Check	Reconciled
423827	22-Dec-21	RINCON TRUCK CENTER INC.	480.73	IRWD Check	Reconciled
423828	22-Dec-21	SANTA MARGARITA FORD	670.08	IRWD Check	Reconciled
423829	22-Dec-21	SHAMROCK SUPPLY CO INC	352.26	IRWD Check	Reconciled
423830	22-Dec-21	SHOETERIA	403.19	IRWD Check	Reconciled
423831	22-Dec-21	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT	1,463.04	IRWD Check	Negotiable
423832	22-Dec-21	SOUTH COAST MOLD, INC.	173.88	IRWD Check	Reconciled
423833	22-Dec-21	SOUTHERN CALIFORNIA EDISON COMPANY	76,045.39	IRWD Check	Reconciled
423834	22-Dec-21	SOUTHERN CALIFORNIA GAS COMPANY	4,289.64	IRWD Check	Negotiable
423835	22-Dec-21	SOUTHERN CALIFORNIA SECURITY CENTERS, INC.	15.62	IRWD Check	Negotiable
423836	22-Dec-21	STATE WATER RESOURCES CONTROL BOARD	89,170.00	IRWD Check	Reconciled
423837	22-Dec-21	THOMPSON & PHIPPS INC	322.24	IRWD Check	Reconciled
423838	22-Dec-21	TICIC SUB LLC	2,950.75	IRWD Check	Negotiable
423839	22-Dec-21	TIGHT QUARTERS, INC.	5,800.00	IRWD Check	Negotiable
423840	22-Dec-21	TK ELEVATOR CORPORATION	982.98	IRWD Check	Negotiable
423841	22-Dec-21	TRIPAC MARKETING INC	1,185.25	IRWD Check	Reconciled
423842	22-Dec-21	WATER TREATMENT CHEMICALS INC	13,759.20	IRWD Check	Reconciled
423843	22-Dec-21	WAXIE'S ENTERPRISES, INC	854.55	IRWD Check	Reconciled
423844	22-Dec-21	WECK LABORATORIES INC	120.00	IRWD Check	Reconciled
423845	22-Dec-21	WEST COAST SAND & GRAVEL INC.	1,085.38	IRWD Check	Reconciled
423846	22-Dec-21	WESTAMERICA COMMUNICATIONS, INC.	600.00	IRWD Check	Reconciled
423847	22-Dec-21	WORKFORCE SAFETY LLC	1,500.00	IRWD Check	Reconciled
423848	22-Dec-21	YORK RISK SERVICES GROUP, INC.	8,584.25	IRWD Check	Reconciled
423849	27-Dec-21	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT	5,902.54	IRWD Check	Negotiable
423850	29-Dec-21	PERS LONG TERM CARE	612.63	IRWD Check	Reconciled
423851	29-Dec-21	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 47	3,403.64	IRWD Check	Negotiable
423852	29-Dec-21	JAMES PRODUCTIONS, INC.	216.00	IRWD Check	Reconciled
423853	29-Dec-21	REACH EMPLOYEE ASSISTANCE INC	1,066.80	IRWD Check	Negotiable
423854	29-Dec-21	ANTHEM BLUE CROSS	283.41	IRWD Check	Negotiable
423855	29-Dec-21	ASSOCIATION OF CALIFORNIA WATER AGENCIES/JPIA	38,232.36	IRWD Check	Negotiable
423856	29-Dec-21	FIDELITY SECURITY LIFE INSURANCE COMPANY	180.35	IRWD Check	Negotiable
423857	29-Dec-21	FIDELITY SECURITY LIFE INSURANCE COMPANY	6,440.01	IRWD Check	Negotiable
423858	29-Dec-21	FIDELITY SECURITY LIFE INSURANCE COMPANY	72.68	IRWD Check	Negotiable
423859	30-Dec-21	Chaney, David (Dave)	96.00	IRWD Check	Negotiable
423860	30-Dec-21	Drew, Michael A	389.99	IRWD Check	Negotiable
423861	30-Dec-21	Reynoso, Pio (Pio)	106.67	IRWD Check	Negotiable
423862	30-Dec-21	Schulze, Richard W (Richard)	192.00	IRWD Check	Negotiable
423863	30-Dec-21	Wang, Peter (Peter)	199.49	IRWD Check	Negotiable
423864	30-Dec-21	A&Y ASPHALT CONTRACTORS, INC.	39,811.75	IRWD Check	Negotiable
423865	30-Dec-21	ADAM'S FALCONRY SERVICE, LLC	1,560.00	IRWD Check	Negotiable
423866	30-Dec-21	AGILENT TECHNOLOGIES, INC.	893.27	IRWD Check	Negotiable
423867	30-Dec-21	AIRGAS, INC.	24.22	IRWD Check	Negotiable
423868	30-Dec-21	ALEXANDER'S CONTRACT SERVICES, INC.	128,436.65	IRWD Check	Negotiable
423869	30-Dec-21	ALL AMERICAN ASPHALT	1,724.33	IRWD Check	Negotiable
423870	30-Dec-21	ALSTON & BIRD LLP	28,697.95	IRWD Check	Negotiable
423871	30-Dec-21	AMAZON CAPITAL SERVICES, INC.	5,300.09	IRWD Check	Reconciled
423872	30-Dec-21	AMERICAN INTEGRATED SERVICES	1,479.89	IRWD Check	Negotiable
423873	30-Dec-21	APPLIED ENGINEERING CONCEPTS	9,070.75	IRWD Check	Negotiable
423874	30-Dec-21	AQUA-METRIC SALES COMPANY	3,415.41	IRWD Check	Negotiable
423875	30-Dec-21	ARB, INC.	1,776.00	IRWD Check	Negotiable
423876	30-Dec-21	ASSURED FLOW SALES INC	333.91	IRWD Check	Negotiable
423877	30-Dec-21	AT&T	373.56	IRWD Check	Negotiable
423878	30-Dec-21	AT&T	4,223.84	IRWD Check	Negotiable
423879	30-Dec-21	AT&T	60.56	IRWD Check	Negotiable
423880	30-Dec-21	AUTOZONE PARTS, INC.	438.40	IRWD Check	Negotiable
423881	30-Dec-21	AVIAT U.S., INC	954.00	IRWD Check	Negotiable
423882	30-Dec-21	BATTERIES PLUS AND BATTERIES PLUS BULBS	8,100.39	IRWD Check	Negotiable
423883	30-Dec-21	BITECH CONSTRUCTION CO, INC	1,362.49	IRWD Check	Negotiable
423884	30-Dec-21	C WELLS PIPELINE MATERIALS INC	4,496.77	IRWD Check	Negotiable
423885	30-Dec-21	CAL MICROTURBINE, INC.	950.00	IRWD Check	Negotiable
423886	30-Dec-21	CALIFORNIA MUNICIPAL STATISTICS INC	2,625.00	IRWD Check	Negotiable
423887	30-Dec-21	CDW GOVERNMENT LLC	4,911.43	IRWD Check	Negotiable
423888	30-Dec-21	CHEM TECH INTERNATIONAL INC	2,964.00	IRWD Check	Negotiable
423889	30-Dec-21	CIMARRON ENERGY, INC	3,563.66	IRWD Check	Negotiable
423890	30-Dec-21	CITY OF ORANGE	235.28	IRWD Check	Negotiable
423891	30-Dec-21	CONSTELLATION NEWENERGY, INC.	46,422.66	IRWD Check	Negotiable

**IRVINE RANCH WATER DISTRICT
AP DISBURSEMENTS AND VOIDS FOR DEC 2021**

CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423892	30-Dec-21	COUSYN GRADING & DEMOLITION, INC	1,641.53	IRWD Check	Negotiable
423893	30-Dec-21	COX COMMUNICATIONS, INC.	3,554.49	IRWD Check	Reconciled
423894	30-Dec-21	CULLIGAN OF SANTA ANA	22,000.00	IRWD Check	Negotiable
423895	30-Dec-21	CYBRARY, INC.	2,375.00	IRWD Check	Negotiable
423896	30-Dec-21	D & G SIGNS	603.40	IRWD Check	Negotiable
423897	30-Dec-21	DATA CLEAN CORPORATION	559.00	IRWD Check	Negotiable
423898	30-Dec-21	DAVIS FARR LLP	17,280.00	IRWD Check	Negotiable
423899	30-Dec-21	DESIGN TEAM AMERICA, INC.	1,668.85	IRWD Check	Negotiable
423900	30-Dec-21	DG INVESTMENT INTERMEDIATE HOLDINGS 2, INC.	1,487.98	IRWD Check	Negotiable
423901	30-Dec-21	DIRECTV INC	146.99	IRWD Check	Negotiable
423902	30-Dec-21	DWYER INSTRUMENTS INC	1,131.02	IRWD Check	Negotiable
423903	30-Dec-21	EMD MILLIPORE CORP.	2,064.88	IRWD Check	Negotiable
423904	30-Dec-21	FEDEX	470.20	IRWD Check	Negotiable
423905	30-Dec-21	FERGUSON ENTERPRISES, LLC	10,182.35	IRWD Check	Negotiable
423906	30-Dec-21	FISHER SCIENTIFIC COMPANY LLC	1,470.08	IRWD Check	Negotiable
423907	30-Dec-21	FRONTIER CALIFORNIA INC.	398.43	IRWD Check	Negotiable
423908	30-Dec-21	GEA MECHANICAL EQUIPMENT US, INC.	12,644.69	IRWD Check	Negotiable
423909	30-Dec-21	GIMONDO, JODI	1,953.72	IRWD Check	Negotiable
423910	30-Dec-21	GRAINGER	7,808.85	IRWD Check	Negotiable
423911	30-Dec-21	GRAYBAR ELECTRIC COMPANY	2,529.50	IRWD Check	Negotiable
423912	30-Dec-21	HAAKER EQUIPMENT COMPANY	899.68	IRWD Check	Negotiable
423913	30-Dec-21	HACH COMPANY	3,364.82	IRWD Check	Negotiable
423914	30-Dec-21	HARRINGTON INDUSTRIAL PLASTICS LLC	7,164.12	IRWD Check	Negotiable
423915	30-Dec-21	HAZEN AND SAWYER	8,626.25	IRWD Check	Negotiable
423916	30-Dec-21	HEARTS OF WISDOM, INC.	1,626.83	IRWD Check	Negotiable
423917	30-Dec-21	HELPMATES STAFFING SERVICES LLC	948.60	IRWD Check	Negotiable
423918	30-Dec-21	HI-LINE INC	381.09	IRWD Check	Negotiable
423919	30-Dec-21	INTERNATIONAL PAVING SERVICES, INC	1,603.47	IRWD Check	Negotiable
423920	30-Dec-21	IRVINE PIPE & SUPPLY INC	3,113.01	IRWD Check	Negotiable
423921	30-Dec-21	IRVINE UNIFIED SCHOOL DISTRICT	5,276.33	IRWD Check	Negotiable
423922	30-Dec-21	KIMBALL MIDWEST	1,622.57	IRWD Check	Negotiable
423923	30-Dec-21	KUTAK ROCK LLP	1,880.50	IRWD Check	Negotiable
423924	30-Dec-21	LANDCARE HOLDINGS, INC.	115,827.00	IRWD Check	Negotiable
423925	30-Dec-21	LEATHERWOOD CONSTRUCTION INC	1,462.53	IRWD Check	Negotiable
423926	30-Dec-21	LEE & RO, INC.	5,662.29	IRWD Check	Negotiable
423927	30-Dec-21	LIEBERT CASSIDY WHITMORE	878.50	IRWD Check	Negotiable
423928	30-Dec-21	LINDE GAS & EQUIPMENT INC.	3,314.08	IRWD Check	Negotiable
423929	30-Dec-21	LUBRICATION ENGINEERS, INC.	8,023.29	IRWD Check	Negotiable
423930	30-Dec-21	MARK THOMAS & COMPANY, INC.	523.16	IRWD Check	Negotiable
423931	30-Dec-21	MBC AQUATIC SCIENCES, INC.	1,400.00	IRWD Check	Negotiable
423932	30-Dec-21	MC FADDEN-DALE INDUSTRIAL	51.63	IRWD Check	Negotiable
423933	30-Dec-21	MCR TECHNOLOGIES INC	2,527.20	IRWD Check	Negotiable
423934	30-Dec-21	MILES CHEMICAL COMPANY, INC.	11,924.53	IRWD Check	Negotiable
423935	30-Dec-21	MUTUAL PROPANE	228.38	IRWD Check	Negotiable
423936	30-Dec-21	N1 CRITICAL TECHNOOGIES, INC	147.14	IRWD Check	Negotiable
423937	30-Dec-21	NEW PIG CORPORATION	727.16	IRWD Check	Negotiable
423938	30-Dec-21	NOREX, INC.	4,375.00	IRWD Check	Negotiable
423939	30-Dec-21	OLIN CORPORATION	26,575.16	IRWD Check	Negotiable
423940	30-Dec-21	ONESOURCE DISTRIBUTORS LLC	995.89	IRWD Check	Negotiable
423941	30-Dec-21	ORACLE AMERICA, INC.	3,400.89	IRWD Check	Negotiable
423942	30-Dec-21	ORANGE LINE OIL COMPANY	1,455.22	IRWD Check	Negotiable
423943	30-Dec-21	PACIFIC PARTS & CONTROLS INC	2,264.03	IRWD Check	Negotiable
423944	30-Dec-21	PAULUS ENGINEERING, INC.	73,225.22	IRWD Check	Negotiable
423945	30-Dec-21	PAYMENTUS GROUP INC.	73,696.45	IRWD Check	Negotiable
423946	30-Dec-21	PINNACLE CUSTOM HOMES, INC.	1,491.67	IRWD Check	Negotiable
423947	30-Dec-21	PINNACLE TOWERS LLC	842.76	IRWD Check	Negotiable
423948	30-Dec-21	PPG INDUSTRIES SALES, INC.	889.42	IRWD Check	Negotiable
423949	30-Dec-21	PREFERRED PAVING CO	3,305.52	IRWD Check	Negotiable
423950	30-Dec-21	PRIME CONTROLS COMPANY INC	3,071.82	IRWD Check	Negotiable
423951	30-Dec-21	QUINCY COMPRESSOR LLC	161.54	IRWD Check	Negotiable
423952	30-Dec-21	RAM AIR ENGINEERING INC	18,957.78	IRWD Check	Negotiable
423953	30-Dec-21	RICHARD C. SLADE & ASSOCIATES LLC	9,293.02	IRWD Check	Negotiable
423954	30-Dec-21	RICHMOND AMERICAN HOMES OF MARYLAND, INC	1,474.40	IRWD Check	Negotiable
423955	30-Dec-21	SANTA ANA BLUE PRINT	82.85	IRWD Check	Negotiable
423956	30-Dec-21	SANTA MARGARITA FORD	169.26	IRWD Check	Negotiable
423957	30-Dec-21	SHAMROCK SUPPLY CO INC	460.70	IRWD Check	Negotiable
423958	30-Dec-21	SOUTHERN CALIFORNIA EDISON COMPANY	418,409.20	IRWD Check	Negotiable
423959	30-Dec-21	SOUTHERN CALIFORNIA GAS COMPANY	25,123.90	IRWD Check	Negotiable
423960	30-Dec-21	SOUTHWEST VALVE & EQUIPMENT INC	8,051.09	IRWD Check	Negotiable
423961	30-Dec-21	SUKLE ADVERTISING INC.	46,961.75	IRWD Check	Negotiable
423962	30-Dec-21	TEKDRAULICS	5,583.94	IRWD Check	Negotiable
423963	30-Dec-21	TETRA TECH, INC	1,795.41	IRWD Check	Negotiable

**IRVINE RANCH WATER DISTRICT
AP DISBURSEMENTS AND VOIDS FOR DEC 2021**

CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
423964	30-Dec-21	THOMPSON & PHIPPS INC	500.36	IRWD Check	Negotiable
423965	30-Dec-21	TK ELEVATOR CORPORATION	218.38	IRWD Check	Negotiable
423966	30-Dec-21	TOTAL RESOURCE MANAGEMENT, INC	1,020.00	IRWD Check	Negotiable
423967	30-Dec-21	TRAFFIC MANAGEMENT, INC	3,386.00	IRWD Check	Negotiable
423968	30-Dec-21	TRIPAC MARKETING INC	843.07	IRWD Check	Negotiable
423969	30-Dec-21	TUSTIN CHAMBER OF COMMERCE	250.00	IRWD Check	Negotiable
423970	30-Dec-21	ULINE INC	457.07	IRWD Check	Negotiable
423971	30-Dec-21	UNITED PARCEL SERVICE INC	389.81	IRWD Check	Negotiable
423972	30-Dec-21	UNIVAR SOLUTIONS USA INC.	10,539.30	IRWD Check	Negotiable
423973	30-Dec-21	US BANK NAT'L ASSOCIATION NORTH DAKOTA	78,765.61	IRWD Check	Reconciled
423974	30-Dec-21	VERIZON WIRELESS SERVICES LLC	16,372.38	IRWD Check	Negotiable
423975	30-Dec-21	VERTECH INDUSTRIAL SYSTEMS, LLC	1,376.25	IRWD Check	Negotiable
423976	30-Dec-21	VWR INTERNATIONAL, LLC	1,553.30	IRWD Check	Negotiable
423977	30-Dec-21	WAXIE'S ENTERPRISES, INC	329.98	IRWD Check	Negotiable
423978	30-Dec-21	WEST COAST SAFETY SUPPLY INC	1,820.16	IRWD Check	Negotiable
423979	30-Dec-21	WESTAIR GASES & EQUIPMENT, INC.	1,139.66	IRWD Check	Negotiable
423980	30-Dec-21	WOODARD & CURRAN INC	1,703.06	IRWD Check	Negotiable
423981	30-Dec-21	NOV PROCESS & FLOW TECHNOLOGIES US, INC.	9,206.46	IRWD Check	Negotiable
423982	30-Dec-21	LAW OFFICE OF ATOOSA VAKILI	4,000.00	IRWD Check	Negotiable
423983	31-Dec-21	JCI JONES CHEMICALS INC	6,597.32	IRWD Check	Negotiable
SUB-TOTAL CHECK DISBURSEMENTS			13,578,607.80		
14654	1-Dec-21	CALPERS	3,140.59	IRWD Wire	Negotiable
14655	1-Dec-21	CALPERS	543,750.78	IRWD Wire	Negotiable
14656	1-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	1,490.35	IRWD Wire	Negotiable
14657	2-Dec-21	FRANCHISE TAX BOARD	79,358.61	IRWD Wire	Negotiable
14658	2-Dec-21	EMPLOYMENT DEVELOPMENT DEPARTMENT	13,531.91	IRWD Wire	Negotiable
14659	2-Dec-21	INTERNAL REVENUE SERVICE	249,975.76	IRWD Wire	Negotiable
14660	2-Dec-21	GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY	155,420.01	IRWD Wire	Negotiable
14661	2-Dec-21	CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES	3,024.08	IRWD Wire	Negotiable
14662	6-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	8,901.71	IRWD Wire	Negotiable
14663	6-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	3,010.44	IRWD Wire	Negotiable
14664	6-Dec-21	BLUE LAKE INVESTMENT, INC.	64.34	IRWD Wire	Negotiable
14665	6-Dec-21	CHO, HYUNMI	23.53	IRWD Wire	Negotiable
14666	6-Dec-21	RASHID, JOWDAT	27.01	IRWD Wire	Negotiable
14667	6-Dec-21	BANK OF NEW YORK MELLON TRUST COMPANY NA	1,098.90	IRWD Wire	Negotiable
14668	6-Dec-21	BANK OF NEW YORK MELLON TRUST COMPANY NA	4,278.01	IRWD Wire	Negotiable
14669	6-Dec-21	BANK OF AMERICA	411.00	IRWD Wire	Negotiable
14670	6-Dec-21	U.S. BANK NATIONAL ASSOCIATION	548.00	IRWD Wire	Negotiable
14671	7-Dec-21	YORK RISK SERVICES GROUP, INC.	4,714.53	IRWD Wire	Negotiable
14672	8-Dec-21	CALPERS	245,415.28	IRWD Wire	Negotiable
14673	13-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	4,599.08	IRWD Wire	Negotiable
14674	13-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	15,220.94	IRWD Wire	Negotiable
14675	14-Dec-21	YORK RISK SERVICES GROUP, INC.	7,189.37	IRWD Wire	Negotiable
14676	14-Dec-21	WELLS FARGO BANK, N.A.	6,015.64	IRWD Wire	Negotiable
14677	14-Dec-21	U.S. BANK NATIONAL ASSOCIATION	210.56	IRWD Wire	Negotiable
14678	14-Dec-21	SUMITOMO MITSUI BANKING CORPORATION	1,519.71	IRWD Wire	Negotiable
14679	14-Dec-21	FILANC-BALFOUR BEATTY JV	3,000,000.00	IRWD Wire	Negotiable
14680	15-Dec-21	GROUNDWATER BANKING JOINT POWERS AUTHORITY	2,500,000.00	IRWD Wire	Negotiable
14681	20-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	6,069.58	IRWD Wire	Negotiable
14682	20-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	10,645.06	IRWD Wire	Negotiable
14683	20-Dec-21	GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY	165,520.84	IRWD Wire	Negotiable
14684	20-Dec-21	CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES	3,024.08	IRWD Wire	Negotiable
14685	20-Dec-21	INTERNAL REVENUE SERVICE	244,725.47	IRWD Wire	Negotiable
14686	20-Dec-21	FRANCHISE TAX BOARD	77,600.60	IRWD Wire	Negotiable
14687	20-Dec-21	EMPLOYMENT DEVELOPMENT DEPARTMENT	12,672.29	IRWD Wire	Negotiable
14688	20-Dec-21	CALPERS	243,240.33	IRWD Wire	Negotiable
14689	20-Dec-21	CALPERS	1,420.68	IRWD Wire	Negotiable
14690	20-Dec-21	BANK OF NEW YORK MELLON TRUST COMPANY NA	27,451.66	IRWD Wire	Negotiable
14691	20-Dec-21	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	1,673,805.03	IRWD Wire	Negotiable
14692	21-Dec-21	FILANC-BALFOUR BEATTY JV	446,747.91	IRWD Wire	Negotiable
14693	27-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	2,383.47	IRWD Wire	Negotiable
14694	27-Dec-21	CHARD SNYDER & ASSOCIATES, INC.	5,174.26	IRWD Wire	Negotiable
14695	28-Dec-21	YORK RISK SERVICES GROUP, INC.	2,177.83	IRWD Wire	Negotiable
14696	28-Dec-21	YORK RISK SERVICES GROUP, INC.	29,814.68	IRWD Wire	Negotiable
14697	30-Dec-21	CALPERS	241,888.75	IRWD Wire	Negotiable
14698	30-Dec-21	CALPERS	41,198.16	IRWD Wire	Negotiable
14699	30-Dec-21	INTERNAL REVENUE SERVICE	249,460.35	IRWD Wire	Negotiable
14700	30-Dec-21	FRANCHISE TAX BOARD	79,931.59	IRWD Wire	Negotiable
14701	30-Dec-21	EMPLOYMENT DEVELOPMENT DEPARTMENT	11,928.63	IRWD Wire	Negotiable
14702	30-Dec-21	CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES	3,024.08	IRWD Wire	Negotiable
14703	30-Dec-21	GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY	141,587.85	IRWD Wire	Negotiable
SUB-TOTAL ELECTRONIC DISBURSEMENTS			10,574,433.32		

**IRVINE RANCH WATER DISTRICT
AP DISBURSEMENTS AND VOIDS FOR DEC 2021**

CHECK OR ELECTRONIC #	PAYMENT DATE	SUPPLIERS	PAYMENT AMOUNT	PAYMENT METHOD	STATUS
SUB-TOTAL AP CHECK AND ELECTRONIC DISBURSEMENTS			24,153,041.12		
423373	9-Dec-21	DPR CONSTRUCTION	198.77	IRWD Check	Voided
423480	9-Dec-21	TENDER GREENS UCI	57.64	IRWD Check	Voided
423510	9-Dec-21	ZHANG, TEI	155.9	IRWD Check	Voided
423689	16-Dec-21	UNITED HEALTHCARE INSURANCE	198.6	IRWD Check	Voided
423690	16-Dec-21	UNITED HEALTHCARE INSURANCE	198.6	IRWD Check	Voided
423737	17-Dec-21	JOHN MICHAEL COVAS	198.6	IRWD Check	Voided
423738	17-Dec-21	JOHN MICHAEL COVAS	198.6	IRWD Check	Voided
423739	17-Dec-21	UNITED HEALTHCARE INSURANCE	324.22	IRWD Check	Voided
423740	17-Dec-21	UNITED HEALTHCARE INSURANCE	324.22	IRWD Check	Voided
SUB-TOTAL CHECK ISSUED AND VOIDED IN DECEMBER 2021			1,855.15		
TOTAL AP DISBURSEMENTS AND VOIDS FOR DECEMBER 2021			24,151,185.97		

Exhibit "E"

MONTHLY SUMMARY OF PAYROLL ACH PAYMENTS

December
2021

	AMOUNT	VENDOR	PURPOSE
12/3/2021	1,137,324.64	BANK OF AMERICA	ACH Payments for Payroll
12/17/2021	1,106,811.57	BANK OF AMERICA	ACH Payments for Payroll
12/31/2021	1,102,599.10	BANK OF AMERICA	ACH Payments for Payroll
	<u><u>\$3,346,735.31</u></u>		

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Exhibit "F"


IRWD Gov Code 53065.5 Disclosure Report

Payment or Reimbursements for Individual charges of \$100 or more per transaction for services or product received.

01-DEC-21 to 31-DEC-21

NAME	CHECK NO.	CHECK DATE	AMOUNT	ITEM DESCRIPTION	EXPENSE JUSTIFICATION
Arce, Jesse	423100	2-Dec-21	110.00	Certification Renewal	SWRCB Wastewater Treatment Plant Operator Grade II
Barboza, Armando	423311	9-Dec-21	200.00	Other(Misc)	Safety shoe allowance
Bornhoff, Mike	423514	16-Dec-21	256.00	Certification Renewal	CWEA Electrical/Instrumental Grade IV
Bornhoff, Mike	423514	16-Dec-21	192.00	Membership Renewal	CWEA membership
Borowski, Mike	423312	9-Dec-21	106.00	Certification Renewal	CWEA Electrical/Instrumental Grade IV
Clinton, Bryan	423103	2-Dec-21	200.00	Other(Misc)	Safety shoe allowance
Drew, Michael A	423860	30-Dec-21	389.99	Certification Renewal	SWRCB Water Treatment Grade IV
Estrada, Robert	423104	2-Dec-21	229.00	Other(Misc)	Cell phone damaged at work site - wireless reimbursement
Flores, Jorge	423314	9-Dec-21	288.00	Certification Renewal	OCHA Back Flow Tester
Kanady, Jacob	423106	2-Dec-21	118.53	Other(Misc)	Safety shoe allowance
Karpan, Casey	423515	16-Dec-21	192.00	Membership Renewal	CWEA membership
Karpan, Casey	423515	16-Dec-21	180.00	Certification Renewal	CWEA Collection Systems Grade I
Lin, Eileen	423107	2-Dec-21	250.00	Other(Misc)	CPA license renewal
Pan, Jenny	423108	2-Dec-21	265.07	Lodging	IOFM Fall 2021 Conf., Las Vegas, NV - Nov. 8, 2021
Pan, Jenny	423108	2-Dec-21	265.07	Lodging	IOFM Fall 2021 Conf., Las Vegas, NV - Nov. 9, 2021
Pan, Jenny	423108	2-Dec-21	265.07	Lodging	IOFM Fall 2021 Conf., Las Vegas, NV - Nov. 10, 2021
Reynoso, Pio	423861	30-Dec-21	106.67	Other(Misc)	Faucet repair needed in District Duck Club housing
Rutherford, Allan	423109	2-Dec-21	192.00	Membership Renewal	CWEA membership
Schulze, Richard	423862	30-Dec-21	192.00	Membership Renewal	CWEA membership
Wang, Peter	423863	30-Dec-21	199.49	Other(Misc)	Safety shoe allowance
Total Amount:			\$4,196.89		

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January 24, 2021
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook 

CONSENT CALENDAR

2022 INDEX TENDER NOTES REMARKETING

SUMMARY:

IRWD's Index Tender Note (ITN) debt issues (2011 A-1 and 2011 A-2), originally issued in April 2011, are within their annual remarketing period. Staff, along with IRWD's underwriter (Goldman Sachs) and legal counsel, have prepared the required Remarketing Statement. Staff recommends the Board adopt a resolution approving the 2022 ITN Remarketing Statement.

BACKGROUND:

IRWD currently has \$71.3 million of ITNs, the 2011 A-1 issue of \$42.8 million and 2011 A-2 issue of \$28.5 million, which are remarketed by Goldman Sachs. The ITNs are remarketed annually based on a spread to the Securities Industry and Financial Markets Association (SIFMA) tax-exempt variable rate index. The last annual interest rate reset for the ITNs was in February 2021 at the SIFMA weekly index with a spread of plus three basis point, resulting in an all-in rate for 2021 of 0.19%. The all-in rate includes the net interest rate (the index and spread) and annual remarketing fees of approximately 0.13%. The new interest rate spread to the SIFMA index will be determined on February 1, 2022.

Staff and legal counsel have prepared the Remarketing Statement reflecting the District's most recent financial information, updated disclosure information and other pertinent updates for the 2011 A-1 and 2011 A-2 issues, which is provided as Exhibit "A". Staff recommends the Board adopt a resolution approving the updated Remarketing Statement, which is provided as Exhibit "B".

FISCAL IMPACTS:

The current outstanding principal amount for the 2011 A-1 and 2011 A-2 ITN bond issues is \$71.3 million. The ITNs are priced at a spread to the SIFMA tax-exempt variable rate index. Pricing for the upcoming period is scheduled for February 1, 2022.

COMMITTEE STATUS:

This item was not reviewed by a Committee due to the timing of re-pricing of the ITN debt issues.

RECOMMENDATION:

THAT THE BOARD APPROVE THE 2022 INDEX TENDER NOTES REMARKETING STATEMENT, AND ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2022-2

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE IRVINE RANCH WATER DISTRICT APPROVING
THE REMARKETING STATEMENT RELATING TO
UNSCHEDULED MANDATORY TENDERS
(REFUNDING SERIES 2011A-1 AND REFUNDING SERIES 2011A-2)

LIST OF EXHIBITS:

Exhibit "A" – Remarketing Statement for Series 2011 A-1 and 2011 A-2

Exhibit "B" – Resolution Approving the Remarketing Statement

Exhibit "A"

Stradling Yocca Carlson & Rauth
Draft of 1/18/22

REOFFERING – NOT A NEW ISSUE – BOOK-ENTRY ONLY

RATINGS: See the caption “RATINGS”

On April 15, 2011, Orrick, Herrington & Sutcliffe LLP and Bowie, Arneson, Wiles & Giannone, Co-Bond Counsel to the District, delivered their respective opinions in connection with the issuance of the Series 2011A Bonds. Such opinions stated that, based on an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2011A Bonds was excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and was exempt from State of California personal income taxes. Further, the opinions of Co-Bond Counsel stated that interest on the Series 2011A Bonds was not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Co-Bond Counsel observed that such interest was included in adjusted current earnings when calculating corporate alternative minimum taxable income. Co-Bond Counsel expressed no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2011A Bonds. Bond Counsel, Orrick, Herrington & Sutcliffe LLP, has not taken and does not intend to take any action to update such opinions or to determine if interest on the Series 2011A Bonds is presently excluded from gross income for federal income tax purposes or exempt from State of California personal income taxes. Effective January 1, 2018, the corporate alternative minimum tax has been repealed. See the caption “TAX MATTERS” herein.

[IRWD LOGO]

\$42,780,000
BONDS OF IRVINE RANCH WATER DISTRICT
REFUNDING SERIES 2011A-1
CUSIP†: 4636324Q9

\$28,520,000
BONDS OF IRVINE RANCH WATER DISTRICT
REFUNDING SERIES 2011A-2
CUSIP†: 4636324R7

Date of Initial Delivery: April 15, 2011 Scheduled Mandatory Tender Date: March __, 2023 Due: October 1, 2037
Price: 100% Call Protection Date: September __, 2022

This Remarketing Statement replaces the Remarketing Statement dated January 27, 2021, as supplemented on February 2, 2021, in its entirety.

Pursuant to the provisions of two Indentures of Trust, each dated as of April 1, 2011, by and between the District and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Series 2011A-1 Bonds and the Series 2011A-2 Bonds, respectively, as amended, the District has exercised its option to effect an Unscheduled Mandatory Tender of the Series 2011A-1 Bonds and the Series 2011A-2 Bonds on February 3, 2022.

Upon the purchase of the Series 2011A Bonds pursuant to such Unscheduled Mandatory Tenders, the Series 2011A Bonds: (i) will be remarketed in the Index Mode for a Tender Period commencing on February 3, 2022 with the Scheduled Mandatory Tender Date on March __, 2023; and (ii) will bear interest at an Index Tender Rate (which is equal to the sum of: (a) the SIFMA Average Index Rate calculated for each Index Rate Accrual Period; and (b) the applicable Index Spread for such Tender Period). Promptly after the Remarketing Agent determines the Index Spread relating to the applicable series of Series 2011A Bonds for the Tender Period commencing on February 3, 2022, the District will publish it by supplementing this Remarketing Statement and posting the supplement on the EMMA system.

The Purchase Price of the tendered Series 2011A Bonds will be paid on February 3, 2022 from moneys held by the Trustee, consisting of immediately available funds on deposit in the Remarketing Proceeds Account, as more fully described herein.

The Series 2011A Bonds were issued by the Irvine Ranch Water District and constitute the consolidated, several general obligations of Improvement District Nos. 113, 125, 213 and 225, which are geographical subdivisions of the District through which the District funds capital improvements. The Series 2011A Bonds are payable from the following sources: (i) Assessment Proceeds of each Improvement District, consisting of *ad valorem* assessments on taxable land, In Lieu Charges and proceeds from the sale of property for the enforcement of delinquent assessments collected from within each Improvement District and applied by the District to pay such Improvement District’s Included Amount of the principal, Purchase Price and Redemption Price of, and interest on, all Outstanding Series 2011A Bonds; (ii) Net Revenues of the District, consisting of water, sewer and recycled water rates and charges imposed by the District remaining after payment of Operation and Maintenance Expenses; and (iii) certain monies and investment earnings in certain funds and accounts created under the Indentures. See the caption “SECURITY FOR THE SERIES 2011A BONDS—Pledge of Assessment Proceeds and Revenues.” The obligation of the District to pay the principal, Purchase Price upon the Scheduled Mandatory Tender and Redemption Price of, and interest on, the Series 2011A Bonds from Net Revenues is payable on a parity with certain Parity Obligations described under the caption “SECURITY FOR THE SERIES 2011A BONDS—Limitations on Parity and Superior Obligations—Obligations on a Parity with the Series 2011A Bonds.”

See the caption “INTRODUCTION—Improvement Districts—Improvement District Nos. 125 and 225” and Appendix A under the caption “THE IMPROVEMENT DISTRICTS—Improvement District Nos. 125 and 225” for a discussion of the consolidation of Improvement District Nos. 105 and 250, the Assessment Proceeds of which were pledged to payment of the Series 2011A Bonds at the time of their initial issuance, into Improvement District Nos. 125 and 225, respectively.

The Series 2011A Bonds were issued pursuant to the respective Indentures for the purposes of: (i) providing a portion of the funds to refund the then-outstanding Bonds of Irvine Ranch Water District, Consolidated Refunding Series 2008B; and (ii) paying costs of issuance with respect to the Series 2011A Bonds.

The Series 2011A Bonds were issued in fully registered form and are registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. Purchasers of the Series 2011A Bonds will not receive physical certificates representing their beneficial ownership in the Series 2011A Bonds purchased. The principal, Purchase Price and Redemption Price of, and interest on, the Series 2011A Bonds are payable by the Trustee to Cede & Co. and such principal, Purchase Price, Redemption Price and interest payments are to be disbursed to the beneficial owners of the Series 2011A Bonds through their nominees.

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While the Series 2011A Bonds are in the Index Mode, interest on the Series 2011A Bonds will be payable on the first Business Day of each month. The Series 2011A Bonds will be subject to a Scheduled Mandatory Tender on March __, 2023. The failure of the District to pay the Purchase Price of a series of Series 2011A Bonds upon any Scheduled Mandatory Tender would constitute an Event of Default under the applicable Indenture. See the caption “THE SERIES 2011A BONDS—Mandatory Tender for Purchase—Scheduled Mandatory Tender for Purchase.” The Series 2011A Bonds are also subject to mandatory tender on an Unscheduled Mandatory Tender Date at the option of the District as described herein. The failure of the District to pay the Purchase Price of a series of Series 2011A Bonds upon such Unscheduled Mandatory Tender would not constitute an Event of Default under the applicable Indenture. See the caption “THE SERIES 2011A BONDS—Mandatory Tender for Purchase—Unscheduled Mandatory Tender for Purchase.” While in the Index Mode, individual purchases of Series 2011A Bonds will be made in principal amounts of \$100,000 and integral multiples of \$5,000 in excess thereof.

This Remarketing Statement describes the Series 2011A Bonds while in the Index Mode and for the Tender Period commencing on February 3, 2022 and ending on the Scheduled Mandatory Tender Date set forth above. There are significant differences in the terms of the Series 2011A Bonds while they bear interest in a Mode other than an Index Mode. This Remarketing Statement is not intended to provide information with respect to the Series 2011A Bonds bearing interest in a Mode other than the Index Mode or in another Tender Period. Owners and prospective owners of the Series 2011A Bonds should not rely on this Remarketing Statement for information in connection with any Change in Mode or any other Tender Period, but should look solely to the offering document to be used in connection with any such Change in Mode or other Tender Period.

The Series 2011A Bonds are subject to optional and mandatory redemption prior to maturity as more fully described under the caption “THE SERIES 2011A BONDS—Redemption of Series 2011A Bonds.”

THE SERIES 2011A BONDS DO NOT CONSTITUTE AN OBLIGATION OF THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA OTHER THAN THE DISTRICT AND THE IMPROVEMENT DISTRICTS AS PROVIDED IN THE INDENTURES. NO FUNDS OF THE DISTRICT OR THE IMPROVEMENT DISTRICTS, OTHER THAN THE FUNDS INCLUDED IN THE TRUST ESTATE, ARE LIABLE FOR THE PAYMENT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OF, OR INTEREST ON, THE SERIES 2011A BONDS. EXCEPT AS PROVIDED IN THE INDENTURES WITH RESPECT TO THE TRUST ESTATE, NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT IS LIABLE FOR OR PLEDGED TO THE PAYMENT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OF, OR INTEREST ON, THE SERIES 2011A BONDS.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the Series 2011A Bonds. Investors are advised to read the entire Remarketing Statement to obtain information essential to the making of an informed investment decision. Capitalized terms have the meanings given such terms in this Remarketing Statement.

Certain legal matters in connection with the reoffering of the Series 2011A Bonds will be passed upon by Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to the District, by Hanson Bridgett LLP, as general counsel to the District, and for the Remarketing Agent by Stradling Yocca Carlson & Rauth, a Professional Corporation. The Series 2011A Bonds are available through the facilities of The Depository Trust Company. Goldman Sachs & Co. LLC is serving as Remarketing Agent for the Series 2011A Bonds and will remarket the Series 2011A Bonds on February 3, 2022 following their mandatory tender.

Goldman Sachs & Co. LLC
Remarketing Agent

Dated: January 25, 2022

No dealer, broker, salesperson or other person has been authorized by the District or the Remarketing Agent to give any information or to make any representation other than as set forth herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the District or the Remarketing Agent. This Remarketing Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2011A Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Remarketing Statement is not to be construed as a contract with the purchasers of the Series 2011A Bonds. Statements contained in this Remarketing Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The Remarketing Agent has provided the following sentence for inclusion in this Remarketing Statement:

The Remarketing Agent has reviewed the information in this Remarketing Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Remarketing Agent does not guarantee the accuracy or completeness of such information.

The information set forth in this Remarketing Statement has been obtained from official sources and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Remarketing Agent. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Remarketing Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the District since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE REMARKETING AGENT MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2011A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CERTAIN STATEMENTS CONTAINED IN THIS REMARKETING STATEMENT REFLECT NOT HISTORICAL FACTS BUT FORECASTS AND “FORWARD-LOOKING STATEMENTS.” NO ASSURANCE CAN BE GIVEN THAT THE FUTURE RESULTS DISCUSSED HEREIN WILL BE ACHIEVED, AND ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THE FORECASTS DESCRIBED HEREIN. IN THIS RESPECT, THE WORDS “ESTIMATE,” “PROJECT,” “ANTICIPATE,” “EXPECT,” “INTEND,” “BELIEVE” AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. ALL PROJECTIONS, FORECASTS, ASSUMPTIONS, EXPRESSIONS OF OPINIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THE CAUTIONARY STATEMENTS SET FORTH IN THIS REMARKETING STATEMENT. THE PROJECTIONS CONTAINED IN THIS REMARKETING STATEMENT WILL NOT BE UPDATED AS PART OF THE DISTRICT’S CONTINUING DISCLOSURE OBLIGATIONS FOR THE SERIES 2011A BONDS.

THE SERIES 2011A BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE SERIES 2011A BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The District maintains a website. However, the information presented there is not part of this Remarketing Statement and should not be relied upon in making an investment decision with respect to the Series 2011A Bonds.

IRVINE RANCH WATER DISTRICT
Orange County, California

Board of Directors

Steven E. LaMar, *President*
Karen McLaughlin, *Vice President*
Douglas J. Reinhart
Peer A. Swan
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Robert Jacobson, *Treasurer*
Leslie Bonkowski, *Secretary*

District General Counsel

Hanson Bridgett LLP
Los Angeles, California

Bond Counsel

Orrick, Herrington & Sutcliffe LLP
Los Angeles, California

Trustee

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

[REGIONAL MAP]

[MAP OF WATER IMPROVEMENT DISTRICTS]

[MAP OF SEWER IMPROVEMENT DISTRICTS]

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REMARKETING STATEMENT

\$42,780,000	\$28,520,000
BONDS OF IRVINE RANCH WATER DISTRICT REFUNDING SERIES 2011A-1	BONDS OF IRVINE RANCH WATER DISTRICT REFUNDING SERIES 2011A-2

INTRODUCTION

This Remarketing Statement replaces the Remarketing Statement dated January 27, 2021, as supplemented on February 2, 2021, in its entirety.

Pursuant to the provisions of two Indentures of Trust, each dated as of April 1, 2011 (each, an “Original Indenture”), by and between the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as amended by two First Supplemental Indentures of Trust, each dated as of February 1, 2014 (each, a “First Supplemental Indenture”) and by two Second Supplemental Indentures of Trust, each dated as of April 1, 2020 (each, a “Second Supplemental Indenture” and, together with the Original Indentures and the First Supplemental Indentures, the “Indentures”), by and between the District and the Trustee, relating to the Bonds of Irvine Ranch Water District Refunding Series 2011A-1 (the “Series 2011A-1 Bonds”) and the Bonds of Irvine Ranch Water District Refunding Series 2011A-2 (the “Series 2011A-2 Bonds” and, together with the Series 2011A-1 Bonds, the “Series 2011A Bonds”), respectively, the Irvine Ranch Water District (the “District”) has exercised its option to effect an Unscheduled Mandatory Tender of the Series 2011A-1 Bonds and the Series 2011A-2 Bonds on February 3, 2022. The Indentures are substantially similar.

Upon the purchase of the Series 2011A Bonds pursuant to such Unscheduled Mandatory Tenders, the Series 2011A Bonds: (i) will be remarketed in the Index Mode for a Tender Period commencing on February 3, 2022 with the Scheduled Mandatory Tender Date of March __, 2023; and (ii) will bear interest at an Index Tender Rate (which is equal to the sum of: (a) the SIFMA Average Index Rate calculated for each Index Rate Accrual Period; and (b) the applicable Index Spread for such Tender Period), all as more fully described herein.

Promptly after the Remarketing Agent determines the Index Spread relating to each series of Series 2011A Bonds for the Tender Period commencing on February 3, 2022, the District will publish it by supplementing this Remarketing Statement and posting the supplement with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System (“EMMA”).

The Purchase Price of the tendered Series 2011A Bonds will be paid on February 3, 2022 from moneys held by the Trustee, consisting of immediately available funds on deposit in the applicable Remarketing Proceeds Account, as more fully described herein.

This Introduction is subject in all respects to the more complete information contained and referenced elsewhere in this Remarketing Statement. The remarketing of the Series 2011A Bonds to potential investors is made only by means of the entire Remarketing Statement.

Purpose

The purpose of this Remarketing Statement, which includes the cover page and appendices hereto, is to set forth certain information concerning the District and Improvement District Nos. 113, 125, 213 and 225 (collectively, the “Improvement Districts” or individually, an “Improvement District”), which are geographical subdivisions of the District through which the District funds capital improvements, in connection with the remarketing of \$42,780,000 aggregate principal amount of the Series 2011A-1 Bonds and \$28,520,000 aggregate principal amount of the Series 2011A-2 Bonds, which Series 2011A Bonds constitute

the consolidated several general obligations of Improvement District Nos. 113, 125, 213 and 225. In addition, the District has pledged Revenues to the repayment of the Series 2011A Bonds. See the caption “SECURITY FOR THE SERIES 2011A BONDS—Pledge of Assessment Proceeds and Revenues.”

The Series 2011A Bonds were issued pursuant to the respective Indentures for the purposes of: (i) providing a portion of the funds to refund the then-outstanding Bonds of Irvine Ranch Water District, Consolidated Refunding Series 2008B; and (ii) paying costs of issuance with respect to the Series 2011A Bonds. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in Appendix C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURES.”

This Remarketing Statement describes the Series 2011A Bonds only while in the Index Mode and for the Tender Period commencing February 3, 2022. There are significant differences in the terms of the Series 2011A Bonds while they bear interest in a Mode other than an Index Mode. This Remarketing Statement is not intended to provide information with respect to the Series 2011A Bonds bearing interest in a Mode other than the Index Mode or in another Tender Period. Owners and prospective owners of the Series 2011A Bonds should not rely on this Remarketing Statement for information in connection with any Change in Mode or any other Tender Period, but should look solely to the offering document to be used in connection with any such Change in Mode or other Tender Period.

Although the District has the right under the Indentures to enter into a Liquidity Facility in connection with the applicable series of Series 2011A Bonds, the District has not elected to enter into a Liquidity Facility in connection with the remarketing of the Series 2011A Bonds for the Tender Period commencing February 3, 2022. This Remarketing Statement is not intended to provide information with respect to any series of Series 2011A Bonds supported by a Liquidity Facility. Owners and prospective owners of the Series 2011A Bonds should not rely on this Remarketing Statement for information in connection with the Series 2011A Bonds supported by a Liquidity Facility, but should look solely to the offering document to be used in connection with any future entry of the District into a Liquidity Facility with respect to the Series 2011A Bonds.

The District

The District is a California water district, formed in 1961 under the authority of the California Water District Law, constituting Division 13 of the California Water Code (the “Act”). Currently there are eight water improvement districts and ten sewer improvement districts formed pursuant to the Act, which are geographical subdivisions of the District through which the District funds capital improvements. See Appendix A—“IRVINE RANCH WATER DISTRICT.”

The Series 2011A Bonds

Each series of Series 2011A Bonds is being remarketed in an Index Mode for a Tender Period commencing on February 3, 2022 with the Scheduled Mandatory Tender Date of March __, 2023 and will bear interest at an Index Tender Rate (which is equal to the sum of: (a) the SIFMA Average Index Rate calculated for each Index Rate Accrual Period; and (b) the applicable Index Spread for such Tender Period, all as more fully described under the caption “THE SERIES 2011A BONDS”). While in the Index Mode, interest on the Series 2011A Bonds will be payable on the first Business Day of each month. The Series 2011A Bonds will be subject to a Scheduled Mandatory Tender on March __, 2023. The failure of the District to pay the Purchase Price of a Series 2011A Bond upon any Scheduled Mandatory Tender would constitute an Event of Default under the applicable Indenture. See the caption “THE SERIES 2011A BONDS—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender—Consequences of a Scheduled Mandatory Tender Failure.” The Series 2011A Bonds are also subject to mandatory tender on an Unscheduled Mandatory Tender Date established at the option of the District as described herein. See the caption “THE SERIES 2011A BONDS—Mandatory Tender for Purchase—Unscheduled Mandatory Tender

for Purchase.” While in the Index Mode, individual purchases of Series 2011A Bonds will be made in principal amounts of \$100,000 and integral multiples of \$5,000 in excess thereof.

Improvement Districts

Set forth below are brief descriptions of the Improvement Districts for which the Series 2011A Bonds constitute the consolidated, several general obligations. For more complete information with respect to the Improvement Districts, see Appendix A—“IRVINE RANCH WATER DISTRICT” under the caption “THE IMPROVEMENT DISTRICTS.”

Improvement District Nos. 125 and 225. At the time of their initial issuance on April 15, 2011, the Series 2011A Bonds constituted the consolidated, several general obligations of Improvement District Nos. 105, 113, 213 and 250. Pursuant to the Indentures, the District covenanted to fix and collect *ad valorem* assessments on taxable land within such improvement districts in amounts sufficient to pay principal of and interest on the applicable series of Series 2011A Bonds. See the caption “—Security for the Series 2011A Bonds—Assessment Proceeds.”

Beginning in 2011, the District undertook a long-term review of its capital funding plan. As a result of such review, the Board of Directors of the District determined that it was in the District’s best interest to consolidate certain improvement districts to support differing capital infrastructure needs within developed and undeveloped areas of the District. Accordingly, by resolutions adopted on October 14, 2013, October 28, 2013 and November 11, 2013, the Board of Directors undertook the following actions:

- Certain lands were annexed into Improvement District Nos. 105 and 250 in accordance with Section 36428 *et seq.* of the Act. The annexed lands were declared to be liable for debt service on the outstanding bonds of Improvement District Nos. 105 and 250, including each such Improvement District’s Included Amount (as such term is defined under the caption “—Security for the Series 2011A Bonds—General”) of the Series 2011A Bonds.
- Certain lands generally constituting large permanent open space parcels were detached from Improvement District Nos. 105 and 250 in accordance with Section 36442 *et seq.* of the Act. The detached lands were declared to be relieved of liability for debt service on the outstanding bonds of Improvement District Nos. 105 and 250, including each such Improvement District’s Included Amount of the Series 2011A Bonds of each series to the extent permitted by law.
- Improvement District No. 105 and ten other water improvement districts were consolidated into a new improvement district, Improvement District No. 125, in accordance with Section 36454 *et seq.* of the Act. Pursuant to Section 36454.1 of the Act, Improvement District No. 105’s Included Amount of the Series 2011A Bonds of each series was assumed by and became the liability of Improvement District No. 125.
- Improvement District No. 250 and nine other sewer improvement districts were consolidated into a new improvement district, Improvement District No. 225, in accordance with Section 36454 *et seq.* of the Act. Pursuant to Section 36454.1 of the Act, Improvement District No. 250’s Included Amount of the Series 2011A Bonds of each series was assumed by and became the liability of Improvement District No. 225.

As a result of the foregoing actions:

- The Series 2011A Bonds currently constitute the consolidated, several general obligations of Improvement District Nos. 113, 125, 213 and 225. Pursuant to the Act, Improvement District Nos. 125 and 225 are authorized to levy and collect the assessments and charges necessary to satisfy the obligations of their predecessor improvement districts, including the assessments and charges necessary to satisfy payment of the Series 2011A Bonds for Improvement District Nos. 105 and 250, respectively.

- As of December 31, 2021: (i) Improvement District No. 125 had \$305,517,268 aggregate principal amount of authorized but unissued *ad valorem* assessment bonds and \$170,644,273 aggregate principal amount of outstanding *ad valorem* assessment bonds, including the Series 2011A Bonds; and (ii) Improvement District No. 225 had \$363,338,887 aggregate principal amount of authorized but unissued *ad valorem* assessment bonds and \$241,362,476 aggregate principal amount of outstanding *ad valorem* assessment bonds, including the Series 2011A Bonds. See Table 3 under the caption “THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness—Improvement District Indebtedness” in Appendix A.

Improvement District No. 125 (water) covers approximately 35,438 acres of the District, including several contiguous and non-contiguous areas in the central and coastal parts of the District. Improvement District No. 225 (sewer) covers approximately 32,862 acres of the District, including several contiguous and non-contiguous areas in the central part of the District. Currently, the majority of the land within Improvement District Nos. 125 and 225 consists of developed residential and commercial property. However, the District expects certain areas within Improvement District Nos. 125 and 225 to be subject to infill development and redevelopment in the future. The District expects such additional development in Improvement District Nos. 125 and 225 to continue through at least 2024. The Fiscal Year 2022 assessed value of the land in Improvement District No. 125 is \$50,618,755,410, while the Fiscal Year 2014 assessed value of the land in Improvement District No. 105 before its consolidation into Improvement District No. 125 was \$7,099,866,552. The Fiscal Year 2022 assessed value of the land in Improvement District No. 225 is \$43,435,406,719, while the Fiscal Year 2014 assessed value of the land in Improvement District No. 250 before its consolidation into Improvement District No. 225 was \$6,776,400,622.

See Table 3 under the caption “THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness—Improvement District Indebtedness” in Appendix A for a description of the *ad valorem* assessment bonds, including the Series 2011A Bonds, attributable to Improvement District Nos. 125 and 225, respectively.

Improvement District Nos. 113 and 213. Improvement District No. 113 (water) and Improvement District No. 213 (sewer) are coterminous and are located in portions of the Cities of Tustin and Irvine. Improvement District Nos. 113 and 213 are comprised of approximately 1,629 acres of the land formerly known as Marine Corps Air Station Tustin. The boundaries of Improvement District Nos. 113 and 213 are Harvard Avenue on the southeast, Barranca Parkway on the southwest, Red Hill Avenue on the northwest and Edinger Avenue on the northeast. The former helicopter base, now known as Tustin Legacy, is currently being redeveloped with residential, commercial, institutional and recreational uses. The District expects development in Improvement District Nos. 113 and 213 to continue through 2024. The District expects that the development will consist of approximately 7,200 dwelling units and approximately 9,700,000 square feet of commercial, institutional and recreational uses when completed. The Fiscal Year 2022 assessed value of the land in coterminous Improvement District Nos. 113 and 213 is \$1,334,069,673.

Security for the Series 2011A Bonds

General. The Series 2011A Bonds constitute the consolidated, several general obligations of the Improvement Districts payable from the following sources, each as further described under the caption “SECURITY FOR THE SERIES 2011A BONDS”: (i) Assessment Proceeds collected from within each Improvement District and applied by the District to pay such Improvement District’s Included Amount (as defined below) of the principal, Purchase Price and Redemption Price of, and interest on, all Outstanding Series 2011A Bonds of the applicable series; (ii) Net Revenues of the District; and (iii) certain monies and investment earnings in certain funds and accounts created under the respective Indentures.

The principal amount of the Series 2011A Bonds of a series allocated to an Improvement District is referred to as such Improvement District’s “**Included Amount**” and an Improvement District’s Included Amount divided by the total principal amount of the Series 2011A Bonds of such series is referred to as such Improvement District’s “**Included Percentage**.”

Assessment Proceeds. The District has covenanted in the Indentures that, to the extent necessary to provide Assessment Proceeds sufficient to pay when due, together with the other funds available for such payment, the principal of and interest on the Included Amount for each respective Improvement District, the District will: (a) fix and collect, or cause the fixing and collection of, *ad valorem* assessments on taxable land within the applicable Improvement District; (b) pursue any remedy available to collect, or cause the collection of, delinquent *ad valorem* assessments and apply amounts realized from the sale of any property for the enforcement of delinquent *ad valorem* assessments to the payment of principal of and interest on the Included Amount of the Series 2011A Bonds of each series of the applicable Improvement District; or (c) in its discretion, impose and collect, or cause the imposition and collection of, In Lieu Charges (which constitute charges for water or sewer service, as applicable, in the applicable Improvement District in lieu of *ad valorem* assessments). See the caption “SECURITY FOR THE SERIES 2011A BONDS—General—Covenant to Collect Assessment Proceeds.”

As among the Improvement Districts, Assessment Proceeds collected in any Improvement District will not be available to pay any other Improvement District’s share of debt service of the Series 2011A Bonds of a series. Each Improvement District’s Included Amount and Included Percentage will be as set forth below:

SERIES 2011A-1 BONDS

<i>Improvement District No.</i>	<i>Included Amount</i>	<i>Included Percentage</i>
113	\$ 2,139,000	5.00%
125	19,978,260	46.70
213	2,695,140	6.30
225	<u>17,967,600</u>	<u>42.00</u>
Total	<u>\$ 42,780,000</u>	<u>100.00%</u>

SERIES 2011A-2 BONDS

<i>Improvement District No.</i>	<i>Included Amount</i>	<i>Included Percentage</i>
113	\$ 1,426,000	5.00%
125	13,318,840	46.70
213	1,796,760	6.30
225	<u>11,978,400</u>	<u>42.00</u>
Total	<u>\$ 28,520,000</u>	<u>100.00%</u>

The Included Amount for each Improvement District with respect to each series of Series 2011A Bonds and any other outstanding or future District general obligation bonds issued for such Improvement District are equally secured by the *ad valorem* assessments and any charges for water or sewer service, as applicable, imposed and collected in lieu of *ad valorem* assessments, collected within such Improvement District. The *ad valorem* assessments are levied only on land and are based on the land value of parcels in the Improvement District without regard to the value of any improvements thereon. See Appendix A—“IRVINE RANCH WATER DISTRICT” under the captions “THE IMPROVEMENT DISTRICTS—Improvement District Nos. 125 and 225” and “THE IMPROVEMENT DISTRICTS—Improvement District Nos. 113 and 213.”

During the term of the Series 2011A Bonds of each series, the Included Amounts and Included Percentages for any Improvement District may be adjusted as a result of the purchase or redemption of Series 2011A Bonds of such series allocated to one or more Improvement Districts, pursuant to calculations made by the District and delivered to the Trustee pursuant to the applicable Indenture, without need for any amendment of or supplement to such Indenture.

Net Revenues. The Series 2011A Bonds are also payable from the Net Revenues of the District and are secured by a pledge of the Revenues of the District, subject to the application of the Revenues as provided in the Indentures. Net Revenues for any period consist of the Revenues of the District less the Operation and Maintenance Expenses of the District for such period, as such terms are defined under the caption “SECURITY FOR THE SERIES 2011A BONDS—Pledge of Assessment Proceeds and Revenues—Net Revenues.”

Net Revenues collected within any improvement district of the District, including the Improvement Districts, are available to make debt service payments on the Series 2011A Bonds.

The obligation of the District to pay the principal, Redemption Price and Purchase Price (other than the Purchase Price due on an Unscheduled Mandatory Tender) of, and interest on, the Series 2011A Bonds from Net Revenues is payable on a parity with the District’s obligations under certain Parity Obligations. See the caption “SECURITY FOR THE SERIES 2011A BONDS—Existing Parity Obligations.” The District may enter into additional Parity Obligations in accordance with the terms of the Indentures. See the caption “SECURITY FOR THE SERIES 2011A BONDS—Limitations on Parity and Superior Obligations—Obligations on a Parity with the Series 2011A Bonds.”

The District has covenanted in the Indentures, to the fullest extent permitted by law, to fix, prescribe and collect Revenues which, together with any *ad valorem* assessments available to pay Debt Service on Parity Obligations which are not applied as a credit against Debt Service, will be at least sufficient to yield during each Fiscal Year Net Revenues which are at least equal to 125% of Aggregate Debt Service payable during such Fiscal Year. The District may make adjustments from time to time in such rates and charges and may make such classifications thereof as it deems necessary, but will not reduce the rates and charges then in effect unless the Net Revenues from such reduced rates and charges will at all times be sufficient to meet the requirements of the rate covenant with respect to all outstanding Parity Obligations. See the caption “SECURITY FOR THE SERIES 2011A BONDS—General—Revenue Rate Covenant.”

Limited Obligations. THE SERIES 2011A BONDS DO NOT CONSTITUTE AN OBLIGATION OF THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA OTHER THAN THE DISTRICT AND THE IMPROVEMENT DISTRICTS AS PROVIDED IN THE INDENTURES. NO FUNDS OF THE DISTRICT OR THE IMPROVEMENT DISTRICTS, OTHER THAN THE FUNDS INCLUDED IN THE TRUST ESTATE, ARE LIABLE FOR THE PAYMENT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OF, OR INTEREST ON, THE SERIES 2011A BONDS. EXCEPT AS PROVIDED IN THE INDENTURES WITH RESPECT TO THE TRUST ESTATE, NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT IS LIABLE FOR OR PLEDGED TO THE PAYMENT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OF, OR INTEREST ON, THE SERIES 2011A BONDS.

COVID-19 Outbreak

The District has not experienced to date, and does not expect to experience in the future, a material impact on its finances or operations as a result of the COVID-19 outbreak. See Appendix A under the caption “THE IRVINE RANCH WATER DISTRICT—COVID-19 Outbreak” for a discussion of the impact of the COVID-19 outbreak on the District.

Professionals Involved in the Remarketing

The Bank of New York Mellon Trust Company, N.A. serves as Trustee under the Indentures. Certain legal matters in connection with the reoffering of the Series 2011A Bonds will be passed upon by Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to the District, by Hanson Bridgett LLP, as general counsel to

the District (“**General Counsel**”), and for Goldman Sachs & Co. LLC (the “**Remarketing Agent**”) by Stradling Yocca Carlson & Rauth, a Professional Corporation.

Summaries Not Definitive

The summaries and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such summary or reference is qualified in its entirety by reference to each such document, statute, report or instrument. The capitalization of any word not conventionally capitalized or otherwise defined herein indicates that such word is defined in the Indentures and, as used herein, has the meaning given to it in the Indentures. Unless otherwise indicated, all financial and statistical information herein has been provided by the District.

All references to and summaries of the Indentures, documents, statutes, reports and other instruments referred to herein are qualified in their entirety by reference to the full Indentures, and each such document, statute, report or instrument, respectively. Forward-looking statements in this Remarketing Statement are subject to risks and uncertainties. Actual results may vary from forecasts or projections contained herein because events and circumstances do not occur as expected, and such variances may be material. The projections contained in this Remarketing Statement will not be updated as part of the District’s continuing disclosure obligations for the Series 2011A Bonds.

Additional Information

Copies of the Indentures and audited financial statements of the District are available for inspection at the offices of the District in Irvine, California, and will be available from the Trustee upon request and payment of costs. Additional information regarding this Remarketing Statement may be obtained by contacting the District, at the following address:

Treasurer
Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, California 92618
(949) 453-5300

THE SERIES 2011A BONDS

This Remarketing Statement describes the Series 2011A Bonds while in the Index Mode and for the Tender Period described herein only. There are significant differences in the terms of the Series 2011A Bonds while they bear interest in a Mode other than an Index Mode. This Remarketing Statement is not intended to provide information with respect to the Series 2011A Bonds bearing interest in a Mode other than the Index Mode or in another Tender Period. Owners and prospective owners of the Series 2011A Bonds should not rely on this Remarketing Statement for information in connection with any Change in Mode or any other Tender Period, but should look solely to the offering document to be used in connection with any such Change in Mode or other Tender Period.

General

The Series 2011A Bonds mature on October 1, 2037. The Series 2011A Bonds are being remarketed in an Index Mode for a Tender Period commencing on February 3, 2022 with the Scheduled Mandatory Tender Date set forth on the front cover page hereof and will bear interest at an Index Tender Rate (which is equal to the sum of: (a) the SIFMA Average Index Rate calculated for each Index Rate Accrual Period; and (b) the applicable Index Spread for such Tender Period). Notice of the Index Spread for the Tender Period commencing on February 3, 2022 will be given as described under the caption “—Determination of Index Tender Rates and Index Rate Accrual Periods for Series 2011A Bonds in Index Mode—Index Spread;

Adjustment of Index Spread.” All Outstanding Series 2011A Bonds of a series will be in the same Mode. Any Mode, other than a Fixed Rate Mode, may be changed to any other Mode at the times and in the manner provided in the applicable Indenture.

While in the Index Mode, the Series 2011A Bonds of a series will be subject to all of the terms of the Indenture relating to such series of Series 2011A Bonds in the Index Mode, including provisions that require the Owners to tender their Series 2011A Bonds for purchase on the Scheduled Mandatory Tender Date and on other dates as described in this Remarketing Statement, and provisions that permit the District to effect an Unscheduled Mandatory Tender (which Unscheduled Mandatory Tender is subject to rescission and successful remarketing as described under the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Rescission”). See the captions “—Mandatory Tender for Purchase” and “—Purchase of Series 2011A Bonds.”

While in the Index Mode, the Series 2011A Bonds are not subject to tender for purchase at the option of the Owners.

Each series of the Series 2011A Bonds are in the form of fully registered bonds and are registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Series 2011A Bonds. While the Series 2011A Bonds are in the Index Mode, individual purchases of Series 2011A Bonds will be made in principal amounts of \$100,000 and integral multiples of \$5,000 in excess thereof. See the caption “—Book-Entry Only System” and Appendix E hereto.

Payment of Interest

Interest on the Series 2011A Bonds in an Index Mode will be calculated on the basis of a 365/366-day year for the actual number of days elapsed. Interest on the Series 2011A Bonds in an Index Mode and for the Tender Period commencing February 3, 2022 is payable on the first Business Day of each calendar month, commencing March 1, 2022, and on each applicable Mandatory Purchase Date, Scheduled Mandatory Tender Date and Unscheduled Mandatory Tender Date on which all outstanding Series 2011A Bonds of a series are purchased (each, an “**Interest Payment Date**”).

During the Index Mode, payment will be made on each Interest Payment Date for unpaid interest accrued from and including each Interest Accrual Date, which is the first day of each Tender Period and each Interest Payment Date thereafter. The amount of interest payable on each such Interest Payment Date will be determined in accordance with the provisions described under the caption “—Determination of Index Tender Rates and Index Rate Accrual Periods for Series 2011A Bonds in Index Mode—Duration of Tender Period”) and, thereafter, the first Business Day of each month during such Tender Period (each, an “**Interest Accrual Date**”) to but excluding such Interest Payment Date. Notwithstanding any provision of the Indentures, at no time may the rate of interest on any Series 2011A Bond exceed the Maximum Rate.

Determination of Index Tender Rates and Index Rate Accrual Periods for Series 2011A Bonds in Index Mode

Determination of SIFMA Average Index Rate and Index Tender Rate. During each Tender Period, no later than 11:00 a.m.* on the Business Day immediately preceding each Interest Payment Date while the Series 2011A Bonds of a series bear interest in the Index Mode, the Trustee will deliver written notice to the District and the Remarketing Agent specifying the SIFMA Average Index Rate and the Index Tender Rate for, and the aggregate amount of interest that accrued during, the Index Rate Accrual Period ending on the day preceding such Interest Payment Date together with a detailed calculation of the foregoing. All percentages resulting from the calculation of the SIFMA Average Index Rate will be rounded, if necessary, to the nearest

* Unless otherwise expressly stated, all times referred to in this Remarketing Statement are New York City time.

ten-thousandth of a percentage point with five hundred thousandths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation of interest on such series of Series 2011A Bonds while bearing interest in an Index Mode will be rounded to the nearest cent (with one-half cent being rounded upward).

Notwithstanding anything set forth in the Indentures to the contrary with respect to the calculation of the SIFMA Average Index Rate, the Index Tender Rate for the Series 2011A Bonds shall never be less than 0%.

Index Spread; Adjustment of Index Spread. Promptly after the Remarketing Agent determines the Index Spread for the Tender Period commencing on February 3, 2022, the District will publish it by supplementing this Remarketing Statement and posting the supplement with EMMA. With respect to subsequent Tender Periods, the Index Spread will be determined by the Remarketing Agent and adjusted as described under the captions “—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender” and “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender.” During each Tender Period, the Index Spread with respect to such Tender Period will apply to all Series 2011A Bonds of a series.

Duration of Tender Period. A Tender Period will commence on February 3, 2022 and will have a Scheduled Mandatory Tender Date of March __, 2023. Thereafter, each Tender Period will commence on the first to occur of: (i) the Scheduled Mandatory Tender Date of the immediately preceding Tender Period; (ii) an Unscheduled Mandatory Tender Date in connection with any Unscheduled Mandatory Tender if all Series 2011A Bonds of a series are actually purchased as described under the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Purchase of Series 2011A Bonds;” and (iii) the effective date of a Change in Mode to an Index Mode. Each Tender Period will terminate on the first to occur of: (a) the Scheduled Mandatory Tender Date; (b) an Unscheduled Mandatory Tender Date in connection with any Unscheduled Mandatory Tender if all Series 2011A Bonds are actually purchased as described under the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Purchase of Series 2011A Bonds;” (c) the first date on which the Series 2011A Bonds of a series bear interest in a Mode other than the Index Mode; or (d) the date on which all Series 2011A Bonds of a series are redeemed in accordance with the terms of the applicable Indenture or all principal and accrued interest on all Series 2011A Bonds of such series are otherwise paid in full.

Mandatory Tender for Purchase

Scheduled Mandatory Tender for Purchase. Unless the Series 2011A Bonds subject to a Tender Period have been purchased (including in connection with a Change in Mode or an Unscheduled Mandatory Tender) or redeemed prior to the Scheduled Mandatory Tender Date for such Tender Period, the Owners of all of the Series 2011A Bonds of such series will tender for purchase, and the District will purchase, all of the Series 2011A Bonds of such series on the Scheduled Mandatory Tender Date for such Tender Period. The Trustee will give notice of each Scheduled Mandatory Tender to the Owners of the Series 2011A Bonds of a series as provided in the applicable Indenture not less than seven days prior to the Scheduled Mandatory Tender Date. With respect to the Tender Period commencing on February 3, 2022, the Scheduled Mandatory Tender Date is March __, 2023 and, with respect to each subsequent Tender Period, the Scheduled Mandatory Tender Date will be determined as described under the caption “—Determination of Index Tender Rates and Index Rate Accrual Periods for Series 2011A Bonds in Index Mode—Duration of Tender Period.” Failure of the District to pay the Purchase Price for the Series 2011A Bonds of a series on a Scheduled Mandatory Tender Date constitutes an Event of Default under the applicable Indenture. See the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender—Consequences of a Scheduled Mandatory Tender Failure” below.

Unscheduled Mandatory Tender for Purchase. While the Series 2011A Bonds of a series bear interest in an Index Mode, at its option, the District may require, during each Tender Period, the Owners of all

(but not less than all) of the Series 2011A Bonds of such series to tender their Series 2011A Bonds to the District for purchase, from the source of funds described under the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Purchase of Series 2011A Bonds” on any Business Day from and after the Call Protection Date for such Tender Period. The Call Protection Date for the Tender Period commencing February 3, 2022 is set forth on the front cover page hereof. To exercise such option, the District will deliver to the Trustee at its Corporate Trust Office and the Remarketing Agent, no later than 10 days before the Unscheduled Mandatory Tender Date, the written notice of Unscheduled Mandatory Tender described under the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Effect of a Successful Remarketing.” The Trustee will give notice of each Unscheduled Mandatory Tender to the Owners of the Series 2011A Bonds of a series as provided in the applicable Indenture not less than seven days prior to the Unscheduled Mandatory Tender Date. Except as provided under the captions “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Rescission” and “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Failure to Meet Conditions,” the Trustee will pay to the Owners of the Series 2011A Bonds 100% of the principal amount of the Series 2011A Bonds from the proceeds of the remarketing of such Series 2011A Bonds as described under the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Purchase of Series 2011A Bonds.” If all outstanding Series 2011A Bonds of a series are purchased, the Unscheduled Mandatory Tender Date is also an Interest Payment Date for the Series 2011A Bonds of such series and the District will pay the unpaid accrued interest on the Series 2011A Bonds of such series on such date. The failure to pay the purchase price of Series 2011A Bonds of a series in connection with an Unscheduled Mandatory Tender does not constitute an Event of Default under the applicable Indenture and the purchase of the Series 2011A Bonds of such series subject to mandatory tender will be cancelled and the Index Mode Tender Period will continue. See the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Failure to Meet Conditions.”

Purchase of Series 2011A Bonds

The Remarketing Agent has agreed to use its best efforts to remarket the Series 2011A Bonds pursuant to the applicable Indenture at the minimum interest rate available in the marketplace (but under no circumstances less than 0%) to permit the Remarketing Agent to remarket the Series 2011A Bonds of such series on the Purchase Date, Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date, as applicable, at the principal amount thereof; provided that the remarketing of the Series 2011A Bonds in connection with a Scheduled Mandatory Tender or an Unscheduled Mandatory Tender will be as provided under the captions “—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender” and “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender,” respectively. Series 2011A Bonds subject to purchase on a Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date will be purchased from the Owners thereof at the Purchase Price which will be payable solely from the following sources in the order listed, except that the Purchase Price in connection with an Unscheduled Mandatory Tender is payable solely from the source described in clause (i) below:

- (i) Immediately available funds on deposit in the Remarketing Proceeds Account; and
- (ii) Immediately available funds on deposit in the District Purchase Account.

See Appendix C under the caption “DEFINITIONS” for a description of the Remarketing Proceeds Account and District Purchase Account.

At or before 3:00 p.m. on the Business Day immediately preceding each Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date, the Remarketing Agent: (i) unless otherwise provided in a Representation Letter, is to deliver to the Trustee instructions for registration of Series 2011A Bonds of a series remarketed in accordance with the applicable Indenture; and (ii) is to give Electronic

Notice to the Trustee and the District, specifying the aggregate principal amount of Series 2011A Bonds not remarketed, if any. If the Series 2011A Bonds of a series are registered in the name of a Bond Depository or its nominee, and if the amount of such remarketing proceeds is sufficient to pay the Purchase Price of all Series 2011A Bonds of such series to be purchased on the Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date, as applicable, the Remarketing Agent may apply such remarketing proceeds to the appropriate accounts of such Bond Depository to effect payment of the Purchase Price of such series of Series 2011A Bonds in accordance with the procedures established by such Bond Depository.

If the amount of proceeds from the remarketing delivered to the Trustee indicates that Series 2011A Bonds of a series are required to be purchased from moneys provided by the District, the Trustee will give Electronic Notice to the District at or prior to 11:30 a.m. on such date specifying the information set forth in the applicable Indenture. Upon receipt of such notice, on each Mandatory Purchase Date and Scheduled Mandatory Tender Date, the District is to deposit with the Trustee in the District Purchase Account, by 2:00 p.m. on such date, immediately available funds in an amount together with the remarketing proceeds, to enable the Trustee to pay the Purchase Price of the tendered Series 2011A Bonds. Unless otherwise provided in a Representation Letter, on each Mandatory Purchase Date, Scheduled Mandatory Tender Date and, if all Series 2011A Bonds are purchased, each Unscheduled Mandatory Tender Date, all Series 2011A Bonds of such series which have been remarketed will be registered as directed by the Remarketing Agent.

The Trustee will pay from the funds specified in the applicable Indenture, the Purchase Price for each tendered Series 2011A Bond at or prior to 3:00 p.m. on the Mandatory Purchase Date, Scheduled Mandatory Tender Date or, if all Series 2011A Bonds of a series are purchased, the Unscheduled Mandatory Tender Date, as the case may be; provided that the Purchase Price of Series 2011A Bonds in connection with an Unscheduled Mandatory Tender will be payable only from amounts in the Remarketing Proceeds Account. The Purchase Price of any Series 2011A Bond so tendered is payable only upon surrender of such Series 2011A Bond to the Trustee at its Corporate Trust Office for delivery of such Series 2011A Bond, except that payment of the Purchase Price of any Series 2011A Bond tendered for purchase or otherwise purchased pursuant to a Representation Letter will be made in immediately available funds and in such manner as the Bond Depository and the Trustee agree.

Notwithstanding any provision to the contrary contained in the Indentures, all tenders for purchase in connection with an Unscheduled Mandatory Tender are payable only from immediately available funds on deposit in the Remarketing Proceeds Account.

Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender

Remarketing of Series 2011A Bonds. During each Tender Period in the Index Mode, upon establishing the Index Spread for the next succeeding Tender Period (as described below under the caption “—Determination of Index Spread”), the Remarketing Agent will offer for sale and use its best efforts to sell in accordance with the applicable Remarketing Agreement all Series 2011A Bonds of a series at a price equal to the principal amount thereof, such that the Index Spread for the next Tender Period will be adjusted as described below under the caption “—Determination of Index Spread.” The Remarketing Agent will sell any Series 2011A Bonds of the applicable series tendered pursuant to a Scheduled Mandatory Tender at the principal amount thereof; provided that if the District delivers a Favorable Opinion of Bond Counsel, the District has the right to direct the Remarketing Agent to sell any Series 2011A Bonds tendered pursuant to a Scheduled Mandatory Tender at a discount or at a premium.

Determination of Scheduled Mandatory Tender Date. Unless the Series 2011A Bonds subject to a Tender Period have been purchased (including in connection with a Change in Mode or an Unscheduled Mandatory Tender) or redeemed prior to the Scheduled Mandatory Tender Date for such Tender Period, the District, by direction to the other Notice Parties by Electronic Notice or telecopy not later than 10 days before the Scheduled Mandatory Tender Date for each Tender Period, is to determine the Scheduled Mandatory

Tender Date for all Series 2011A Bonds of a series for the Tender Period immediately following the purchase of such Series 2011A Bonds pursuant to a Scheduled Mandatory Tender as provided in the applicable Indenture. Such Scheduled Mandatory Tender Date may be any Business Day during the next Tender Period except that the Scheduled Mandatory Tender Date will not be a date that is earlier than three months after the commencement of the Tender Period. If the District is required to deliver a written direction as provided above but fails to do so, then the Scheduled Mandatory Tender Date for the Tender Period immediately following the purchase of Series 2011A Bonds of such series will be the date that is one year after the commencement of the Tender Period (unless such date is not a Business Day, in which case the Scheduled Mandatory Tender Date will be the first Business Day following such date).

Establishment of Call Protection Date. With respect to any Tender Period commencing on a Scheduled Mandatory Tender Date that the Series 2011A Bonds of a series are purchased pursuant to a Scheduled Mandatory Tender, the Call Protection Date will be the Tender Period Standard Date; provided that if the District delivers to the Trustee a Favorable Opinion of Bond Counsel and specifies such Call Protection Date in the direction as to the Scheduled Mandatory Tender Date, the District may determine that the Call Protection Date for such Tender Period will be any Business Day during the Tender Period. The Call Protection Date with respect to the Tender Period commencing on February 3, 2022 is September __, 2022.

Determination of Index Spread. Unless the Series 2011A Bonds of a series subject to a Tender Period have been purchased (including in connection with a Change in Mode or an Unscheduled Mandatory Tender) or redeemed prior to the Scheduled Mandatory Tender Date for such Tender Period, no later than 5:00 p.m. on the day that is two Business Days before the Scheduled Mandatory Tender Date for such Tender Period, the Remarketing Agent is to determine the Index Spread with respect to the Tender Period immediately following such Scheduled Mandatory Tender Date. The Index Spread determined by the Remarketing Agent is to be equal to the minimum fixed spread to SIFMA which, if borne by such series of Series 2011A Bonds, would enable the Remarketing Agent to sell all Series 2011A Bonds of such series tendered or deemed tendered pursuant to the Scheduled Mandatory Tender on the Scheduled Mandatory Tender Date at a price equal to the principal amount thereof. With respect to all Series 2011A Bonds of a series sold with an Index Tender Rate based on an Index Spread determined by the Remarketing Agent pursuant to the applicable Indenture, the determination of the Index Spread so determined by the Remarketing Agent will be conclusive and binding on the Notice Parties and the Owners of the Series 2011A Bonds of such series.

Purchase of Series 2011A Bonds. Series 2011A Bonds required to be purchased as described under caption “—Remarketing of Series 2011A Bonds” will be purchased from the Owners thereof, on the Scheduled Mandatory Tender Date at the Purchase Price from the sources and in the order of priority described under the caption “—Mandatory Tender for Purchase—Scheduled Mandatory Tender for Purchase.”

The District is irrevocably obligated to pay the Purchase Price of all Series 2011A Bonds of a series on each Scheduled Mandatory Tender Date.

Consequences of a Scheduled Mandatory Tender Failure. Upon the occurrence of a Scheduled Mandatory Tender Failure on any Scheduled Mandatory Tender Date, the following will occur:

(i) The Trustee will promptly return all Series 2011A Bonds of a series to the Owners thereof together with notice of such failure and the Trustee and the Remarketing Agent will promptly return all remarketing proceeds to the persons providing such moneys without interest;

(ii) The Tender Period then in effect will terminate on such Scheduled Mandatory Tender Date and the Series 2011A Bonds of a series will bear interest at the last Index Tender Rate for the Tender Period so terminated from the applicable Scheduled Mandatory Tender Date to the earliest to occur of the purchase of such series of Series 2011A Bonds by or on behalf of the District or the payment of the principal of such series of Series 2011A Bonds; and

- (iii) An Event of Default under the applicable Indenture will occur.

Effect of a Successful Remarketing. If moneys on deposit with the Trustee are sufficient to pay the Purchase Price of Series 2011A Bonds to be purchased as described under caption “—Remarketing of Series 2011A Bonds” on a Scheduled Mandatory Tender Date, the following will occur:

(i) The Tender Period in effect immediately before such purchase will terminate on the Scheduled Mandatory Tender Date and a new Tender Period will commence on such date; and

(ii) The Index Spread with respect to the applicable Series 2011A Bonds for the new Tender Period will be the Index Spread determined as described above under the caption “—Determination of Index Spread.”

Notification of Scheduled Mandatory Tender Failure. On the date of a Scheduled Mandatory Tender Failure, the Trustee will deliver a notice by mail to: (i) the District; (ii) the respective Owners of any applicable Series 2011A Bonds at their addresses appearing on the Bond Register; (iii) the Remarketing Agent; and (iv) one or more Information Services, which will state: (A) that a Scheduled Mandatory Tender Failure occurred; (B) the Trustee will return all Series 2011A Bonds of such series tendered on the Scheduled Mandatory Tender Date to the Owners thereof; and (C) an Event of Default has occurred under the applicable Indenture.

Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender

Remarketing of Series 2011A Bonds. Upon receipt of notice of an Unscheduled Mandatory Tender from the District as described under the caption “—Mandatory Tender for Purchase—Unscheduled Mandatory Tender for Purchase,” the Remarketing Agent will offer for sale and use its best efforts to sell in accordance with the applicable Remarketing Agreement all Series 2011A Bonds of a series at a price equal to the principal amount thereof, such that the Index Spread for the next Tender Period will be adjusted as described below under the caption “—Determination of Index Spread.” The Remarketing Agent will sell any Series 2011A Bonds tendered pursuant to an Unscheduled Mandatory Tender at the principal amount thereof; provided that if the District delivers a Favorable Opinion of Bond Counsel, the District has the right to direct the Remarketing Agent to sell any Series 2011A Bonds tendered pursuant to an Unscheduled Mandatory Tender at a discount or at a premium.

Determination of Scheduled Mandatory Tender Date. The District, by direction to the other Notice Parties by Electronic Notice or telecopy not later than ten days before each Unscheduled Mandatory Tender Date, will determine the Scheduled Mandatory Tender Date for the Tender Period immediately following the purchase of Series 2011A Bonds of a series pursuant to an Unscheduled Mandatory Tender, as provided in the applicable Indenture. Such Scheduled Mandatory Tender Date may be any Business Day, except that the Scheduled Mandatory Tender Date may not be a date that is earlier than three months after the commencement of the Tender Period.

Establishment of Call Protection Date. With respect to any Tender Period commencing on an Unscheduled Mandatory Tender Date that all Series 2011A Bonds of a series are purchased pursuant to an Unscheduled Mandatory Tender, the Call Protection Date will be the Tender Period Standard Date; provided that if the District delivers to the Trustee a Favorable Opinion of Bond Counsel and specifies such Call Protection Date in the direction as to the Scheduled Mandatory Tender Date, the District may determine that the Call Protection Date for such Tender Period will be any Business Day during such Tender Period. The Call Protection Date with respect to the Tender Period commencing on February 3, 2022 is September __, 2022.

Determination of Index Spread. No later than 5:00 p.m. on the day that is two Business Days before each Unscheduled Mandatory Tender Date, the Remarketing Agent will determine the Index Spread with

respect to the Tender Period immediately following such Unscheduled Mandatory Tender Date. The Remarketing Agent will determine the Index Spread which will be equal to the minimum spread to SIFMA which, if borne by the Series 2011A Bonds of a series, would enable the Remarketing Agent to sell all Series 2011A Bonds of such series tendered pursuant to the Unscheduled Mandatory Tender on the Unscheduled Mandatory Tender Date at a price equal to the principal amount thereof. With respect to all Series 2011A Bonds of a series sold with an Index Tender Rate based on an Index Spread determined by the Remarketing Agent pursuant to the applicable Indenture, the determination of the Index Spread so determined by the Remarketing Agent will be conclusive and binding on the Notice Parties and the Owners of such Series 2011A Bonds.

Purchase of Series 2011A Bonds. Subject to the provisions described under the caption “—Rescission” and “—Failure to Meet Conditions,” the District will cause Series 2011A Bonds required to be purchased in an Unscheduled Mandatory Tender to be purchased on each Unscheduled Mandatory Tender Date from the Owners thereof at the Purchase Price from the source indicated under the caption “—Purchase of Series 2011A Bonds.”

Consequences of an Unscheduled Mandatory Tender Failure or a Rescission. If the District rescinds any Unscheduled Mandatory Tender as described under the caption “—Rescission” or if any of the conditions of any Unscheduled Mandatory Tender are not satisfied as described under the captions “—Mandatory Tender for Purchase—Unscheduled Mandatory Tender for Purchase” and “—Failure to Meet Conditions,” then the District will not have any obligation to purchase any Series 2011A Bonds and no purchase of Series 2011A Bonds will occur. In such event, the following will occur:

(i) The Trustee will return all Series 2011A Bonds of a series to the Owners thereof together with notice of the basis for such return and the Trustee and the Remarketing Agent will return all remarketing proceeds to the persons providing such moneys without interest;

(ii) Such Series 2011A Bonds will continue to bear interest at the Index Tender Rate in effect during such Tender Period without change or modification and the Tender Period then in effect will continue until terminated in accordance with the provisions set forth under the caption “—Determination of Index Tender Rates and Index Rate Accrual Periods for Series 2011A Bonds in Index Mode—Duration of Tender Period”; and

(iii) No Event of Default under the applicable Indenture will have occurred.

Rescission. The District has the option to deliver to the Trustee at its Corporate Trust Office and the Remarketing Agent, on or prior to 5:00 p.m. on the Business Day immediately preceding the Unscheduled Mandatory Tender Date for an Unscheduled Mandatory Tender, a notice to the effect that the District elects to rescind such Unscheduled Mandatory Tender. If the District so rescinds an Unscheduled Mandatory Tender, then no purchase will occur, the applicable Series 2011A Bonds will continue to bear interest at the Index Tender Rate in effect during the Tender Period then in effect without change or modification and the Tender Period then in effect will continue until terminated as described under the caption “—Determination of Index Tender Rates and Index Rate Accrual Periods for Series 2011A Bonds in Index Mode—Duration of Tender Period.”

Failure to Meet Conditions. Any Unscheduled Mandatory Tender, if not rescinded, will be conditioned upon: (a) amounts sufficient to pay the Purchase Price of such mandatory tender being on deposit from remarketing proceeds, as described under the caption “—Purchase of Series 2011A Bonds,” with the Trustee on the Unscheduled Mandatory Tender Date; and (b) in connection with any change in the Call Protection Date for the next succeeding Tender Period from the Tender Period Standard Date, the delivery by the District of the Favorable Opinion of Bond Counsel described under the caption “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Establishment of Call Protection Date.” If on an Unscheduled Mandatory Tender Date the conditions described in the immediately

preceding sentence are not satisfied, then no purchase of Series 2011A Bonds will occur, the Series 2011A Bonds of such series will continue to bear interest at the Index Tender Rate in effect during the Tender Period then in effect without change or modification and the Tender Period then in effect will continue until terminated as described under the caption “—Determination of Index Tender Rates and Index Rate Accrual Periods for Series 2011A Bonds in Index Mode—Duration of Tender Period.”

Failure by the District to pay or cause to be paid the Purchase Price of Series 2011A Bonds of a series tendered under the Unscheduled Mandatory Tender provisions of the applicable Indenture for any reason does not constitute an Event of Default by the District under the applicable Indenture. No such failure affects the District’s right to require Owners of Series 2011A Bonds to tender their Series 2011A Bonds as described under the caption “—Mandatory Tender for Purchase—Unscheduled Mandatory Tender for Purchase” during the remainder of the Tender Period then in effect or during any subsequent Tender Period.

Effect of a Successful Remarketing. If moneys on deposit with the Trustee are sufficient to pay the Purchase Price of Series 2011A Bonds to be purchased as described under the caption “—Mandatory Tender for Purchase—Unscheduled Mandatory Tender for Purchase” and all other conditions are satisfied, the following will occur:

(i) The Tender Period in effect immediately before such tender will terminate on such Unscheduled Mandatory Tender Date and a new Tender Period will commence on such date; and

(ii) The Index Spread with respect to the applicable Series 2011A Bonds for the new Tender Period will be the Index Spread determined as described above under the caption “—Determination of Index Spread.”

Changes in Mode

Subject to the provisions of the applicable Indenture, the District may effect a Change in Mode with respect to a series of Series 2011A Bonds by delivering to the Trustee, with copies to the other Notice Parties, a Notice of Change in Mode stating: (A) the election to change the Mode to which such series of Series 2011A Bonds are then subject (the “**Current Mode**”) to a different Mode (the “**New Mode**”), the type of which will be specified; (B) the date on which such series of Series 2011A Bonds are required to be purchased pursuant to the provisions described below under the caption “—Mandatory Purchase of Series 2011A Bonds,” which will be the date as of which the New Mode takes effect and a Business Day immediately following the end of an Adjustment Period or the last day of a Tender Period, or a Business Day on which such series of Series 2011A Bonds would be subject to redemption at the option of the District; and (C) a form of notice of mandatory tender for purchase satisfying the requirements described below under the caption “—Mandatory Purchase of Series 2011A Bonds.” In no event will a Change in Mode occur prior to the Call Protection Date set forth on the front cover page hereof.

Not less than seven days prior to a proposed Change in Mode, and in reliance upon a Notice of Change in Mode, the Trustee will give written notice, in the form prepared by the District and delivered to the Trustee pursuant to the immediately preceding paragraph, to the Owners of the mandatory tender for purchase of all Outstanding Series 2011A Bonds of such series as described below under the caption “—Mandatory Purchase of Series 2011A Bonds” in connection with the Change in Mode.

The New Mode will take effect only if the following conditions are satisfied: (i) by 9:00 a.m. on the date of the proposed Change in Mode: (A) if a Liquidity Facility is to be in effect during the New Mode, the interest portion of the Liquidity Facility is in an amount equal to or greater than the Liquidity Facility Interest Amount for the applicable Mode; and (B) if the New Mode is the Fixed Rate Mode, the Trustee and the Remarketing Agent have received a Fixed Rate Terms Certificate; and (ii) the Trustee has received sufficient remarketing proceeds of the Series 2011A Bonds of such series in the New Mode to pay the Purchase Price of the Bonds subject to mandatory tender for purchase in connection with the Change in Mode. If such

conditions are satisfied, then the New Mode will take effect on the date of the proposed Change in Mode. If such conditions are not satisfied, then: (a) all Outstanding Series 2011A Bonds of such series will be purchased on the Mandatory Purchase Date described below under the caption “—Mandatory Purchase of Series 2011A Bonds;” (b) all Outstanding Series 2011A Bonds of such series will continue to be subject to the Index Mode; (c) the Tender Period for all Outstanding Series 2011A Bonds of such series will extend from and including the date on which the New Mode was to take effect to and including the date which is three months after such date (and if such date is not a Business Day, the next day which is followed by a Business Day); (d) the interest on the Series 2011A Bonds of such series for the Index Rate Accrual Period will be the last Index Tender Rate in effect during the immediately preceding Tender Period; and (e) the Trustee will, within five Business Days after the date of the proposed Change in Mode, send notice to the Notice Parties stating that the conditions to the Change in Mode have not all been satisfied and informing them of the consequences thereof, as described in the applicable Indenture.

Mandatory Purchase of Series 2011A Bonds

Except as otherwise provided under the captions “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Rescission” and “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Failure to Meet Conditions” with respect to an Unscheduled Mandatory Tender, each Series 2011A Bond which is subject to mandatory tender for purchase on a Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date as a result of a Change in Mode or as otherwise provided in the applicable Indenture will be purchased on such date at the applicable Purchase Price, but solely from the sources of payment described under the captions “—Purchase of Series 2011A Bonds,” “—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender—Purchase of Series 2011A Bonds” or “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Purchase of Series 2011A Bonds,” as applicable. Subject to the provisions of the applicable Indenture and unless otherwise provided in a Representation Letter, all Series 2011A Bonds required to be purchased on a Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date will be tendered for purchase by delivery to the Trustee at its Corporate Trust Office on or prior to the Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date, as applicable, and, except as otherwise provided under the caption “—Mandatory Tender for Purchase—Unscheduled Mandatory Tender for Purchase” with respect to an Unscheduled Mandatory Tender, will be purchased, but solely from the sources of payment described under the captions “—Purchase of Series 2011A Bonds,” “—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender—Purchase of Series 2011A Bonds” or “—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Purchase of Series 2011A Bonds,” as applicable.

Undelivered Bonds

Any Series 2011A Bond which is subject to mandatory tender for purchase in accordance with the provisions described under the caption “—Mandatory Tender for Purchase” which is not tendered for purchase as required by the applicable Indenture, will constitute an Undelivered Bond and will nonetheless be deemed to have been so tendered and, upon provision for payment of the Purchase Price thereof from the applicable funds specified under the caption “—Purchase of Series 2011A Bonds,” will be deemed to have been purchased on the Mandatory Purchase Date, the Scheduled Mandatory Tender Date or the Unscheduled Mandatory Tender Date, as applicable, after which no interest will accrue on such Series 2011A Bond for the benefit of the Owner required to tender such Series 2011A Bond from and after such Mandatory Purchase Date, Scheduled Mandatory Tender Date or Unscheduled Mandatory Tender Date, as applicable, and such Owner will have no rights under the applicable Indenture as the Owner of such Series 2011A Bond except the right to receive the Purchase Price thereof from the funds available therefor, as described under the caption “—Purchase of Series 2011A Bonds.”

Refinancing and Related Risks

No assurance can be given that the District will have sufficient remarketing proceeds or funds on hand on March __, 2023 or any other Scheduled Mandatory Tender Date to pay the Purchase Price of the Series 2011A Bonds upon the mandatory tender thereof on such date. The District has not currently provided for any Liquidity Facility to support the payment of the Purchase Price upon mandatory tender of the Series 2011A Bonds. In the event that the District does not have sufficient funds to pay the Purchase Price of the Series 2011A Bonds on such date from remarketing proceeds or other funds on hand, the District's ability to pay such Purchase Price is dependent on the District's ability: (i) to issue and sell refunding obligations to refund Series 2011A Bonds prior to such date; or (ii) to provide for the conversion of such Series 2011A Bonds to another Mode on or prior to such date and to receive sufficient remarketing proceeds upon such conversion to provide for payment of the Purchase Price of the Series 2011A Bonds upon the mandatory tender thereof.

A variety of events could prevent access to the municipal securities market, prohibit the District from issuing such refunding obligations or remarketing such Series 2011A Bonds or make the issuance of refunding obligations or the remarketing of such Series 2011A Bonds prohibitively expensive. No assurance can be given that the District will be able to effect such a refinancing or remarketing on sufficiently favorable terms. Failure of the District to provide sufficient funds to pay the Purchase Price on the Scheduled Mandatory Tender Date constitutes an Event of Default under the applicable Indenture. See the caption "THE SERIES 2011A BONDS—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender—Consequences of a Scheduled Mandatory Tender Failure."

Redemption of Series 2011A Bonds

Optional Redemption. The Series 2011A Bonds in the Index Mode are subject to redemption at the option of the District in whole or in part, in Authorized Denominations, during any Tender Period, on any Business Day on or after the Call Protection Date for such Tender Period, at a Redemption Price equal to 100% of the principal amount of the Series 2011A Bonds being redeemed plus unpaid accrued interest, if any, to such Redemption Date, without premium. See the captions "—Remarketing and Purchase of Series 2011A Bonds in Connection with Scheduled Mandatory Tender—Establishment of Call Protection Date" and "—Remarketing and Purchase of Series 2011A Bonds in Connection with Unscheduled Mandatory Tender—Establishment of Call Protection Date." The Call Protection Date for the Tender Period commencing on February 3, 2022 is September __, 2022.

Mandatory Redemption. The Series 2011A-1 Bonds are subject to mandatory redemption in part on October 1, 2022 and on each October 1 thereafter, upon notice as described under the caption "—Notice of Redemption," at a Redemption Price equal to 100% of the principal amount of the Series 2011A-1 Bonds to be redeemed, without premium, in the years and principal amounts as follows:

SERIES 2011A-1 BONDS DUE OCTOBER 1, 2037

<i>Mandatory Redemption Dates (October 1)</i>	<i>Principal Amount of Series 2011A-1 Bonds to be Redeemed</i>
2022	\$1,980,000
2023	2,040,000
2024	2,100,000
2025	2,220,000
2026	2,280,000
2027	2,400,000
2028	2,460,000
2029	2,580,000
2030	2,700,000
2031	2,820,000
2032	2,880,000
2033	3,000,000
2034	3,120,000
2035	3,240,000
2036	3,420,000
2037 (maturity)	3,540,000

The Series 2011A-2 Bonds are subject to mandatory redemption in part on October 1, 2022 and on each October 1 thereafter, upon notice as described under the caption “—Notice of Redemption,” at a Redemption Price equal to 100% of the principal amount of the Series 2011A-2 Bonds to be redeemed, without premium, in the years and principal amounts as follows:

SERIES 2011A-2 BONDS DUE OCTOBER 1, 2037

<i>Mandatory Redemption Dates (October 1)</i>	<i>Principal Amount of Series 2011A-2 Bonds to be Redeemed</i>
2022	\$1,320,000
2023	1,360,000
2024	1,400,000
2025	1,480,000
2026	1,520,000
2027	1,600,000
2028	1,640,000
2029	1,720,000
2030	1,800,000
2031	1,880,000
2032	1,920,000
2033	2,000,000
2034	2,080,000
2035	2,160,000
2036	2,280,000
2037 (maturity)	2,360,000

Upon any purchase and cancellation of Series 2011A Bonds of a series by the District or any redemption of Series 2011A Bonds of a series pursuant to the optional redemption provisions of the applicable Indenture described under the caption “—Optional Redemption,” an amount equal to the aggregate principal amount of Series 2011A Bonds of such series so purchased or redeemed will be credited toward a part or all of any one or more yearly mandatory redemptions required by the applicable Indenture, as directed in writing by

the District, provided that such direction is received by the Trustee at least 45 days before the date of such mandatory redemption. Any such direction will state the years in which and the amounts by which such mandatory redemptions are to be reduced. The portion of any such mandatory redemption remaining after the deduction of any such amounts credited toward the same (or the original amount of any such mandatory redemption if no such amounts have been credited toward the same) constitutes the unsatisfied balance of such mandatory redemption for the purpose of the calculation of payments due on October 1 in any future year.

Selection of Series 2011A Bonds for Redemption

If not otherwise provided in the applicable Indenture, whenever less than all Outstanding Series 2011A Bonds of a maturity are to be redeemed on any one date, the Trustee will select the Series 2011A Bonds of such maturity to be redeemed from the Outstanding Series 2011A Bonds of such maturity by lot, or in such other manner as the Trustee deems fair.

Notice of Redemption

Notice of redemption will be given by Mail by the Trustee to the Remarketing Agent and the Owners of any Series 2011A Bonds designated for redemption in whole or in part no less than 30 days nor more than 60 days prior to the Redemption Date. So long as DTC, or its nominee Cede & Co., is the registered owner of all the Series 2011A Bonds of a series, notices of redemption will be given to DTC. See the caption “—Book-Entry Only System” below.

Each notice of redemption will state the Redemption Date, the redemption place and the Redemption Price, the maturity dates of the Series 2011A Bonds to be redeemed and designate the numbers of the Series 2011A Bonds to be redeemed if less than all of the Outstanding Series 2011A Bonds of a maturity are to be redeemed, will (in the case of any Series 2011A Bond called for redemption in part only) state the portion of the principal amount thereof which is to be redeemed, and state that, if the Trustee holds sufficient available funds to pay the Redemption Price of the Series 2011A Bonds to be redeemed on the Redemption Date, the interest thereon or portions thereof designated for redemption will cease to accrue from and after such Redemption Date and that on such Redemption Date there will become due and payable on the Series 2011A Bonds or portions thereof designated for redemption the Redemption Price thereof. The failure of any Owner to receive such notice will not affect the validity of the redemption of any Series 2011A Bonds.

With respect to any notice of any optional redemption of Series 2011A Bonds, unless at the time such notice is given the Trustee holds sufficient available funds to pay the Redemption Price of the Series 2011A Bonds to be redeemed, such notice will state that such redemption is conditional upon receipt by the Trustee, on or prior to the date fixed for such redemption, of moneys that, together with other available amounts held by the Trustee, are sufficient to pay the Redemption Price of the Series 2011A Bonds to be redeemed, and that if such moneys have not been so received said notice will be of no force and effect and the District will not be required to redeem such Series 2011A Bonds. In the event that a notice of redemption of Series 2011A Bonds contains such a condition and such moneys are not so received, the redemption of such Series 2011A Bonds as described in the conditional notice of redemption will not be made and the Trustee will, within a reasonable time after the date on which such redemption was to occur, give notice to the persons who received such notice of redemption and in the manner in which the notice of redemption was given, that such moneys were not so received and that there will be no redemption of Series 2011A Bonds pursuant to such notice of redemption.

Any notice of redemption mailed as provided in the applicable Indenture will be conclusively presumed to have been given, whether or not actually received by any Owner.

See the caption “—Mandatory Tender for Purchase—Unscheduled Mandatory Tender for Purchase” for information with respect to notice of Unscheduled Mandatory Tenders.

Allocation of Credits for Purchased or Redeemed Series 2011A Bonds

Except as otherwise provided in the applicable Indenture, the principal amount of any Series 2011A Bonds of a series purchased and cancelled by the District, or redeemed by the District, will be credited proportionally to all Improvement Districts and the Included Amount for each Improvement District will be reduced by such Improvement District's Included Percentage (calculated immediately before such purchase or redemption) of the purchased or redeemed Series 2011A Bonds of such series.

In the event that Series 2011A Bonds are purchased for cancellation or redeemed with funds provided by one or more Improvement Districts other than funds provided proportionately with all other Improvement Districts, the principal amount of any Series 2011A Bonds purchased and cancelled by the District, or redeemed by the District, will be credited proportionally to all such contributing Improvement Districts and the Included Amount for each such Improvement District will be reduced by such Improvement District's proportional contribution to the purchase price of such purchased Series 2011A Bonds and the Redemption Price of such redeemed Series 2011A Bonds and the Included Percentage (calculated immediately before such purchase or redemption) of the purchased or redeemed Series 2011A Bonds.

Immediately following each purchase of Series 2011A Bonds by the District for cancellation and each redemption of Series 2011A Bonds and the allocation of credits in connection with such purchase and redemption in accordance with the provisions of the applicable Indenture, as applicable, the Included Percentages for all Improvement Districts will be recomputed for all purposes after such redemption in the following manner:

$$\frac{\text{Improvement District's Included Amount after purchase or redemption}}{\text{Total Amount of Outstanding Series 2011A Bonds after purchase or redemption}} = \text{Included Percentage, as adjusted}$$

Book-Entry Only System

One fully-registered Series 2011A Bond of each series has been issued in the outstanding principal amount of the Series 2011A Bonds of such series. The Series 2011A Bonds are registered in the name of Cede & Co. and have been deposited with DTC. So long as DTC, or its nominee Cede & Co., is the registered owner of all the Series 2011A Bonds of a series, all payments of principal, Purchase Price and Redemption Price of and interest on the Series 2011A Bonds will be made directly to DTC. Disbursement of such payments to the DTC Participants will be the responsibility of DTC. Disbursement of such payments to the Beneficial Owners of the Series 2011A Bonds of such series will be the responsibility of the DTC Participants as more fully described herein. See Appendix E—"BOOK-ENTRY SYSTEM."

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository) for a series of Series 2011A Bonds. In that event, such Series 2011A Bonds will be printed and delivered and will be governed by the provisions of the applicable Indenture with respect to payment of principal, Purchase Price, Redemption Price and interest and rights of exchange and transfer.

The District cannot and does not give any assurances that DTC Participants or others will distribute payments with respect to the Series 2011A Bonds received by DTC or its nominee as the registered Owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC will service and act in the manner described in this Remarketing Statement. See Appendix E hereto for additional information concerning DTC.

SECURITY FOR THE SERIES 2011A BONDS

General

Sources of Payment. The Series 2011A Bonds constitute the consolidated, several general obligations of the Improvement Districts payable from: (i) Assessment Proceeds collected from within each Improvement District and applied by the District to pay such Improvement District's Included Amount of the principal, Purchase Price and Redemption Price of, and interest on, Outstanding Series 2011A Bonds of a series; (ii) Net Revenues of the District; and (iii) certain monies and investment earnings in certain funds and accounts created under the Indentures. See the caption “—Pledge of Assessment Proceeds and Revenues.” The District currently expects to pay a portion of scheduled debt service on the Series 2011A Bonds from a combination of Assessment Proceeds and Net Revenues and, to the extent that remarketing proceeds are insufficient, to pay the Purchase Price of the Series 2011A Bonds from Net Revenues.

Authority for Issuance. Elections were held in Improvement District Nos. 105, 113, 213 and 250 at which the qualified voters within each such improvement district authorized the District to incur an indebtedness and issue general obligation bonds for each respective improvement district. See Appendix A under the caption “THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness” for a discussion of the bond authorization, amount of outstanding bonds and remaining bond authorization for each of the Improvement Districts, including the bond authorizations of Improvement District Nos. 125 and 225 as the legal successors to former Improvement District Nos. 105 and 250, respectively. The Series 2011A Bonds are authorized for issuance pursuant to the Act and all laws of the State amendatory thereof or supplemental thereto.

Covenant to Collect Assessment Proceeds. The District has covenanted in the Indentures that, to the extent necessary to provide Assessment Proceeds sufficient to pay when due, together with the other funds available for such payment, the principal of and interest on the Included Amount for each respective Improvement District, the District will: (a) fix and collect, or cause the fixing and collection of, *ad valorem* assessments on taxable land within the applicable Improvement District; (b) pursue any remedy available to collect, or cause the collection of, delinquent *ad valorem* assessments and apply amounts realized from the sale of any property for the enforcement of delinquent *ad valorem* assessments to the payment of principal of and interest on the Included Amount of Series 2011A Bonds of a series of the applicable Improvement District; or (c) in its discretion, impose and collect, or cause the imposition and collection of In Lieu Charges for water or sewer service, as applicable, in the applicable Improvement District in lieu of *ad valorem* assessments.

Revenue Rate Covenant. The District has also covenanted in the Indentures, to the fullest extent permitted by law, to fix, prescribe and collect Revenues which, together with any *ad valorem* assessments available to pay Debt Service on Parity Obligations which are not applied as a credit against Debt Service, will be at least sufficient to yield during each Fiscal Year Net Revenues which are at least equal to 125% of Aggregate Debt Service payable during such Fiscal Year. The District may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but will not reduce the rates and charges then in effect unless the Net Revenues from such reduced rates and charges will at all times be sufficient to meet the foregoing requirements.

In addition, certain of the Prior Reimbursement Agreements described under the caption “—Existing Parity Obligations” related to outstanding *ad valorem* assessment bonds of the District, and certain swap agreements entered into by the District, have covenants related to the setting of rates and charges with which the District is contractually obligated to comply.

Additional Covenants. See Appendix C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURES” under the caption “CERTAIN COVENANTS” for a summary of additional covenants of the District under the Indentures.

Pledge of Trust Estate. Pursuant to each Indenture, the District has pledged the Trust Estate thereunder to secure the payment of the series of Series 2011A Bonds issued thereunder. The “**Trust Estate**” under each Indenture consists of the following:

(A) The Bond Payment Fund (defined below) established under such Indenture, including all accounts in such fund, and all of the monies in such fund and accounts and the investments, if any, thereof, and all income and proceeds derived from such investments; and

(B) Subject to the application on the terms and conditions contained in such Indenture, Revenues of the District.

Pledge of Assessment Proceeds and Revenues

Subject to the application of the Revenues on the terms and conditions provided in the applicable Indenture, Revenues have been irrevocably pledged to the payment when due of the principal, Purchase Price and Redemption Price of, and interest on, the Outstanding series of Series 2011A Bonds, which pledge will be on a parity with any pledge of Revenues securing other Parity Obligations. Such pledge constitutes a pledge of and charge and lien upon the Revenues for the payment of the principal, Purchase Price upon the Scheduled Mandatory Tender and Redemption Price of, and interest on, the Outstanding Series 2011A Bonds of such series and all other Parity Obligations in accordance with the terms of the applicable Indenture and the applicable series of Series 2011A Bonds after payment from the Revenues of the Operation and Maintenance Expenses, and the funding of contingency reserves therefor, as provided in the applicable Indenture.

THE SERIES 2011A BONDS DO NOT CONSTITUTE AN OBLIGATION OF THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA OTHER THAN THE DISTRICT AND THE IMPROVEMENT DISTRICTS AS PROVIDED IN THE INDENTURES. NO FUNDS OF THE DISTRICT OR THE IMPROVEMENT DISTRICTS, OTHER THAN THE FUNDS INCLUDED IN THE TRUST ESTATE, ARE LIABLE FOR THE PAYMENT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OF, OR INTEREST ON, THE SERIES 2011A BONDS. EXCEPT AS PROVIDED IN THE APPLICABLE INDENTURE WITH RESPECT TO THE TRUST ESTATE, NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT IS LIABLE FOR OR PLEDGED TO THE PAYMENT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OF, OR INTEREST ON, THE SERIES 2011A BONDS.

Assessment Proceeds. Assessment Proceeds means, with respect to any Improvement District: (i) *ad valorem* assessments on taxable land in such Improvement District levied pursuant to the Act; (ii) In Lieu Charges, consisting of water or sewer charges, as applicable, which in the discretion of the Board of Directors are fixed and collected in an Improvement District in lieu of *ad valorem* assessments pursuant to the Act; and (iii) proceeds from the sale of property in such Improvement District for the enforcement of delinquent assessments pursuant to the Act.

The Included Amount for each Improvement District with respect to the Series 2011A Bonds of a series and any other outstanding or future District general obligation bonds issued for such Improvement District are equally secured by the *ad valorem* assessments and any charges for water or sewer service, as applicable, imposed and collected in lieu of *ad valorem* assessments, collected within such Improvement District. The *ad valorem* assessments are levied only on land and are based on the land value of parcels in the Improvement District without regard to the value of any improvements thereon. See Appendix A—“IRVINE RANCH WATER DISTRICT” under the captions “THE IMPROVEMENT DISTRICTS—Improvement District Nos. 125 and 225” and “THE IMPROVEMENT DISTRICTS—Improvement District Nos. 113 and 213.”

Net Revenues. Net Revenues for any period consist of the Revenues of the District less the Operation and Maintenance Expenses of the District for such period. “**Revenues**” means:

(1) The water, sewer and recycled water rates and charges imposed by the District in connection with providing water, sewer and recycled water services to retail customers through the Operating Systems (as such term is defined in the Indentures), including commodity, service, standby, material treatment and connection charges, except: (i) such water, sewer and recycled water rates and charges levied in lieu of *ad valorem* assessments pursuant to Sections 36425 and 35975 of the Act; and (ii) customer deposits (together, the “**Utility Rates and Charges**”); and

(2) Other revenues of the District, including, without limiting the generality of the foregoing, the proceeds of any stand-by or natural treatment, connection and water availability charges; together with the District’s share of the Orange County, California 1% *ad valorem* property tax (to the extent not applied by the District to pay principal of and interest on Secured Bonds) and Investment Income;

but excluding in all cases: (i) customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the District; (ii) any proceeds of taxes or *ad valorem* assessments restricted by law to be used by the District to pay bonds issued by the District, and the proceeds of any actions to enforce delinquent *ad valorem* assessments so restricted; and (iii) water, sewer and recycled water rates and charges levied in lieu of *ad valorem* assessments pursuant to Sections 36425 and 35975 of the Act.

“**Operation and Maintenance Expenses**” consist of the costs and expenses paid or incurred by the District for operating and maintaining the Operating Systems (as such term is defined in the Indentures) including, but not limited to: (a) all costs of water generated or purchased by the District for resale; (b) all costs and expenses of providing services and commodities through or with the Operating Systems; (c) all costs and expenses of management of the Operating Systems; (d) all costs and expenses of maintenance and repair of, and other expenses necessary or appropriate in the judgment of the District to maintain and preserve, any of the Operating Systems in good repair and working order; (e) all administrative and general expenses, such as salaries and wages of employees, overhead, taxes (if any), insurance premiums, retirement benefits and health care benefits; (f) all deposits to be made to a contingency reserve for Operation and Maintenance Expenses; (g) all deposits to be made to a rebate fund established with respect to Parity Obligations to provide for any rebate to the United States required to maintain the tax-exempt status of interest on such Parity Obligations; (h) any cost or expense paid or incurred by the District to comply with requirements of law applicable to any of the Operating Systems or the ownership or operation thereof or any activity in connection therewith; and (i) any other cost or expense which, in accordance with Generally Accepted Accounting Principles, is to be treated as an expense of operating or maintaining any of the Operating Systems; but excluding in all cases depreciation, replacement and obsolescence charges or reserves therefor, and amortization of intangibles.

Net Revenues collected within any improvement district of the District, including the Improvement Districts, are available to make debt service payments on the Series 2011A Bonds. See the caption “SECURITY FOR THE SERIES 2011A BONDS.”

Allocation of Monies Under the Indentures

Allocation of Revenues. In order to carry out and effectuate the pledge and lien on the Revenues contained in the Indentures, the District has agreed and covenanted in each Indenture that all Revenues received by it will be deposited when and as received in the Revenue Fund, which fund has been previously established by the District and which fund the District has agreed and covenanted to maintain as a special fund, separate and apart from other moneys of the District so long as any Series 2011A Bond of the applicable series remains Outstanding. All Revenues will be applied in the following order of priority:

First: to the payment of Operation and Maintenance Expenses (other than the funding of contingency reserves for Operation and Maintenance Expenses) as they become due and payable.

Second: to the funding of contingency reserves for Operation and Maintenance Expenses.

Third: (i) two Business Days before each Interest Payment Date, to a deposit to the Bond Payment Fund in an amount equal to the transfer to the Interest Account and Principal Account to be made on such Interest Payment Date; and (ii) on each date, other than an Interest Payment Date, on which the principal of an Outstanding Series 2011A Bond of a series becomes due, whether by mandatory redemption, acceleration, or otherwise, to a deposit to the Bond Payment Fund in an amount equal to the principal and Redemption Price of, and interest on, the Outstanding Series 2011A Bonds of such series coming due on such date. Notwithstanding the provisions of the immediately preceding sentence, no such deposit to the Bond Payment Fund need be made by the District to the extent that the Trustee then holds, or is concurrently receiving from the District from Assessment Proceeds or other sources that do not constitute Revenues, moneys for such purpose in the Bond Payment Fund, or being deposited in the Bond Payment Fund, available to pay the principal and Redemption Price of, and interest on, the Outstanding Series 2011A Bonds of such series to be paid with such deposit. The District will also pay to the party entitled thereto or transfer or cause to be transferred to any applicable debt service or other payment fund or account for any Parity Obligations (other than the principal and Redemption Price of, and interest on, the Outstanding Series 2011A Bonds of such series), without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, on the dates specified in the proceedings relating to such Parity Obligations, the sum or sums required to be paid or deposited in such debt service or other payment fund or account with respect to principal, premium, if any, and interest (including purchase price) on Parity Obligations (other than the principal and Redemption Price of, and interest on, the Outstanding Series 2011A Bonds of such series) in accordance with the terms of such Parity Obligations.

Fourth: the District will transfer or cause to be transferred to any applicable reserve fund or account for any Parity Obligations for which a separate reserve has been funded, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, the sum or sums, if any, equal to the amount required to be deposited therein in accordance with the terms of such Parity Obligations.

Fifth: to any lawful purpose of the District, including the payment of any Subordinate Obligations in accordance with the instruments authorizing such Subordinate Obligations, which application will be free and clear of the pledge and lien on Revenues created by the Indentures.

Bond Payment Fund. There have been established and created funds with the Trustee under the Indentures designated the “Bonds of Irvine Ranch Water District, Series 2011A-1 Bond Payment Fund” and the “Bonds of Irvine Ranch Water District, Series 2011A-2 Bond Payment Fund” (each, a “**Bond Payment Fund**”), respectively. The Trustee will transfer money contained in the Bond Payment Fund to the accounts described below at the following times in the manner provided in each Indenture, which accounts the Trustee has agreed to establish and maintain so long as the applicable Indenture is not discharged in accordance with the provisions thereof, and each such account constitutes a trust fund for the benefit of the Owners of the applicable series of Series 2011A Bonds, and the money in each such account will be disbursed only for the purposes and uses authorized in the applicable Indenture.

Interest Account. The Trustee, on each Interest Payment Date, will deposit in the Interest Account from money in the Bond Payment Fund an amount which, together with amounts already on deposit in the Interest Account, will be sufficient to pay interest on the Outstanding Series 2011A Bonds of such series due on such Interest Payment Date. Money in the Interest Account will be used and withdrawn by the Trustee on each Interest Payment Date solely for the payment of interest on the Outstanding Series 2011A Bonds of such series then due.

Principal Account. The Trustee, on each Principal Payment Date, will deposit in the Principal Account from money in the Bond Payment Fund such amount as is sufficient to pay the principal of the Outstanding Series 2011A Bonds of such series due on such Principal Payment Date. Money in the Principal Account will be used and withdrawn by the Trustee on each Principal Payment Date solely for the payment of the principal of Outstanding Series 2011A Bonds of such series then due.

Redemption Account. The Trustee will deposit in the Redemption Account amounts received from the District to pay the Redemption Price of Series 2011A Bonds of such series to be redeemed. Money in such Redemption Account will be used and withdrawn by the Trustee on each Redemption Date solely for the payment of the Redemption Price of Outstanding Series 2011A Bonds of such series upon the redemption thereof.

Existing Parity Obligations

The District has entered into certain Parity Obligations described below. The reimbursement agreements described below relate to outstanding *ad valorem* assessment bonds:

(i) the Fifth Amended and Restated Reimbursement Agreement, dated as of April 1, 2011, by and between the District and Bank of America, N.A.;

(ii) the Reimbursement Agreement, dated May 7, 2015, by and between the District and U.S. Bank National Association;

(iii) the Reimbursement Agreement, dated as of April 1, 2011, by and between the District and Sumitomo Mitsui Banking Corporation;

(iv) the Amended and Restated Reimbursement Agreement, dated as of April 1, 2011, by and between the District and U.S. Bank National Association;

(v) the District's Series 2010B Bonds currently outstanding in the aggregate principal amount of \$175,000,000;

(vi) the Installment Sale Agreement, securing the District's Certificates of Participation Irvine Ranch Water District Series 2016 currently outstanding in the aggregate principal amount of \$113,325,000; and

(vii) the District's Bonds of Irvine Ranch Water District Series 2016 (the "**Series 2016 Bonds**") currently outstanding in the aggregate principal amount of \$103,400,000.

The agreements described in clauses (i) through (iv) above are collectively referred to as the "Prior Reimbursement Agreements."

There are currently no reimbursement obligations outstanding under the Prior Reimbursement Agreements, although the District may incur reimbursement obligations under the Prior Reimbursement Agreements as provided therein.

For a summary of the stated amount of each letter of credit associated with the Prior Reimbursement Agreements, see Appendix A under the caption "THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness—Parity Obligations."

Limitations on Parity and Superior Obligations

No Obligations Superior to Series 2011 Bonds. The District has covenanted in the Indentures that it will not create any pledge of, lien on or charge upon the Revenues with a priority prior to or senior to the pledge of the Revenues securing the Series 2011A Bonds and the Parity Obligations.

Obligations on a Parity with the Series 2011A Bonds. Under the Indentures, the District may at any time issue additional Parity Obligations; provided:

(a) The Net Revenues, plus any *ad valorem* assessments available to pay Debt Service on Parity Obligations which are not applied as a credit against Debt Service, for the Applicable Fiscal Year, as evidenced by both a calculation prepared by the District and a special report on such calculation prepared by an Independent Certified Public Accountant or an Independent Financial Consultant on file with the District, are at least equal to 125% of the Aggregate Debt Service for the Applicable Fiscal Year; and

(b) Either of (1) or (2) below:

(1) The Net Revenues for the Applicable Fiscal Year, plus any adjustments to Net Revenues to give effect as of the first day of the Applicable Fiscal Year to increases or decreases in rates and charges of the District approved and in effect as of the date of calculation, plus any *ad valorem* assessments available to pay Debt Service on Parity Obligations which are not applied as a credit against Debt Service, produce an amount at least equal to 125% of the sum of: (i) the Aggregate Debt Service for such Applicable Fiscal Year; plus (ii) the Debt Service which would have accrued on any Parity Obligations issued since the end of the Applicable Fiscal Year assuming such Parity Obligations had been issued at the beginning of the Applicable Fiscal Year; plus (iii) the Debt Service which would have accrued had the additional Parity Obligations to be issued been issued at the beginning of the Applicable Fiscal Year; or

(2) The estimated Net Revenues for each Fiscal Year in the Test Period, plus an allowance for the estimated Net Revenues for each Fiscal Year in the Test Period arising from the completion of any uncompleted projects during the Test Period, plus any *ad valorem* assessments available to pay Debt Service on Parity Obligations which are not applied as a credit against Debt Service, plus any increase in the income, rents, fees, rates and charges estimated to be received by the District and which are economically feasible and reasonably considered necessary based on projected operations for the Test Period, produce an amount in each Fiscal Year in the Test Period which is at least equal to 125% of the sum of: (i) Aggregate Debt Service in each such Fiscal Year on all then Outstanding Parity Obligations; plus (ii) the Debt Service in each such Fiscal Year on the additional Parity Obligations to be issued; plus (iii) the Debt Service in each such Fiscal Year on any additional Parity Obligations estimated by the District to be required to complete all uncompleted projects for which Parity Obligations have been or are being issued, assuming that all such additional Parity Obligations to complete uncompleted projects (other than the Parity Obligations to be issued) have maturities, interest rates and proportionate principal repayment provisions similar to the Parity Obligations then being issued.

(c) Notwithstanding the provisions of clauses (a) and (b), the District may at any time issue additional Parity Obligations to refund Outstanding Parity Obligations without satisfying any of the conditions set forth in such subsections if Aggregate Debt Service after the issuance of such additional Parity Obligations in each Fiscal Year in the Refunding Test Period is not greater than the Aggregate Debt Service in each such Fiscal Year before the issuance of such additional Parity Obligations.

(d) Notwithstanding the provisions of clauses (a) and (b), the District may at any time issue a Parity Obligation constituting a Credit Support Agreement securing a Parity Obligation without satisfying any of the conditions set forth in such subsections if such Credit Support Agreement: (i) replaces a Prior Reimbursement Agreement (or a successor to a Prior Reimbursement Agreement) and does not increase the principal of bonds secured by the letter of credit relating to such Prior Reimbursement Agreement; or (ii)

the Parity Obligations secured by the Credit Support Instrument relating to such Credit Support Agreement have been issued in accordance with clauses (a) and (b).

In addition, certain of the Prior Reimbursement Agreements related to outstanding *ad valorem* assessment bonds of the District, and certain swap agreements entered into by the District, have conditions precedent to the issuance of Parity Obligations that are more stringent than those listed above.

Obligations Subordinate to the Series 2011A Bonds. Nothing in the Indentures prevents the District from issuing Subordinate Obligations or granting a pledge of, lien on or charge upon the Revenues in all respects junior and subordinate to the payment of amounts due with respect to Parity Obligations to secure any such Subordinate Obligations. Nothing in the Indentures limits the District's payment of the Operation and Maintenance Expenses prior to the payment of the Parity Obligations as provided in the Indentures.

Investment of Monies in Funds and Accounts Under the Indentures

So long as the Series 2011A Bonds of a series are Outstanding and no Event of Default has occurred and is continuing, monies on deposit to the credit of the funds held by the Trustee under the applicable Indenture (except for the Remarketing Proceeds Account in the Purchase Fund) will, at the written request of the District, be invested by the Trustee in Permitted Investments. In the absence of written instruction from the District, the Trustee is directed to hold available funds uninvested. The Trustee is entitled to rely conclusively on said instructions for purposes of the applicable Indenture and will have no duty to monitor the compliance thereof with the restrictions set forth in such Indenture. Subject to the limitations contained in Government Code Section 53601, monies in the funds held by the District will be invested by the District in Permitted Investments. All such investments will have maturity dates, or will be subject to redemption, at the option of the holder, on or prior to the dates the monies invested therein will be needed for the purposes of such funds. See Appendix C—"SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURES" under the caption "DEFINITIONS" for the definition of Permitted Investments under the Indentures.

The Trustee may commingle any of the moneys held by it under the Indentures. The Trustee may present for redemption or sell any such deposit or investment whenever necessary in order to provide money to meet any payment of the money so deposited or invested. Any interest or profits on deposits and investments in the Bond Payment Fund received by the Trustee will be deposited in the applicable Interest Account as a credit against interest to come due on the applicable series of Outstanding Series 2011A Bonds.

See Appendix C—"SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURES" under the caption "FUNDS AND ACCOUNTS—Investments."

THE IRVINE RANCH WATER DISTRICT

For a description of the District and each of the Improvement Districts, including the impact of the COVID-19 outbreak on the District, see Appendix A—"IRVINE RANCH WATER DISTRICT."

CONTINUING DISCLOSURE

The District has covenanted in a Continuing Disclosure Certificate dated April 15, 2011 (the "**Continuing Disclosure Certificate**") for the benefit of the Owners and beneficial owners of the Series 2011A Bonds to provide certain financial information and operating data relating to the District (each an "**Annual Report**") by not later than 270 days following the end of the District's fiscal year (which fiscal year ends on June 30), commencing with the Annual Report for Fiscal Year 2011, and to provide notices of the occurrence of certain enumerated events. The Annual Reports will be filed by the District with EMMA for the purpose of S.E.C. Rule 15c2-12(b)(5) (the "**Rule**"). The notices of enumerated events will be filed by the District with EMMA. The specific nature of the information to be made available and to be contained in the notices of enumerated events is contained in Appendix F—"FORM OF CONTINUING DISCLOSURE

CERTIFICATE” hereto. These covenants have been made in order to assist the Remarketing Agent, as Participating Underwriter (as such term is defined in the Continuing Disclosure Certificate), in complying with the Rule.

[UPDATE/CONFIRM] The District has previously entered into continuing disclosure undertakings under the Rule in connection with the issuance of municipal obligations. The District believes that it is currently in material compliance with all of its continuing disclosure undertakings. However, the Annual Report for Fiscal Year 2013, when originally filed, did not contain updates of information relating to historic water supply, historic water deliveries, historic sewer daily average flow, assessed valuations of certain improvement districts by land use or largest secured taxpayers within such improvement districts. Makeup filings containing the required information were posted to EMMA prior to the date of this Remarketing Statement. Except as disclosed above, the District has not in the past five years failed to comply with its continuing disclosure undertakings in any material respect.

In order to promote compliance by the District with its continuing disclosure undertakings in the future, the District has developed policies and procedures to govern its continuing disclosure practices.

See the caption “INTRODUCTION—Improvement Districts—Improvement District Nos. 125 and 225” for a discussion of the consolidation of Improvement District Nos. 105 and 250 into Improvement District Nos. 125 and 225, respectively. As a result of such consolidations, Improvement District Nos. 125 and 225 are the legal successors to Improvement District Nos. 105 and 250, respectively, and Improvement District Nos. 105 and 250 no longer exist. Accordingly, beginning in Fiscal Year 2014, the Annual Reports will contain information relating to Improvement District Nos. 125 and 225 rather than for Improvement District Nos. 105 and 250.

LITIGATION

General

There is no action, suit or proceeding known to be pending, or to the knowledge of the District, threatened, in any way contesting or affecting the validity of, the Series 2011A Bonds or the Indentures. There is no litigation known to be pending, or to the knowledge of the District, threatened, questioning the existence of the District or the title of the officers of the District to their respective offices.

There exist lawsuits and claims against the District, which are incidental to the ordinary course of operations of the District’s water and sewer systems and related activities, including the litigation that is described below under the caption “—Biosolids Litigation.” In the view of the District’s management and General Counsel, there is no litigation, present or pending, or to the knowledge of the District, threatened, which will individually or in the aggregate materially impair the District’s ability to service its indebtedness or which will have a material adverse effect on the business operations of the District.

Biosolids Litigation

The District is in the completion stages of the construction of the Michelson Water Recycling Plant Biosolids and Energy Recovery Facilities project (the “**Project**”). See Appendix A under the captions “THE SEWER SYSTEM—General” and “FUTURE CAPITAL IMPROVEMENTS—Solids Handling.” Filanc/Balfour Beatty (“**FBB**”) is the general contractor on the Project. On or about February 1, 2019, FBB filed a lawsuit in the Orange County Superior Court against the District for breach of contract asserting that the District’s Project design was defective and that such defective design caused FBB to incur delays and additional costs to complete the Project. Subsequently, FBB filed a first amended complaint which added new allegations relating to the assertion of “pass-through” claims on behalf of two Project subcontractors, GTE Metal Erectors, Inc. and Morrow Meadows Corporation. The District filed a cross-complaint and, subsequently, a first amended cross-complaint against FBB for breach of contract and declaratory relief and

against FBB's sureties for recovery on performance bonds. The District's cross-complaint sought the recovery of contractually established liquidated damages.

Following mediation, the District and FBB entered into a settlement agreement dated March 11, 2021, that provided for the District to pay \$22,500,000 in two tranches; \$19,500,000 in March 2021 with a remaining payment of \$3,000,000 upon the District's issuance of the Final Acceptance of the Project. The Final Acceptance was issued in December 2021, and the final settlement payment tranche has been paid. The matter was dismissed on December 21, 2021.

Water Rate Litigation

On February 19, 2020, a class action complaint and petition for writ of mandate (collectively, the "**Water Rate Complaint**") was filed in the matter of *Kessner et al. v. City of Santa Clara et al.* in the Superior Court of California, County of Santa Clara (the "**Court**"), on behalf of 81 purported customer classes (collectively, "**Plaintiffs**"), challenging the rates of 82 public water suppliers, including the District. The Water Rate Complaint alleges that the named defendants and respondents (collectively, "**Defendants**") unlawfully set water rates for retail customers that exceed the cost of service, in violation of Proposition 218. See Appendix A under the caption "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218" for a discussion of Proposition 218.

As pertinent to the District, Plaintiffs are challenging Defendants' retail water rates on the ground that they allegedly subsidize water service provided for general governmental purposes, including "subsidized public fire hydrant service."

In January 2022, following successful demurrers by several dozen defendants, Plaintiffs offered to dismiss the case in exchange for a waiver of costs. The District is in the process of negotiating the terms of the dismissal with Plaintiffs' counsel and anticipates that the Water Rate Complaint will be dismissed by the end of February 2022.

Prevailing Wage Claim

In December 2020, a contractor called California Barricade ("**CB**") presented a claim to the District seeking \$1,078,287.71 for the period between January 4, 2016 and December 31, 2019. The basis for CB's claim is that CB did not pay prevailing wages to its employees for traffic control work that its employees performed in conjunction with manhole maintenance which was undertaken by the District. CB asserts that the District did not state in any of the purchase order or other documents under which CB performed the traffic control work that the work was "public work" for which CB was required to pay prevailing wages. CB's claim is based upon two sections of the California Labor Code which provide for compensation to contractors that do not pay prevailing wages as a result of the fault of the agency for which they performed the work.

The District has not taken any action to reject the claim. CB has threatened to file suit against the District if the amount sought is not paid, but it has not done so to date. The District has requested and received further information regarding the basis of the amounts sought, which the District is currently reviewing. The District is presently working with CB's counsel to select a mediator and mediation date, with a mediation expected to be scheduled in or about July 2022. The District intends to vigorously defend this matter and does not expect that an adverse ruling will have a material adverse effect on the District's ability to pay the 2011A Bonds.

RATINGS

On April 12, 2011, Standard & Poor's Ratings Group ("**S&P**"), Moody's Investors Service ("**Moody's**") and Fitch Ratings ("**Fitch**") assigned the Series 2011A Bonds the short-term ratings of "A-1+",

“VMIG 1” and “F1+”, respectively, and Moody’s and Fitch assigned the Series 2011A Bonds the long-term ratings of “Aa1” and “AAA”, respectively.

S&P affirmed the short-term rating of the Series 2011A Bonds of “A-1+” on February 8, 2019. Although S&P has not assigned a long-term rating to the Series 2011A Bonds, S&P also affirmed the long-term rating of “AAA” to the Series 2016 Bonds, which are Parity Obligations, on February 8, 2019.

Fitch affirmed the short-term rating of “F1+” and the long-term rating of “AAA” for the Series 2011A Bonds on August 12, 2021.

The District has made no attempt to seek an update to or affirmation of such ratings from the rating agencies in connection with the remarketing of the Series 2011A Bonds on February 3, 2022. Generally, rating agencies base their ratings on information and material furnished directly to them (which may include information and material from the District which is not included in this Remarketing Statement) and on investigations, studies and assumptions made by them. The ratings reflect only the views of such organizations and an explanation of the significance of such ratings may be obtained from the applicable rating agency. Future events, including the impacts of the COVID-19 pandemic that is described in Appendix A under the caption “THE IRVINE RANCH WATER DISTRICT—COVID-19 Outbreak,” could have an adverse impact on the ratings of the Series 2011A Bonds, and there is no assurance that the ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. There is also no assurance that the criteria required to achieve the ratings on the Series 2011A Bonds will not change during the period that the Series 2011A Bonds remain outstanding. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2011A Bonds.

TAX MATTERS

Original Opinions

On April 15, 2011, Orrick, Herrington & Sutcliffe LLP and Bowie, Arneson, Wiles & Giannone, Co-Bond Counsel to the District (“**Co-Bond Counsel**”), in connection with the issuance of the Series 2011A Bonds, delivered their respective opinions to the effect that, based on an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2011A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “**Code**”) and is exempt from State of California personal income taxes. It was the further opinion of Co-Bond Counsel, as of April 15, 2011, that such interest is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Co-Bond Counsel observed that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Effective January 1, 2018, the corporate alternative minimum tax has been repealed. A complete copy of the opinions of Co-Bond Counsel delivered at the original issuance of the Series 2011A Bonds is set forth in Appendix D hereto.

No Updated Co-Bond Counsel Opinions

Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District (“**Bond Counsel**”) has not taken, and does not intend to take, any action to update its original opinion or to determine if interest on the Series 2011A Bonds is presently excluded from gross income for federal income tax purposes or exempt from State of California personal income taxes.

General Considerations

Notwithstanding the foregoing, investors should be aware of the following information.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2011A Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2011A Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2011A Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2011A Bonds. The opinions of Co-Bond Counsel delivered in connection with the initial issuance of the Series 2011A Bonds assumed the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Series 2011A Bonds may adversely affect the value of, or the tax status of interest on, the Series 2011A Bonds. Accordingly, the opinions of Co-Bond Counsel delivered in connection with the initial issuance of the Series 2011A Bonds are not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Co-Bond Counsel have rendered opinions that interest on the Series 2011A Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Series 2011A Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2011A Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2011A Bonds. Prospective purchasers of the remarketed Series 2011A Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinions of Co-Bond Counsel delivered in connection with the initial issuance of the Series 2011A Bonds were based on legal authority existing as of April 15, 2011, covered certain matters not directly addressed by such authorities, and represented Co-Bond Counsel's judgment as to the proper treatment of the Series 2011A Bonds for federal income tax purposes. They are not binding on the Internal Revenue Service (the "IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the past or future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Co-Bond Counsel's engagement with respect to the Series 2011A Bonds ended on April 15, 2011 with the original issuance of the Series 2011A Bonds. Unless separately engaged, Co-Bond Counsel are not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Series 2011A Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the District and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2011A Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues, may affect the market price for, or the marketability of, the Series 2011A Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

REMARKETING AGENT

Goldman Sachs & Co. LLC has been appointed to serve as Remarketing Agent for the Series 2011A Bonds. The Remarketing Agent will carry out the duties and obligations provided for the Remarketing Agent under and in accordance with the provisions of the applicable Indenture and a Remarketing Agreement for the applicable series of 2011A Bonds, each dated as of April 1, 2011, as amended, by and between the District and the Remarketing Agent.

The Remarketing Agent and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Remarketing Agent and certain of its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the District, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Remarketing Agent and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

APPROVAL OF LEGAL MATTERS

Certain legal matters in connection with the reoffering of the Series 2011A Bonds will be passed upon by Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to the District, by Hanson Bridgett LLP, as general counsel to the District, and for the Remarketing Agent by Stradling Yocca Carlson & Rauth, a Professional Corporation.

INDEPENDENT ACCOUNTANTS

The financial statements of the District at June 30, 2021, included in Appendix B to this Remarketing Statement, have been audited by Davis Farr LLP, independent accountants (the “**Auditor**”), as set forth in their Independent Auditor’s Report, which also appears in Appendix B. The Auditor has not reviewed the contents of this Remarketing Statement, and the District has not sought the Auditor’s consent to the inclusion of the Auditor’s audit letter attached to the District’s financial statements in this Remarketing Statement.

MISCELLANEOUS

References made herein to certain documents and reports are brief summaries thereof and do not purport to be complete or definitive and reference is hereby made to such documents and reports for a full and complete statement of the contents thereof.

Any statements in this Remarketing Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Remarketing Statement is not to be construed as a contract or agreement between the District and registered owners or beneficial owners of any of the Series 2011A Bonds. The delivery and distribution of this Remarketing Statement have been duly authorized by the District.

IRVINE RANCH WATER DISTRICT

By: _____ /s/Robert Jacobson
Treasurer

APPENDIX A
IRVINE RANCH WATER DISTRICT

APPENDIX B
AUDITED FINANCIAL STATEMENTS

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURES

[TO COME FROM BOND COUNSEL]

APPENDIX D

CO-BOND COUNSEL OPINIONS

Orrick, Herrington & Sutcliffe LLP and Bowie, Arneson, Wiles & Giannone, Co-Bond Counsel to the District, rendered the following final approving opinions dated April 15, 2011 (the “2011 Opinions”) in connection with the initial issuance of the Series 2011A Bonds. Orrick, Herrington & Sutcliffe LLP, Bond Counsel, has made no attempt to update or reaffirm the 2011 Opinions in connection with this Remarketing Statement or the remarketing of the Series 2011A Bonds.

[SEE ATTACHED]

APPENDIX E

BOOK-ENTRY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2011A Bonds, payment of principal, premium, if any, accreted value, if any, and interest with respect to on the Series 2011A Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Series 2011A Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

The Depository Trust Company ("DTC"), New York, NY, acts as securities depository for the Series 2011A Bonds. The Series 2011A Bonds are fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond was issued for each maturity of the Series 2011A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2011A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2011A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2011A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2011A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive bonds representing their ownership interests in Series 2011A Bonds, except in the event that use of the book-entry system for the Series 2011A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2011A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2011A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no

knowledge of the actual Beneficial Owners of the Series 2011A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2011A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holding on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2011A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2011A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2011A Bond documents. For example, Beneficial Owners of Series 2011A Bonds may wish to ascertain that the nominee holding the Series 2011A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2011A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2011A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2011A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments with respect to the Series 2011A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2011A Bonds purchased or tendered, through its Participant, to the Tender Agent, and shall effect delivery of such Series 2011A Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2011A Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Series 2011A Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2011A Bonds are transferred by Direct Participants or DTC's records and followed by book-entry credit of tendered Series 2011A Bonds to the Tender Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Series 2011A Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2011A Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2011A Bonds will be printed and delivered.

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

The District entered into a Continuing Disclosure Certificate in the following form in connection with the initial issuance of the Series 2011A Bonds on April 15, 2011:

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Irvine Ranch Water District (the “District”) in connection with the execution and delivery of \$60,545,000 Bonds of Irvine Ranch Water District, Refunding Series 2011A-1 (the “Series 2011A-1 Bonds”) and the \$40,370,000 Bonds of Irvine Ranch Water District, Refunding Series 2011A-2 (the “Series 2011A-2 Bonds,” and together with the Series 2011A-1 Bonds, the “Series 2011A Bonds”) constituting the consolidated, several general obligations of Improvement District Nos. 105, 113, 213 and 250 (collectively, the “Improvement Districts”). The Series 2011A-1 Bonds are being issued pursuant to an Indenture of Trust, dated as of April 1, 2011 (the “Series 2011A-1 Indenture of Trust”), by and between the District and The Bank of New York Mellon Trust Company, N.A., as trustee, and the Series 2011A-2 Bonds are being issued pursuant to an Indenture of Trust, dated as of April 1, 2011 (the “Series 2011A-2 Indenture of Trust,” and together with the Series 2011A-1 Indenture of Trust, the “Indentures of Trust”), by and between the District and The Bank of New York Mellon Trust Company, N.A., as trustee. The District covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Indentures of Trust, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term “Annual Report” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term “Beneficial Owner” means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

EMMA. The term “EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

Fiscal Year. The term “Fiscal Year” means the one-year period ending on the last day of June of each year.

Holder. The term “Holder” means a registered owner of the Bonds.

Listed Events. The term “Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

Official Statement. The term “Official Statement” means the Official Statement of the District dated April 12, 2011 delivered in connection with the issuance of the Bonds.

Participating Underwriter. The term “Participating Underwriter” means the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Rule. The term “Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The District shall provide not later than 270 days following the end of its Fiscal Year (commencing with the Fiscal Year 2011) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the District is unable to provide to EMMA an Annual Report by the date required in subsection (a), the District shall send to EMMA a notice in substantially the manner prescribed by the Municipal Securities Rulemaking Board.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The audited financial statements of the District for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Principal amount of the Bonds outstanding.

(c) An update of the information in the following tables and/or captions in Appendix A—“IRVINE RANCH WATER DISTRICT” in the Official Statement:

1. “Outstanding Indebtedness” on page A-7;
2. IRVINE RANCH WATER DISTRICT Historic Water Supply In Acre Feet Per Year” under the caption “WATER SUPPLY—Historic and Projected Water Supply” on page A-19;
3. “THE WATER SYSTEM—Historic Water Connections” on page A-21;
4. “THE WATER SYSTEM—Historic Water Deliveries” on page A-22;
5. “THE WATER SYSTEM—Water System Rates and Charges” on page A-24;
6. “THE SEWER SYSTEM—Historic Sewer and Recycled Water Connections” on page A-26;
7. “THE SEWER SYSTEM—Historic Sewer Daily Average Flow” on page A-27;
8. “THE SEWER SYSTEM—Sewer System Rates and Charges” on page A-30;
9. “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Historic Operating Results and Debt Service Coverage” on page A-33; and
10. An update of the following tables for each Improvement District:
 - (i) Assessed Valuations (Land Only); provided that only the total assessed values shall be updated;

- (ii) Assessed Valuation and Parcels by Land Use; and
- (iii) Largest Local Secured Taxpayers.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission; provided that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further that the District shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the event:

- 1. principal and interest payment delinquencies;
- 2. unscheduled draws on debt service reserves reflecting financial difficulties;
- 3. unscheduled draws on credit enhancements reflecting financial difficulties;
- 4. substitution of credit or liquidity providers, or their failure to perform;
- 5. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds;
- 6. defeasances;
- 7. tender offers;
- 8. ratings changes; and
- 9. bankruptcy, insolvency, receivership or similar proceedings.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- 1. mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;
- 2. appointment of a successor or additional trustee or the change of the name of a trustee;

3. non-payment related defaults;
4. modifications to the rights of Bondholders;
5. notices of redemption; and
6. release, substitution or sale of property securing repayment of the Bonds.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event described in subsection (b), the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

6. Cash and Investments. Upon request, the District shall provide on a quarterly basis to any person the most recently available Cash and Investment Summary as prepared for the Finance and Personnel Committee of the Board of Directors of the District.

7. Customarily Prepared and Public Information. Upon request, the District shall provide to any person financial information and operating data regarding the District which is customarily prepared by the District and is publicly available.

8. Termination of Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

11. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indentures of Trust, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the District satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the District shall have refused to comply therewith within a reasonable time.

12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: April 15, 2011

IRVINE RANCH WATER DISTRICT

By: _____
Its: Treasurer

APPENDIX A
IRVINE RANCH WATER DISTRICT

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INTRODUCTION

The following sets forth certain information relating to the Irvine Ranch Water District (the “**District**”) and certain of its improvement districts.

The District’s projections in Tables 12, 15, 17, 19, 23, 25, 27, 30 and 32 of this Appendix A (the “**Projections**”) are derived from historic trends and experience and internal financial models. The internal models are used by the District to identify future infrastructure funding requirements, and to aid in setting water and sewer rates, charges and connection fees. Key inputs include assumptions based on historical experience and other factors regarding the District’s cost of borrowing, the rate of return on District investments, inflation, project costs, property tax receipts and the timing and amount of future bond sales, as well as the pace and scope of real estate development activity within the District’s service area. The District is in regular contact with major Orange County real estate development companies to assess and update this information.

The Projections constitute forward-looking statements. No assurance can be given that the future results reflected in the Projections and otherwise discussed herein will be achieved, and actual results may differ materially from the Projections. As noted above, the Projections rely heavily on certain assumptions regarding the pace and scope of real estate development activity within the District’s service area. Such activity may be affected by a variety of factors, such as tighter lending standards for real estate loans. Real estate development activity also may be affected by general economic conditions. The District has attempted to reflect such conditions in the Projections, but is unable to predict with certainty the level of future real estate development activity or the other factors affecting the Projections.

In addition to the specific limitations on remedies contained in the applicable documents themselves, the rights and obligations with respect to the Indentures are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors’ rights, to the application of equitable principles if equitable remedies are sought, and to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California (the “**State**”). The various opinions of counsel that were delivered with respect to such documents, including the opinions of Co-Bond Counsel (the forms of which are attached to the Remarketing Statement as Appendix E), were similarly qualified.

Unless the context otherwise requires, all defined terms used herein shall have the same meanings set forth in the Remarketing Statement, except that the term “**Improvement Districts**” as used in this Appendix A refers to all eight water improvement districts and ten sewer improvement districts of the District.

THE IRVINE RANCH WATER DISTRICT

General

The District was established in 1961 as a California Water District under the provisions of Section 34000 *et seq.* of the California Water Code (the “**Act**”). As a special district, the District focuses on four primary services – providing potable water, collecting and treating wastewater, producing and distributing recycled and other non-potable water and implementing urban runoff treatment programs.

The District serves a 181-square-mile area, which includes all of the City of Irvine and portions of the cities of Tustin, Newport Beach, Costa Mesa, Orange and Lake Forest, as well as certain unincorporated areas of Orange County. Extending from the Pacific Coast to the foothills, the District’s region is semi-arid with a mild climate and an average annual rainfall of approximately 12 inches. The District serves a total estimated daytime population in excess of 500,000 through approximately 120,400 potable and non-potable water and approximately 115,400 sewer service and recycled water connections. The number of service connections has increased by approximately 22% over the last decade.

The District builds and maintains significant capital infrastructure in order to serve its customers and is organized into Improvement Districts in order to allocate funding responsibility for capital facilities to the area which will benefit from such capital facilities and to separate areas on the basis of projected timing of development. This allows capital facilities construction to be matched to the development approval decisions of the respective local agencies that make them. Some of the Improvement Districts share in the funding of the District's regional facilities which such Improvement Districts use or will use in common, such as major water importation facilities and water and wastewater treatment plants. In 2013, the District reviewed its capital funding plan, which resulted in a master consolidation and combination of several Improvement Districts. The District now has a total of eight water Improvement Districts and ten sewer Improvement Districts which cover specific areas within the District's boundaries, each of which is governed in accordance with the Act and all but one of which have the authority to issue general obligation indebtedness. See the Remarketing Statement under the caption "INTRODUCTION—Improvement Districts—Improvement District Nos. 125 and 225" for a discussion of the effect on the Series 2011A Bonds of the consolidation and combination of such Improvement Districts.

See Table 3 under the caption "—Outstanding Indebtedness—Improvement District Indebtedness" for information with respect to the amount of authorized and outstanding *ad valorem* assessment bonds for Improvement District Nos. 113, 125 and 213 and 225.

The principal office of the District is located at 15600 Sand Canyon Avenue, Irvine, California 92618.

Board of Directors and General Manager

The District's Board of Directors consists of five Directors who were elected by resident voters for staggered four-year terms. In 2019, the Board of Directors adopted a resolution changing the District's election procedures from at-large elections to by-division elections, which has resulted in the creation of five divisions of roughly equal population sizes within the District. By-division elections took place for two members of the Board of Directors in November 2020 and are scheduled to take place for the other three Board members in 2022. The policies of the Board of Directors are administered by the General Manager of the District.

Board of Directors. The present Directors are:

Steven E. LaMar. Mr. LaMar was appointed to the District's Board of Directors in 2009 and has been elected to three subsequent terms. Mr. LaMar currently serves as President of the Board of Directors and previously served as President in 2011, 2014 to 2015 and 2019. He served as Vice President in 2018. He is a water policy and planning expert with more than 25 years of experience on statewide business and industry committees and has directly participated in many major water policy forums. In 2020 and 2021, he served a two-year term as president of the Association of California Water Agencies ("ACWA"). He currently serves on the District's Finance and Personnel Committee. Mr. LaMar has served on statewide task forces and advisory committees on drought planning, desalination, the California Bay-Delta, the California Water Plan and on landscape water conservation issues. Mr. LaMar is president and owner of LegiSight, LLC, located in Tustin, California. He has served as a water policy leader in the California Building Industry Association for over 20 years. He represents the District on the boards of the National Water Research Institute and the Nature Reserve of Orange County. Mr. LaMar holds a bachelor's degree in political science from Pittsburg State University (Kansas) and a certificate from the Environmental Management Institute, a U.S. Environmental Protection Agency environmental training program administered by the University of Southern California. Mr. LaMar's current term ends in November 2022.

Karen McLaughlin, Division 4. Ms. McLaughlin was elected to the District's Board of Directors in 2020. Ms. McLaughlin currently serves as Vice President of the Board of Directors and on the Engineering and Operations and Water Resources Policy and Communications Committees. She is a geological and environmental scientist with extensive experience in managing water research projects associated with the

biogeochemical cycling of nutrients, eutrophication, atmospheric deposition, ocean acidification and other research topics associated with water quality in natural environments. Ms. McLaughlin holds a doctorate in geological and environmental sciences from Stanford University, a bachelor's degree in geosciences from Pennsylvania State University, and worked as a researcher at the University of California, Irvine. She currently serves as a senior scientist with the Southern California Coastal Water Research Project, where she oversees research projects to improve water quality throughout Southern California.

Douglas J. Reinhart. Mr. Reinhart was appointed to the District's Board of Directors in 2004 to fill a vacancy and has since been elected to subsequent terms. Mr. Reinhart previously served as President of the Board of Directors in 2007, 2009 to 2010, 2013, 2017, 2018 and 2021, and as Vice President in 2016 and 2019. He currently serves on the District's Engineering and Operations and Supply Reliability Committees. Mr. Reinhart is a registered civil engineer with over 40 years of experience in the private sector directing projects in water, wastewater and other infrastructure. He was the president and an owner of ASL Consulting Engineers before its acquisition by Tetra Tech in 1999. Mr. Reinhart then served as the Divisional Executive Vice President for Tetra Tech for the western United States before starting a consulting business in 2004. He holds a bachelor's degree in civil engineering from the Missouri School of Mines and Metallurgy. Mr. Reinhart has served on the Board of Trustees of the Southern California Water Committee, the American Water Works Association Desalination Committee and the ACWA Groundwater Committee and is a past member of the Board of Directors of the National Water Reuse Association. In addition, Mr. Reinhart is a member of the American Society of Civil Engineers. Mr. Reinhart's current term ends in November 2022.

John B. Withers, Division 1. Mr. Withers was initially appointed to the District's Board of Directors in 1989 to fill a vacancy and has since been elected to subsequent terms. Mr. Withers previously served as President of the Board of Directors in 2004 and as Vice President in 2012 and 2021. He currently serves on the District's Water Resources Policy and Communications Committee. Mr. Withers is a partner with California Strategies, a strategic government relations firm in Irvine. In past positions, Mr. Withers has served as Vice President of Community Development for Lewis Operating Corporation and as Director of Water Resources for Psomas & Associates, a civil engineering and planning firm based in Costa Mesa. He has served as Director of Governmental Affairs for the Orange County Region of the Building Industry Association of Southern California and as a legislative advocate for Crocker Bank and a major trade association in Sacramento. Mr. Withers served as Commissioner on the Orange County Local Agency Formation Commission from 1994 to 2019. He also served as a member, including a term as chairman, of the Santa Ana Regional Water Quality Control Board, having been appointed by the Governor in 1992. Mr. Withers was a board member of the National Water Research Institute for six years and is the District's current representative. A native Southern Californian, Mr. Withers received his bachelor's degree from UCLA in economics with a specialization in urban studies in 1979 and received a master's degree in urban studies from Occidental College in 1988. Mr. Withers' current term ends in November 2024.

Peer Swan. Mr. Swan was elected to the District's Board of Directors in 1979 and has since been elected to subsequent terms. Mr. Swan previously served as President from December 1981 until December 1995 and again in 2006, and as Vice President in 2014 and 2017. Mr. Swan is chairman of the Finance and Personnel Committee and serves on the Supply Reliability Programs Committee. Mr. Swan's community and professional involvement includes service as President of the Board of San Joaquin Wildlife Sanctuary and member of the Steering Committee of the Southern California Water Dialogue Committee. Mr. Swan is active in ACWA, where he served on the Board of Directors and on the Executive Committee. Mr. Swan has also been active in the California Association of Sanitation Agencies and the Newport Chamber of Commerce. Mr. Swan was the Treasurer of the Pacific Scientific Company prior to its acquisition in 1998 and a member of the Board of Directors of the Southern California Bank and its parent SC Bancorp until its acquisition in 1997. He has also served as a board member of the YMCA of Orange County and the Orange Coast College Foundation, where he was the founding Treasurer of the Board. He served as a Director of the Orange County Sanitation District for 15 years and was Vice Chairman for six years. Mr. Swan was also a Founding Director of the Board of the National Water Research Institute and was Chairman for four years. He is a longtime member of both the National Audubon Society and its local chapter (Sea & Sage). He was also the President of the Board

of the Water Advisory Committee of Orange County in 2007 and 2008. Mr. Swan's current term ends in November 2022.

General Manager. Paul A. Cook, the General Manager of the District, heads a staff of approximately 402 employees. Mr. Cook was appointed General Manager in October 2011. Mr. Cook previously served as Interim General Manager from July to October 2011 and held the position of Assistant General Manager from 2004 to July 2011. Mr. Cook is a registered civil engineer with over 22 years of experience with water and wastewater systems in the public and private sectors. Prior to joining the District, he served as the Manager of Engineering for Central and West Basin Municipal Water Districts in Carson, California. He also served as the District Engineer for Los Alisos Water District in Lake Forest. In the private sector, Mr. Cook held engineering and project management positions with BFI Constructors and Turner Construction Company. He was elected to the Orange County Water District Board of Directors in 2002 and served for three years, representing communities in Irvine, Tustin and Newport Beach. Mr. Cook received his bachelor of science degree in Civil Engineering from the University of the Pacific, his masters of science degree in Civil Engineering from California State University of Long Beach and his masters in business administration from the University of California, Irvine.

Employees

The District currently employs approximately 381 regular employees and 21 temporary workers and part-time interns. In January 2018, the International Brotherhood of Electrical Workers (“**IBEW**”) became the exclusive representative for the Irvine Ranch Water General Unit and for the Non-Exempt Supervisors Unit. The General Unit includes 236 employees, the Non-Exempt Supervisors Unit includes 25 employees, and 120 employees are unrepresented. The IBEW Memorandum of Understanding for the General Unit and the IBEW Memorandum of Understanding for the Non-Exempt Supervisors Unit govern relations between the District and the IBEW for a term running through June 30, 2023. The District has not experienced any strike or other labor actions.

Pension Benefits

General. The District participates in two plans to fund pension benefits for its employees, the California Public Employees Retirement System (“**CalPERS**”) Plan and the Pension Benefits Trust. The District makes a required annual contribution to the CalPERS Plan and has elected to fund additional amounts to a trust that has been established under Internal Revenue Code Section 115 (the “**Pension Benefits Trust**”). The Pension Benefits Trust is irrevocable and holds funding contributions for the District pending future remittance to the CalPERS Plan, which will pay all retiree benefit payments to employees. The District's total pension assets include funds held by both CalPERS and the Pension Benefits Trust. As of June 30, 2021, the District reflected a net pension liability of approximately \$74.7 million. The net pension liability is the difference between total pension liability and the fair market value of CalPERS assets. Including the Pension Benefit Trust that is discussed below under the subcaption “—Pension Benefits Trust,” the District's pension assets cover 102.7% of the total pension liability.

CalPERS Plan. The District contributes to CalPERS, an agent multiple-employer public employee defined benefit pension plan for all of the District's full-time and certain of its temporary employees that have worked for the District for a total of over 1,000 hours. CalPERS provides retirement, disability and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State, including the District.

CalPERS plan benefit provisions and all other requirements are established by State statute and the District's Board of Directors. Participants in the District's CalPERS plan contribute the full amount of the required employee contribution, which is up to 8% of their annual covered salary, depending on benefit level.

Employer contribution rates for all public employers are determined on an annual basis by the CalPERS actuary and are effective on July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount, expressed as a percentage of payroll, that is necessary to finance the costs of benefits that are earned by employees during the year (normal costs), with an additional required amount to finance any unfunded accrued liability. The District’s normal cost contribution for the District fiscal year ended June 30 (“**Fiscal Year**”), 2021 was \$3.7 million and the unfunded accrued liability contribution was \$5.9 million, for a total contribution of \$9.6 million. The District’s estimated total contributions, including normal and unfunded accrued liabilities, for Fiscal Years 2022 and 2023 are expected to be approximately \$10.7 million and \$11.9 million, respectively.

Pension Benefits Trust. The District recognizes that defined benefit plans and the related future pension obligations pose significant issues for many government agencies. The District has taken a proactive approach to address these issues by establishing a Pension Benefits Trust in Fiscal Year 2013 to assist in funding its CalPERS unfunded liability, providing the District with an alternative to CalPERS that allows for investment by a professional fund management team selected and monitored by the District. The Pension Benefits Trust holds the funding contributions from the District pending future remittance to CalPERS’ pension trust fund, which will pay all retiree benefit payments to employees associated with the District’s plan. Future contributions will be transferred to CalPERS at the District’s discretion. The funds held in the Pension Benefits Trust are legally protected from the claims of the general creditors of the District. Contributions to the Pension Benefits Trust and earnings on those contributions are irrevocable.

In Fiscal Year 2013, the District made an initial \$35.0 million contribution to the Pension Benefits Trust. From Fiscal Years 2014 through 2018, the District made total additional contributions of \$20.9 million to the Pension Benefits Trust. The District did not make any additional contributions to the Pension Benefits Trust in Fiscal Years 2019, 2020 or 2021. As of June 30, 2021, the fair market value of the assets in the Pension Benefits Trust was approximately \$107.9 million. Additional information on the Pension Benefits Trust’s investments can be found in Note 2 to the District’s audited financial statements for Fiscal Year 2021 attached to the Remarketing Statement as Appendix B.

A summary of principal assumptions and methods used to determine the total pension liability for Fiscal Year 2021 is shown below.

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68 (“ GASB 68 ”)
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry age and service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS’ membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, and thereafter up to 2.50%

⁽¹⁾ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.
Source: The District.

The above information is primarily derived from information produced by CalPERS. The District has not independently verified the information provided and neither makes any representations nor expresses any opinion as to the accuracy of the information provided by CalPERS.

The comprehensive annual financial reports of CalPERS are available on its Internet website at www.calpers.ca.gov. The CalPERS website also contains CalPERS’ most recent actuarial valuation reports

and other information concerning benefits and other matters. The textual reference to such Internet website is provided for convenience only. None of the information on such Internet website is incorporated by reference herein. The District cannot guarantee the accuracy of such information. Actuarial assessments are “forward-looking” statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or may be changed in the future.

Funding of CalPERS Plan. The Schedule of Funding Progress below shows District’s total pension liability, CalPERS assets, Pension Benefits Trust assets, and the relationship of the total pension liability (in thousands of dollars) to such assets.

**IRVINE RANCH WATER DISTRICT
Schedule of Funding Progress
(In Thousands)**

<i>Fiscal Year</i> ⁽¹⁾	<i>Total Pension Liability</i>	<i>CalPERS Assets</i>	<i>Net Pension Liability/(Asset)</i>	<i>Pension Benefit Trust Assets</i>	<i>CalPERS Assets as % of Total Pension Liability</i>	<i>Pension Benefit Trust Assets as % of Total Pension Liability</i>	<i>Total Pension Assets⁽²⁾ as % of Total Pension Liability</i>
06/30/17	\$238,009	\$179,769	\$58,240	\$47,132	75.5%	19.8%	95.3%
06/30/18	264,399	197,718	66,681	66,101	74.8	25.0	99.8
06/30/19	275,457	211,320	64,137	73,106	76.7	26.5	103.2
06/30/20	291,334	222,867	68,467	78,389	76.5	26.9	103.4
06/30/21	306,889	232,184	74,705	83,103	75.7	27.0	102.7

⁽¹⁾ Figures are as of the measurement dates of June 30, 2016, June 30, 2017, June 30, 2018, June 30, 2019 and June 30, 2020, which apply to the Fiscal Years ended June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020 and June 30, 2021, respectively.

⁽²⁾ Reflects total of moneys held in CalPERS plan and in Pension Benefits Trust.
Source: The District.

Changes in the Net Pension Liability. The changes in the net pension liability for the District’s CalPERS plan were as follows (in thousands):

**TABLE 1
IRVINE RANCH WATER DISTRICT
Changes in Net Pension Liability
(In Thousands)**

	<i>Increase (Decrease)</i>		
	<i>Total Pension Liability</i>	<i>Plan Fiduciary Net Position⁽¹⁾</i>	<i>Net Pension Liability / (Asset)</i>
Balance at June 30, 2020	\$ 291,334	\$ 222,867	\$ 68,467
Changes	<u>15,555</u>	<u>9,317</u>	<u>6,238</u>
Balance at June 30, 2021	\$ 306,889	\$ 232,184	\$ 74,705

⁽¹⁾ Excludes assets held in Pension Benefits Trust, in accordance with GASB Implementation Guide No. 2017-1. As of June 30, 2021, the Pension Benefits Trust had assets of \$107.9 million, which will be used to reduce the net pension liability.
Source: The District.

The June 30, 2021 balances are based on CalPERS actuarial valuation data of June 30, 2019, with assumptions and market values updated through June 30, 2020.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following table presents the net pension liability of the District’s CalPERS Plan (in thousands), calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.15%) or 1 percentage point higher (8.15%) than the current rate:

TABLE 2
IRVINE RANCH WATER DISTRICT
Sensitivity of the Net Pension Liability to Changes in the Discount Rate⁽¹⁾
(In Thousands)

	<i>Discount Rate – 1%</i> <i>(6.15%)</i>	<i>Current Discount</i> <i>Rate (7.15%)</i>	<i>Discount Rate + 1%</i> <i>(8.15%)</i>
Plan’s Net Pension Liability/(Asset)	\$115,971	\$74,705	\$40,549

⁽¹⁾ Excludes assets held in Pension Benefits Trust, in accordance with GASB Implementation Guide No. 2017-1.
Source: The District.

Other Pension Benefits. The District enables all of its part-time and certain temporary employees to participate in a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. For Fiscal Year 2021, the District’s payroll for the related part-time and temporary employees who are covered by the plan was \$69,144 and the eligible employees contributed \$6,026. The District made no contributions to the defined contribution plan during such Fiscal Year.

All regular, full-time District employees are eligible to participate in the District’s deferred compensation program pursuant to Section 457 of the Internal Revenue Code whereby they can voluntarily contribute a portion of their earnings into a tax-deferred plan administered by the District and invested through a third party provider. Pursuant to the Economic Growth and Tax Relief Reconciliation Act of 2001, effective January 1, 2002, employees may contribute the lesser of 100% of includible compensation or the maximum dollar amount allowable under Internal Revenue Code Section 457 in effect for the year. The dollar amount currently in effect for calendar year 2021 is \$19,500.

Effective January 1, 2008, for employees with one year or more of service, the District provides: (i) 100% matching of employee Section 457 plan contributions up to an annual maximum of 3% of the employee’s base salary; and (ii) all full-time employees who have completed two years of regular, full-time service with the District, are eligible for an additional District contribution equal to 1% of such employees’ base salary. Such employer contribution amounts are deposited into a money purchase plan pursuant to Section 401(a) of the Internal Revenue Code. During Fiscal Year 2021, the District contributed approximately \$1.3 million to employee accounts under the 401(a) plan.

The assets in both plans are held in trust for the exclusive benefit of the participants and their beneficiaries, and are therefore not reported in the financial statements of the District.

For additional information relating to the District’s pension plans, see Note 13 to the District’s audited financial statements attached to the Remarketing Statement as Appendix B.

Other Post-Employment Benefits

The District currently has three programs for post-employment benefits other than pensions (“**OPEB**”): the California Public Employees Medical and Hospital Care Act (“**PEMHCA**”) premiums, a retiree health costs reimbursement plan and a retiree death benefit life insurance program. Under the first program, the District pays the required healthcare coverage under PEMHCA, commonly referred to as “**PERS Health**.” To qualify, employees must retire from the District and begin drawing CalPERS retirement benefits.

Participation in PEMHCA is financed in part by the District through a contribution of \$143.00 per employee per month (at current rates). The contribution rate is scheduled to be indexed with medical inflation in future years, although contributions could increase in greater amounts at the direction of CalPERS Board. In addition, the District pays 0.34% of the PEMHCA premium to cover administrative fees. In Fiscal Year 2021, the District contributed approximately \$188,000 on behalf of retirees participating in the PEMHCA program and had approximately \$308,000 for the estimated implied subsidy. The implied subsidy is the difference between average retiree claims and premiums charged by CalPERS.

As part of its retiree health costs reimbursement plan, the District provides retirees who have attained age 55 and have completed at least 3 years of service with the District with reimbursement of eligible healthcare costs of \$160 per month for retirees with at least 3 years of service up to a maximum of \$600 per month for retirees with at least 25 years of service. In Fiscal Year 2021, the District contributed approximately \$288,000 on behalf of retirees participating in the Retiree Health Costs Reimbursement Plan (“RHCAP”).

Finally, the retiree death benefit life insurance program provides retirees who were hired on or before December 31, 2008 with term life insurance benefits with a face amount equal to 100% of their annual salary in effect at the time of retirement. Insured group-term life benefits end for all participants at age 70. The District provides a self-insured \$10,000 death benefit for all participants already retired as of December 31, 2008 and for currently active Board members. To qualify, a retiree must have retired from the District, be at least 55 years old, have completed at least ten continuous years of service with the District, and must be drawing retirement benefits from CalPERS. In Fiscal Year 2021, the District contributed approximately \$20,000 on behalf of retirees participating in this program.

The District had a total OPEB liability of approximately \$23.4 million as of June 30, 2021. The discount rate used to measure the total OPEB liability was 2.21%, which was based on the Bond Buyer 20-Bond General Obligation Index. The OPEB contributions for the District’s various OPEB plans are based on pay-as-you-go requirements. During Fiscal Year 2021, the District’s contributions totaled approximately \$0.8 million.

Changes in the OPEB Liability. The changes in the liability for the District’s OPEB plans were as follows (in thousands):

**IRVINE RANCH WATER DISTRICT
Changes in OPEB Liability
(In Thousands)**

	<i>PEMHCA</i>	<i>RHCAP</i>	<i>Retiree Death Benefit Only</i>	<i>Total</i>
Balance at June 30, 2020	\$ 13,404	\$ 3,229	\$ 1,601	\$ 18,234
Changes	<u>4,650</u>	<u>355</u>	<u>130</u>	<u>5,135</u>
Balance at June 30, 2021	\$ 18,054	\$ 3,584	\$ 1,731	\$ 23,369

Source: The District.

Sensitivity of the OPEB Liability to Changes in the Discount Rate. The following table presents the net pension liability of the District’s CalPERS Plan (in thousands), calculated using the discount rate of 2.21%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current rate:

IRVINE RANCH WATER DISTRICT
Sensitivity of the OPEB Liability to Changes in the Discount Rate
(In Thousands)

	<i>Discount Rate – 1%</i> <i>(1.21%)</i>	<i>Current Discount</i> <i>Rate (2.21%)</i>	<i>Discount Rate + 1%</i> <i>(3.21%)</i>
PEMHCA	\$21,402	\$18,054	\$15,419
RHCAP	3,804	3,584	3,377
Retiree Death Benefit Only	<u>1,871</u>	<u>1,731</u>	<u>1,606</u>
Total	\$27,077	\$23,369	\$20,402

Source: The District.

For additional information relating to the District’s OPEB obligations, see Note 14 to the District’s audited financial statements attached to the Remarketing Statement as Appendix B.

Budget Process

The District adopts a budget every other year for a two-year period. Following the adoption of the operating budget, the Board of Directors approves a schedule of water, sewer and recycled water rates for the first Fiscal Year within the budgeted period based on the budget approved by the Board of Directors, with rates for the following Fiscal Year during such budgeted period determined prior to the commencement of such Fiscal Year. See the caption “CONSTITUTIONAL LIMITS ON APPROPRIATIONS AND CHARGES— Proposition 218.”

The operating budget for Fiscal Years 2022 and 2023 was approved on April 26, 2021. Due to the continued economic impact of COVID-19 on District customers, no changes to water and sewer rates were proposed at the time that the budget was adopted. [On January 24, 2022, the Board adopted water and sewer rate increases that will go into effect in February 1, 2022 and which will cover costs associated with the two-year budget]. See the captions “THE WATER SYSTEM—Water System Rates and Charges” and “THE SEWER SYSTEM—Sewer System Rates and Charges.”

Water and Sewer System Insurance

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, third party liability, errors and omissions and natural disasters. The District utilizes a combination of self-insurance, first-party coverage and third party liability insurance to minimize loss exposures from property, third-party liability claims and workers compensation claims. The District self-insures the first \$25,000 per occurrence for property losses, \$100,000 per occurrence for third-party liability claims and \$125,000 per occurrence for workers compensation claims. The District has implemented various controls to minimize loss including, but not limited to, routine employee safety meetings and training sessions, the use of uniform language in contracts designed to limit or prevent liability exposure, general risk assessments, and the development of emergency plans, including a business continuity plan.

Property, boiler, machinery, pollution, excess workers’ compensation and cyber insurance is provided through participation in Public Risk Innovation, Solutions and Management (“PRISM”), formerly known as the California State Association of Counties Excess Insurance Authority. PRISM is a joint exercise of powers authority that was formed by a number of public agencies in the State to provide risk management services and insurance programs to its members. Property insurance includes flood insurance but does not include earthquake insurance except for the District’s real estate investment properties. See the caption “—Current Investments.” General and excess liability coverage of \$35,000,000 and workers compensation insurance is provided through participation in PRISM. Pollution and legal liability coverage for the Irvine Desalter Project

is provided by a policy with Ironshore Holdings, a Liberty Mutual company. Settlements have not exceeded coverage for each of the past three Fiscal Years.

In addition to maintaining cyber insurance through PRISM, the District engages an outside firm to evaluate the District's network security annually, and has also hired an outside firm to conduct a detailed information security assessment to identify critical data assets, potential system vulnerabilities and the District's ability to respond to cybersecurity threats.

Time and Manner of Payments for Service Charges

Most bills and charges for water and sewer, recycled water and natural treatment system service are billed monthly and due and payable upon presentation and become delinquent after 25 days. If payment is not received within 25 days after presentation, a late charge will be levied on any unpaid balance and after notice and proceedings as required by law (as described below), service may be discontinued. For late payment balances of \$10 or more, a one-time late charge of 10% of the unpaid balance plus 1.5% interest will be assessed for each month until the unpaid balance has been paid in full. A shutoff notice is mailed out in conjunction with an automated courtesy phone call when the unpaid balance is at least \$150 and at least 60 days delinquent. Service is not restored until all charges, including a restoration charge, have been paid in full or the customer agrees to a payment arrangement. A small number of accounts located in Newport Beach for which the District provides sewer service only are billed on the County of Orange (the "County") tax rolls.

The District's shutoff policy complies with Senate Bill 998, which revised the requirements for residential shutoffs due to delinquent payments or non-payment effective February 1, 2020. Under the District's policy, the District may not discontinue residential water service for non-payment until the unpaid balance is at least \$150 and a bill has been delinquent for at least 60 days. The District will notify the customer named on the account and provide the customer with the District's policy no less than seven business days before discontinuing service. Residential service may be discontinued no sooner than five business days after the agency posts a final Notice of Intent to Disconnect Service in a conspicuous location at the property that is served. The District also may not discontinue residential water service if all of the following conditions are met:

- Discontinuing water service would pose a serious threat to the health and safety of a resident;
- The customer demonstrates that he/she is financially unable to pay for residential water service within the normal billing cycle (to qualify, the customer must participate in certain low income programs or certify that they are below 200% of the federal poverty level); and
- The customer agrees to a payment arrangement for past due amounts, generally not to exceed 12 months and must pay current charges.

If the customer's income is below 200% of the poverty line, then the restoration fee is limited to \$50 during normal business hours or \$95 after normal business hours.

The District's shutoff policy is available in English and seven other languages spoken by 10% or more of the District's customers. The District will also be required to report the number of annual discontinuations of residential water service for inability to pay; reporting will be done by posting this information on the District's website and notifying the Board of Directors.

As described under the caption "—COVID-19 Outbreak," California's Governor suspended utility service shutoffs through December 31, 2021, and the District will not seek to collect late fees or penalties for delinquencies that were incurred prior to that date. Although no service charges are being forgiven, the District's accounts receivable amount has increased slightly as a result of the suspension of shutoffs. Although the State moratorium on service shutoffs is no longer in effect, the District has not yet reinstated shutoffs and

has not yet returned to charging late fees or penalties to delinquent customers. There can be no assurance as to when the Board will consider reinstating shutoffs or imposing late fees and penalties, and the projected operating results that are set forth herein do not reflect the receipt of any late fees or penalties. See the caption “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results and Debt Service Coverage.”

Outstanding Indebtedness

Improvement District Indebtedness. As of December 31, 2021, the District had \$517,500,000 aggregate principal amount of outstanding *ad valorem* assessment bonds (the “**Ad Valorem Assessment Bonds**”) on behalf of the Improvement Districts. The Ad Valorem Assessment Bonds are secured by *ad valorem* assessments on land within the respective Improvement District, and are not by their terms payable from Revenues, except for the Series 2011A Bonds, the Bonds of the Irvine Ranch Water District, Series 2010B (the “**Series 2010B Bonds**”) and the Bonds of Irvine Ranch Water District, Series 2016 (the “**Series 2016 Bonds**”), each of which is described below under the caption “—Parity Obligations.” The District’s practice has been to apply Net Revenues remaining after the payment of debt service on Parity Obligations and subordinate obligations to the principal of and interest on the Ad Valorem Assessment Bonds. Pursuant to Section 35975 of the Act, the District also may levy certain rates and charges in lieu of *ad valorem* assessments to pay the Ad Valorem Assessment Bonds. The District does not currently levy in-lieu rates and charges. Any such in-lieu rates and charges levied by the District in the future would not constitute Revenues. The following table illustrates a breakdown of outstanding Ad Valorem Assessment Bonds by Improvement District as of December 31, 2021.

TABLE 3
IRVINE RANCH WATER DISTRICT
Outstanding Ad Valorem Assessment Bonds By Improvement District

<i>Improvement District</i>	<i>Amount Authorized</i>	<i>Amount Issued</i>	<i>Remaining Unissued Bonds Authorized</i>	<i>Amount Outstanding as of December 31, 2021</i>
Waterworks Bonds				
110	\$ 0	\$ 0	\$ 0	\$ 0
112	28,512,300	8,111,479	20,400,821	7,201,479
113⁽¹⁾	25,769,500	16,299,920	9,469,580	13,439,920
125⁽¹⁾⁽²⁾	735,246,000	429,728,732	305,517,268	170,644,273
153	237,300,000	7,601,244	229,698,756	7,601,244
154	4,839,000	0	4,839,000	0
185	13,500,000	1,492,889	12,007,111	1,492,889
188	8,174,000	4,589,618	3,584,382	1,572,618
Total Waterworks Bonds	<u>\$ 1,053,340,800</u>	<u>\$ 467,823,883</u>	<u>\$ 585,516,917</u>	<u>\$ 201,952,423</u>
Sewer Bonds				
1 ⁽³⁾	\$ 2,000,000	\$ 2,000,000	\$ 0	\$ 0
212	108,712,000	26,013,323	82,698,677	23,583,323
213⁽¹⁾	87,648,000	28,565,396	59,082,604	21,482,296
225⁽¹⁾⁽⁴⁾	856,643,000	493,304,113	363,338,887	241,362,476
240	117,273,000	49,722,056	67,550,944	15,090,352
252	0	0	0	0
253	122,283,000	11,877,248	110,405,752	11,877,248
256	0	0	0	0
285	21,300,000	1,808,776	19,491,224	1,808,776
288	8,977,000	443,106	8,533,894	343,106
Total Sewer Bonds	<u>\$ 1,324,836,000</u>	<u>\$ 613,734,018</u>	<u>\$ 711,101,983</u>	<u>\$ 315,547,577</u>
Total District	<u>\$ 2,378,176,800</u>	<u>\$ 1,081,557,900</u>	<u>\$ 1,296,618,900</u>	<u>\$ 517,500,000</u>

⁽¹⁾ The Series 2011A Bonds represent the consolidated, several general obligations of these Improvement Districts. See the Remarketing Statement under the caption "SECURITY FOR THE SERIES 2011A BONDS—General—Assessment Proceeds and Pledge of Revenues."

⁽²⁾ Improvement District No. 125 was created on November 11, 2013 and reflects the consolidation of portions of former Improvement District Nos. 105, 106, 102, 121, 130, 135, 140, 161, 182, 184 and 186.

⁽³⁾ Also referred to as Improvement District No. 210.

⁽⁴⁾ Improvement District No. 225 was created on November 11, 2013 and reflects the consolidation of portions of former Improvement District Nos. 2(202), 206, 221, 230, 235, 250, 261, 282, 284 and 286.

Source: The District.

Parity Obligations. In addition to the Series 2011A Bonds, the District has the following Outstanding Parity Obligations:

- **Prior Reimbursement Agreements.** In connection with the District's prior issuances of variable interest rate *ad valorem* assessment bonds, the District has entered into several reimbursement agreements (the "**Prior Reimbursement Agreements**") with various letter of credit banks (the "**Prior Banks**"). Pursuant to the terms of the Prior Reimbursement Agreements, the District's obligations to reimburse the Prior Banks will be payable from Net Revenues on parity with the Series 2011A Bonds and other Parity Obligations. There are currently no reimbursement obligations outstanding, although the District may incur reimbursement obligations under such Prior Reimbursement Agreements as provided therein. Variable interest rate bonds that are purchased by a Prior Bank bear interest at a significantly higher interest rate, and a Prior Bank that has purchased such bonds may elect to convert the term of such bonds into a term loan that is amortizable over a period of up to three years, depending upon the applicable Prior Reimbursement Agreement, resulting in significant increases in debt service. The following table summarizes the stated amount of each letter of credit associated with the Prior Reimbursement Agreements.

TABLE 4
IRVINE RANCH WATER DISTRICT
Summary of Prior Reimbursement Agreements
As of December 31, 2021

<i>General Obligation Bonds</i>	<i>Outstanding Principal</i>	<i>Letter of Credit Bank</i>	<i>Expiration Date</i>	<i>Letter of Credit Stated Amount</i>	<i>Reimbursement Obligations Outstanding</i>
Series 1993	\$ 24,800,000	U.S. Bank National Association	05/01/25	\$ 25,134,290	\$ 0
Series 2008A	43,000,000	Sumitomo Mitsui Banking Corp.	05/28/25	43,636,164	0
Series 2009A	50,000,000	U.S. Bank National Association	05/01/25	50,558,904	0
Series 2009B	<u>50,000,000</u>	Bank of America, N.A.	05/16/22	<u>50,558,904</u>	<u>0</u>
TOTAL	\$ 167,800,000			\$ 169,888,262	\$ 0

Source: The District.

- Series 2010B Bonds. In 2010, the District issued \$175,000,000 aggregate principal amount of Series 2010B Bonds. The Series 2010B Bonds were outstanding as of December 31, 2021 in the aggregate principal amount of \$175,000,000 and mature in 2040. In addition to *ad valorem* assessments on taxable land in certain Improvement Districts levied pursuant to the Act, water or sewer charges, as applicable, which in the discretion of the Board of Directors of the District are fixed and collected in such Improvement Districts in lieu of *ad valorem* assessments pursuant to the Act and proceeds from the sale of property in such Improvement Districts for the enforcement of delinquent assessments pursuant to the Act (collectively, “**Assessment Proceeds**”), the Series 2010B Bonds are payable from Net Revenues on a parity with the Series 2011A Bonds and other Parity Obligations. See the caption “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Reduction in BAB Credits” for a discussion of the effect of the federal sequester on the receipt of interest subsidy payments relating to the Series 2010B Bonds.

- 2016 Installment Sale Agreement. In 2016, the District entered into an Installment Sale Agreement (the “**2016 Installment Sale Agreement**”) in connection with the execution and delivery of the District’s \$116,745,000 aggregate principal amount of Certificates of Participation Irvine Ranch Water District Series 2016. The 2016 Installment Sale Agreement was outstanding as of December 31, 2021 in the aggregate principal amount of \$113,325,000 and matures in 2046. The District’s obligation to make installment payments pursuant to the 2016 Installment Sale Agreement is payable from Net Revenues on a parity with the Series 2011A Bonds and other Parity Obligations.

- Series 2016 Bonds. In 2016, the District issued \$103,400,000 aggregate principal amount of Series 2016 Bonds. The Series 2016 Bonds were outstanding as of December 31, 2021 in the aggregate principal amount of \$103,400,000 and mature in 2046. In addition to Assessment Proceeds, the Series 2016 Bonds are payable from Net Revenues on a parity with the Series 2011A Bonds and other Parity Obligations.

Subordinate Debt.

- Interest Rate Swap Transactions. As of December 31, 2021, the District was also obligated under two interest rate swap transactions with a total notional amount of \$60 million and termination dates in March 2029, pursuant to which the District is entitled to receive variable rate payments based on a floating rate index in return for the District’s obligation to make payments at a fixed interest rate of 5.687%, determined by reference to the outstanding notional amount (the “**Swaps**”).

The Swaps are evenly distributed, as to notional amount on a particular payment date, between two swap counterparties – Bank of America, N.A. (“**BANA**”) and Citibank, N.A. (“**Citibank**”). For additional

information with respect to the payment terms and other information relating to the Swaps, see Note 3 to the District's audited financial statements attached to the Remarketing Statement as Appendix B. Regularly-scheduled and early termination payments with respect to the Swaps constitute unsecured general obligations of the District payable from legally available funds. The Swaps are payable from certain Revenues on a subordinate basis to the District's obligation to pay the Series 2011A Bonds and debt service on other Parity Obligations. In addition, any amounts received by the District pursuant to the Swaps constitute Revenues and, as such, are pledged to the payment of the Series 2011A Bonds and other Parity Obligations. Based on the structure and financial terms of each Swap, the mark-to-market value of the Swaps will not exceed a collateral threshold amount of \$15,000,000; accordingly, the District does not expect to post collateral with respect to the Swaps in the future, including when the LIBOR index terminates (as discussed in detail below).

The above-described interest rate swap transactions entail risk to the District. For example, the Swap counterparties may fail or be unable to perform, actual interest rates may vary from assumptions or the District could be required to make a net payment (on a subordinate basis to the Series 2011A Bonds) to a Swap counterparty in the event of an early termination of one or more Swaps. The early termination of a Swap may not affect the obligations of the counterparty with respect to the other Swap. The District cannot predict if any of the foregoing events will occur with respect to one or more of the Swaps. The District may also elect from time to time to enter into additional interest rate swap agreements with security and payment provisions determined by the District, and the risks described in this paragraph could also apply to such additional interest rate swap agreements. However, the District does not anticipate that any such event would have a material adverse effect on the District's ability to pay the principal of and interest on the Series 2011A Bonds.

The Swaps are fixed payer swaps, meaning that the District makes net payments in a fixed amount and receives payments from each Swap counterparty in a variable amount that is based on the one-month United States Dollar ("USD") London Interbank Offered Rate ("LIBOR"). LIBOR is an interest rate benchmark index, calculated from estimates submitted by certain banks in London, England of the lending rate between banks for short-term loans. LIBOR is a widely used benchmark in the global financial services industry and is referenced in a variety of financial contracts, including interest rate swap transactions.

LIBOR is currently administered by the Intercontinental Exchange Benchmark Administration (the "IBA"), an independent administrator that is authorized and regulated by the Financial Conduct Authority (the "FCA"), the regulatory authority in the United Kingdom that is responsible for the supervision of LIBOR.

Central banks and regulators have been working for a number of years to coordinate the review and reform of certain global interest rate benchmarks and to address their potential discontinuation. On July 27, 2017, the FCA announced that it would no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021 (the "FCA Announcement"). As a result of the FCA Announcement, central banks, regulators and industry working groups have been preparing for a transition from the use of LIBOR to alternative reference rates for floating rate interest calculations in contracts that currently utilize LIBOR-based rates.

In response to the FCA Announcement, on October 23, 2020, the International Swaps and Derivatives Association ("ISDA"), a trade organization for derivatives market participants, released amendments to certain definitions which apply to swap agreements (including the Swaps that are governed by ISDA standards (the "Amendments") as well as a LIBOR Fallback Protocol (the "Protocol") and the form of bilateral agreements which, if adhered to or adopted by parties to a swap agreement with an effective date that is prior to the Amendments, would incorporate the Amendments therein. The Amendments took effect on January 25, 2021 and include new provisions for derivative contracts which reference an interbank offered rate (such as LIBOR) in the event that such interbank offered rate is unavailable.

On November 30, 2020, the IBA, with the support of the Federal Reserve Board and the FCA, announced that it would commence a consultation on the timing of the cessation of publication of USD LIBOR, including the potential cessation of only certain tenors of USD LIBOR on December 31, 2021, and the

possible cessation of the most widely used tenors of USD LIBOR, including one-month USD LIBOR, on June 30, 2023.

On March 5, 2021, the FCA announced (the “**Termination Announcement**”) that USD LIBOR will be discontinued on June 30, 2023 (the “**Index Cessation Effective Date**”). The date of the Termination Announcement will serve as an “Index Cessation Event” under the Amendments.

The Swaps mature in 2029, well after the expected discontinuation of LIBOR. Accordingly, the District’s Board elected to adhere to the Protocol in January 2021 and, in late January 2021, District staff took the steps necessary to do so.

The following are some of the effects of the Amendments on the Swaps:

- USD LIBOR will be replaced by an alternative rate (the “**Fallback Rate**”) after the Index Cessation Effective Date. The Fallback Rate calculation is described in the Amendments and is generally based on the Secured Overnight Financing Rate (“**SOFR**”), for a similar tenor (a measure of the cost of borrowing cash overnight which is secured by United States Treasury securities), plus a spread (the “**Spread**”) equal to the median difference between USD LIBOR of the applicable tenor and SOFR of the applicable tenor over the five year period ending on the date of the Termination Announcement. As discussed above, the Spread for each tenor of LIBOR was announced on March 5, 2021.
- SOFR will change based on market conditions (and could change daily), while the Spread will not change. ISDA has engaged Bloomberg to calculate and publish the Fallback Rate daily. As a result of the foregoing, the rate payable by the District under each Swap will not be known until shortly before the conclusion of each payment period for the applicable Swap.
- The transition to a SOFR-based rate could change the mark-to-market value of one or more of the Swaps. In addition, because SOFR-based rates will differ from LIBOR-based rates, the economic value of the Swaps to the District could be affected.

The Governmental Accounting Standards Board has issued guidance which declares SOFR to be a “Benchmark Rate” that is eligible for hedge accounting. In addition, the Internal Revenue Service has issued guidance to the effect that transitioning derivative contracts from LIBOR-based to SOFR-based rates will not result in a reissuance or be treated as a termination of a qualified hedge.

Legislation has been enacted in New York State in connection with the discontinuance of LIBOR. As a result of this legislation, if the District and its swap counterparties do not amend the Swaps to incorporate the Amendments, or otherwise address the discontinuance of LIBOR, adjusted SOFR could, by operation of law, be the replacement for LIBOR. Similar legislation in the United States Congress relating to the discontinuance of LIBOR is reportedly under consideration.

The District is unable to determine at this time the ultimate effects of the discontinuation of LIBOR as a reference rate and transition to an alternate benchmark rate. The Fallback Rate is not expected to match the USD LIBOR rate that it replaces, so changes in the level of the floating rate amounts that will be due to the District and the resulting net amounts that will be payable by the District are likely to occur. The District does not currently expect the cessation of LIBOR to have a material financial impact on the District.

- Santiago County Water District Consolidation. The District and Santiago County Water District (“**SCWD**”) consolidated effective July 1, 2006. As successor to SCWD, the District is obligated to satisfy the following obligations: (i) a fiscal services agreement with the State of California Department of Water Resources, with a loan balance of approximately \$347,000 as of December 31, 2021 and final payment due in 2025; and (ii) a promissory note payable to Foothill/Eastern Transportation Corridor Agency with a remaining balance of approximately \$433,600 as of December 31, 2021 and a final payment date in 2045.

Variable Rate Debt Management

The Board of Directors of the District has adopted a policy to maintain a target amount of investment assets equal to 75% or more of the District's outstanding unhedged variable rate indebtedness. No assurance can be made that the Board of Directors of the District will not modify such policy in the future.

Current Investments

As of December 31, 2021, the District had investments (excluding the real estate investments that are described below) of approximately \$390.0 million as follows:

TABLE 5
IRVINE RANCH WATER DISTRICT
Summary of Investments⁽¹⁾

<i>Investment Type</i>	<i>Approximate Investment Amount in Millions</i>	<i>Percentage of Total Investments</i>
Federal Agency Securities	\$ 75.2	19.28%
Local Agency Investment Fund	75.0	19.23
United States Treasury Securities	<u>239.8</u>	<u>61.49</u>
Total	\$ 390.0	100.00%

⁽¹⁾ As of December 31, 2021. Rounded. Excludes real estate investments that are described below.
Source: The District.

In addition to the moneys invested as described in Table 5 above, the District has invested approximately \$98.6 million of its capital facilities replacement fund in real property. The District's current real property investments include a limited partnership interest in a 230-unit apartment complex (the "**Wood Canyon Villas Apartments**"), ownership of a 450-unit apartment complex (the "**Sycamore Canyon Apartments**") and four commercial office buildings (the "**Irvine Market Place**," the "**Waterworks Business Park**," the "**Sand Canyon Professional Center**" and the "**Sand Canyon General Office**"). The Sand Canyon General Office building was completed in August 2020 and will be fully leased as of April 2022. The District's real estate investments are income-producing properties and the earnings and projected earnings for all properties are reflected in Tables 6 and 7, respectively, below.

Under current accounting rules, real estate investments are shown at fair market value. The total fair market value of the above-described assets as of June 30, 2021 was approximately \$271.5 million. On September 1, 2017, the District sold an undeveloped parcel known as Lake Forest Serrano Summit for \$136.0 million. Terms of the sale included a 40% down payment, with the balance of \$81.6 million secured by a note and deed of trust on the property and due in 24 months at a 4.0% interest rate. On July 24, 2019, the District executed an amendment to the note under which the District agreed to an extension of the original September 1, 2019 maturity. The loan amendment also increased the principal amount to include interest earned to September 1, 2019, for a total principal amount of \$88.1 million. The entire outstanding principal balance and all accrued unpaid interest was paid in a single lump sum in mid-2020. Any future changes in fair market value will be reflected in the District's annual Statement of Revenues, Expenses and Changes in Net Position.

Historic Net Real Estate Income

The following table shows the net real estate income after expenses of the District for the five most recent Fiscal Years.

TABLE 6
IRVINE RANCH WATER DISTRICT
Historic Net Real Estate Income
(in Thousands)

<i>Fiscal Year</i>	<i>Net Income</i>
2017	\$ 9,076
2018 ⁽¹⁾	3,405
2019 ⁽¹⁾	8,372
2020 ⁽²⁾	12,549
2021	9,822

⁽¹⁾ Fiscal Years 2018 and 2019 include expenses associated with development agreement obligations to the City of Lake Forest related to Lake Forest Serrano Summit property, which resulted in a reduction in net real estate income. See the caption “—Current Investments.”

⁽²⁾ Fiscal Year 2020 reflects receipt of payment of the outstanding principal and interest on the Lake Forest Serrano Summit note. See the caption “—Current Investments.”

Source: The District.

Projected Net Real Estate Income

The following table projects the net real estate income after expenses of the District for the current and next four Fiscal Years.

TABLE 7
IRVINE RANCH WATER DISTRICT
Projected Net Real Estate Income
(in Thousands)

<i>Fiscal Year</i>	<i>Net Income⁽¹⁾</i>
2022 ⁽²⁾	\$ 9,997
2023	11,120
2024	13,195
2025	13,591
2026	13,999

⁽¹⁾ Based on existing and expected leases. See the caption “—Current Investments.”

⁽²⁾ Fiscal Year 2022 and future Fiscal Years include lease income from the Sand Canyon Professional Center Building. See the caption “—Current Investments.”

Source: The District.

1% Property Tax Revenues

Pursuant to the Act, the Board of Supervisors of the County is required to levy a “general assessment” on assessable property within the boundaries of the District that is sufficient to raise the amounts determined each year by the District’s Board of Directors to be necessary for the authorized purposes of the District. These provisions, however, have largely been superseded by the passage by the California electorate in June of 1978 of Article XIII A of the California Constitution (commonly known as “Proposition 13”), and by the legislation subsequently enacted by the California Legislature to implement Article XIII A. As a result of

Article XIII A and its implementing legislation, the District receives as proceeds of the “general assessment” a share of the one percent *ad valorem* property tax collected by the County from assessable property within the boundaries of the District (the “**1% Property Tax Revenues**”).

From time to time legislation has been considered as part of the State budget to shift 1% Property Tax Revenues collected by each county from local agencies, including special districts such as the District, to school districts or other governmental entities. However, Proposition 1A (“**Proposition 1A**”), which was approved by the voters in November 2004, restricted State authority to reduce major local tax revenues. In addition, on November 2, 2010, California voters approved Proposition 22 (“**Proposition 22**”), the provisions of which superseded many of the provisions of Proposition 1A. Proposition 22: (i) prohibits the State of California from shifting or delaying the distribution of funds from special districts to schools and community colleges; (ii) eliminates the authority to shift property taxes temporarily during a severe financial hardship of the State; and (iii) restricts the State’s authority to use fuel tax revenues to pay debt service on transportation bonds, to borrow or change the distribution of fuel tax revenues or to use Vehicle License Fee revenues to reimburse local governments for state-mandated costs.

A portion of the District’s 1% Property Tax Revenues was previously subject to borrowing by the State under Proposition 1A. Despite the passage of Proposition 22, there can be no assurance that the 1% Property Tax Revenues which the District currently expects to receive will not be temporarily shifted from the District in future fiscal years or reduced pursuant to State legislation enacted in the future. If the property tax formula is permanently changed in the future, it could have a material adverse effect on the receipt of 1% Property Tax Revenues by the District. See the Remarketing Statement under the caption “SECURITY FOR THE SERIES 2011A BONDS—Pledge of Assessment Proceeds and Revenues” for a discussion of the extent to which 1% Property Tax Revenues are available to pay principal of and interest on the Series 2011A Bonds.

The table below sets forth the amount of 1% Property Tax Revenues received by the District for the five most recent Fiscal Years.

TABLE 8
IRVINE RANCH WATER DISTRICT
1% Property Tax Revenues
(in Thousands)

<i>Fiscal Year</i>	<i>1% Property Tax Revenues</i>
2017	\$37,375
2018	40,483
2019	43,581
2020	45,604
2021	48,032

Source: The District.

Alternative Method of Tax Apportionment – “Teeter Plan”

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property assessments on an accrual basis when due (irrespective of actual collections) to its local political subdivisions, including the District, for which the County acts as the assessment-levying or assessment-collecting agency.

The Teeter Plan for the County is applicable to all assessment levies for which the County acts as the assessment-levying or assessment-collecting agency, or for which the treasury of the County is the legal depository of assessment collections.

The *ad valorem* property assessments to be levied by the District will be subject to the Teeter Plan. The District will receive 100% of the *ad valorem* property assessment levied on secured property to pay the Ad Valorem Assessment Bonds irrespective of actual delinquencies in the collection of the assessment by the County so long as the Teeter Plan remains in effect. The District's share of 1% Property Tax Revenues is also subject to the Teeter Plan.

The Teeter Plan is to remain in effect for the County unless the Board of Supervisors of the County orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors of the County receives a petition for its discontinuance joined in by a resolution adopted by at least two-thirds of the participating revenue districts in the County. In the event that the Board of Supervisors of the County discontinues the Teeter Plan for the County, only those secured property assessments that are actually collected would be allocated to political subdivisions (including the District) for which the County acts as the assessment-levying or assessment-collecting agency.

Governmental Regulations

The District's operations are subject to numerous environmental regulations enforced by multiple governmental entities. Programs are in place for compliance with drinking water regulations, water discharge regulations, underground and aboveground fuel storage tank regulations, hazardous materials management plans, hazardous waste regulations, air quality permitting requirements, wastewater discharge limitations and employee safety issues relating to hazardous materials and other conditions. Also, the District aggressively pursues the investigation and, when appropriate, the implementation of alternative methods and technologies for meeting increasingly strict environmental regulations.

The District expects environmental regulation to increase, resulting in higher capital and operating costs in the future, which may have a material adverse effect on the finances of the District.

Although the District's Board of Directors establishes the schedules of water, sewer and recycled water rates for each Fiscal Year, such rates are subject to the requirements of Proposition 218, which are described further under the caption "CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218."

Climate Change

The State has historically been susceptible to wildfires and hydrologic variability. As greenhouse gas ("GHG") emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods and heat waves, and raising sea levels.

As a recognized industry leader with a history of implementing innovative and cutting-edge practices and cost-effective programs, the District developed an Energy and GHG Master Plan in 2012 to improve, optimize and reduce its energy consumption and GHG emissions. The plan identified cost-effective capital projects to reduce the District's existing and future energy usage and costs and, as required under future regulatory conditions, reduce the District's GHG emissions. In 2021, *The Climate Registry*, which oversees North America's largest voluntary greenhouse gas registry, empowering organizations and public agencies to act on climate change by reducing their carbon emissions, honored the District with gold-level status for demonstrating exceptional leadership in meeting rigorous voluntary greenhouse gas reporting criteria.

COVID-19 Outbreak

The spread of the novel strains of coronavirus that are collectively called SARS-CoV-2, which cause the disease known as COVID-19 (“**COVID-19**”), and local, state and federal actions in response to COVID-19, have impacted the District’s operations and finances. In response to COVID-19 infections and fatalities, health officials and experts recommended, and some governments mandated, a variety of responses ranging from travel bans and social distancing practices to complete shutdowns of certain services and facilities beginning in March 2020. The World Health Organization declared the COVID-19 outbreak to be a pandemic and, on March 4, 2020, as part of the State’s response to address the outbreak, the Governor declared a state of emergency. On March 13, 2020, the President declared a national emergency, freeing up funding for federal assistance to state and local governments. Many school districts across the State temporarily closed some or all school campuses (including schools within the District’s service area) in response to local and State directives or guidance.

On March 19, 2020, the Governor issued Executive Order N-33-20, a mandatory Statewide shelter-in-place order applicable to all non-essential services. Certain aspects of the shelter-in-place directives were extended indefinitely until certain indicators were met. The County also declared a state of emergency in response to the COVID-19 outbreak. On May 4, 2020, the Governor issued another executive order informing local health jurisdictions and industry sectors that they could gradually re-open under new modifications and guidance provided by the State. A phased re-opening of various sectors ended with a full reopening of the State’s economy on June 15, 2021. Although pursuant to the re-opening plan, some restrictions on activities were eased, restrictions have also been re-imposed in various jurisdictions (including the County) as local conditions warranted, and such restrictions could be expanded as the pandemic continues.

On March 27, 2020, the President signed the \$2.2 trillion Coronavirus Aid, Relief, and Economic Stabilization Act (the “**CARES Act**”) which provided, among other measures, \$150 billion in financial assistance to states, tribal governments and local governments to provide emergency assistance to those most significantly impacted by COVID-19. Under the CARES Act, local governments are eligible for reimbursement of certain costs which are expended to address the impacts of the pandemic, although the District cannot predict what State and/or federal funding or other relief it will ultimately receive. Any funds received by the District under the CARES Act are not available for payment of the Series 2011A Bonds and cannot be used to backfill District revenue losses related to COVID-19.

On December 27, 2020, the President signed the \$900 billion Coronavirus Response and Relief Supplemental Appropriations Act. Although the act did not provide additional financial assistance to state and local governments, it did extend the deadline (to the end of 2021) for them to use unspent funds that were previously approved under the CARES Act.

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (the “**ARP Act**”), a \$1.9 trillion economic stimulus package that is designed to help the United States’ economy recover from the adverse impacts of the COVID-19 pandemic. The ARP Act includes approximately \$350 billion in aid to state and local governments, consisting of both direct funding from the United States Department of Treasury and program moneys that will flow from other federal agencies. Half of the aid to state and local governments was distributed in spring 2021, with the other half following in 2022. County governments have been allocated a total of approximately \$65.1 billion under the ARP Act and any District funding received under the ARP Act will be allocated through the County. Any ARP Act funds received by the District must be used: (i) to assist households, small businesses, nonprofit entities and impacted industries including hospitality, travel and tourism; (ii) to pay a salary premium to essential workers up to \$13 an hour with an annual cap of \$25,000; (iii) to cover for lost revenue in providing services; and (iv) to make investments in water, sewer or broadband infrastructure.

The effects of the COVID-19 outbreak and governmental actions responsive to it are altering the behavior of businesses and people in a manner that is having significant negative impacts on global and local

economies. In addition, financial markets in the United States and globally have experienced significant volatility attributed to COVID-19 concerns. Volatility in the financial markets caused CalPERS' earnings to fall below its investment targets in Fiscal Year 2020 and above its investment targets in Fiscal Year 2021. This will impact the District's unfunded pension liability and future pension costs commencing in Fiscal Year 2023. See the caption "—Pension Benefits." The onset of the outbreak resulted in pressure on State and local finances, as budgetary resources were directed towards containing the pandemic and tax revenues sharply declined. As of the date of this Official Statement, the United States, including the County, continues to experience COVID-19 infections and fatalities.

Potential impacts to the District associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges to the public health system in and around the District's service area, cancellations of public events and disruption of the regional and local economy with corresponding decreases in the District's revenues, including as a result of reduced water use (particularly among commercial and hotel establishments), and potential declines in property values.

On-site, District personnel are wearing masks when required, utilizing other personal protective equipment and practicing social distancing while working. The District does not expect its operations to be materially affected by such actions.

The COVID-19 outbreak is ongoing, and the duration and severity of the outbreak and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to treat its effects are uncertain. The ultimate impact of COVID-19 on the operations and finances of the District is unknown at this time but is not expected to have a material adverse effect. As part of its response to the COVID-19 outbreak, the District deferred water and sewer rate increases that were previously planned to take effect on July 1, 2020 in consideration of the deleterious economic impact of the COVID-19 pandemic on District customers. However, Fiscal Year 2020 and 2021 revenues and operating costs were not significantly affected by the deferral of the rate increase or otherwise as a result of the COVID-19 outbreak or governmental actions in response thereto.

The Governor suspended utility service shutoffs through December 31, 2021, and the District will not seek to collect late fees or penalties for delinquencies that were incurred prior to that date. Although the State moratorium on service shutoffs is no longer in effect, the District has not yet reinstated shutoffs and has not yet returned to charging late fees or penalties to delinquent customers. There can be no assurance as to when the Board will consider reinstating shutoffs or imposing late fees and penalties, and the projected operating results that are set forth herein do not reflect the receipt of any late fees or penalties. See the caption "WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results and Debt Service Coverage."

Although no service charges are being forgiven, the District's accounts receivable amount has increased slightly as a result of the foregoing policy. The District has made low income assistance programs available to delinquent customers and is participating in the California Water and Wastewater Arrearage Payment Program (the "CWWAPP"), a State program that will provide up to \$1 billion to water service providers to cover delinquencies by commercial and residential customers during the period between March 4, 2020 and June 15, 2021. CWWAPP funds will initially be available to cover potable water service charge delinquencies, with delinquencies in wastewater service charges covered to the extent that funds remain after water service charges are covered. The District has received funds to cover water service arrearages totaling \$1.8 million under the CWWAPP, and expects to apply in early 2022 for approximately \$0.9 million in CWWAPP funding to cover sewer service arrearages.

Although the COVID-19 pandemic to date does not appear to be having a material adverse impact on the real estate market in Southern California (with the residential real estate market in particular experiencing robust growth), there is no assurance that the pandemic will not have a material adverse effect on the real

estate market in the future, including the market value of the taxable properties within the Improvement Districts or property owners' willingness and ability to pay property taxes when due.

Water use and wastewater service use by certain commercial customers of the District, in particular, hotels and restaurants, was reduced in Fiscal Year 2020 and may be reduced in the current and future Fiscal Years while the pandemic is ongoing. However, the District's water and wastewater charges include fixed rates that are payable without regard to the amount of water used, which mitigates a portion of the impact of reduced water use by such customers. See the captions "THE WATER SYSTEM—Water System Rates and Charges" and "THE SEWER SYSTEM—Sewer System Rates and Charges."

The District considered the effect of the COVID-19 outbreak in preparing its budget for Fiscal Years 2022 and 2023, but the District does not expect a material financial impact on the Water System or Sewer System as a result of the outbreak or governmental actions in response thereto.

The District continues to actively monitor customer usage, revenues and delinquencies so that any further impacts can be anticipated. See the caption "WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results and Debt Service Coverage." The District does not currently believe that the COVID-19 outbreak will materially adversely affect its ability to pay debt service on the Series 2011A Bonds.

WATER SUPPLY

The District was formed in 1961 for the purpose of obtaining a water supply for municipal and irrigation uses. For the twelve month period ended June 30, 2021, of the water supplied by the District, approximately 18% was imported water, approximately 54% was groundwater and native stream flows and approximately 28% was recycled water. Recycled water sales were not subject to the mandatory drought conservation measures that were previously imposed by the State, as discussed under the caption "—Water use Efficiency," or the voluntary conservation measures that are currently in effect. Accordingly, District recycled water supplies represented a lower percentage of total water supplies in the period ended June 30, 2021 than in years during the implementation of the drought conservation measures.

The District operates a number of wells and reservoirs that produce or store local water for both potable and non-potable uses. Surface storage includes Irvine Lake, a 25,000 acre feet reservoir that is jointly owned by the District and Serrano Water District. Irvine Lake receives native water from the Santiago Creek watershed and is also used to store imported untreated water. The District's share of such water is used primarily for agricultural and other irrigation purposes, and supplements the recycled water system during peak demand periods. In addition, the District has approximately 5,250 acre feet of recycled water storage capacity in its Sand Canyon, Rattlesnake, San Joaquin and Syphon Reservoirs and is currently evaluating additional recycled water storage projects.

Imported Water

In Fiscal Year 2021, the District purchased approximately 16,363 acre feet of water imported from the Colorado River and northern California by The Metropolitan Water District of Southern California ("MWD"). MWD supplies water through its member agencies, including the member agency in which the District is situated, Municipal Water District of Orange County ("MWDOC"). The cost of treated and untreated imported water from MWDOC as of June 30, 2021 is \$1,104 per acre foot and \$777 per acre foot, respectively. In addition, the District currently pays a fixed charge to MWDOC in the form of readiness to serve, capacity reservation and service connection charges. The readiness to serve and capacity reservation charges are paid monthly and, as of June 30, 2021, total \$105,512 per month, while the service connection charge is paid annually and, for Fiscal Year 2021, was \$1,263,211.

MWD faces various challenges in the continued supply of imported water to MWDOC. A description of these challenges as well as a variety of other operating information with respect to MWD is included in certain disclosure documents prepared by MWD. MWD periodically prepares official statements and other disclosure documents in connection with its bonds and other obligations. MWD has also entered into certain continuing disclosure agreements pursuant to which MWD is contractually obligated for the benefit of owners of certain of its outstanding obligations to file certain annual reports, including audited financial statements and notice of certain events, pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“**Rule 15c2-12**”). Such official statements, other disclosure documents, annual reports and notices (collectively, the “**MWD Information**”) are filed with the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system (“**EMMA**”) at <http://emma.msrb.org>. The MWD Information is not incorporated herein by reference thereto, and the District makes no representation as to the accuracy or completeness of such information. MWD HAS NOT ENTERED INTO ANY CONTRACTUAL COMMITMENT WITH THE DISTRICT, THE TRUSTEE OR THE OWNERS OF THE SERIES 2011A BONDS TO PROVIDE MWD INFORMATION TO THE DISTRICT OR THE OWNERS OF THE SERIES 2011A BONDS.

MWD HAS NOT REVIEWED THIS REMARKETING STATEMENT AND HAS NOT MADE REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED OR INCORPORATED HEREIN, INCLUDING INFORMATION WITH REGARD TO MWD. MWD IS NOT CONTRACTUALLY OBLIGATED, AND HAS NOT UNDERTAKEN, TO UPDATE SUCH INFORMATION FOR THE BENEFIT OF THE DISTRICT OR THE OWNERS OF THE SERIES 2011A BONDS UNDER RULE 15c2-12.

Groundwater

General. One of the goals of the District’s Water Resources Master Plan is to identify a reliable water supply mix, which includes developing sufficient groundwater production capacity to pump up to the District’s basin production percentage (the “**BPP**”) set by the Orange County Water District (“**OCWD**”), the agency responsible for managing the Orange County groundwater basin, to produce other local groundwater and to have sufficient capacity to meet demands during supply interruptions. District groundwater pumping is affected by policies of OCWD, including the setting of replenishment assessments, basin production percentages of total water demand by agencies pumping basin groundwater and basin equity assessments.

OCWD establishes and collects replenishment assessments as a means of purchasing water and funding projects for the purpose of replenishing the Orange County groundwater basin. The replenishment assessment is established annually by OCWD and applies to every acre foot of groundwater produced from the basin.

In addition, each year, OCWD sets the BPP for water to be extracted from the Orange County groundwater basin. The BPP is the amount of groundwater, as a percentage of the total water demands of a groundwater pumping agency such as the District, that can be pumped from the Orange County groundwater basin during the year by the groundwater pumping agency without incurring the additional assessment described in the following paragraph. The amount of groundwater that an agency can pump without incurring the additional assessment is calculated by multiplying the total water use of such agency by the BPP (the “**BPP formula**”). Between Fiscal Years 2012 and 2021, the BPP varied from 62% to 75%. In connection with the annexation of certain land by OCWD (as discussed in detail below), the District has agreed to a maximum BPP of 70% through 2023.

Currently, OCWD calculates total water use for the purpose of the BPP without considering recycled water sales to customers. This methodology reduces the amount of groundwater that recycled water sellers such as the District may pump from the Orange County groundwater basin without incurring additional

assessments. See the caption “—Complaint against OCWD” for a discussion of a lawsuit that the District filed against OCWD in June 2016 with respect to this issue.

The additional assessment incurred by an agency that pumps non-exempt groundwater above the limit established by the BPP formula is called the basin equity assessment (the “BEA”). The BEA is established annually by OCWD for every acre foot of groundwater produced from the Orange County groundwater basin above the BPP formula (with exemptions described further below for pumping that OCWD determines will provide water quality and other benefits) and is intended to increase the cost of producing groundwater in amounts above the BPP formula so that it equals the cost of importing water, thereby encouraging groundwater pumping agencies to supplement their groundwater production with imported water for the portion of their water use that exceeds the BPP. The BEA is a surcharge to discourage, yet still allow for, the production of groundwater in excess of the BPP formula. One of the District’s operating objectives is to produce the maximum amount of groundwater within the BPP formula and to avoid producing groundwater in excess of such maximum in order to avoid paying the BEA.

In Fiscal Year 2015, the amount of groundwater that the District pumped from the Orange County groundwater basin exceeded its BPP by approximately 300 acre feet under the methodology prescribed by OCWD. As further discussed under the caption “—Complaint against OCWD,” OCWD’s methodology prohibits the District from counting its use of recycled water as part of its total water demand, which the District believes inflates the amount of District pumping over the BPP. Based on the figure of 300 acre feet of pumping over the BPP, the District paid a BEA of approximately \$182,000 to OCWD in Fiscal Year 2015. Based on OCWD’s methodology, the District paid under protest a cash BEA of approximately \$1.7 million for Fiscal Year 2016, \$1.8 million for Fiscal Year 2017, \$2.25 million for Fiscal Year 2019, \$2.61 million for Fiscal Year 2020 and \$4.7 million for Fiscal Year 2021. The District did not pay a BEA for Fiscal Year 2018.

The District has filed a court challenge to OCWD’s methodology and policies regarding BEA calculations that exclude the District’s use of recycled water. See the caption “—Complaint against OCWD.” Through this litigation, the District is seeking a refund of all or a portion of BEA payments for Fiscal Years 2016, 2017, 2019, 2020 and 2021. In addition, the District seeks a judicial declaration in the litigation that, because of OCWD’s failure to consider recycled water a supplemental source of water, OCWD has miscalculated the amount of BEA credits remaining under various contracts with OCWD concerning groundwater quality projects being undertaken by the District.

OCWD has sought to enable groundwater producers to derive a larger percentage of their water supplies from local sources in times of Statewide drought so that such producers can reduce purchases of imported water at increased rates. For these reasons, OCWD has gradually increased the BPP in recent years. For Fiscal Years 2011, 2012 and 2013, the BPP was 62%, 65% and 68%, respectively. As a result of continued recharge of the Orange County groundwater basin, the BPP for Fiscal Year 2014 was raised to 70%, which allowed the District to pump approximately 54,000 acre feet from the Orange County groundwater basin without incurring any BEA. The District has agreed to a maximum BPP of 70% through 2023. In accordance with its 70% BPP, the District pumped approximately 47,170 acre feet of water from the Orange County groundwater basin in Fiscal Year 2021. The District currently pays OCWD a replenishment assessment of \$524 per acre foot for all groundwater pumped and a BEA equal to an additional \$586 per acre foot for groundwater pumped in excess of the BPP formula.

For certain portions of the District’s groundwater production, the application of OCWD’s BPP and BEA varies from the above general description. The District’s Dyer Road Well Field has a production amount established by contract with OCWD as described in the below paragraph. The District also has several projects through which groundwater is produced that are, by contract with OCWD, completely or partially exempt from the BEA. While this “BEA-exempt” groundwater typically requires treatment, the District’s cost to produce and treat this groundwater is effectively capped at the cost for imported water. Additionally, as portions of the District currently lie outside of OCWD’s jurisdictional boundary, water demands in those areas are not included by OCWD in the accounting of the BPP for the District. Currently, approximately 16% of the

District's water demand is from outside the OCWD jurisdictional boundary. In 2014, the Orange County Local Agency Formation Commission approved the annexation of approximately 6,482 acres of land within the District into OCWD. The majority of such land is open space and is not expected to be subject to additional water demand at this time.

The BPP formula for the District's Dyer Road Well Field is not adjusted annually by OCWD but is fixed by contract with OCWD at 28,000 acre feet per year of clear groundwater, subject to the requirement that the amount over 20,000 acre feet is matched by an equal amount of groundwater pumped from the District's Deep Aquifer Treatment System (the "**DATS**"), which treats water from a deep aquifer in order to remove organic color. Like OCWD's general BPP, the Dyer Road Well Field's contractually fixed BPP formula discourages, but does not prohibit, production over such amount through the application of the BEA to any excess amount.

As discussed above, effective October 2, 2013, the District entered into an agreement with OCWD pursuant to which approximately 6,482 acres of the District's territory was annexed to OCWD upon the Orange County Local Agency Formation Commission's approval in July 2014. Under the annexation agreement, the District agreed to a specified termination date for its BEA exemption on the DATS, represented that the DATS wells would be used to supply the groundwater used in the annexed territory and agreed that for a period of ten years from the effective date of the annexation agreement, the District will be deemed subject to a BPP equal to the lesser of OCWD's actual BPP or 70%.

The District also produces groundwater from its Irvine Desalter Project, which is described in greater detail under the caption "**Irvine Desalter Potable Water and El Toro Groundwater Remediation Projects.**" In Fiscal Year 2021, the Irvine Desalter Project provided a combined total potable and non-potable water production of approximately 6,545 acre feet that is exempt from the BPP. In addition, a combined additional approximately 614 acre feet per year of production is available from three other wells, the Orange Park Acres well ("**OPA-1**"), Well 2 in Lake Forest and Well 115 in Irvine. Water from Well 115 is pumped and treated at the Irvine Desalter Project. However, such water is not accounted for as Irvine Desalter Project water because it was not part of the original Irvine Desalter Project. Production from the OPA-1 well and Well 115 is subject to the BPP and the BEA. The District has not served water from the OPA-1 well since 2018 and Well 2 was offline in Fiscal Year 2021 and is exempt from the BPP and the BEA.

In addition, in April 2013, the District completed construction of the Wells 21 and 22 project. The Wells 21 and 22 facility produced approximately 2,280 acre feet and 2,228 acre feet of groundwater in Fiscal Years 2020 and 2021, respectively. These wells are exempt from the BPP and the BEA. The District plans to expand its groundwater production facilities further, and is currently evaluating potential well sites. The District also has rights to native water impounded in Irvine Lake and at the Harding Canyon Dam in the Santiago Canyon area. Such native water does not produce firm annual yields.

Complaint against OCWD. As discussed under the caption "**General,**" OCWD annually establishes the BPP, which is the amount of groundwater, as a percentage of total water demands, that groundwater producers can pump from the Orange County groundwater basin without incurring additional assessments. Currently, OCWD calculates total water demands without considering recycled water sales. As discussed under the caption "**Recycled Water**" and "**THE SEWER SYSTEM—Historic Recycled Water Sales and Sewer Service Charge Revenues,**" the District sells significant quantities of recycled water to its customers. Because OCWD does not consider recycled water sales in calculating the District's total water demands, OCWD considers the District's total water demands to be lower than they would be if recycled water sales were counted. As a result, the amount of groundwater that the District can pump from the Orange County groundwater basin without incurring additional assessments is lower than it would be if recycled water sales were considered.

As discussed above, in June 2016, the District filed a complaint (the "**Complaint**") against OCWD in the Superior Court for the State of California, County of Orange, seeking an order determining that OCWD's

BPP calculation methodology is unlawful in that it improperly excludes the recycled water that the District produces. In August 2016, OCWD filed an answer to the Complaint denying all substantive allegations. In addition, the City of Anaheim, three local water agencies and one private water company (Golden State Water Company) that produce groundwater from the Orange County groundwater basin filed an answer to the original Complaint and joined the litigation as interested parties. In September 2016, the parties entered into a stipulation under which: (i) the District filed a First Amended Complaint to clarify certain allegations; and (ii) venue was moved to the Superior Court for the State of California, County of Los Angeles (the “**Trial Court**”). The District filed a Second Amended Complaint on June 13, 2017, a Third Amended Complaint on November 30, 2017, a Fourth Amended Complaint on October 24, 2018, a Fifth Amended Complaint on June 10, 2019, a Sixth Amended Complaint on August 3, 2020 and a Seventh Amended Complaint on June 2, 2021. The Seventh Amended Complaint is currently the operative pleading in this matter, having superseded all prior complaints. In addition, the cities of Seal Beach and Buena Park were dismissed from the case on September 25, 2017.

The Seventh Amended Complaint (incorporating claims that were originally raised in the Sixth Amended Complaint) challenges OCWD’s practice of prohibiting the “unlawful exportation” of groundwater to the portions of the District’s service area that are outside of OCWD’s service area, as well as OCWD’s April 17, 2019 adoption of a resolution numbered “D,” which set a production limitation and surcharge on groundwater pumping from the Orange County groundwater basin (the “**Production Limitation and Surcharge**”). The District is contesting the validity of the Production Limitation and Surcharge on various grounds, including that: (i) OCWD’s statutorily-required findings made for the Production Limitation and Surcharge are not supported by substantial evidence; (ii) the Production Limitation and Surcharge is being utilized as an improper method of restricting the unlawful exportation of water, which is not authorized under the OCWD Act; and (iii) OCWD’s proposed surcharge of \$2,000 per acre feet above the production limitation bears no reasonable relationship, and is therefore disproportionate, to either the benefit derived by the groundwater producer from OCWD’s action or the burden that the producer’s activities place on the Orange County groundwater basin.

On June 15, 2018, the District filed a Petition for Writ of Mandate and Complaint for Reverse Validation and Declaratory Relief in the Superior Court for the State of California, County of Orange and filed a First Amended and Supplemental Petition for Writ of Mandate and Complaint for Reverse Validation and Declaratory Relief on July 12, 2018 in the same court. This complaint alleges similar claims concerning OCWD’s BEA and BPP for Fiscal Year 2019. This action has been transferred to the Trial Court and consolidated with the original case.

On July 17, 2018, the Trial Court issued its ruling on the first phase of trial, which addressed the District’s validation and mandamus claims concerning OCWD’s actions disallowing recycled water as a supplemental source of water within the meaning of Section 31.5 of OCWD’s governing act. The Trial Court upheld OCWD’s position and denied relief to the District on the first four causes of action alleged in the Third Amended Complaint.

On September 30, 2019, the Trial Court issued its ruling on the second phase of the trial, which addressed the District’s claims concerning unlawful exportation (as discussed above). The Trial Court granted the District relief on the key contested issue – OCWD’s ability to restrict the exportation of groundwater. The Trial Court rejected OCWD’s position that it had broad discretion to take any action necessary to prevent unlawful exportation, and instead agreed with the District that OCWD’s power was limited to the conduct set forth in Section 2(9) of the OCWD Act (which is limited to filing a formal legal action).

In the third phase of trial (designated as Phase 2a), the District asserted claims challenging the validity of the Production Limitation and Surcharge (as discussed above) adopted by OCWD in April 2019. The District alleged that the Production Limitation and Surcharge improperly seeks to prohibit exports in violation of the OCWD Act and its limitation on OCWD’s statutory power to prohibit exports through non-litigation means. On November 13, 2020, the Trial Court issued a ruling denying the District’s claims asserted in Phase

2a. [A case management conference was held on December 17, 2021 to address the sole remaining claims in the case, which are cross claims seeking declaratory relief against the District relating to the groundwater rights of cross complainants (including nearby water districts and the City of Anaheim) arising under a judgment entered in 1933 in an action entitled *Campbell v. The Irvine Company*.]

The projected water production expenses that are set forth under the caption “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results” do not assume any reduction in payments to OCWD as a result of the Complaint.

If the Trial Court rules in favor of OCWD or other cross complainants on the remaining phases of the trial, the Trial Court could order the District to pay all or a portion of OCWD’s attorneys’ fees in connection with the Complaint. The District does not believe that any such order would have a material impact on its ability to pay the 2011A Bonds.

Irvine Desalter Potable Water and El Toro Groundwater Remediation Projects. The Irvine Desalter Potable Water and El Toro Groundwater Remediation Projects are groundwater development projects that were constructed by the District in cooperation with OCWD, the United States Departments of the Navy and Justice, MWD and MWDOC. The two projects commenced operations in early 2007.

The Irvine Desalter Potable Water Project consists of a potable water wellfield, pipelines and a purification plant. This project treats local groundwater to remove salts and nitrates caused by the natural geology and past agricultural use. The water is treated to drinking water standards through reverse osmosis and disinfection. The Irvine Desalter Potable Water Project was originally anticipated to pump approximately 5,100 acre feet of groundwater per year. However actual pumping may vary each year based on operational conditions. In Fiscal Years 2020 and 2021, the Irvine Desalter Potable Water Project produced approximately 3,020 acre feet and 3,030 acre feet of groundwater, respectively.

The El Toro Groundwater Remediation Project is treating a plume of contaminated groundwater from the main aquifer of the Irvine sub-basin of the Orange County groundwater basin. The plume originated from the now-closed El Toro Marine Corps Air Station (the “MCAS”). The El Toro Groundwater Remediation Project consists of a treatment system that removes volatile organic compounds in the groundwater from solvent degreasers previously used at the MCAS. The treatment plant removes contaminants from the groundwater using an air stripper and granular activated carbon absorption units. The treated water is used in the District’s recycled water system and is designed to supply a minimum of 3,400 acre feet of recycled water per year. In Fiscal Years 2020 and 2021, the El Toro Groundwater Remediation Project produced approximately 3,750 acre feet and 3,415 acre feet, respectively, from non-potable wells. The United States Department of the Navy is compensating the District for this component of the project as part of the Settlement Agreement for Groundwater Remediation of the MCAS. The District expects that such compensation will cover the project costs until the plume of contaminated groundwater is cleaned up.

In addition to the two components described above, the Department of the Navy operates a number of wells on the former MCAS property. These wells pump contaminated groundwater from shallow basins located below the former base. Such water is treated by a treatment plant owned and operated by the District using an air stripper and granular activated carbon absorption units. These wells and the treatment plant, which are referred to as the Shallow Groundwater Unit, are designed to treat approximately 640 acre feet per year of contaminated groundwater. The treated Shallow Groundwater Unit water is disposed of via an existing ocean outfall. In Fiscal Years 2020 and 2021, the Shallow Groundwater Unit treated approximately 600 acre feet and 610 acre feet, respectively, of water.

Historic Groundwater Supply. Set forth below is a summary of the District’s sources of groundwater supply in acre feet per year for the last five Fiscal Years.

TABLE 9
IRVINE RANCH WATER DISTRICT
Historic Groundwater Supply In Acre Feet Per Year

<i>Fiscal Year</i>	<i>Dyer Road Well Field</i>	<i>Deep Aquifer Treatment System</i>	<i>Irvine Desalter Project</i> ⁽¹⁾	<i>Irvine Sub-basin</i>	<i>Other</i> ⁽²⁾	<i>Total</i>
2017	28,156	8,537	8,108	2,389	1,509	48,699
2018	16,112 ⁽³⁾	8,124	8,241	2,609	11,525 ⁽⁴⁾	46,611
2019	27,341	8,429	7,445	2,608	717	46,540
2020	23,217	8,489	6,772	2,279	6,064	46,821
2021	28,242	8,266	6,549	2,223	1,280	46,559

- (1) Excludes water pumped from the Shallow Groundwater Unit. Includes Well 115 and non-potable water (Wells ET-1, 2 and 78) used in the District’s recycled water system.
- (2) Includes Well 2 in Lake Forest, Wells 72, 78 and 106 and In-Lieu water, which is imported water purchased at the request of OCWD. The In-Lieu program preserves and promotes groundwater basin levels, and the District generally responds affirmatively to In-Lieu program requests. Also includes the OPA-1 well. See the captions “—Groundwater—General” and “—Water Supply Reliability.” The District voluntarily took the OPA-1 well out of service in 2019 as a result of PFAS contamination. See the subcaption “—PFAS” below.
- (3) Decrease in pumping from these wells in Fiscal Year 2018 is due to purchases of In-Lieu water, which is priced at a rate that is equivalent to the cost of pumping groundwater. See Footnote (2) for a description of In-Lieu water.
- (4) Includes In-Lieu water, which is imported water purchased at the request of OCWD.

Source: The District.

OCWD. OCWD faces various challenges in managing the Orange County groundwater basin. A description of these challenges, as well as a variety of other operating information with respect to OCWD, is included in certain disclosure documents prepared by OCWD. OCWD periodically prepares official statements and other disclosure documents in connection with its bonds and other obligations. OCWD has also entered into certain continuing disclosure agreements pursuant to which OCWD is contractually obligated for the benefit of owners of certain of its outstanding obligations to file certain annual reports, including audited financial statements and notice of certain events, pursuant to Rule 15c2-12. Such official statements, other disclosure documents, annual reports and notices (collectively, the “**OCWD Information**”) are filed with EMMA at <http://emma.msrb.org>. The OCWD Information is not incorporated herein by reference thereto, and the District makes no representation as to the accuracy or completeness of such information. OCWD HAS NOT ENTERED INTO ANY CONTRACTUAL COMMITMENT WITH THE DISTRICT, THE TRUSTEE OR THE OWNERS OF THE SERIES 2011A BONDS TO PROVIDE OCWD INFORMATION TO THE DISTRICT OR THE OWNERS OF THE SERIES 2011A BONDS.

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Sustainable Groundwater Management Act. On September 16, 2014, the California Governor signed Assembly Bill No. 1739 and Senate Bill Nos. 1168 and 1319 (collectively, the Sustainable Groundwater Management Act, or “**SGMA**”) into law. The SGMA constitutes a legislative effort to regulate groundwater

on a Statewide basis. Pursuant to the SGMA, the California Department of Water Resources (“DWR”) has designated the Orange County groundwater basin as a medium priority basin for purposes of groundwater management. Compliance with the SGMA can be achieved in one of two ways:

(1) By January 31, 2017, local groundwater producers had to establish or designate an entity (referred to as a groundwater sustainability agency, or “GSA”), subject to DWR’s approval, to manage each high and medium priority groundwater basin. Each GSA was tasked with submitting a groundwater sustainability plan for DWR’s approval by January 31, 2020.

(2) Alternatively, an existing groundwater management agency can submit a groundwater management plan under Part 2.75 of the California Water Code (an “Alternative Plan”) or an analysis for DWR’s review demonstrating that a groundwater basin has operated within its sustainable yield for at least 10 years. Such Alternative Plans were required to be submitted by January 31, 2017 and must be updated every five years thereafter. As discussed below, the District’s Alternative Plan update was submitted to DWR in December 2021.

If local groundwater producers do not create or nominate an entity to serve as a GSA, the SGMA authorizes DWR to assume management of a groundwater basin until such time as a GSA can perform such functions.

GSA’s must consider the interests of all groundwater users in the basin and may require registration of groundwater users, the installation of flow meters to measure groundwater extractions and annual reporting of extractions. In addition, GSA’s are authorized to impose spacing requirements on new wells, monitor, regulate and limit or condition groundwater production and establish production allocations among groundwater producers, among other powers. GSA’s are authorized to impose fees to fund such activities and to fine or issue cease and desist orders against producers that violate the GSA’s regulations. A local agency that manages groundwater pursuant to its principal act (such as OCWD) may not exercise such authority in a manner that is inconsistent with any prohibitions or limitations in its principal act unless the governing board of such local agency makes a finding that such local agency is unable to sustainably manage the groundwater basin without the prohibited authority. Groundwater sustainability plans must include sustainability goals and a plan to implement such goals within 20 years.

The SGMA specifically allows OCWD, which manages the Orange County groundwater basin, to develop an Alternative Plan under Part 2.75 of the California Water Code to manage those portions of the basin that are within OCWD’s boundaries. See the caption “—Groundwater—General.” In order for OCWD to submit an Alternative Plan, the entire groundwater basin (Basin 8-1, as mapped by DWR) must be included. OCWD’s service area includes about 89% of the Orange County groundwater basin and is described in the Alternative Plan as the OCWD Management Area (“MA”). The remaining fringe areas, which include portions of multiple agencies, were aggregated into the La Habra/Brea MA, the Santa Ana River Canyon MA and the South East MA.

In November 2016, OCWD sent notices to water agencies within the La Habra/Brea, Santa Ana River Canyon and South East MAs requesting that such agencies participate in the development of an Alternative Plan for Basin 8-1. The District took the lead in developing the information required for the South East MA, with the OCWD MA and Santa Ana River Canyon MA portions prepared by OCWD and the La Habra/Brea MA portion prepared by the City of La Habra. Other agencies within the groundwater basin either participated in preparing and/or reviewed the Alternative Plan, which was submitted to DWR in January 2017. The sustainability goal for the OCWD MA is to continue to manage the groundwater basin to prevent conditions that would lead to significant and unreasonable: (1) lowering of groundwater levels; (2) reductions in storage; (3) water quality degradation; (4) seawater intrusion; and (5) inelastic land subsidence. The sustainability goal for the South East MA and Santa Ana Canyon MA is to recognize that these MAs are a small part of the larger groundwater basin managed by OCWD, the groundwater levels and water quality in which will be monitored

to achieve the same goals as the OCWD MA. No additional groundwater management or monitoring by OCWD or the District is required by the Alternative Plan.

In 2021, the District along with the other agencies overseeing the other MAs within the groundwater basin, prepared information required for the 5-year Alternative Plan Update as required under SGMA. The 5-year update of the Basin 8-1 Alternative Plan was approved by the OCWD Board of Directors in December 2021, and the update was submitted to DWR in late December 2021. The District also prepares and submits an Annual Report to DWR for the South East MA.

The District's wells within OCWD's jurisdictional boundaries are presently metered and operated within the management guidelines established by OCWD. The District's wells in the South East MA are presently metered and operated by the District, when operational. As of December 2021, the District's remaining wells within the South East MA are not operating.

The District does not currently expect its groundwater extraction rights or costs in the Orange County groundwater basin to change significantly as a result of the enactment of the SGMA, nor does the District expect the enactment of the SGMA to have a material adverse effect on the District's ability to pay principal of and interest on the Series 2011A Bonds from Net Revenues. The District notes that *ad valorem* property assessments constitute an additional source of moneys available to pay the interest on and principal of the Series 2011A Bonds. See the Remarketing Statement under the caption "SECURITY FOR THE SERIES 2011A BONDS."

PFAS. In 2019, the State of California Water Resources Control Board's Division of Drinking Water (the "Division") lowered the Notification Levels (the "NLs") for Perfluorooctanoic acid ("PFOA") and Perfluorooctanesulfonic acid ("PFOS") to 5.1 and 6.5 parts per trillion ("PPT"), respectively. NLs are non-regulatory, precautionary health-based measures for concentrations of chemicals in drinking water that warrant notification and further monitoring and assessment. In 2020, the Division lowered the Response Level (the "RL") for PFOA and PFOS from 70 PPT, combined, to 10 and 40 PPT, respectively. RLs are non-regulatory, precautionary health-based measures that are set at higher levels than NLs and represent thresholds at which the Division recommends that water utilities remove a water source from use or treat it.

PFOA and PFOS are fluorinated organic chemicals which are part of a family of synthetic compounds that are known as per- and polyfluoroalkyl substances ("PFAS"). PFAS are water and lipid resistant substances that are useful for a variety of manufacturing processes and industrial applications. They are often present in water supplies which are impacted by wastewater treatment plant effluent or active or former military installations.

The District believes that PFAS have been in the Orange County groundwater basin in very low concentrations for many years. Recent technological advances enable water agencies to detect PFAS compounds at such low concentrations, and PFAS has been detected in the OPA-1 and El Toro 1 ("ET-1") wells and the Shallow Groundwater Unit in concentrations above the NLs for PFOA and PFOS and above the RL for PFOA.

OCWD is undertaking a program to install wellhead treatment facilities at all drinking water wells under its jurisdiction for which PFAS levels exceed RLs. OCWD's adopted policy is to pay for the PFAS wellhead treatment systems in full and to pay for up to 50% of the annual operation and maintenance costs of such facilities. The District has entered into a contract with OCWD for the installation of a wellhead treatment facility for PFAS at the OPA-1 well. The project's design has been completed and a construction bid is expected to be awarded in early 2022. The District has not served water from the OPA-1 well since September 2018 and the District does not intend to serve water from the OPA-1 well until the PFAS treatment facility is installed.

The cost of designing and constructing PFAS treatment facilities for the ET-1 well and the Shallow Groundwater Unit is expected to be covered by a pollution insurance policy that is maintained under a 2001 settlement agreement with the United States Departments of Justice the Navy for the MCAS. See the subcaption “—Irvine Desalter Potable Water and El Toro Groundwater Remediation Projects” above. Design of PFAS treatment facilities for the ET-1 well and the Shallow Groundwater Unit are nearing completion and water pumped from the well is not being served to customers. Construction of the PFAS removal facilities at ET-1 is anticipated to be completed spring 2023.

The District, together with OCWD and 10 other groundwater producers in the Orange County groundwater basin, initiated litigation against PFAS manufacturers and users in December 2020 to recover the costs arising from PFAS in the groundwater. There can be no assurance as to the outcome of such litigation, or the timing thereof.

The District’s goal is to ensure that all drinking water served to customers does not contain PFAS in amounts which are above the NLs, which are lower than the RLs. The District has significant water supplies which are not impacted by the presence of PFAS.

The District does not anticipate that implementation of the lower RLs will have a material adverse effect on the operation of the Water System or on the operating costs thereof. The projected operating results which are set forth under the caption “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results” do not assume significant increases in water treatment or Water System operating costs to meet State regulations relating to PFAS.

Water Use Efficiency

State and Federal Orders. Following the 2012-17 Statewide drought, legislation known as “Conservation as a Way of Life” was enacted in 2018 to strengthen local water supplier water management and water shortage planning efforts. Assembly Bill 1668 and Senate Bill 606 require urban water suppliers to include additional drought planning and projected water shortage information in their Urban Water Management Plans and water shortage contingency plans, which are updated and submitted to DWR every 5 years. The bills empower DWR and the State Water Resources Control Board to adopt long-term standards for the following: (i) indoor residential water use; (ii) outdoor residential water use; (iii) commercial, industrial and institutional water use for landscape irrigation; and (iv) water loss. The indoor water use standard has been defined as 55 gallons per person per day (“GPCD”) until January 2025; the standard will decrease over time to 50 GPCD in January 2030. Standards for outdoor residential water use and commercial, industrial and institutional water use for landscape irrigation are still being developed.

On October 19, 2021, the California Governor declared a Statewide drought state of emergency and requested that all water users voluntarily reduce water use by 15%. The declaration encouraged water agencies to draw upon supplies other than groundwater and to implement their water shortage contingency plans at a level that is appropriate to local conditions. While there can be no assurance that subsequent declarations will not impose mandatory water use restrictions should dry conditions persist in 2022 or future years, the State’s approach is consistent with the “Conservation as a Way of Life” legislation that is described in the preceding paragraph. The approach relies on local planning and recognizes that the impacts of the drought and levels of projected water shortages vary throughout the State and among water suppliers.

In August 2021, the federal government declared a water shortage at Lake Mead, which is a major storage reservoir on the Colorado River. As discussed under the caption “—Imported Water,” Colorado River supplies are among the water sources for MWD, which provides water to the District’s major imported supplier, MWDOC. The water shortage declaration triggered mandatory cuts in water allocations for water users in Arizona and Nevada, although not for MWD or other users in California. Notwithstanding the foregoing, in December 2021, water users in California (including MWD), Arizona and Nevada agreed to voluntary cuts of 500,000 acre feet of water from the Colorado River in both 2022 and 2023, and MWD agreed

to pay up to \$20 million to agricultural rightsholders that leave their land fallow. See the caption “—Water Supply Reliability—Other Water Supply Reliability Programs—Palo Verde Irrigation District Land Purchases” for a discussion of District land holdings in areas that are expected to benefit from such payments by MWD. There can be no assurance that subsequent declarations with respect to the Colorado River will not require mandatory water cuts to MWD should dry conditions persist in 2022 or future years.

The District has a long history of implementing cost-effective water efficiency programs and believes that it is well prepared to meet future water efficiency objectives. The District’s customers have one of the lowest residential per capita (gallons per capita per day) water usage rates in the State. For these reasons, the District does not believe that the above-described declarations (or compliance with the water efficiency objectives which may arise therefrom, which have not been finalized) will affect the District’s ability to pay principal of and interest on the Series 2011A Bonds from Net Revenues. The District notes that the Series 2011A Bonds are also secured by a pledge of Assessment Proceeds. See the Remarketing Statement under the caption “SECURITY FOR THE SERIES 2011A BONDS.”

District Response to Shortage. Under the District’s water shortage contingency plan (the “WSCP”), the District responds to a water shortage in stages based upon six levels of supply cutbacks: Level One (supply reductions of up to 10%), Level Two (supply reductions of up to 20%), Level Three (supply reductions of up to 30%), Level Four (supply reductions of up to 40%), Level Five (supply reductions of up to 50%) and Level Six (supply reductions exceeding 50%). Each shortage level triggers strategic responses that are intended to reduce water use and/or augment supplies during a declared water shortage. At each level of shortage, the WSCP includes a list of voluntary measures, non-rate response measures and potential cost-of-service based rate response strategies. The District can also use its banked groundwater to augment supplies during times of shortage. See the caption “—Water Supply Reliability—Water Banking.”

The District’s water budget-based rate structure is a cost-of-service based rate structure that provides revenue stability in both non-shortage and water shortage periods. Additionally, it allocates water (and the costs associated with its use) based on the monthly water budget assigned to each customer providing the lowest cost of water for efficient use and higher cost water for uses beyond efficient use. The monthly water budget assigned to each customer provides them with a sufficient amount of water within their budget to cover reasonable and efficient water use. See the caption “THE WATER SYSTEM—Water System Rates and Charges.”

If the District experiences a water shortage, it may have less water or higher water costs than during other periods. The WSCP outlines the strategies that the District can use to reduce water demand to respond to such conditions. Adjustments to customer water budgets are a key response measure in the WSCP that are implemented by equitably reducing water budget allocations based on what is reasonable and efficient water use under the water shortage circumstances applicable to each level. If this strategy or tool is used, any changes in rates would be set using cost-of-service principles and would not exceed the District’s cost of providing water service to each customer.

[UPDATE IN JANUARY] In December 2021, the District provided notice to customers that the Board will consider adopting water shortage rates in January 2022. If adopted, such rates would be another available tool to reduce demand by increasing water rates in the event of a shortage. Actual implementation of water shortage rates would be at the discretion of the District. Notwithstanding the State and federal orders which are described under the subcaption “—State and Federal Orders,” the District is not currently experiencing a water shortage and is not projecting a future shortage even if dry hydrological conditions continue for the next several years.

In September 2021, the District declared a Level Two water shortage under the WSCP, calling for a 15% reduction in water use by District customers.

While continued implementation of the WSCP may result in slightly lower water sales revenues, it is also likely to result in lower operating costs, in particular water purchase costs and energy costs for water deliveries. As discussed under the caption “THE WATER SYSTEM—Water System Rates and Charges,” the District’s rate structure consists of variable and fixed rate components. Decreased water consumption is largely offset by a decrease in related variable costs, while fixed water charges largely cover the District’s fixed operating and maintenance costs. The projected operating results set forth under the caption “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results” reflect the continued implementation of Level Two of the WSCP in the current and next four Fiscal Years but do not reflect the implementation of water shortage rates as described above.

If a Statewide water shortage should recur, legal issues exist as to whether different California Water Code provisions should be invoked to require reasonable regulations for the allocation of water in time of shortage. Any curtailment pursuant to State orders that is accompanied by an increase in MWD water charges to its member agencies could necessitate an increase in the District’s water rates to District customers. See the caption “CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218” for a discussion of certain restrictions on the District’s ability to raise water rates.

Water Supply Reliability

Water Banking. In addition to developing its local groundwater and recycled water systems, the District has further diversified its water supply reliability by developing water banking facilities in Kern County, California. These projects are known as the Strand Ranch Integrated Banking Project and the Stockdale Integrated Banking Project (collectively, the “**Water Bank**”). The District’s Water Bank is situated on groundwater recharge lands that overlie the regional Kern County groundwater basin. The purpose of the Water Bank is to improve the District’s water supply reliability by capturing and storing low cost water available during wet hydrologic periods for use during dry periods, with the target of providing enough water to meet approximately 15% of customers’ needs for three years. The Water Bank will enhance the District’s ability to respond to drought conditions and potential water supply interruptions and enable it to reduce the cost of water delivered under such conditions.

The District has entered into agreements for a 30-year water banking partnership with the Rosedale-Rio Bravo Water Storage District (“**Rosedale**”) in Kern County. These agreements provide for Rosedale to operate the Water Bank on behalf of the District and permit the District: (i) to store up to 126,000 acre feet of water in the aquifer; (ii) to recharge a minimum of 44,600 acre feet of water per year in the aquifer; and (iii) to recover a minimum of 28,750 acre feet of water per year from the aquifer.

The District has constructed 740 acres of recharge ponds and other facilities at the Water Bank that are necessary to divert water from an adjacent canal and into the ponds. Seven groundwater wells that provide the ability to recover water have been constructed on the Strand Ranch property and three additional recovery wells have been constructed and equipped on the Stockdale West property. The District, in partnership with Rosedale and other agencies, has also constructed six additional wells that will increase the ability to recover water from the Water Bank during peak summer demand periods. These wells were equipped and completed in 2018.

Groundwater extractions from certain Water Bank wells have been found to contain a synthetic chemical known as 1,2,3-trichloropropane (“**TCP**”), which was formerly used in the manufacture of soil fumigants and other industrial products, in concentrations that exceed the Maximum Contaminant Level established by the State Water Resources Control Board. As a result, such groundwater is required to be blended with other sources or treated to remove TCP before it can be delivered via State or federal water conveyance infrastructure or, ultimately, served to retail users. In January 2022, the District and Rosedale filed a complaint in the Superior Court of California, County of Kern, against several manufacturers of TCP. The complaint asserts strict liability, nuisance, trespass and negligence claims in connection with the infiltration of TCP into the Water Bank and seeks to recover costs associated with the construction of treatment facilities

to remediate the contaminated water. There can be no assurance as to the outcome of the District's claims and the projected operating results which are set forth herein do not assume the award of any damages to the District or Rosedale in connection with the complaint.

The District has secured water from a number of sources for recharge at the Water Bank. These sources are available as described below.

- Pursuant to the District's agreement with Rosedale, Rosedale has first priority rights to use District facilities to divert and recharge a portion of its entitlement to floodwater flows on the Kern River to District-owned storage ponds for recovery in dry years. The District is entitled, at no cost, to 20% and 50% of all Kern River floodwaters recharged on the Strand Ranch and Stockdale West recharge ponds, respectively.
- The District has also secured access to State Water Project water which can be stored in the Water Bank. Such water is available as a result of the District's acquisition of approximately 883 acres located within the Dudley Ridge Water District ("**Dudley Ridge**"), including the rights to use up to 1,749 acre feet per year of Table A State Water Project water allocated to Dudley Ridge. Under an existing agreement, the District can store its Table A water in the Water Bank, with half of the water being available for future use in the District's service area. The acquisition also included certain participation rights in the Kern Water Bank that allow the District to store approximately 9,495 acre feet of water.
- In 2011, the District entered into a long-term exchange program (the "**Exchange Program**") with Buena Vista Water Storage District ("**BVWSD**") that allows BVWSD to store water in the Water Bank in exchange for allocating 50% of the stored water to the District. BVWSD is responsible for all costs of delivering water to the Water Bank and the District is responsible for all costs of returning BVWSD its share of the water. The District is entitled to keep an additional 10% of the stored water each calendar year after the fourth calendar year that BVWSD does not call on the return of its share of the water. The District is entitled to 100% of the water if BVWSD does not call for the return of its share of the water by the end of the ninth year.
- In recent years, the District also entered into separate Pilot Exchange Agreements with the Central Coast Water Authority and the Antelope Valley-East Kern Water Agency that provided for such agencies to store portions of their 2012 allocation of State Water Project water at the Water Bank. In 2017 and 2019, the District executed short-term agreements with the Central Coast Water Authority which provided for the delivery and storage of 1,272 acre feet on an unbalanced exchange basis under which the District is allocated 50% of such stored water. In 2019, the District and Antelope Valley-East Kern Water Agency entered into a long-term water exchange program for the delivery and storage of 20,000 acre feet on an unbalanced exchange basis under which the District is allocated 50% of such stored water. The District is seeking other long-term partnerships with other agencies to facilitate similar transactions in the future.

The District has entered into a Coordinated Operating, Water Storage, Exchange and Delivery Agreement with MWD which allows the District to have State Water Project water which has been recovered from the Water Bank delivered to the District's service area. In 2014, the District entered into an additional agreement with MWD that allowed MWD to receive 4,000 acre feet of the District's non-State Water Project water recovered from the Water Bank in exchange for a future return to the District's service area. Under the additional agreement with MWD, the District recovered and delivered approximately 1,000 acre feet from the Water Bank for use in the District's service area in 2015.

Since 2010, the District has delivered a total of approximately 79,290 acre feet of water to the Water Bank through the water supply partnerships that are described above. The District has returned its partners'

share of the water and currently holds approximately 22,730 acre feet of water in storage (after applicable losses) for its future use during droughts and major supply interruptions.

In 2021, the District’s partners under each of the above-described agreements withdrew their share of available water in storage. A summary of water held in storage pursuant to the District’s water banking program as of December 31, 2021 (after water losses) is set forth below.

TABLE 10
IRVINE RANCH WATER DISTRICT
Summary of Water Banking Programs’ Storage After Losses
As of December 31, 2021 (Acre Feet)

<i>Facility</i>	<i>Total Capacity</i>	<i>Total Water in Storage</i>	<i>District Share of Total Water in Storage</i>
Strand Ranch Integrated Banking ⁽¹⁾	50,000	21,271	21,271
Stockdale West ⁽¹⁾	26,000	1,459	1,459
Kern Water Bank ⁽²⁾	<u>9,495</u>	<u>4,670</u>	<u>4,670</u>
Total	85,495	27,400	27,400

⁽¹⁾ The District has executed exchanges with MWD that have diversified the ability to call on the District’s share of the banked water from the Water Bank and MWD supplies. The above numbers take into consideration Water Bank losses as well as small purchases of water made by the District when land was taken out of agricultural production. Extractions from Strand Ranch are currently limited to approximately 17,500 acre feet per year. The completion of the Stockdale West property recovery facilities enables the District to recover approximately 11,250 acre feet per year of additional water from the Water Bank.

⁽²⁾ The District’s share of total water stored in the Kern Water Bank is to be used on the District’s Dudley Ridge property.
Source: The District.

Other Water Supply Reliability Programs.

Palo Verde Irrigation District Land Purchases. As of December 31, 2021, the District has purchased a total of approximately 3,100 acres of irrigated agricultural land (the “**PVID Properties**”) in Riverside County, California. The PVID Properties are located within the water service area of Palo Verde Irrigation District (“**PVID**”), which has first priority rights on the Colorado River. Of the total acres purchased, approximately 2,840 acres of the land are subject to and enrolled in an MWD/PVID fallowing program under which MWD makes payments to landowners in exchange for letting land lie fallow. See the caption “—Water Use Efficiency—State and Federal Orders” for a discussion of MWD’s agreement to pay up to \$20 million to agricultural rightsholders (such as the District) in 2022 and 2023 under such a fallowing program. Water that is conserved through fallowing is available for use within MWD’s service area (which includes the District’s service area). The non-fallowed land is currently being farmed either through leases with tenant farmers or through agricultural management agreements with contract farmers. The District plans to work with MWD and MWDOC in the future to develop mutually beneficial arrangements through which the District would receive increased water supply reliability during periods of drought or supply interruptions in consideration for the water conserved on the PVID Properties.

Due to the preliminary nature of its discussions with MWD and MWDOC, the District can make no assurance as to the amount of water, if any, it would receive from MWD through conservation of water on the PVID Properties. Should the expected water supply reliability benefits of the land not be realized, the District’s investment in the PVID Properties could be recovered in whole or in part through the sale of the land.

Kern Fan Project. The Kern Fan Groundwater Storage Project (the “**Kern Fan Project**”) will develop a regional water bank in the Kern Fan area of Kern County to capture, recharge and store Article 21 water from the State Water Project and other water supplies during wet hydrologic periods. The project is a

joint venture between the District and Rosedale. In April 2020, Rosedale and the District executed a joint exercise of powers agreement (the “**Agreement**”) creating the Groundwater Banking Joint Powers Authority (the “**Authority**”) to plan, design, construct, operate and implement the Kern Fan Project. The Agreement took effect July 1, 2020. The stored water would be extracted when needed to provide ecosystem, emergency supply and water supply benefits. The District’s share of the Kern Fan Project would be used in conjunction with the Water Bank (as discussed under the subcaption “—Water Banking” above) to meet the District’s contingency storage needs at build-out. The District’s goal for contingency storage is to secure supplies that are adequate to backfill the loss of imported supplies for three consecutive years. The District believes that, upon completion, the Kern Fan Project, together with the Water Bank, will allow the District to meet this goal.

In August 2017, the District and Rosedale jointly submitted a grant application to the California Water Commission (the “**CWC**”) for the proposed Kern Fan Project. The application sought Proposition 1 funds available from the CWC through the Water Storage Investment Program (the “**WSIP**”). In July 2018, the CWC conditionally awarded \$67.5 million to the Kern Fan Project. Additional WSIP funding became available in late 2020, and the CWC increased the conditional funding award for the Kern Fan Project in January 2021 to \$87.8 million. To date, the Authority has certified a final environmental impact report for the project, completed a Design, Estimating and Construction Review with the Bureau of Reclamation, completed feasibility studies (federal and State) and initiated the land acquisition process.

The District is currently pursuing additional funding opportunities. See the caption “**FUTURE CAPITAL IMPROVEMENTS—Water Supply Reliability.**”

Recycled Water

During Fiscal Year 2021, the District produced 26,413 acre feet of recycled water and supplied an additional 8,328 acre feet of non-potable water to District customers via the recycled water system. The District processes and treats secondary effluent from its customers to produce recycled water for sale to customers for non-potable utilization. Recycled water is currently sold to approximately 6,200 customers within the District. As of December 31, 2021, the District had approximately 570 miles of recycled water mains and recycled water storage capacity of approximately 5,250 acre feet. Revenues from the sale of recycled water are accounted for as part of the District’s sewer system.

Historic and Projected Water Supply

Set forth below is a summary of the District’s sources of total water supply in acre feet per year for the last five Fiscal Years.

**TABLE 11
IRVINE RANCH WATER DISTRICT
Historic Water Supply In Acre Feet Per Year⁽¹⁾**

<i>Fiscal Year</i>	<i>Groundwater⁽²⁾</i>	<i>Runoff Capture (Irvine Lake)</i>	<i>Imported Water</i>	<i>Recycled Water</i>	<i>Total</i>
2017	49,208	1,937	19,397	22,006	92,549
2018	48,109	6,109	15,436	25,255	94,909
2019	47,258	4,151	13,937	22,381	87,727
2020	47,810	6,524	13,002	24,627	91,963
2021	47,170	4,508	17,132	26,413	95,223

⁽¹⁾ Differences between the amounts that are shown in the table and the water sales figures that are set forth under the caption “**THE WATER SYSTEM—Historic Water Deliveries/Sales**” reflect water losses and the timing of billing.

⁽²⁾ Excludes water pumped from the Shallow Groundwater Unit, which is disposed of via an existing ocean outfall following treatment.

Source: The District.

Set forth below is a summary of the District’s projection of total water production to meet expected water demand (as discussed under the caption “THE WATER SYSTEM—Projected Water Deliveries”) for the current and next four Fiscal Years. The below table reflects projected water production from groundwater extractions, water purchases and recycled water production and does *not* reflect all available water supplies of the District.

TABLE 12
IRVINE RANCH WATER DISTRICT
Projected Water Supply In Acre Feet Per Year

<i>Fiscal Year</i>	<i>Groundwater⁽¹⁾</i>	<i>Runoff Capture (Irvine Lake)</i>	<i>Imported Water</i>	<i>Recycled Water⁽²⁾</i>	<i>Total</i>	<i>Percentage Change</i>
2022	46,865	2,000	19,771	22,890	91,526	(3.88)%
2023	46,865	2,000	21,627	22,890	93,382	2.03
2024	47,334	3,500	20,343	23,119	94,295	0.98
2025	47,807	3,500	20,546	23,350	95,203	0.96
2026	48,285	3,500	20,752	23,584	96,120	0.96

- (1) Excludes water pumped from the Shallow Groundwater Unit, which is disposed of via an existing ocean outfall following treatment.
- (2) Recycled water production projected to increase approximately 1% per annum beginning in Fiscal Year 2024 due to the elimination of the 70% cap on the BPP for the District. See the caption “—Groundwater—General.”
- Source: The District.

Set forth below is a comparison of the District’s sources of supply for Fiscal Year 2021 as compared to other neighboring agencies supplying water for Fiscal Year 2020.

TABLE 13
IRVINE RANCH WATER DISTRICT
Water Supply Comparison by Source

	<i>Imported Water</i>	<i>Groundwater</i>	<i>Runoff Capture (Irvine Lake)</i>	<i>Recycled Water</i>
Irvine Ranch Water District⁽¹⁾	18%	50%	5%	28%
City of Anaheim	40	60	0	0
South Coast Water District ⁽²⁾	73	14	0	13
Moulton Niguel Water District ⁽²⁾	79	0	0	21
Mesa Water District	0	94	0	6

- (1) Approximately 20% of the District’s water demand is from areas outside of OCWD’s jurisdictional boundaries.
- (2) This agency is not located within OCWD’s jurisdictional boundaries.
- Source: The District.

THE WATER SYSTEM

General

Through the issuance of general obligation bonds and other indebtedness, the District has constructed, purchased or acquired capacity in, or connections to, various transmission, pumping, storage and distribution facilities to convey water into the District, including several major facilities built in cooperation with other water districts and cities.

The development of water supplies and the construction and acquisition of facilities are being carried out under a master plan formulated by the District in 1972 and most recently updated in 2009. Existing uses

and planned development within the District will necessitate a projected combined total annual water supply of approximately 124,800 acre feet by 2035.

The District anticipates meeting all of its water supply needs using the above-mentioned water importation and storage facilities, groundwater production facilities and recycled water facilities. The combination of the District's facilities and sources of supply is expected to provide the District with a reliable water supply sufficient to permit the ultimate development as presently planned. Reliability of water supply is further enhanced by the District's local storage facilities, which currently provide more than a seven-day supply.

As of June 30, 2021, the District had approximately 2,550 miles of water mains in its potable and recycled water systems and storage capacity of approximately 24,000 acre feet, including the District's share of Irvine Lake, a 25,000 acre feet untreated water reservoir, and the District's Sand Canyon, Rattlesnake, Syphon and San Joaquin Reservoirs, which are recycled water reservoirs with capacities of 800 acre feet, 1,100 acre feet, 450 acre feet and 2,900 acre feet respectively. See the caption "WATER SUPPLY."

In 2013, the District completed a study of the feasibility of increasing storage capacity in Syphon Reservoir from 450 acre feet up to approximately 5,000 acre feet. Additional storage capacity, if constructed, would allow the District to recycle 100% of the sewage flows tributary to the District's Michelson Water Reclamation Plant (the "MWRP") and reduce the District's need to supplement the recycled water system with imported water in dry years. The District is currently performing geotechnical evaluations of the site and evaluating funding alternatives for the Syphon Reservoir expansion. The final Environmental Impact Report for the expansion was adopted by the Board of Directors on July 26, 2021. Design is expected to be completed by the end of 2023 and construction is anticipated to be bid in 2024. See the caption "FUTURE CAPITAL IMPROVEMENTS—Water Supply Reliability."

See the caption "WATER SUPPLY—Water Supply Reliability—Water Banking" for information with respect to the District's water banking programs, which constitute additional sources of water that are not reflected in the discussion of the District's storage facilities above.

Currently, the District purchases treated water from MWD for delivery to residential and commercial customers, as well as small amounts of untreated water for delivery to non-domestic customers. Groundwater that is produced from District wells is generally of high quality and is subject to minimal treatment to meet drinking water standards.

The Baker Water Treatment Plant (the "Baker WTP"), a water treatment plant which commenced operations in January 2017, treats to drinking water standards approximately 28 million gallons per day ("mgd") of untreated imported water purchased from MWD. During emergencies and planned imported water outages, water from Irvine Lake is expected to be supplied to the Baker WTP for treatment to drinking water standards. The Baker WTP utilizes microfiltration and ultraviolet disinfection as the primary treatment processes. Although the plant is owned and operated by the District, approximately 76% of capacity in the Baker WTP is held by other participating water agencies located in southern Orange County. The facility provides an operational source of supply to the District and participating agencies and, in the event of a short-term water shortage emergency, provides regional water reliability to other neighboring water agencies. The project cost was approximately \$106 million, which was funded by the District and the other participating water agencies in proportion to their participation in the project. The District financed a portion of its 24% share of the costs from the proceeds of the Series 2016 Bonds that are described under the caption "THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness."

Raw water, which is treated at the Baker WTP, is available at a lower rate than treated water.

Historic Water Connections

The following table shows the number of water connections in the District for the five most recent Fiscal Years.

**TABLE 14
IRVINE RANCH WATER DISTRICT
Historic Water Connections⁽¹⁾**

<i>Fiscal Year</i>	<i>Connections</i>	<i>Percentage Change</i>
2017	110,520	N/A%
2018	114,164	3.30
2019	116,539	2.08
2020	118,263	1.48
2021	120,437	1.84

⁽¹⁾ Excludes recycled water connections.
Source: The District.

Projected Water Connections

The following table shows the number of water connections projected by the District for the current and next four Fiscal Years.

**TABLE 15
IRVINE RANCH WATER DISTRICT
Projected Water Connections⁽¹⁾**

<i>Fiscal Year</i>	<i>Connections</i>	<i>Percentage Change</i>
2022	122,746	1.92%
2023	125,101	1.92
2024	126,902	1.44
2025	128,731	1.44
2026	130,587	1.44

⁽¹⁾ Excludes recycled water connections. Increases in connections reflect District estimates of increased development activity.
Source: The District.

Connection Fees

The District collects a water connection fee for each new connection to finance District facilities. Connection fees vary by Improvement District and range from \$1,110 to \$4,258 for each residential unit and \$6,469 to \$34,271 for each acre of commercial or industrial property. The connection fee is designed to recover the cost of each additional connection and allocate among all Improvement Districts the costs of master planned facilities such as water sources and production facilities, transmission mains, pumping stations, reservoirs and appurtenances and capacity necessary for each Improvement District.

Historic Water Deliveries/Sales

The following table presents a summary of historic water deliveries by the District in acre feet per year for the five most recent Fiscal Years. Historic water deliveries vary from historic water supply as a result of losses in the water system and the timing of billing. Revenues from the sale of recycled water are accounted for as part of the District’s sewer system.

**TABLE 16
IRVINE RANCH WATER DISTRICT
Historic Water Deliveries/Sales in Acre Feet Per Year⁽¹⁾**

<i>Fiscal Year</i>	<i>Potable and Non-Potable System</i>	<i>Recycled System⁽²⁾</i>	<i>Total</i>	<i>Percentage Change</i>
2017	51,299	27,860	79,159	N/A%
2018	55,138	31,642	86,780	9.63
2019 ⁽³⁾	51,651	27,689	79,340	(8.57)
2020	51,761	31,119	82,880	4.46
2021	54,506	32,595	87,101	5.09

⁽¹⁾ Differences between the amounts that are shown in the table and the water production figures that are set forth under the caption “WATER SUPPLY—Historic and Projected Water Supply” reflect water losses and the timing of billing.

⁽²⁾ Recycled water sales in excess of the historic recycled water production amounts set forth in Table 11 under the caption “WATER SUPPLY—Historic and Projected Water Supply” reflect supplemental water supplied in excess of recycled water produced by the District.

⁽³⁾ Reduced deliveries reflect wet hydrological year.

Source: The District.

Projected Water Deliveries/Sales

The District estimates that water system deliveries for the current and next four Fiscal Years will be as set forth in the following table. The District currently projects that water deliveries will increase at a slower pace than the increase in connections after the current Fiscal Year, as set forth in the table under the caption “—Projected Water Connections,” as a result of increased conservation efforts and a return to long-term historical average hydrological conditions in the State. The District notes that recycled water use is not subject to the mandatory conservation orders imposed by the State in connection with the recent Statewide drought. See the caption “WATER SUPPLY—Water Use Efficiency.” Revenues from the sale of recycled water are accounted for as part of the District’s sewer system.

TABLE 17
IRVINE RANCH WATER DISTRICT
Projected Water Deliveries/Sales in Acre Feet Per Year

<i>Fiscal Year</i>	<i>Potable and Non-Potable System</i>	<i>Recycled System⁽¹⁾</i>	<i>Total</i>	<i>Percentage Change</i>
2022 ⁽²⁾	49,417	29,731	79,148	(9.13)%
2023	54,126	30,445	84,571	6.85
2024	55,504	30,749	86,253	1.99
2025	56,027	31,057	87,084	0.96
2026	56,555	31,368	87,923	0.96

⁽¹⁾ Projected recycled water sales in excess of the projected recycled water production amounts set forth in Table 12 under the caption “WATER SUPPLY—Historic and Projected Water Supply” reflect supplemental water projected to be supplied in excess of recycled water produced by the District.

⁽²⁾ Projected decrease in Fiscal Year 2022 reflects Board declaration of a Level Two water shortage under the WSCP. See the caption “WATER SUPPLY—Water Use Efficiency—District Response to Shortage.” Although recycled water use is not subject to the declaration, the District expects recycled water use to decrease in Fiscal Year 2022 as part of the broader conservation efforts of District customers in response to the declaration.

Source: The District.

Historic Water Sales and Service Charge Revenues

The following table shows annual water sales and service charge revenues for the five most recent Fiscal Years. The following table does not include revenues from the sale of recycled water, which is accounted for as part of the District’s sewer system.

TABLE 18
IRVINE RANCH WATER DISTRICT
Historic Water Sales and Service Charge Revenues
(In Thousands)

<i>Fiscal Year</i>	<i>Sales and Service Charge Revenues⁽¹⁾</i>	<i>Percentage Change</i>
2017	\$77,252	N/A%
2018	84,575	9.48
2019 ⁽²⁾	94,107	11.27
2020 ⁽³⁾	90,213	(4.14)
2021	96,609	7.09

⁽¹⁾ Includes late payment charges and other penalty revenues.

⁽²⁾ Increase in Fiscal Year 2019 reflects customer growth, a Board-approved commodity rate increase and a cumulative adjustment in water banking storage revenue of \$5.4 million, reflecting a valuation assigned to water stored over multiple years.

⁽³⁾ Decrease in Fiscal Year 2020 reflects one-time cumulative adjustment in water banking storage revenue in Fiscal Year 2019. See Footnote 2.

Source: The District.

Projected Water Sales and Service Charge Revenues

The following table projects annual water sales and service charge revenues for the current and next four Fiscal Years.

TABLE 19
IRVINE RANCH WATER DISTRICT
Projected Water Sales and Service Charge Revenues
(In Thousands)

<i>Fiscal Year</i>	<i>Sales and Service Charge Revenues⁽¹⁾</i>	<i>Percentage Change</i>
2022 ⁽²⁾	\$ 90,132	(6.71)%
2023 ⁽³⁾	98,244	9.00
2024	101,191	3.00
2025	103,215	2.00
2026	105,279	2.00

⁽¹⁾ Reflects projected changes in water connections and deliveries described under the captions “—Projected Water Connections” and “—Projected Water Deliveries/Sales,” respectively, as well as projected increases in rates described under the caption “—Water System Rates and Charges.” Such rate increases are subject to the notice, hearing and protest provisions of Proposition 218 and there can be no assurance that the Board of Directors will adopt such rate increases as currently projected. See the caption “CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218.”

⁽²⁾ Projected decrease in Fiscal Year 2022 reflects Board declaration of a Level Two water shortage under the WSCP. See the caption “WATER SUPPLY—Water Use Efficiency—District Response to Shortage.”

⁽³⁾ Projected increase in Fiscal Year 2023 reflects expectation of rescission of Board declaration of a Level Two water shortage under the WSCP. See the caption “WATER SUPPLY—Water Use Efficiency—District Response to Shortage.”

Source: The District.

Largest Water Customers

The following table sets forth the ten largest water customers of the District for Fiscal Year 2021, as determined by annual payments.

TABLE 20
IRVINE RANCH WATER DISTRICT
Ten Largest Water Customers
Fiscal Year 2021

<i>Customer</i>	<i>Fiscal Year 2021 Payment</i>	<i>Percentage of Total Water Sales Revenues</i>
1. The Irvine Company/Irvine Apartment Communities	\$ 8,390,738	8.69%
2. Jazz Semiconductor	1,345,426	1.39
3. B Braun Medical Inc.	1,252,452	1.30
4. University of California, Irvine	1,003,540	1.04
5. Woodbridge Village Association	576,188	0.60
6. City of Lake Forest	335,905	0.35
7. Allergan Sales, LLC	312,719	0.32
8. City of Irvine	302,247	0.31
9. Trabuco Canyon Water District	257,386	0.27
10. ERP Operating LP	<u>256,013</u>	<u>0.26</u>
TOTAL	\$14,032,614	14.52%

Source: The District.

These ten largest customers accounted for approximately 14.52% of water sales revenues in Fiscal Year 2021.

Water System Rates and Charges

Water system rates and charges (other than connection fees) are generally uniform throughout the District. Pumping surcharges apply in higher elevations. Effective July 1, 2021, the average monthly service charge for residential water meters is \$10.35. The monthly service charges for commercial and industrial water meters range from \$10.35 to \$2,949 based on meter size. Quantity charges are set according to a water conservation oriented allocation-based ascending block rate structure with rates ranging from \$1.47 to \$13.63 per 100 cubic feet (“ccf”), as shown in the below table.

In recognition of the deleterious economic impact of the COVID-19 pandemic on District customers beginning in March 2020, the Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020 and deferred rate increases for costs associated with the new two-year budget that was approved in April 2021. [On January 24, 2022, the Board adopted rate changes to be implemented on February 1, 2022 for costs associated with Fiscal Years 2022 and 2023. Such rate adjustments do *not* include water shortage rates under the District’s WSCP. See the caption “WATER SUPPLY—Water Use Efficiency—District Response to Shortage.”]

For the ten Fiscal Years prior to Fiscal Year 2020, the District had increased its water system rates and charges by an average of approximately 5% each year for an average residential customer using approximately 12 ccf of water per month.

**IRVINE RANCH WATER DISTRICT
Residential Water Rates⁽¹⁾**

<i>Tier</i>	<i>Allocation</i>	<i>Rate per ccf</i>
Low Volume	0-40%	\$1.47
Base ⁽²⁾	41-100	2.00
Inefficient	101-140	4.86
Wasteful	141+	13.63

⁽¹⁾ Rates are effective as of July 1, 2019, with the Board having deferred a rate increase in 2021 as described above.

⁽²⁾ The “base” rate reflects an average cost of water from all sources that are used by the District.

Source: The District.

See the caption “CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218—Article XIID” for a discussion of a 2015 California Court of Appeal decision with respect to allocation-based rates similar to those of the District. Rates are based on a cost of service study.

The projected water system revenues set forth under the captions “—Projected Water Sales and Service Charge Revenues” and “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results and Debt Service Coverage” reflect the projected water deliveries that are described under the caption “—Projected Water Deliveries/Sales,” [water rate increases effective on February 1, 2022] as well as projected water rate increases of 3% in Fiscal Year 2024 and 2% per annum thereafter which have not yet been adopted. Water rate increases in Fiscal Years 2024 through 2026 are subject to the notice, hearing and protest provisions of Proposition 218 described under the caption “CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218.” There can be no assurance that the Board of Directors will adopt such rate increases as currently projected.

Set forth below is a comparison of the District’s water bill for a typical residential customer as compared to neighboring communities.

**TABLE 21
IRVINE RANCH WATER DISTRICT
Typical Residential Customer Water Bills**

<i>Water Service Provider</i>	<i>Charge⁽¹⁾</i>
City of Costa Mesa	\$81.65
City of Santa Ana	72.20
City of Newport Beach	67.00
City of Tustin	64.83
City of Anaheim	63.83
City of Orange	55.46
City of Huntington Beach	52.58
Irvine Ranch Water District⁽²⁾	41.71

⁽¹⁾ Information is as of October 1, 2021. Based on assumed usage of 15 ccf per month.

⁽²⁾ For the District, the first 6 ccf is billed at the low volume rate of \$1.47 and next 9 ccf is billed at \$2.00. Excludes *ad valorem* assessments levied by the District.

Source: The District.

THE SEWER SYSTEM

General

The District, following voter approval in 1965, is authorized by law to acquire, construct, operate and furnish facilities and services for the collection, treatment, reclamation and disposal of wastewater, and the District may contract with others for such purposes. The District has an extensive network of gravity sewers, force mains, lift stations and siphons that convey wastewater to two District-owned treatment plants. As of June 30, 2021, the District had approximately 1,150 miles of sewer mains and treatment plant capacity of approximately 33.5 mgd at the MWRP and the Los Alisos Water Recycling Plant (“**LAWRP**”). More than 10.7 billion gallons of wastewater were treated by the District (including wastewater flows sent to Orange County Sanitation District (“**OC San**”)) during Fiscal Year 2021.

In 1986, the District cooperated with OC San to form Sanitation District 14 (functionally replaced by “Revenue Area 14” of OC San, upon the consolidation of the several sanitation districts comprising OC San’s predecessor, the County Sanitation Districts of Orange County, in 1998), which overlays a substantial portion of the District’s territory. Under an agreement entered into between the District and OC San in connection with such formation, the District paid approximately \$34 million for an approximate 6% interest in OC San’s sewage processing facilities (such percentage of interest will vary over time pursuant to a formula set forth in the agreement between OC San and the District). This agreement currently provides treatment capacity (in addition to the capacity at District-owned facilities (the MWRP and the LAW RP)) of up to 15 mgd. The agreement also provides for the purchase by the District of certain additional capacity in OC San sewage processing facilities determined from annual flows. In Fiscal Years 2020 and 2021, the District utilized approximately 1.6 billion gallons and 2.3 billion gallons, respectively, of capacity each year pursuant to its agreement with OC San. In Fiscal Year 2021, approximately 78% of the District’s wastewater was treated by the MWRP and LAW RP operated by the District, and approximately 22% was treated by OC San.

OC San faces various challenges in the continued treatment of sewage. A description of these challenges, as well as a variety of other operating information with respect to OC San, is included in certain disclosure documents prepared by OC San. OC San periodically prepares official statements and other disclosure documents in connection with its bonds and other obligations. OC San has also entered into certain continuing disclosure agreements pursuant to which OC San is contractually obligated for the benefit of owners of certain of its outstanding obligations to file certain annual reports, including audited financial statements and notice of certain events, pursuant to Rule 15c2-12. Such official statements, other disclosure documents, annual reports and notices (collectively, the “**OC San Information**”) are filed with EMMA at <http://emma.msrb.org>. The OC San Information is not incorporated herein by reference thereto, and the District makes no representation as to the accuracy or completeness of such information. **OC SAN HAS NOT ENTERED INTO ANY CONTRACTUAL COMMITMENT WITH THE DISTRICT, THE TRUSTEE OR THE OWNERS OF THE SERIES 2011A BONDS TO PROVIDE OC SAN INFORMATION TO THE DISTRICT OR THE OWNERS OF THE SERIES 2011A BONDS.**

OC SAN HAS NOT REVIEWED THIS REMARKETING STATEMENT AND HAS NOT MADE REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED OR INCORPORATED HEREIN, INCLUDING INFORMATION WITH REGARD TO OC SAN. OC SAN IS NOT CONTRACTUALLY OBLIGATED, AND HAS NOT UNDERTAKEN, TO UPDATE SUCH INFORMATION FOR THE BENEFIT OF THE DISTRICT OR THE OWNERS OF THE SERIES 2011A BONDS UNDER RULE 15c2-12.

The District treats and recycles wastewater in amounts sufficient to meet recycled water customer demand and fill available capacity in seasonal storage reservoirs for later delivery to recycled water customers. Most of the excess wastewater collected by the District is diverted to OC San for treatment and ultimate

disposal into the Pacific Ocean through OC San’s two ocean outfall pipelines or recharged into the Orange County groundwater basin through OCWD’s Groundwater Replenishment System.

The District has evaluated alternative approaches to handling its biosolids. In May 2013, the District began construction of a facility (the Biosolids and Energy Recovery Facility) for handling MWRP solids, which were conveyed to OC San, as well as solids from the District’s LAWRP and other potential participating agencies. The Biosolids and Energy Recovery Facility began operating in 2020 and enables the District to dewater and beneficially reuse biosolids and reduce conveyances to OC San, in accordance with District goals of undertaking green and sustainable business practices and establishing cost-effective management of sewage services for IRWD customers.

Ultimately, the District plans to expand capacity for its treatment facilities to approximately 40.5 mgd in order to: (i) increase recycled water production and utilization; (ii) decrease exposure to external treatment costs and operational constraints; and (iii) decrease dependence on imported water supplies. See the caption “FUTURE CAPITAL IMPROVEMENTS.”

Historic Sewer System and Recycled Water Connections

The following table shows the number of sewer and recycled water connections in the District for the five most recent Fiscal Years.

**TABLE 22
IRVINE RANCH WATER DISTRICT
Historic Sewer and Recycled Water Connections**

<i>Fiscal Year</i>	<i>Connections</i>	<i>Percentage Change</i>
2017	105,053	N/A%
2018	108,754	3.52
2019	111,210	2.26
2020	113,176	1.77
2021	115,382	1.95

Source: The District.

Projected Sewer and Recycled Water Connections

The following table shows the projected number of sewer and recycled water connections for the current and next four Fiscal Years.

TABLE 23
IRVINE RANCH WATER DISTRICT
Projected Sewer and Recycled Water Connections⁽¹⁾

<i>Fiscal Year</i>	<i>Connections</i>	<i>Percentage Change</i>
2022	117,690	2.00%
2023	120,043	2.00
2024	121,844	1.50
2025	123,672	1.50
2026	125,527	1.50

⁽¹⁾ Increases in connections reflect District estimates of development activity.
Source: The District.

Connection Fees

The District collects a sewer connection fee for each new connection to finance District sewer facilities. Connection fees vary by Improvement District and range from \$1,944 to \$8,297 for each residential unit and \$6,467 to \$70,405 for each acre of commercial or industrial property. The connection fee is designed to recover the cost of each additional connection and allocate among all Improvement Districts the costs of master planned facilities such as transmission mains, pumping stations, treatment facilities and appurtenances and capacity necessary to serve each Improvement District.

Historic Sewer Daily Average Flow

The following table shows the daily average sewer flow in millions of gallons per day for the five most recent Fiscal Years.

TABLE 24
IRVINE RANCH WATER DISTRICT
Historic Sewer Daily Average Flow

<i>Fiscal Year</i>	<i>Daily Average Flow (mgd)⁽¹⁾</i>	<i>Percentage Change</i>
2017	28.0	N/A%
2018	27.8	(0.71)
2019	28.2	1.44
2020	28.3	0.35
2021	29.2	3.18

⁽¹⁾ Includes District flow treated by OC San.
Source: The District.

Projected Sewer Daily Average Flow

The following table shows the projected daily average sewer flow in millions of gallons per day for the current and next four Fiscal Years.

**TABLE 25
IRVINE RANCH WATER DISTRICT
Projected Sewer Daily Average Flow**

<i>Fiscal Year</i>	<i>Daily Average Flow (mgd)⁽¹⁾</i>	<i>Percentage Change</i>
2022	29.5	1.03%
2023	29.8	1.36
2024	30.1	1.01
2025	30.4	1.00
2026	30.7	0.99

⁽¹⁾ Includes District flow projected to be treated by OC San.
Source: The District.

Historic Recycled Water Sales and Sewer Service Charge Revenues

The following table shows the recycled water sales and sewer service charge revenues for the five most recent Fiscal Years. Increases reflect increases in connections as well as rate increases adopted by the Board of Directors.

**TABLE 26
IRVINE RANCH WATER DISTRICT
Historic Recycled Water Sales and Sewer Service Charge Revenues
(In Thousands)**

<i>Fiscal Year</i>	<i>Recycled Water Sales and Sewer Service Charge Revenues</i>	<i>Percentage Change</i>
2017	\$72,054	N/A%
2018	76,789	6.57
2019	76,841	0.07
2020	77,187	0.45
2021	82,234	6.54

Source: The District.

Projected Recycled Water Sales and Sewer Service Charge Revenues

The following table shows the projected recycled water sales and sewer service charge revenues for the current and next four Fiscal Years.

TABLE 27
IRVINE RANCH WATER DISTRICT
Projected Recycled Water Sales and Sewer Service Charge Revenues
(In Thousands)

<i>Fiscal Year</i>	<i>Recycled Water Sales and Sewer Service Charge Revenues⁽¹⁾</i>	<i>Percentage Change</i>
2022	\$86,017	4.60%
2023	90,662	5.40
2024	93,291	2.90
2025	95,996	2.90
2026	98,780	2.90

⁽¹⁾ Reflects increases in projected sewer connections and daily average sewer flow described under the captions “—Projected Sewer and Recycled Water Connections” and “—Projected Sewer Daily Average Flow,” respectively, as well as adopted and projected increases in recycled water and sewer rates described under the captions “THE WATER SYSTEM—Water System Rates and Charges” and “THE SEWER SYSTEM—Sewer System Rates and Charges.” Such rate increases are subject to the notice, hearing and protest provisions of Proposition 218 and there can be no assurance that the Board of Directors will adopt such rate increases as currently projected. See the caption “CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218.”

Source: The District.

Largest Sewer and Recycled Water Service Customers

The following table sets forth the ten largest sewer service customers of the District for Fiscal Year 2021, as determined by annual payments.

TABLE 28
IRVINE RANCH WATER DISTRICT
Ten Largest Sewer and Recycled Water Service Customers
Fiscal Year 2021

<i>Customer</i>	<i>Fiscal Year 2021 Payment</i>	<i>Percentage of Total Sewer and Recycled Service Revenues</i>
1. The Irvine Company/Irvine Apartment Communities	\$13,244,269	16.11%
2. City of Irvine	2,689,854	3.27
3. University of California, Irvine	1,852,244	2.25
4. B Braun Medical Inc.	824,295	1.00
5. Irvine Unified School District	732,261	0.89
6. Crystal Cove Community Association	432,959	0.53
7. City of Tustin	404,762	0.49
8. Portola Springs Community Association	377,830	0.46
9. Great Park Neighborhoods Community Association	341,400	0.42
10. ERP Operating LP	337,975	0.41
TOTAL	\$21,237,849	25.83%

Source: The District.

These ten largest customers accounted for approximately 25.83% of total sewer and recycled water service revenues in Fiscal Year 2021.

Sewer System Rates and Charges

Effective July 1, 2021, residential users pay a fixed monthly service charge which ranges from \$19.55 to \$26.10. Commercial and industrial users pay \$26.10 for the first ten ccf of water use and from \$2.78 to \$2.916 per ccf thereafter.

In recognition of the deleterious economic impact of the COVID-19 pandemic on District customers beginning in March 2020, the Board of Directors suspended a previously approved rate increase that was to become effective on July 1, 2020 and deferred rate increases for costs associated with the new two-year budget that was approved in April 2021. [On January 24, 2022, the Board adopted rate changes to be implemented on February 1, 2022 for costs associated with Fiscal Years 2022 and 2023.]

For the ten Fiscal Years prior to Fiscal Year 2021, the District had increased its fixed monthly sewer service charge by an average of approximately 6% each year.

The projected sewer system and recycled water sales revenues set forth under the captions “—Projected Recycled Water Sales and Sewer Service Charge Revenues” and “WATER AND SEWER SYSTEM FINANCIAL INFORMATION—Projected Operating Results and Debt Service Coverage” reflect projected sewer and recycled water rate increases of 9% in Fiscal Year 2023, 3% in Fiscal Year 2024 and 2% per annum thereafter which have not been adopted. Such rate increases are subject to the notice, hearing and protest provisions of Proposition 218 described under the caption “CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES—Proposition 218.” There can be no assurance that the Board of Directors will adopt such rate increases as currently projected.

Set forth below is a comparison of the District’s sewer bills for a typical residential customer as compared to other neighboring communities.

TABLE 29
IRVINE RANCH WATER DISTRICT
Typical Residential Customer Sewer Bill

<i>Sewer Service Provider</i>	<i>Charge⁽¹⁾</i>
City of Orange	\$40.08
City of Huntington Beach	38.93
City of Tustin	37.58
City of Newport Beach	37.13
Mesa Water	36.51
City of Santa Ana	34.99
City of Anaheim	34.63
Irvine Ranch Water District⁽²⁾	19.55 – 26.10

⁽¹⁾ Information is as October 2021.

⁽²⁾ District sewer service charge varies depending upon customer water usage. Excludes *ad valorem* assessments levied by District.

Source: The District.

FUTURE CAPITAL IMPROVEMENTS

The District anticipates spending approximately \$638,034,360 on water, recycled water and sewer system improvements during the current and the next four Fiscal Years. The District anticipates financing

such improvements through a combination of District revenues, fund balances, bonds and certificates of participation and, for a portion of the Kern Fan Project (which is described under the caption “—Water Supply Reliability” below), grant proceeds of approximately \$43.9 million. The District anticipates issuing additional bonds in the estimated principal amount of \$75 million in Fiscal Year 2025. The following table sets forth the District’s projected capital improvement projects for the current and next four Fiscal Years:

TABLE 30
IRVINE RANCH WATER DISTRICT
Projected Water, Recycled Water and Sewer Systems Capital Improvements
For Fiscal Years 2022 through 2026

<i>Project</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>Total</i>
Solids Handling	\$ 2,701,961	\$ 5,451,267	\$ 7,246,864	\$ 13,269,281	\$ 37,527,623	\$ 66,196,996
OC San CORF/Equity ⁽¹⁾	(18,530,250)	13,461,750	12,160,750	12,443,750	3,768,750	23,304,750
Water Supply Reliability	16,342,659	20,495,198	8,981,977	21,447,541	6,038,453	73,305,828
Development-Related Expansion	17,067,389	11,578,499	27,598,632	75,586,861	32,586,694	164,418,075
Replacement and Refurbishment	54,732,169	42,075,744	34,634,845	61,806,863	48,984,597	242,234,218
Operational Improvements	<u>29,040,409</u>	<u>19,148,349</u>	<u>9,769,613</u>	<u>8,650,346</u>	<u>1,965,876</u>	<u>68,574,593</u>
Total	\$101,354,337	\$112,210,807	\$100,392,681	\$193,204,642	\$130,871,993	\$638,034,460

⁽¹⁾ The District pays for its portion of OC San capital costs based on a 3-year rolling average of sewer flows. Assuming normal weather patterns return, the District’s average sewer flow is expected to decrease in the future, resulting in an expected credit in OC San capital costs in Fiscal Year 2022. See the caption “THE SEWER SYSTEM—General.”

Source: The District.

Solids Handling

The solids handling capital projects include the design and construction of facilities for thickening, acid-phase anaerobic digestion, dewatering, drying and pelletization, energy generation, and use of pellets as a fertilizer or e-fuel. They also include a solids receiving station to allow processing of dewatered sludge from the LAWRP for drying and pelletization. In addition, facilities for the receipt and transfer of fats, oil and grease to the digesters to increase methane and energy production capabilities came online in mid-2021. See the caption “THE SEWER SYSTEM—General.” A portion of the costs of these projects was financed from proceeds of the 2016 Installment Sale Agreement and the Series 2016 Bonds. See the caption “THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness.”

OC San CORF/Equity

OC San’s Capital Outlay Revolving Fund (“CORF”) funds OC San projects such as plant upgrades for secondary treatment and the Groundwater Replenishment System. The District funds its share of the CORF based on the District’s percentage share of OC San’s total wastewater flow. Wastewater flows from the District presently comprise approximately 2% – 3% of OC San flows. In addition, the District purchases and sells equity in the OC San Joint Works Treatment Facilities based on the District’s percentage of OC San flows. See the caption “THE SEWER SYSTEM—General— OC San” above. During the rainy season in early 2017, the District temporarily diverted additional sewage to OC San, resulting in a temporary increase in the OC San CORF and equity capital expenditures.

Water Supply Reliability

Water supply reliability projects include the acquisition and construction of water banking facilities in Kern County and the Kern Fan Project, which will develop a regional water bank in the Kern Fan area to capture, recharge and store unallocated Article 21 water from the State Water Project during wet hydrologic periods through a joint venture between the District and Rosedale. The stored water would be extracted when needed to provide ecosystem, emergency supply and water supply benefits. The District’s share of the Kern Fan Project would be used in conjunction with the Strand Ranch and Stockdale Integrated Banking Projects to

meet the District’s contingency storage needs at build-out. Other water supply reliability projects include booster pump stations and interagency pipeline construction. See the captions “WATER SUPPLY—Water Supply Reliability—Other Water Supply Reliability Programs” and “THE WATER SYSTEM—General.”

Development-Related Expansion

Development-related expansion improvements include construction of new water, recycled water and sewer improvements to serve new developments and the expansion of the Syphon Recycled Water Reservoir, which is intended to increase storage capacity in the reservoir from 450 acre feet to 5,000 acre feet. Additional storage capacity could allow the District to utilize more of the recycled water it produces.

Replacement and Refurbishment

Replacement and refurbishment improvements consist of repairs and restoration to existing water, recycled water and sewer system facilities.

Operational Improvements

Operational improvements consist of optimizing District facilities and include improvements to the District’s water and wastewater Operations Center, adding water quality mixing systems to existing reservoirs, expanding the reliability of the Supervisory Control and Data Acquisition system, and relocating District facilities as required by interagency projects.

WATER AND SEWER SYSTEM FINANCIAL INFORMATION

Financial Statements

A copy of the most recent financial statements of the District audited by Davis Farr LLP, Certified Public Accountants (the “**Auditor**”), are included as Appendix B (the “**Financial Statements**”) and should be read in their entirety. The Auditor’s letter is set forth at the beginning of the Financial Section of the Financial Statements. The Auditor has not reviewed the contents of this Remarketing Statement, and the District has not sought the Auditor’s consent to the inclusion of the Auditor’s report in the Financial Statements in this Remarketing Statement.

Reduction in BAB Credits

On March 1, 2013, the federal government announced the implementation of certain automatic budget cuts known as the sequester, including reductions in Build America Bond (“**BAB**”) interest subsidy payments (“**BAB Credits**”). The originally scheduled BAB Credit was reduced by amounts ranging from 5.7% to 8.7% in federal fiscal years 2013 through 2021. Under a federal budget bill enacted in 2019, the reduction of BAB Credits will continue through September 30, 2029.

The District’s Series 2010B Bonds are BABs and the historic and projected operating results shown under the captions “—Historic Operating Results and Debt Service Coverage” and “—Projected Operating Results and Debt Service Coverage” reflect the announced reduction in BAB Credits but do not reflect additional reductions in BAB Credits that may be required in future federal fiscal years. While the District continues to monitor the effects of the reduction in BAB Credits on District finances, the District does not currently expect announced reductions, or any future reductions, to have a material adverse effect on the ability of the District to pay the principal of and interest on the Series 2010B Bonds or the Parity Obligations from Net Revenues.

Historic Operating Results and Debt Service Coverage

The following summary of operating results of the District for the last five Fiscal Years is derived from the Financial Statements and audited financial statements of the District for prior Fiscal Years and excludes certain non-cash items and includes certain other adjustments. Such summary operating results are qualified in their entirety by reference to such statements, including the notes thereto.

TABLE 31
IRVINE RANCH WATER DISTRICT
Historic Operating Results and Debt Service Coverage
Fiscal Years 2017 through 2021
(In Thousands)

	2017	2018	2019	2020	2021
REVENUES					
Water sales and service charges	\$ 77,252	\$ 84,575	\$ 94,107	\$ 90,213 ⁽¹²⁾	\$ 96,609
Recycled water sales and sewer service charges	72,054	76,789	76,841	77,187	82,234
Connection fees	25,563	32,674	18,205	10,943	18,913
Net real estate income	9,076	3,405 ⁽¹¹⁾	8,372	12,549	9,822
Interest income	3,210	4,133	6,199	7,790	5,285
Available 1% Property Tax Revenues ⁽¹⁾	34,247	29,649	42,389	44,463	47,172
Other ⁽²⁾	7,117	7,504	8,876	6,606	6,336
Total Revenues	<u>\$ 228,519</u>	<u>\$ 238,729</u>	<u>\$ 254,989</u>	<u>\$ 249,751</u>	<u>\$ 266,371</u>
OPERATION AND MAINTENANCE EXPENSES					
Water services	\$ 55,296	\$ 63,671	\$ 64,004	\$ 67,792	\$ 79,221
Sewer services	42,752	38,115	43,734	49,497	51,540
Administrative and general	22,664	25,748	28,220	28,336	30,169
Pension expense ⁽³⁾	5,146	7,138	7,426	10,370	11,753
Other	1,997	174	2,615	5,240	1,432
Total Operation & Maintenance Expenses	<u>\$ 127,855</u>	<u>\$ 134,846</u>	<u>\$ 145,999</u>	<u>\$ 161,235</u>	<u>\$ 174,115</u>
NET REVENUES	\$ 100,664	\$ 103,883	\$ 108,990	\$ 88,516	\$ 92,256
ASSESSMENT PROCEEDS⁽⁴⁾	\$ 8,605	\$ 10,499	\$ 12,554	\$ 13,548	\$ 13,009
TOTAL NET REVENUES AND ASSESSMENT PROCEEDS	<u>\$ 109,269</u>	<u>\$ 114,382</u>	<u>\$ 121,544</u>	<u>\$ 102,064</u>	<u>\$ 105,265</u>
PARITY OBLIGATION DEBT SERVICE					
Series 2016 Bonds	\$ 1,605	\$ 5,301	\$ 5,301	\$ 5,301	\$ 5,301
2016 Installment Sale Agreement	2,919	5,837	5,837	5,837	9,304
Series 2011A Bonds	2,967	3,675	4,045	3,887	3,236
Series 2010B Bonds ⁽⁵⁾	7,813	7,807	7,792	7,778	7,756
2010 Installment Sale Agreement ⁽⁶⁾	8,756	1,885	1,984	2,079	-
1997 State Loan #3	194	194	194	194	-
Prior Reimbursement Agreements	-	-	-	-	-
Total Parity Obligation Debt Service	<u>\$ 24,254</u>	<u>\$ 24,699</u>	<u>\$ 25,153</u>	<u>\$ 25,076</u>	<u>\$ 25,597</u>
PARITY OBLIGATION COVERAGE⁽⁷⁾	4.5x	4.6x	4.8x	4.1x	4.1x
Revenues Available For Subordinate Debt Service	\$ 85,015	\$ 89,683	\$ 96,391	\$ 76,988	\$ 79,668
SUBORDINATE OBLIGATION DEBT SERVICE					
Swap Payments ⁽⁸⁾	\$ 6,798	\$ 5,739	\$ 4,513	\$ 2,496	\$ 3,331
State Loans and SCWD Debt ⁽⁹⁾	133	122	122	100	108
Total Subordinate Obligation Debt Service	<u>\$ 6,931</u>	<u>\$ 5,861</u>	<u>\$ 4,635</u>	<u>\$ 2,596</u>	<u>\$ 3,439</u>
Sources of Payment for Ad Valorem Assessment					
Bonds:					
Remaining Revenues	\$ 78,084	\$ 83,822	\$ 91,756	\$ 74,392	\$ 76,229
1% Pledged Property Tax Revenues ⁽¹⁰⁾	3,128	10,834	1,192	1,141	860
<i>Ad valorem</i> Assessments	<u>5,341</u>	<u>6,265</u>	<u>6,922</u>	<u>7,223</u>	<u>6,693</u>
Total Funds Available for Ad Valorem Assessment	\$ 86,553	\$ 100,921	\$ 99,870	\$ 82,756	\$ 83,782
Ad Valorem Assessment Bond Debt Service	<u>(12,385)</u>	<u>(20,843)</u>	<u>(11,436)</u>	<u>(10,781)</u>	<u>(9,222)</u>
NET REVENUES AVAILABLE FOR OTHER PURPOSES	<u>\$ 74,168</u>	<u>\$ 80,078</u>	<u>\$ 88,434</u>	<u>\$ 71,975</u>	<u>\$ 74,560</u>

(FOOTNOTES ON FOLLOWING PAGE)

- (1) Represents 1% Property Tax Revenues available to pay debt service on Parity Obligations after payment of debt service on bonds of the District secured by a pledge of the District's share of the County 1% general *ad valorem* property tax pursuant to Resolution 2002-10, adopted by the Board of Directors of the District on April 8, 2002 (the "**Secured Bonds**").
- (2) Other Revenues includes golf course lease, cell site leases, conservation revenue, penalty revenue, grants and Allen-McColloch pipeline income.
- (3) Pension expense is based on GASB 68 requirements. See the caption "THE IRVINE RANCH WATER DISTRICT—Pension Benefits." These expenses were included in the "Administrative and general" line item in the audited financial statements of the District for the Fiscal Years shown. They have been separated in the above table for presentation purposes.
- (4) Pro rata share of *ad valorem* assessments based on outstanding par amount of all Ad Valorem Assessment Bonds. Assessment Proceeds are only available to pay debt service on Series 2010B Bonds, Series 2011A Bonds and Series 2016 Bonds and are not available to pay debt service on other Parity Obligations which are not general obligation bonds secured by *ad valorem* assessments.
- (5) Debt Service net of BAB Credit on Series 2010B Bonds. Reflects announced reductions in BAB Credits. See the caption "—Reduction in BAB Credits."
- (6) Entered into in February 2010 in connection with the prepayment of the 2008 Certificates of Participation and the 1986 Certificates of Participation.
- (7) Total Net Revenues and Assessment Proceeds divided by Total Parity Obligation Debt Service.
- (8) Net swap payments made.
- (9) Santiago County Water District was consolidated into the District as of July 1, 2006.
- (10) Represents District's share of 1% Property Tax Revenues which, together with the *ad valorem* assessments, is sufficient to pay debt service on the Secured Bonds. Variations reflect fluctuations in debt service on the Secured Bonds and redemptions thereof.
- (11) Decrease from Fiscal Year 2017 reflects expenses associated with development agreement for the City of Lake Forest related to Lake Forest Serrano Summit property. See the caption "THE IRVINE RANCH WATER DISTRICT—Current Investments."
- (12) Decrease in Fiscal Year 2020 reflects one-time cumulative adjustment in water banking storage revenue in Fiscal Year 2019. See Footnote 2.

Source: The District.

Projected Operating Results and Debt Service Coverage

The District's estimated projected operating results for the current and next four Fiscal Years are set forth below, reflecting certain significant assumptions concerning future events and circumstances. The financial forecast represents the District's estimate of projected financial results based on the District's assumptions, including the assumptions in the footnotes to the chart set forth below. Such assumptions are material in the development of the District's financial projections, and variations in the assumptions may produce substantially different financial results. Actual operating results achieved during the projection period may vary from those presented in the forecast and such variations may be material.

TABLE 32
IRVINE RANCH WATER DISTRICT
Five-Year Debt Service Coverage Forecast
Fiscal Years 2022 through 2026
(In Thousands)

	2022 ⁽¹⁾	2023 ⁽¹⁾	2024	2025	2026
REVENUES					
Water sales and service charges ⁽²⁾	\$ 90,132	\$ 98,244	\$ 101,191	\$ 103,215	\$ 105,279
Recycled water sales and sewer service charges ⁽³⁾	86,017	90,662	93,291	95,996	98,780
Connection fees ⁽⁴⁾	10,000	13,000	12,000	12,000	12,000
Net real estate income ⁽⁵⁾	9,997	11,120	13,195	13,591	13,999
Interest income ⁽⁶⁾	1,525	3,130	4,336	4,798	3,712
Available 1% Property Tax Revenues ⁽⁷⁾	51,507	53,336	54,650	56,332	57,869
Other ⁽⁸⁾	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>
Total Revenues	\$ 256,177	\$ 276,493	\$ 285,664	\$ 292,932	\$ 298,639
OPERATION AND MAINTENANCE EXPENSES					
Water services ⁽⁹⁾	\$ 80,451	\$ 84,036	\$ 85,717	\$ 87,431	\$ 89,180
Sewer services ⁽⁹⁾	50,454	51,938	52,977	54,036	55,117
Administrative and general ⁽¹⁰⁾	30,924	31,697	32,489	33,301	34,134
Pension expense ⁽¹¹⁾	12,046	12,348	12,656	12,973	13,297
Other ⁽¹²⁾	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total Operation & Maintenance Expenses	\$ 175,375	\$ 181,518	\$ 185,339	\$ 189,240	\$ 193,227
NET REVENUES	\$ 80,802	\$ 94,975	\$ 100,326	\$ 103,692	\$ 105,412
ASSESSMENT PROCEEDS⁽¹³⁾	\$ 12,238	\$ 12,385	\$ 12,537	\$ 10,998	\$ 11,056
TOTAL NET REVENUES AND ASSESSMENT PROCEEDS	<u>\$ 93,040</u>	<u>\$ 107,359</u>	<u>\$ 112,863</u>	<u>\$ 114,690</u>	<u>\$ 116,468</u>
PARITY OBLIGATION DEBT SERVICE⁽¹⁴⁾					
Series 2016 Bonds	\$ 7,456	\$ 7,458	\$ 7,455	\$ 7,456	\$ 7,456
2016 Installment Sale Agreement ⁽¹⁵⁾	9,341	9,423	9,506	9,630	9,752
Series 2011A Bonds ⁽¹⁶⁾	3,398	3,834	4,302	4,666	4,798
Series 2010B Bonds ⁽¹⁷⁾	7,764	7,764	7,764	10,884	10,415
Prior Reimbursement Agreements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Parity Obligation Debt Service	\$ 27,959	\$ 28,479	\$ 29,027	\$ 32,636	\$ 32,421
PARITY OBLIGATION COVERAGE⁽¹⁸⁾	3.3x	3.8x	3.9x	3.5x	3.6x
Revenues Available For Subordinate Debt Service	\$ 65,082	\$ 78,881	\$ 83,836	\$ 82,055	\$ 84,047
SUBORDINATE OBLIGATION DEBT SERVICE⁽¹⁴⁾					
Swap Payments ⁽¹⁹⁾	\$ 3,294	\$ 2,964	\$ 2,754	\$ 2,514	\$ 2,514
State Loans and SCWD Debt ⁽¹⁵⁾	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Total Subordinate Obligation Debt Service	<u>\$ 3,394</u>	<u>\$ 3,064</u>	<u>\$ 2,854</u>	<u>\$ 2,614</u>	<u>\$ 2,614</u>
Sources of Payment for Ad Valorem Assessment Bonds:					
Remaining Revenues	\$ 61,688	\$ 75,817	\$ 80,982	\$ 79,441	\$ 81,433
1% Pledged Property Tax Revenues ⁽²⁰⁾	1,193	1,364	1,691	1,699	1,903
Ad valorem Assessments ⁽²¹⁾	<u>6,062</u>	<u>5,915</u>	<u>5,763</u>	<u>7,302</u>	<u>7,244</u>
Total Funds Available for Ad Valorem Assessment Bonds	\$ 68,943	\$ 83,096	\$ 88,436	\$ 88,441	\$ 90,580
Ad Valorem Assessment Bond Debt Service ⁽²²⁾	<u>(9,720)</u>	<u>(10,475)</u>	<u>(11,494)</u>	<u>(12,930)</u>	<u>(14,064)</u>
NET REVENUES AVAILABLE FOR OTHER PURPOSES	<u>\$ 59,223</u>	<u>\$ 72,620</u>	<u>\$ 76,942</u>	<u>\$ 75,511</u>	<u>\$ 76,515</u>

(FOOTNOTES ON FOLLOWING PAGE)

- (1) Fiscal Years 2022 and 2023 reflect budgeted amounts with certain adjustments.
- (2) Reflects [rate increases effective on February 1, 2022] as well as projected water rate increases of 3% in Fiscal Year 2024 and 2% per annum thereafter which have not yet been adopted. See the caption “THE WATER SYSTEM—Projected Water Sales and Service Charge Revenues.”
- (3) Reflects [rate increases effective on February 1, 2022] as well as projected sewer and recycled water rate increases of 9% in Fiscal Year 2023, 3% in Fiscal Year 2024 and 2% per annum thereafter which have not been adopted. See the caption “THE SEWER SYSTEM—Projected Recycled Water Sales and Sewer Service Charge Revenues.”
- (4) Based on District projections of development.
- (5) Based on existing and expected leases. See the captions “THE IRVINE RANCH WATER DISTRICT—Current Investments” and “THE IRVINE RANCH WATER DISTRICT—Projected Net Real Estate Income.”
- (6) Assumes interest rates ranging from 0.40% in Fiscal Year 2022 increasing to 1.90% in Fiscal Year 2026.
- (7) Represents 1% Property Tax Revenues available to pay Debt Service on Parity Obligations after payment of debt service on Secured Bonds from 1% Property Tax Revenues and applicable *ad valorem* assessments. Projected fluctuation in 1% Property Tax Revenues is a result of uneven debt service on Secured Bonds. See the caption “THE IRVINE RANCH WATER DISTRICT—1% Property Tax Revenues.”
- (8) Includes, golf course lease, cell site leases, overallocation revenue, penalty revenue and grants. Projected to remain at Fiscal Year 2022 budgeted amount.
- (9) Projected to increase approximately 2% per annum. Water services expenses do not reflect any reduction in payments to OCWD as a result of the Complaint that is discussed under the caption “WATER SUPPLY—Groundwater—General.”
- (10) Projected to increase approximately 2.5% per annum.
- (11) Calculated according to GASB 68 requirements. Projected to increase approximately 2.5% per annum. See the caption “THE IRVINE RANCH WATER DISTRICT—Pension Benefits.”
- (12) Projected to remain at Fiscal Year 2022 budgeted amount.
- (13) Pro rata share of *ad valorem* assessments based on outstanding par amount of all Ad Valorem Assessment Bonds. Assessment Proceeds are only available to pay debt service on Series 2010B Bonds, Series 2011A Bonds and Series 2016 Bonds and are not available to pay other Parity Obligations which are not general obligation bonds secured by *ad valorem* assessments.
- (14) Does not reflect the issuance of additional debt to finance future capital improvements. See the caption “FUTURE CAPITAL IMPROVEMENTS.”
- (15) Reflects scheduled debt service.
- (16) Projected at SIFMA rates increasing from 0.15% in Fiscal Year 2022 to 1.75% in Fiscal Year 2026. Assumes that the purchase price of Series 2011A Bonds is paid from remarketing proceeds.
- (17) Debt Service net of BAB Credit on Series 2010B Bonds. Reflects announced reductions in BAB Credits only. See the caption “—Reduction in BAB Credits.”
- (18) Total Net Revenues and Assessment Proceeds divided by Total Parity Obligation Debt Service.
- (19) Net swap payments. Assumes LIBOR or successor rate with respect to swaps increasing from 0.20% in Fiscal Year 2022 to 1.50% in Fiscal Year 2026. See the caption “THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness—Subordinate Debt—Interest Rate Swap Transactions.”
- (20) Represents District’s share of 1% Property Tax Revenues which, together with the applicable *ad valorem* assessments, is sufficient to pay debt service on the Secured Bonds.
- (21) Pro rata share of *ad valorem* assessments based on outstanding par amount of all *ad valorem* assessment bonds and Series 2010B Bonds, Series 2011A Bonds and Series 2016 Bonds.
- (22) Ad Valorem Assessment Bonds debt projection assumes annual sinking fund payments, SIFMA rates ranging from 0.15% in Fiscal Year 2022 to 1.75% in Fiscal Year 2026 and letter of credit fees equal to 0.31% of principal. Does not include Series 2010B Bonds, Series 2011A Bonds or Series 2016 Bonds, which are Parity Obligations. Assumes the issuance of \$75 million of new variable rate *ad valorem* assessment bonds issued in Fiscal Year 2025.

Source: The District.

THE IMPROVEMENT DISTRICTS

General

The District contains eight water Improvement Districts and ten sewer Improvement Districts covering specific areas within the District’s boundaries, some of them overlapping and each of which is governed by the Act. The District formed the Improvement Districts in order to allocate funding responsibility for capital facilities to the areas that will benefit from such capital facilities and to separate areas on the basis of projected timing of development so that capital facilities construction can be matched to the development approval decisions of the respective local agency that makes them. Some of the Improvement Districts share in the funding of the District’s regional facilities which the Improvement Districts will use in common, such as major water importation facilities or sewer treatment plants.

Each Improvement District has a respective plan of works and a certain amount of authorized general obligation bonded indebtedness. See Table 3 under the caption “THE IRVINE RANCH WATER

DISTRICT—Outstanding Indebtedness—Improvement District Indebtedness.” The *Ad Valorem* Assessment Bonds issued pursuant to such authorization are sold in each instance by the District on the respective Improvement District’s behalf. The obligation to repay bonds issued on behalf of an Improvement District is secured in each instance by the power of the District to levy and collect within such Improvement District *ad valorem* assessments without limitation as to rate or amount on land only (enforceable by customary rights to foreclose and sell property for delinquent assessments) or, in lieu of assessments, in the District’s discretion, charges for water or sewer service, as applicable, all within the subject Improvement District. These powers and functions are exercised for each Improvement District by the Board of Directors of the District. Although the respective funding obligations of each Improvement District are separate and independent, the Improvement Districts are not operated as separate or independent governmental entities, nor do they have governing boards or any staff. The Improvement Districts are geographical subdivisions of the District through which the District funds capital improvements.

As a result of the District’s discretionary election to use other sources of payment for debt service on *ad valorem* assessment bonds, the annual tax rates set by the District vary from year to year and generally do not result in revenues that correspond with debt service requirements on the *Ad Valorem* Assessment Bonds. The annual tax rates set by the District may vary from year to year for other reasons as well. The District has covenanted under the Indentures that, to the extent necessary to pay debt service on the Series 2011A Bonds, it will impose and collect *ad valorem* assessments on taxable land and In Lieu Charges (as such term is defined in Appendix C) within Improvement District Nos. 113, 125, 213 and 225. See the caption “SECURITY FOR THE SERIES 2011A BONDS—General—Covenant to Collect Assessment Proceeds” in the forepart of this Remarketing Statement.

The California Water Code allows the Board of Directors, in a noticed hearing process, to reorganize its improvement district boundaries and to consolidate coterminous improvement districts. As development progresses to completion in improvement districts and the need for having separate improvement districts to match capital facilities construction timing for different geographic areas diminishes, consolidation of various improvement districts can produce efficiencies for the District. Under the California Water Code provisions, certain improvement districts of the District are the consolidated successors to previously separate water improvement districts or previously separate sewer improvement districts, respectively. In 2013, following studies carried out by the District to identify further opportunities to implement such consolidations and reorganizations of its improvement districts, the District implemented improvement district consolidations that reduced the number of its improvement districts from 33 to 17. The statutory provisions for the consolidation of improvement districts specify that a consolidated improvement district may levy and collect the assessments and charges necessary to satisfy the obligations of its predecessor improvement districts, and that the authorized and unissued bonds of the predecessor improvement districts may be issued and sold as the bonds of the consolidated improvement district. The District believes that its actions to reorganize and/or consolidate improvement districts will not impair the District’s obligation to pay debt service on the outstanding bonds of such improvement districts or the security therefor. See the Remarketing Statement under the caption “INTRODUCTION—Improvement Districts—Improvement District Nos. 125 and 225” for a discussion of the consolidation of Improvement District Nos. 105 and 250 into Improvement District Nos. 125 and 225, respectively.

The following is a general description of each of the Improvement Districts as to which the Series 2011A Bonds constitute consolidated, several general obligations:

Improvement District Nos. 125 and 225

General. At the time of their initial issuance on April 15, 2011, the Series 2011A Bonds constituted the consolidated, several general obligations of Improvement District Nos. 105, 113, 213 and 250. Improvement District Nos. 125 and 225 are the legal successors to Improvement District Nos. 105 and 250, respectively. See the Remarketing Statement under the caption “INTRODUCTION—Improvement

Districts—Improvement District Nos. 125 and 225” for a discussion of the consolidation of Improvement District Nos. 105 and 250 into Improvement District Nos. 125 and 225, respectively.

Improvement District No. 125 (water) covers approximately 35,438 acres of the District, including several contiguous and non-contiguous areas in the central and coastal parts of the District. Improvement District No. 225 (sewer) covers approximately 32,862 acres of the District, including several contiguous and non-contiguous areas in the central part of the District. Currently, the majority of the land within Improvement District Nos. 125 and 225 consists of developed residential and commercial properties. The District expects certain areas within Improvement District Nos. 125 and 225 to be subject to infill development and redevelopment in the future. The District expects such additional development in Improvement District Nos. 125 and 225 to continue through at least 2024.

The *ad valorem* assessments levied by the District in Improvement District Nos. 125 and 225 to pay such Improvement Districts’ respective Included Amounts of debt service on the Series 2011A Bonds will be levied on land only. See Table 3 under the caption “THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness—Improvement District Indebtedness” for a description of the authorized, issued, authorized and unissued, and the amount of outstanding Improvement District Nos. 125 and 225 Ad Valorem Assessment Bonds.

The following table presents the assessed valuations of land in Improvement District No. 125 for the current and previous four Fiscal Years.

TABLE 33
IRVINE RANCH WATER DISTRICT
Improvement District No. 125
Assessed Valuations (Land Only)

<i>Fiscal Year</i>	<i>Local Secured</i>	<i>Utility</i>	<i>Unsecured⁽¹⁾</i>	<i>Total</i>
2018	\$38,772,258,515	\$360,065	\$30,254,798	\$38,802,873,378
2019	42,940,618,115	553,973	42,559,521	42,983,731,609
2020	45,880,505,430	553,973	43,180,694	45,924,240,097
2021	48,251,707,120	553,973	38,575,168	48,290,836,261
2022	50,567,081,713	553,973	51,119,724	50,618,755,410

⁽¹⁾ Assessed value of unsecured land only, reflecting possessory interests in tax exempt utility property and gas and oil leases.
Source: California Municipal Statistics, Inc.

The following table presents the assessed valuations of land in Improvement District No. 225 for the current and last four Fiscal Years.

TABLE 34
IRVINE RANCH WATER DISTRICT
Improvement District No. 225
Assessed Valuations (Land Only)

<i>Fiscal Year</i>	<i>Local Secured</i>	<i>Utility</i>	<i>Unsecured⁽¹⁾</i>	<i>Total</i>
2018	\$32,815,019,005	\$360,065	\$23,543,532	\$32,838,922,602
2019	36,506,618,586	553,973	42,365,472	36,549,538,031
2020	39,191,007,846	553,973	42,628,832	39,234,190,651
2021	41,344,701,998	553,973	38,581,368	41,383,837,339
2022	43,384,833,732	553,973	50,019,014	43,435,406,719

⁽¹⁾ Assessed value of unsecured land only, reflecting possessory interests in tax exempt utility property and gas and oil leases.
Source: California Municipal Statistics, Inc.

The following table sets forth information with respect to land only local secured assessed valuation in Improvement District No. 125 (excluding tax exempt utility property and gas and oil leases) by land use for the Fiscal Year ending June 30, 2022:

TABLE 35
IRVINE RANCH WATER DISTRICT
Improvement District No. 125
Assessed Valuation and Parcels by Land Use

	<i>Fiscal Year 2022</i> <i>Assessed Valuation⁽¹⁾</i>	<i>% of Total</i>	<i>No. of</i> <i>Parcels</i>	<i>% of Total</i>
Non-Residential:				
Rural/Undeveloped	\$ 88,681,899	0.18%	105	0.10%
Commercial/Office	4,645,445,273	9.19	1,562	1.42
Industrial	2,211,608,336	4.37	1,139	1.04
Government/Social/Institutional	8,566,138	0.02	239	0.22
Miscellaneous	<u>17,903,649</u>	<u>0.04</u>	<u>10</u>	<u>0.01</u>
Subtotal Non-Residential	\$ 6,972,205,295	13.79%	3,055	2.78%
Residential:				
Single Family Residence	\$29,429,460,103	58.20%	40,125	36.52%
Condominium	13,316,476,014	26.33	33,229	30.24
2+ Residential Units/Apartments	764,188,443	1.51	255	0.23
Timeshare Interests	<u>84,751,858</u>	<u>0.17</u>	<u>33,204</u>	<u>30.22</u>
Subtotal Residential	\$43,594,876,418	86.21%	106,813	97.22%
Total	<u>\$50,567,081,713</u>	<u>100.00%</u>	<u>109,868</u>	<u>100.00%</u>

⁽¹⁾ Land Only Local Secured Assessed Valuation; excludes assessed value of unsecured land (possessory interests in tax exempt utility property and gas and oil leases).
Source: California Municipal Statistics, Inc.

The following table sets forth information with respect to land only local secured assessed valuation in Improvement District No. 225 (excluding tax exempt utility property and gas and oil leases) by land use for the Fiscal Year ending June 30, 2022:

TABLE 36
IRVINE RANCH WATER DISTRICT
Improvement District No. 225
Assessed Valuation and Parcels by Land Use

	<i>Fiscal Year 2022 Assessed Valuation⁽¹⁾</i>	<i>% of Total</i>	<i>No. of Parcels</i>	<i>% of Total</i>
Non-Residential:				
Rural/Undeveloped	\$ 68,593,201	0.16%	94	0.12%
Commercial/Office	4,601,296,324	10.61	1,481	1.96
Industrial	2,170,564,736	5.00	1,108	1.47
Government/Social/Institutional	5,442,473	0.01	219	0.29
Miscellaneous	<u>17,542,221</u>	<u>0.04</u>	<u>9</u>	<u>0.01</u>
Subtotal Non-Residential	\$ 6,863,438,955	15.82%	2,911	3.86%
Residential:				
Single Family Residence	\$ 22,836,810,802	52.64%	39,214	51.96%
Condominium	12,926,131,960	29.79	33,087	43.85
2+ Residential Units/Apartments	<u>758,452,015</u>	<u>1.75</u>	<u>251</u>	<u>0.33</u>
Subtotal Residential	\$ 36,521,394,777	84.18%	72,552	96.41%
Total	<u>\$ 43,384,833,732</u>	<u>100.00%</u>	<u>75,463</u>	<u>100.00%</u>

⁽¹⁾ Land Only Local Secured Assessed Valuation; excludes assessed value of unsecured land (possessory interests in tax exempt utility property and gas and oil leases).

Source: California Municipal Statistics, Inc.

Principal Taxpayers. The following table lists the major taxpayers in Improvement District No. 125 based on land only local secured assessed valuations for the Fiscal Year ending June 30, 2022:

TABLE 37
IRVINE RANCH WATER DISTRICT
Improvement District No. 125
Largest Local Secured Taxpayers

	<i>Property Owner</i>	<i>Primary Land Use</i>	<i>Fiscal Year 2022 Assessed Valuation</i>	<i>% of Total⁽¹⁾</i>
1.	The Irvine Company	Commercial	\$ 394,137,437	0.78%
2.	Centerpoint Properties Trust	Commercial	230,074,127	0.45
3.	Alton Parkway Operating Company LLC	Commercial	165,555,401	0.33
4.	Five Point Office Venture	Commercial	144,109,515	0.28
5.	Lennar Homes of California Inc.	Residential Development	115,845,126	0.23
6.	Amazon.com Services LLC	Industrial	112,345,000	0.22
7.	DRP CA 5 LLC	Residential Development	100,000,000	0.20
8.	Heritage Fields El Toro LLC	Commercial	90,628,961	0.18
9.	Sand Canyon Business Center LLC	Commercial	89,488,027	0.18
10.	Olen Properties Corp.	Commercial	<u>88,360,400</u>	<u>0.17</u>
	TOTAL		<u>\$ 1,530,543,994</u>	3.03%

⁽¹⁾ Fiscal Year 2022 Local Secured Assessed Valuation (Land Only): \$50,567,081,713.
Source: California Municipal Statistics, Inc.

The following table lists the major taxpayers in Improvement District No. 225 based on land only local secured assessed valuations for the Fiscal Year ending June 30, 2022:

TABLE 38
IRVINE RANCH WATER DISTRICT
Improvement District No. 225
Largest Local Secured Taxpayers

	<i>Property Owner</i>	<i>Primary Land Use</i>	<i>Fiscal Year 2022 Assessed Valuation</i>	<i>% of Total⁽¹⁾</i>
1.	The Irvine Company	Commercial	\$ 427,865,963	0.99%
2.	Centerpoint Properties Trust	Commercial	230,074,127	0.53
3.	Alton Parkway Operating Company LLC	Commercial	165,555,401	0.38
4.	Five Point Office Venture	Commercial	144,109,515	0.33
5.	Lennar Homes of California Inc.	Residential Development	115,845,126	0.27
6.	Amazon.com Services LLC	Industrial	112,345,000	0.26
7.	DRP CA 5 LLC	Residential Development	100,000,000	0.23
8.	Heritage Fields El Toro LLC	Commercial	90,628,961	0.21
9.	Sand Canyon Business Center LLC	Commercial	89,488,027	0.21
10.	Olen Properties Corp.	Commercial	<u>88,360,400</u>	<u>0.20</u>
	TOTAL		<u>\$ 1,564,272,520</u>	3.61%

⁽¹⁾ Fiscal Year 2022 Local Secured Assessed Valuation (Land Only): \$43,384,833,732.
Source: California Municipal Statistics, Inc.

Statement of Direct and Overlapping Debt. Set forth in the table below is a direct and overlapping debt report (the “**Debt Reports–I.D. 125/225**”) for Improvement District Nos. 125 and 225, respectively, prepared by California Municipal Statistics, Inc. and effective December 31, 2021. The Debt Reports–I.D. 125/225 were prepared by California Municipal Statistics, Inc., and the District expresses no opinion on the completeness or accuracy of such reports and makes no representation in connection therewith.

California Municipal Statistics, Inc. reports that the Debt Reports–I.D. 125/225 generally include long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of Improvement District No. 125 and No. 225 in whole or in part. Such long-term obligations generally are not payable from revenues of the District or Improvement District No. 125 and No. 225 (except as indicated) nor are they necessarily obligations secured by land within Improvement District No. 125 and No. 225. In many cases long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

TABLE 39
IRVINE RANCH WATER DISTRICT
Improvement District No. 125
Direct and Overlapping Debt Statement

Fiscal Year 2022 Land Only Assessed Valuation: \$50,618,755,410

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable⁽¹⁾</u>	<u>Debt 12/31/21</u>
Metropolitan Water District	2.720%	\$ 729,776
Coast Community College District	5.245	48,037,089
Rancho Santiago Community College District	0.950	1,869,341
Irvine Unified School District School Facilities Improvement District No. 1	45.238	71,894,492
Laguna Beach Unified School District	15.030	2,109,461
Newport Mesa Unified School District	13.723	31,944,789
Orange Unified School District	2.048	3,642,675
Saddleback Valley Unified School District	36.284	33,395,794
Tustin Unified School District School Facilities Improvement District No. 2002-1	3.401	1,546,435
Tustin Unified School District School Facilities Improvement District No. 2008-1	3.499	2,776,107
Tustin Unified School District School Facilities Improvement District No. 2012-1	31.471	11,202,102
Irvine Ranch Water District Improvement District No. 125	100.000	170,644,273⁽²⁾
Irvine Ranch Water District Improvement District Nos. 153/253	99.978	19,474,207
Irvine Ranch Water District Improvement District Nos. 185/285	100.000	3,301,665
Irvine Ranch Water District Improvement District No. 225	96.472	232,847,208
Irvine Ranch Water District Improvement District No. 240	99.530	15,019,427
Community Facilities Districts	75.787-100.000	900,575,031
County 1915 Act Bonds	100.000	22,170,000
City 1915 Act Bonds	Various	<u>615,475,672</u>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$2,188,655,544
 <u>OVERLAPPING GENERAL FUND DEBT:</u>		
Orange County General Fund Obligations	13.477%	\$ 51,466,641
Orange County Pension Obligation Bonds	13.477	32,668,248
Orange County Board of Education Certificates of Participation	13.477	1,659,019
Coast Community College District General Fund Obligations/Pension Obligation Bonds	5.245	203,506
Orange Unified School District Certificates of Participation/Benefit Obligation Bonds	2.048	1,682,041
City of Newport Beach Certificates of Participation	22.332	22,678,146
City of Orange General Fund Obligations/Pension Obligation Bonds	3.360	<u>10,614,072</u>
TOTAL OVERLAPPING GENERAL FUND DEBT		\$ 120,971,673
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)</u>		 \$ 2,939,565
 <u>COMBINED TOTAL DEBT</u>		 \$2,312,566,782⁽³⁾

Ratios to Fiscal Year 2022 Land Only Assessed Valuation:

Direct Debt (\$170,644,273)0.34%
 Total Direct and Overlapping Tax and Assessment Debt.....4.32%

Ratios to Adjusted All Property Assessed Valuation:

Combined Total Debt2.52%

Ratios to Redevelopment Incremental Valuation (\$931,662,758):

Total Overlapping Tax Increment Debt.....0.32%

⁽¹⁾ Based on all property assessed valuation of \$91,858,793,145.

⁽²⁾ Improvement District No. 125 was formed by consolidating former Improvement District Nos. 105, 106, 102, 121, 130, 135, 140, 161, 182, 184 and 186.

⁽³⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

TABLE 40
IRVINE RANCH WATER DISTRICT
Improvement District No. 225
Direct and Overlapping Debt Statement

Fiscal Year 2022 Land Only Assessed Valuation: \$43,435,406,719

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable⁽¹⁾</u>	<u>Debt 12/31/21</u>
Metropolitan Water District	2.389%	\$ 640,969
Coast Community College District	0.273	2,500,310
Rancho Santiago Community College District	0.017	33,451
Irvine Unified School District School Facilities Improvement District No. 1	50.823	80,770,453
Newport Mesa Unified School District	2.748	6,396,872
Orange Unified School District	0.037	65,810
Saddleback Valley Unified School District	36.284	33,395,794
Tustin Unified School District School Facilities Improvement District No. 2002-1	5.232	2,378,990
Tustin Unified School District School Facilities Improvement District No. 2008-1	5.383	4,270,872
Tustin Unified School District School Facilities Improvement District No. 2012-1	32.800	11,675,160
Irvine Ranch Water District Improvement District No. 125	84.734	144,593,718
Irvine Ranch Water District Improvement District No. 153/253	99.978	19,474,207
Irvine Ranch Water District Improvement District No. 185/285	100.000	3,301,665
Irvine Ranch Water District Improvement District No. 225	100.000	241,362,476⁽²⁾
Community Facilities Districts	0.737-100.000	892,195,269
City 1915 Act Bonds	Various	<u>616,711,025</u>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$2,059,767,041

<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Orange County General Fund Obligations	11.838%	\$ 45,207,546
Orange County Pension Obligation Bonds	11.838	28,695,312
Orange County Board of Education Certificates of Participation	11.838	1,457,258
Coast Community College District General Fund Obligations/Pension Obligation Bonds	0.273	10,592
Orange Unified School District Certificates of Participation/Benefit Obligation Bonds	0.038	30,388
City of Newport Beach Certificates of Participation	3.393	3,445,592
City of Orange General Fund Obligations/Pension Obligation Bonds	0.030	<u>94,769</u>
TOTAL OVERLAPPING GENERAL FUND DEBT		\$ 78,941,457

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies) \$ 2,939,565

COMBINED TOTAL DEBT \$2,141,648,063⁽³⁾

Ratios to Fiscal Year 2022 Land Only Assessed Valuation:

Direct Debt (\$241,362,476)0.56%
Total Direct and Overlapping Tax and Assessment Debt.....4.74%

Ratios to Adjusted All Property Assessed Valuation:

Combined Total Debt.....2.65%

Ratios to Redevelopment Incremental Valuation (\$930,562,048):

Total Overlapping Tax Increment Debt.....0.32%

⁽¹⁾ Based on all property assessed valuation of \$80,681,928,163.

⁽²⁾ Improvement District No. 225 was formed by consolidating former Improvement District Nos. 2(202), 206, 221, 230, 235, 250, 261, 282, 284 and 286.

⁽³⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

Improvement District Nos. 113 and 213

General. Improvement District No. 113 (water) and Improvement District No. 213 (sewer) are coterminous and are located in portions of the Cities of Tustin and Irvine, California. Improvement District No. 113 and Improvement District No. 213 are comprised of approximately 1,629 acres of the land formerly known as Marine Corps Air Station Tustin. The boundaries of Improvement District No. 113 and Improvement District No. 213 are Harvard Avenue on the southeast, Barranca Parkway on the southwest, Red Hill Avenue on the northwest and Edinger Avenue on the northeast. The former helicopter base, now known as Tustin Legacy, is currently being redeveloped with residential, commercial, institutional and recreational uses. The District expects development in Improvement District No. 113 and Improvement District No. 213 to continue through 2024. The District expects that the development will consist of approximately 7,200 dwelling units and approximately 9,700,000 square feet of commercial, institutional and recreational uses when completed.

The *ad valorem* assessments levied by the District in Improvement District Nos. 113 and 213 to pay such Improvement Districts’ respective Included Amounts of debt service on the Series 2011A Bonds will be levied on land only. See Table 3 under the caption “THE IRVINE RANCH WATER DISTRICT—Outstanding Indebtedness—Improvement District Indebtedness” for a description of the authorized, issued, authorized and unissued, and the amount of outstanding Improvement District Nos. 113 and 213 Ad Valorem Assessment Bonds.

The following table presents the assessed valuations of land in Improvement District No. 113 and Improvement District No. 213 for the current and previous four Fiscal Years.

TABLE 41
IRVINE RANCH WATER DISTRICT
Improvement District Nos. 113 and 213
Assessed Valuations (Land Only)

<i>Fiscal Year</i>	<i>Local Secured</i>	<i>Unsecured</i> ⁽¹⁾	<i>Total</i>
2018	\$1,031,146,805	\$ 674,218	\$1,031,821,023
2019	1,143,798,184	0	1,143,798,184
2020	1,186,307,161	145,009	1,186,452,170
2021	1,265,220,518	17,890,475	1,283,110,993
2022	1,334,069,673	0	1,334,069,673

⁽¹⁾ Assessed value of unsecured land only, reflecting possessory interests in tax exempt utility property and gas and oil leases.
 Source: California Municipal Statistics, Inc.

The following table sets forth information with respect to land only local secured assessed valuation in Improvement District No. 113 and Improvement District No. 213 (excluding tax exempt utility property and gas and oil leases) by land use for the Fiscal Year ending June 30, 2022:

TABLE 42
IRVINE RANCH WATER DISTRICT
Improvement District Nos. 113 and 213
Assessed Valuation and Parcels by Land Use

	<i>Fiscal Year 2022 Assessed Valuation⁽¹⁾</i>	<i>% of Total</i>	<i>No. of Parcels</i>	<i>% of Total</i>
Non-Residential:				
Commercial	\$ 178,745,829	13.40%	44	1.26%
Government/Social/Institutional	<u>0</u>	<u>0.00</u>	<u>165</u>	<u>4.74</u>
Subtotal Non-Residential	\$ 178,745,829	13.40%	209	6.01%
Residential:				
Single Family Residence	\$ 625,696,999	46.90%	1,420	40.82%
Condominium/Townhouse	456,345,932	34.21	1,522	43.75
Apartments	35,526,017	2.66	3	0.09
Vacant Residential	<u>37,754,896</u>	<u>2.83</u>	<u>325</u>	<u>9.34</u>
Subtotal Residential	\$ 1,155,323,844	86.60%	3,270	93.99%
Total	<u>\$ 1,334,069,673</u>	<u>100.00%</u>	<u>3,479</u>	<u>100.00%</u>

⁽¹⁾ Land Only Local Secured Assessed Valuation; excludes assessed value of unsecured land (possessory interests in tax exempt utility property and gas and oil leases).

Source: California Municipal Statistics, Inc.

The following table lists the major taxpayers in Improvement District No. 113 and Improvement District No. 213 based on land only local secured assessed valuations for the Fiscal Year ending June 30, 2022:

TABLE 43
IRVINE RANCH WATER DISTRICT
Improvement District Nos. 113 and 213
Largest Local Secured Taxpayers

	<i>Property Owner</i>	<i>Primary Land Use</i>	<i>Fiscal Year 2022 Assessed Valuation</i>	<i>% of Total⁽¹⁾</i>
1.	Vestar/Kimco Tustin LP	Commercial	\$ 83,545,660	6.26%
2.	Legacy Villas LLC	Apartments	35,526,017	2.66
3.	Flight Phase I Owner LLC	Office Development	32,183,452	2.41
4.	Costco Wholesale Corporation	Commercial	16,440,069	1.23
5.	1C Tustin Legacy LLC	Commercial	16,316,734	1.22
6.	Lowes HIW Inc.	Commercial	12,195,820	0.91
7.	Hoag Memorial Hospital Presbyterian	Commercial	9,176,487	0.69
8.	Lennar Homes of California Inc.	Residential Development	7,306,000	0.55
9.	Healthsouth Corporation	Commercial	5,789,891	0.43
10.	2C Tustin Legacy LLC	Commercial	<u>2,885,816</u>	<u>0.22</u>
	TOTAL		<u>\$ 221,365,946</u>	<u>16.59%</u>

⁽¹⁾ Fiscal Year 2022 Local Secured Assessed Valuation (Land Only): \$1,334,069,673.

Source: California Municipal Statistics, Inc.

Statement of Direct and Overlapping Debt. Set forth in the table below is a direct and overlapping debt report (the “**Debt Report–I.D. 113/213**”) for Improvement District No. 113 and Improvement District No. 213 prepared by California Municipal Statistics, Inc. and effective December 31, 2021. The Debt Report–I.D. 113/213 was prepared by California Municipal Statistics, Inc., and the District expresses no opinion on the completeness or accuracy of such reports and makes no representation in connection therewith.

California Municipal Statistics, Inc. reports that the Debt Report–I.D. 113/213 generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of Improvement District No. 113 and Improvement District No. 213 in whole or in part. Such long-term obligations generally are not payable from revenues of the District or Improvement District No. 113 and Improvement District No. 213 (except as indicated) nor are they necessarily obligations secured by land within Improvement District No. 113 and Improvement District No. 213. In many cases long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

TABLE 44
IRVINE RANCH WATER DISTRICT
Improvement District Nos. 113 and 213
Direct and Overlapping Debt Statement

Fiscal Year 2022 Land Only Assessed Valuation: \$1,334,069,673

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable⁽¹⁾</u>	<u>Debt 12/31/21</u>
Metropolitan Water District	0.083%	\$ 22,269
Rancho Santiago Community College District	0.138	271,546
Rancho Santiago Community College District School Facilities Improvement District No. 1	0.260	402,272
Irvine Unified School District School Facilities Improvement District	2.860	4,545,255
Santa Ana Unified School District	0.321	1,087,950
Tustin Unified School District School Facilities Improvement District No. 2002-1	8.072	3,670,338
Tustin Unified School District School Facilities Improvement District No. 2008-1	5.477	4,345,452
Tustin Unified School District School Facilities Improvement District No. 2012-1	3.863	1,375,035
Tustin Unified School District Community Facilities District No. 06-1	100.000	13,390,000
City of Irvine Community Facilities District No. 2005-2	99.263	12,273,870
Irvine Ranch Water District Improvement District No. 113	100.000	13,439,920
Irvine Ranch Water District Improvement District No. 213	100.000	21,482,296
City of Tustin Community Facilities District Nos. 04-1, 06-1 and 07-1	60.457-100.000	89,044,312
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$165,350,515
 <u>OVERLAPPING GENERAL FUND DEBT:</u>		
Orange County General Fund Obligations	0.411%	\$ 1,569,547
Orange County Pension Obligation Bonds	0.411	996,264
Orange County Board of Education Certificates of Participation	0.411	50,594
Santa Ana Unified School District Certificates of Participation	0.321	165,285
TOTAL OVERLAPPING GENERAL FUND DEBT		\$ 2,781,690
 <u>OVERLAPPING TAX INCREMENT DEBT</u>		
Successor Agency to Tustin Redevelopment Agency	56.089%	\$ 25,899,096
TOTAL OVERLAPPING TAX INCREMENT DEBT		\$ 25,899,096
 COMBINED TOTAL DEBT		 \$194,031,301⁽²⁾

Ratios to Fiscal Year 2022 Land Only Assessed Valuation:

Direct Debt (\$34,922,216).....2.62%
Total Direct and Overlapping Tax and Assessment Debt.....12.39%

Ratios to Adjusted All Property Assessed Valuation:

Combined Total Debt6.93%

Ratios to Redevelopment Incremental Valuation (\$1,012,517,894):

Overlapping Tax Increment Debt2.56%

⁽¹⁾ Based on all property assessed valuation of \$2,798,148,742.

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

CONSTITUTIONAL LIMITATIONS ON APPROPRIATIONS AND CHARGES

Proposition 218

General. An initiative measure entitled the “Right to Vote on Taxes Act” (the “**Initiative**”) was approved by the voters of the State of California at the November 5, 1996 general election. The Initiative added Article XIII C and Article XIII D to the California Constitution. According to the “Title and Summary” of the Initiative prepared by the California Attorney General, the Initiative limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.”

Article XIII D. Article XIII D defines the terms “fee” and “charge” to mean “any levy other than an *ad valorem* tax, a special tax or an assessment, imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.” A “property-related service” is defined as “a public service having a direct relationship to property ownership.” Article XIII D further provides that reliance by an agency on any parcel map (including an assessor’s parcel map) may be considered a significant factor in determining whether a fee or charge is imposed as an incident of property ownership.

Article XIII D requires that any agency imposing or increasing any property-related fee or charge must provide written notice thereof to the record owner of each identified parcel upon which such fee or charge is to be imposed and must conduct a public hearing with respect thereto. The proposed fee or charge may not be imposed or increased if a majority of owners of the identified parcels file written protests against it.

In July 2006, the California Supreme Court held, in *Bighorn-Desert View Water Agency v. Verjil*, 39 Cal. 4th 205 (2006) (“**Bighorn**”), that the initiative power described in Article XIII C applies to any local taxes, assessments, fees and charges as defined in Articles XIII C and XIII D. Article XIII D defines “fee” or “charge” to mean a levy (other than *ad valorem* or special taxes or assessments) imposed by a local government “upon a parcel or upon a person as an incident of property ownership,” including a user fee for a “property related service.” The Court also found that charges for water delivery are charges for a property-related service and, therefore, constitute “fees” or “charges” within the meaning of both Article XIII D and section 3 of Article XIII C. In accordance with Article XIII D and the decision in *Bighorn*, the District has conducted notice and hearing proceedings to comply with requirements of Article XIII D with respect to proposed increases of rates and charges since Fiscal Year 2007. See the captions “THE WATER SYSTEM—Water System Rates and Charges” and “THE SEWER SYSTEM—Sewer System Rates and Charges.”

On April 20, 2015, the California Court of Appeal, Fourth District, issued an opinion in *Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano*, 235 Cal. App. 4th 1493 (2015) (“**SJC**”) upholding tiered water rates under Proposition 218 provided that the rates correspond to the actual cost of furnishing service at a given level of usage. The opinion included a finding that the City of San Juan Capistrano did not attempt to calculate the actual costs of providing water at various tier levels. The District’s tiered water rates are described under the caption “THE WATER SYSTEM—Water System Rates and Charges.” The District does not currently expect the *SJC* ruling to affect its water rate structure or have a material adverse effect on its financial condition.

Article XIII C. Article XIII C provides that the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge and that the power of initiative to affect local taxes, assessments, fees and charges shall be applicable to all local governments. Article XIII C does not define the terms “local tax,” “assessment,” “fee” or “charge.” In light of *Bighorn* and as discussed above under the caption “—Article XIII D,” the terms “fee” and “charge” as used in Article XIII C include, at a minimum, all of the fees and charges within the “property related” qualification set forth in Article XIII D. Moreover, the provisions of Article XIII C are not expressly limited to local taxes, assessments, fees and charges imposed after November 6, 1996. Therefore, in the absence of other limitations, provisions of Article XIII C could be applicable to the water and sewer rates charged by the District.

On August 3, 2020, the State Supreme Court issued an opinion in *Wilde v. City of Dunsmuir* (Cal. S. Ct. S252915) holding that the taxation exemption from the State Constitution’s referendum process applies to measures setting water rates, and that the Initiative does not subject water rates to challenge by referendum. The District and its general counsel do not believe that current applicable case law interpreting Article XIII C grants to the voters within the District the power to repeal or reduce rates and charges in a manner which would be inconsistent with the contractual obligations of the District. However, there can be no assurance of the availability of particular remedies adequate to protect the beneficial owners of the Series 2011A Bonds. Remedies available to beneficial owners of the Series 2011A Bonds in the event of a default by the District are dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time-consuming to obtain.

Proposition 26

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity. The District does not believe that the enactment of Proposition 26 has affected its ability to levy rates and charges for water, recycled water or sewer service.

Article XIII A

General. On June 6, 1978, California voters approved Proposition 13, which added Article XIII A to the California Constitution (“**Article XIII A**”). Article XIII A limits the amount of any *ad valorem* tax on real property to one percent of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and (as a result of an amendment to Article XIII A approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property that has been approved on or after July 1, 1978 by the voters voting on such indebtedness. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975/76 tax bill under ‘full cash value’ or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.” This full cash value may be increased at a rate not to exceed two percent per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by each California county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon the location of reappraised property and the value of property within each taxing agency. Any such allocation made to a local agency continues as part of its allocation in future years.

Article XIII B

An initiative to amend the California Constitution entitled “Limitation of Government Appropriations” was approved on November 6, 1979 thereby adding Article XIII B to the California Constitution (“**Article XIII B**”). Under Article XIII B state and local governmental entities have an annual “appropriations limit” and are not permitted to spend certain moneys that are called “appropriations subject to limitation” (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the “appropriations limit.” Article XIII B does not affect the appropriations of moneys that are excluded from the definition of “appropriations subject to limitation,” including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the “appropriations limit” is to be based on certain 1978-79 expenditures and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIII B, if these entities’ revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

The District is of the opinion that its rates and charges for water, sewer and recycled water services do not exceed the costs it reasonably bears in providing such services and therefore are not subject to the limits of Article XIII B, and that tax revenues and other revenues received by the District which may constitute the “proceeds of taxes” are appropriated for debt service or qualified capital outlay projects and are not subject to

Future Initiatives

Article XIII A, Article XIII B, Proposition 218 and Proposition 26 were each adopted as measures that qualified for the ballot pursuant to California’s initiative process. From time to time other initiative measures could be adopted, further affecting ability of the District to collect or expend Revenues.

RESOLUTION NO. 2022- 2

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE IRVINE RANCH WATER DISTRICT APPROVING THE REMARKETING
STATEMENT RELATING TO
UNSCHEDULED MANDATORY TENDERS
(REFUNDING SERIES 2011A-1 AND REFUNDING SERIES 2011A-2)

The Irvine Ranch Water District (“IRWD”) previously issued the “Bonds of Irvine Ranch Water District, Refunding Series 2011A-1” (the “Series A-1 Bonds”) and “Bonds of Irvine Ranch Water District, Refunding Series 2011A-2” (the “Series A-2 Bonds” and, together with the Series A-1 Bonds, the “Bonds”).

In Resolution No. 2011-10, adopted by IRWD authorizing and providing for the issuance of the Bonds, the Treasurer of IRWD was authorized, when the Bonds of either or both series shall be in an index tender mode, for all tender periods, to do or cause to be done any and all of the following, if and to the extent required or permitted by the applicable Indenture: to require an unscheduled mandatory tender and establish the date thereof, to rescind an unscheduled mandatory tender, to determine the scheduled mandatory tender date and call protection date for each ensuing tender period, and on behalf of IRWD in connection with all of the foregoing to give, exercise, make and deliver any notices, directions, elections and requests required or permitted in the applicable Indenture or remarketing agreement to be given, exercised, made or delivered by IRWD.

Pursuant to such authority, the Treasurer has determined that an unscheduled mandatory tender shall be effected for each series of the Bonds on or about February 3, 2022 or such other date as may be determined by the Treasurer (the “Unscheduled Mandatory Tenders”).

This Board of Directors desires to approve the form of the remarketing statement (the “Remarketing Statement”) to be used in connection with the remarketing of the respective series of the Bonds upon the purchase thereof pursuant to the Unscheduled Mandatory Tenders.

NOW, THEREFORE, the Board of Directors of IRWD DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. The Remarketing Statement relating to the Unscheduled Mandatory Tenders of the respective series of the Bonds, to be dated the date determined by the Treasurer and in substantially the form presented to the Board of Directors at this meeting, is hereby approved with such changes thereto as the Treasurer with the concurrence of the President shall approve (such approval and concurrence to be conclusively evidenced by execution and delivery thereof). The Board of Directors hereby approves the use of the Remarketing Statement by the remarketing agent for the respective series, including delivery of the Remarketing Statement in electronic form, in connection with the remarketing of the Bonds pursuant to the Unscheduled Mandatory Tenders, and the Board of Directors hereby further approves the use by the remarketing agent of any supplements or amendments to the Remarketing Statement, including delivery of any such supplements or amendments in electronic form, which the Treasurer shall

determine are necessary so that such Remarketing Statement does not include any untrue statement of a material fact and does not omit to state a material fact necessary to make the statement therein not misleading. The Treasurer of IRWD is hereby authorized and directed to execute the Remarketing Statement and any amendments or supplements thereto, in the name and on behalf of IRWD and thereupon to cause the Remarketing Statement and any such amendments or supplements to be delivered to the respective remarketing agent.

Section 2. The distribution of the Remarketing Statement, inclusive of the above-authorized changes, is hereby authorized in connection with the remarketing of the Bonds pursuant to the Unscheduled Mandatory Tenders.

Section 3. The President, the Treasurer, the Secretary and each other officer of IRWD, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this resolution.

Section 4. This resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 24th day of January, 2022.

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

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

APPROVED AS TO FORM:
Hanson Bridgett LLP

By: _____
Legal Counsel

January 24, 2022
Prepared by: W. James / M. Cortez
Submitted by: K. Burton
Approved by: Paul A. Cook



CONSENT CALENDAR

SILVERADO CANYON BRIDGE 175 TEMPORARY DOMESTIC WATER BYPASS
FINAL ACCEPTANCE

SUMMARY:

The Silverado Canyon Bridge 175 Temporary Domestic Water Bypass project is complete. IRWD's contractor T.E. Roberts, Inc. completed the required work. The project has received final inspection and acceptance of construction is recommended.

BACKGROUND:

IRWD's 8-inch domestic water pipeline is attached to an existing road bridge (Bridge 175) that is owned by the County of Orange located east of the street intersection of Silverado Canyon and Ladd Canyon Roads, in Silverado Canyon. The County of Orange has an upcoming project that will replace the existing bridge with a new bridge structure. To prepare for the County's project, IRWD constructed a temporary bypass pipeline to maintain domestic water service in the area during the County's replacement bridge construction. IRWD's new permanent pipeline will be constructed, and the temporary bypass pipeline will be removed as part of the County's upcoming bridge replacement project under a Reimbursement Agreement.

MBF Consulting, Inc. completed design in February 2021, and T.E. Roberts was awarded the construction contract on March 24, 2021. T.E. Roberts mobilized in May 2021 and completed construction of all improvements on November 4, 2021.

Project Title:	Silverado Canyon Bridge 175 Temporary Domestic Water Bypass
Project No.:	11587
Design Engineer:	MBF Consulting, Inc.
Construction Management by:	IRWD Staff
Contractor:	T.E. Roberts, Inc.
Original Contract Cost:	\$215,188
Final Contract Cost:	\$313,576
Original Contract Days:	99
Final Contract Days:	304
Final Change Order Approved On:	January 14, 2022

Four contract change orders were issued during the project's construction for additional work directed by IRWD; a construction change order summary is presented in Exhibit "A". Contract Change Orders 3 and 4 were not related to this project and constructed improvements as

emergency work: 1) a new fire hydrant on Santiago Canyon Road east of the entrance to Irvine Lake at the request of Orange County Fire Authority since the next closest existing fire hydrant was approximately 1.5 miles away, and 2) the adjustment of several meter boxes and hydrants to new sidewalk grade on Orange Avenue in the city of Costa Mesa prior to the City's sidewalks project for which the City had already awarded a construction contract.

FISCAL IMPACTS:

Project 11587 is included in the FY 2021-22 Capital Budget. The existing budget is sufficient to fund the final payment for the project.

ENVIRONMENTAL COMPLIANCE:

This project is exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15301 which provides exemption for minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. A Notice of Exemption for the project was filed with the County of Orange on February 11, 2021.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD ACCEPT CONSTRUCTION OF THE SILVERADO CANYON BRIDGE 175 TEMPORARY DOMESTIC WATER BYPASS, PROJECT 11587, AUTHORIZE THE GENERAL MANAGER TO FILE A NOTICE OF COMPLETION, AND AUTHORIZE THE PAYMENT OF THE RETENTION 35 DAYS AFTER THE DATE OF RECORDING THE NOTICE OF COMPLETION.

LIST OF EXHIBITS:

Exhibit "A" – Construction Change Order Summary

EXHIBIT "A"

Silverado Canyon Bridge 175 Temporary Domestic Water Bypass PR 11587 Construction Change Order Summary

Date: January 13, 2022
Contractor: TE Roberts
Design Engineer: MBF Consulting

			Contract Amount						Contract Days				Original Completion Date:
			Original Contract Amount: \$215,188.00						Original Days: 99				6/29/2021
Change Order No.	Description	Category	Change Order Line Item Amount	Change Order Amount	Previous Change Orders	Cumulative Total of Change Orders	% of Original Contract Amount	Revised Contract Amount	Change Order Days	Previous Change Order Days	Cum. Change Order Days	Revised Total Contract Days	Revised Completion Date
1	Approved by Executive Director of Technical Services Approved on 8/2/2021 <u>CR-1</u> : Install two Bollards along West Side of Bridge Non-Compensable Time Extension	A	\$4,141.34 \$0.00	\$4,141.34	\$ -	\$ 4,141.34	1.92%	\$219,329.34	21 21	0	21	120	7/20/2021
2	Approved by Executive Director of Technical Services Approved on 8/26/2021 <u>CR-2</u> : Truss Bridge Modifications Non-Compensable Time Extension	A	\$6,648.90 \$0.00	\$6,648.90	\$ 4,141.34	\$ 10,790.24	5.01%	\$225,978.24	2 2	21	23	122	7/22/2021
3	Approved by Executive Director of Technical Services Approved on 9/2/2021 <u>CR-3</u> : Mesa Drive Pipe Adjustments <u>CR-4</u> : Santiago Canyon Road Fire Hydrant Non-Compensable Time Extension	A A	\$37,586.00 \$37,357.00 \$0.00	\$74,943.00	\$ 10,790.24	\$85,733.24	39.84%	\$300,921.24	84 14 14 56	23	107	206	10/15/2021
4	Approved by Executive Director of Technical Services Approved on 1/14/2022 <u>CR-5</u> : Additional work for Santiago Canyon Road Fire Hydrant Non-Compensable Time Extension	B	\$12,655.16 \$0.00	\$12,655.16	\$85,733.24	\$98,388.40	45.72%	\$313,576.40	98 98	107	205	304	1/21/2022

Category	Total Amount	% of Original Contract
A - Owner Directed Change	\$85,733.24	39.84%
B - Differing/Unknown Condition	\$12,655.16	5.88%
C - External Agency, Regulatory, and/or Permit Required Change	\$0.00	0.00%
D - Design Oversight	\$0.00	0.00%
Total Change Order Amount (A + B + C + D)	\$98,388.40	45.72%

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January 24, 2022

Prepared by: R. Burk / M. Cortez

Submitted by: K. Burton

Approved by: Paul A. Cook



CONSENT CALENDAR

MICHELSON WATER RECYCLING PLANT TERTIARY FILTER IMPROVEMENTS VARIANCE

SUMMARY:

The Michelson Water Recycling Plant (MWRP) Tertiary Filter Improvements project will rehabilitate the tertiary filters to improve performance and reliability by replacing deteriorating and obsolete equipment and infrastructure at the tertiary filter tanks area, air scour blower area, and the backwash supply pumps area. Staff recommends the Board authorize the General Manager to execute Variance No. 3 in the amount of \$81,430 with HDR Engineering, Inc. for additional engineering design services to rehabilitate the backwash supply tank for the MWRP Tertiary Filter Improvements.

BACKGROUND:

In April 2021, IRWD retained HDR Engineering to design improvements to replace deteriorating and obsolete equipment and infrastructure at the tertiary filter tanks area, air scour blower area, and the backwash supply pumps area, including valves, slide gates, instrumentation, above-ground piping, air compressor, air scour blower, backwash supply pumps, a programmable logic controller (PLC), electrical equipment, and conduits. The scope also includes detailed construction sequencing, temporary backwash supply pumping, and temporary instrumentation and control systems to allow the work to proceed while maintaining operation of the tertiary filters.

The backwash supply tank was originally constructed in 1978 and has been observed to have exposed aggregate throughout the structure. The original design scope of work included engineering services for basic structural repairs to the exposed aggregate at the backwash supply tank. In August 2021 HDR conducted a comprehensive condition assessment of the concrete structure for the backwash supply tank and spent backwash tank to confirm the degree of concrete repair needed prior to construction. The assessment included visual inspection, photo documentation, in-situ pH testing, corrosion-potential mapping of rebar, and laboratory analyses of concrete cores for pH and chloride values.

The condition assessment found that the backwash supply tank structure has compromised concrete to five inches of wall depth at all four walls and the floor of the structure. HDR recommends that the rehabilitation process should include removing and replacing five inches of concrete below the waterline and one inch of concrete above the waterline to return the structure to an acceptable condition. Staff met with HDR and a contractor that specializes in the rehabilitation of concrete structures in December 2021. The concrete rehabilitation as recommended is feasible and estimated to take approximately three months to complete. The backwash supply pumps will be replaced as part of the Tertiary Filter Improvements project and will require the backwash supply tank to be taken offline with temporary bypass pumping.

Therefore, temporary bypass pumping was already included in the MWRP Tertiary Filter Improvement project's design scope of work.

As part of its review, HDR also assessed the condition of the spent backwash tanks. HDR recommends rehabilitating the concrete structure at the spent backwash tanks. The shutdown and bypass pumping required for the spent backwash tanks would be different than the current project's planned shutdowns, so the rehabilitation of the spent backwash tanks will be addressed under a separate project.

Variance No. 3:

Variance No. 3 includes additional design work due to removing five inches of wall depth at all four walls and the floor of the backwash supply tank structure. The original design scope of work included engineering services for basic structural repairs to exposed aggregate at the backwash supply tank. Removing five inches of wall depth will require additional structural analysis and design services to provide minimum requirements for temporary shoring of the walls, materials to be used, and monitoring required during construction. The total cost of Variance No. 3 is \$81,430. Staff reviewed the scope of work and fee included in the proposal and found the costs to be fair and reasonable. The sum of the project's previous two variances is \$152,940. The cumulative total of the previous variances and Variance No. 3 is \$234,370. Pursuant to the District's procurement policy, variances with a cumulative total greater than \$200,000 require approval from the Board of Directors. Variance No. 3 is shown in Exhibit "B".

FISCAL IMPACTS:

MWRP Tertiary Filter Improvements, Project 07892, is included in the FY 2021-22 Capital Budget. The existing budget is sufficient to fund the additional engineering services.

ENVIRONMENTAL COMPLIANCE:

This project is exempt from the California Environmental Quality Act as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15301 which provides exemption for minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. A Notice of Exemption for the project was filed with the Orange County Clerk-Recorder on April 2, 2021.

COMMITTEE STATUS:

This item was reviewed by the Engineering and Operations Committee on January 18, 2022.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 3 IN THE AMOUNT OF \$81,430 WITH HDR ENGINEERING, INC. FOR ADDITIONAL ENGINEERING DESIGN SERVICES TO REHABILITATE THE BACKWASH SUPPLY TANK FOR THE MWRP TERTIARY FILTER IMPROVEMENTS, PROJECT 07892.

LIST OF EXHIBITS:

Exhibit "A" – Site Plan

Exhibit "B" – HDR's Variance No. 3

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EXHIBIT "A"
PROJECT SITE PLAN
MICHELSON WATER RECYCLING PLANT TERTIARY FILTER IMPROVEMENTS



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EXHIBIT "B"
IRVINE RANCH WATER DISTRICT
PROFESSIONAL SERVICES VARIANCE

Project Title: Michelson Water Recycling Plant Tertiary Filter Improvements

Project No.: 07892 Date: 01/04/22

Purchase Order No.: 623550 Variance No.: 3

Originator: IRWD ENGINEER/CONSULTANT Other (Explain)_____

Description of Variance (*attach any back-up material*):

Interim and Final design efforts for concrete rehabilitation for the Backwash Supply Tank.

Engineering & Management Cost Impact:

Classification	Manhours	Billing Rate	Labor \$	Direct Costs	Subcon. \$	Total \$
Project Manager	24	\$300	\$7,200	\$0	\$0	\$7,200
Quality Manager/Review	36	\$300	\$10,800	\$0	\$0	\$10,800
Technical Lead	28	\$300	\$8,400	\$0	\$0	\$8,400
Senior Engineer	72	\$240	\$17,280	\$0	\$0	\$17,280
Project Engineer	64	\$150	\$9,600	\$0	\$0	\$9,600
Staff Engineer	100	\$120	\$12,000	\$0	\$0	\$12,000
BIM Manager	10	\$185	\$1,850	\$0	\$0	\$1,850
BIM Technician	100	\$125	\$12,500	\$0	\$0	\$12,500
Document Specialist	12	\$150	\$1,800	\$0	\$0	\$1,800
					Total \$ =	\$81,430

Schedule Impact:


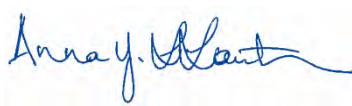
Task No.	Task Description	Original Schedule	Schedule Variance	New Schedule
3	60% Design Submittal	12/14/21	7 days	12/21/21
3	90% Design Submittal	01/25/22	21 days	02/15/22
3	100% Design Submittal	02/08/22	56 days	04/05/22
3	Final Design Submittal	02/22/22	52 days	04/15/22

Required Approval Determination:

Total Original Contract	\$ <u>735,163.00</u>	<input type="checkbox"/> Director: Cumulative total of Variances less than or equal to \$75,000.
Previous Variances	\$ <u>152,940.00</u>	<input type="checkbox"/> Executive Director: Cumulative total of Variances less than or equal to \$125,000.
This Variance	\$ <u>81,430.00</u>	
Total Sum of Variances	\$ <u>234,370.00</u>	<input type="checkbox"/> General Manager: Cumulative total of Variances less than or equal to \$200,000.
New Contract Amount	\$ <u>969,533.00</u>	
Percentage of Total Variances to Original Contract	<u>31.9%</u>	<input checked="" type="checkbox"/> Board: Cumulative total of Variances greater than \$200,000.

ENGINEER/CONSULTANT: HDR Engineering, Inc.
Company Name

IRVINE RANCH WATER DISTRICT

	<u>01/05/22</u>	<i>mac</i> <i>KB</i> <u>Kevin L Burton</u>	<u>1/10/22</u>
Project Engineer/Manager	Date	Department Director	Date
	<u>01/05/2022</u>		
Engineer's/Consultant's Management	Date	General Manager/Board	Date

IRVINE RANCH WATER DISTRICT

PROFESSIONAL SERVICES VARIANCE REGISTER

Project Title: Michelson Water Recycling Plant Tertiary Filter Improvements

Project No.: 07892 Project Manager: Rachael Burk

Variance No.	Description	Dates		Variance Amount
		Initiated	Approved	
1	New request includes: project management/coordination and administration to manage the added scope, mobilize four field engineers and one SPRAT level 3 subcontractor for up to three separate inspections of the Backwash Supply Tank and Spent Backwash Tank, and prepare a written report with findings and recommendations for rehab and/or continued use without rehab based on estimated remaining useful life.	7/6/2021	7/21/2021	\$52,940
2	Final design efforts for new masonry block building for electrical equipment, and new filter influent channel covers and influent weirs.	11/1/2021	11/4/2021	\$100,000
3	Design for concrete rehabilitation at the Backwash Supply Tank.	01/04/2022		\$81,430



January 4, 2022

Ms. Rachael Burk
Engineer
Irvine Ranch Water District
3512 Michelson Drive
Irvine, California 92612

Subject: Request for Variance No. 3 to the Michelson Water Recycling Plant Tertiary Filter Improvements Project – Backwash Supply Tank Concrete Rehabilitation

Dear Ms. Burk:

The following outlines our variance request to perform additional design work related to concrete rehabilitation for the Backwash Supply Tank.

The following describes the new scope of work.

TASK 1 – Project Management

Additional Project Management, Administration, and Coordination will be required for additional scope. The increased level of PM effort is estimated to be proportional to the increase in scope.

TASK 3 – Additional Final Design Efforts

HDR will prepare construction documents consisting of drawings and technical specifications to be included with the bid documents for the rest of the Improvement Project.

Structural design:

- Evaluate and determine preferred approach and methodology for safe removal of existing concrete
- Perform finite element analysis of the weakened condition and test for current and construction states
- Develop repair methodology and corresponding design details
- Provide minimum structural design criteria and associated requirements for the temporary shoring required during construction.
- Establish monitoring requirements to be followed during construction with a series of remediation requirements to be implemented based on issues encountered, such as water weeping from the common wall with the Chlorine Contact Basin.

Assumptions

- *Drawings will be developed using record drawings and field photographs as background*
- *Specifications will be limited to those needed to support the rehabilitation work elements; all other specifications, including the front-end documents, will be prepared by others*

Ms. Rachael Burk
January 4, 2022

- *The construction documents will provide the minimum structural requirements that the contractor will need to meet and will require that contractor develop final engineered shoring and scaffolding plans for the work.*
- *A geotechnical exploration will not be conducted for this specific structure. Conservative lateral earth and hydrostatic groundwater pressures will be utilized for analyzing the existing structure and in the development of the temporary shoring structural design criteria. Previous/historical geotechnical reports prepared for other structures in the surrounding areas adjacent to the existing structure will be furnished to HDR by IRWD for use in developing these conservative lateral earth and hydrostatic groundwater pressure values.*

Deliverables

- *Interim drawing and specification set*
- *Final design documents*

SCHEDULE

HDR proposes the following schedule for delivery of the remainder of the project:

Milestone	Date
Notice to Proceed	January 25, 2022
Interim Design Documents	March 4, 2022
100% Design Submittal	April 5, 2022
Final Design Submittal & Plan Signing	April 15, 2022

VARIANCE REQUEST AMOUNT

Our Variance request is in the amount of \$81,430 and summarized in the enclosed fee estimate.

Thank you for the opportunity to provide our engineering services to IRWD. If you have any questions, contact Joe Nye at (213) 218-0805 or at joseph.nye@hdrinc.com.

Sincerely,
HDR Engineering, Inc.

Anna Lantin, P.E.
Vice President

Joe Nye, P.E., PMP
Water Group Area Manager

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January 24, 2022
Prepared and
submitted by: C. Compton
Approved by: Paul A. Cook



CONSENT CALENDAR

2022 LEGISLATIVE AND REGULATORY UPDATE

SUMMARY:

This report provides an update on the 2021-2022 legislative session, regulatory issues, and IRWD priorities. As legislation and regulations develop, staff will provide updates and recommendations to the Water Resources Policy and Communications Committee and the Board, as appropriate.

Staff recommends the Board consider the following actions/positions:

- *AB 1434 (Friedman) — Indoor Water Use: “OPPOSE/OPPOSE UNLESS AMENDED.”*

BACKGROUND:

The 2021-2022 State Legislature reconvened on January 3, 2022, for the second year of the two-year session. As with the second year of any session, pending legislative business remaining from 2020 will be taken up quickly in order to meet legislative deadlines. The bills remaining at the close of the 2021 legislative year needed to meet the January 14 policy committee deadline if they were still in their house of origin. Other upcoming legislative deadlines of note are:

- January 21: Last day for any committee to hear and report to the floor bills introduced in 2021;
- January 31: Last day for bills introduced in 2021 to be passed out of their house of origin; and
- February 18: Last day for bills to be introduced.

A copy of the 2022 Legislative Matrix is provided as Exhibit “A”.

2022 Legislative Changes:

New State Assembly Committee Chairs Appointed:

On January 3, the day the Legislature reconvened for the 2022 legislative session, Assembly Speaker Anthony Rendon (D-Lakewood) announced changes to the membership of several committees, including his appointment of new Chairs. These committee changes were precipitated by the resignation of Assemblymember Lorena Gonzalez (D-San Diego), which was effective on January 5.

The Speaker appointed Assemblymember Chris Holden (D-Pasadena) to replace Assemblymember Gonzalez as Chair of the Assembly Appropriations Committee. In turn, the Speaker appointed Assemblymember Eduardo Garcia (D-Coachella) to replace

Assemblymember Holden as Chair of the Assembly Utilities and Energy Committee and appointed Assemblymember Rebecca Bauer-Kahan (D-Orinda) to replace Assemblymember Garcia as Chair of the Assembly Water, Parks, and Wildlife Committee.

Assemblymember Garcia had served as Chair of the Assembly Water, Parks, and Wildlife Committee since December 2016. Assemblymember Bauer-Kahan was first elected to the Assembly in 2018 and had not previously sat on the Water, Parks, and Wildlife Committee.

Assemblymember Bauer-Kahan is an attorney and environmental advocate, and as an attorney, specialized in corporate compliance with environmental laws and regulations. When the announcement was made, the new Chair of the Water, Parks, and Wildlife Committee thanked the Speaker in a tweet for her appointment and stated that she takes her role as Chair “incredibly seriously as California faces crippling drought and water shortages for both consumers and agriculture.”

Redistricting: New Congressional and State Legislative District Boundaries:

As required by a statewide ballot proposition that California voters approved in 2008, the California Citizens Redistricting Commission (CRC) redrew the boundaries of California’s congressional, State Senate, State Assembly, and State Board of Equalization Districts using 2020 updated census information published by the federal government. The CRC certified final district maps and delivered them to the Secretary of State (SOS) on December 27, 2021.

For the congressional and state districts that cover portions of Orange County, there are substantial differences between the district lines that the CRC drew after the 2010 census data and the recently certified district lines.

With the new maps there are six State Senate districts that each cover a portion of Orange County, whereas five districts cover a portion of Orange County with the old maps. There are substantial differences between the new Senate districts and the old Senate districts in both north Orange County and in south Orange County. Three of the six new Senate districts (SD-34, SD-36, and SD-37) are predominantly within Orange County, and three districts mostly cover areas outside of Orange County.

Most of IRWD’s service area is within the new 37th Senate District, which envelops portions of four former Senate districts. The Newport Coast portion of IRWD’s service area is in the new 36th Senate District, which stretches from Cerritos in Los Angeles County south along the coast to San Clemente.

With the new maps, nine members of the State Assembly will represent portions of Orange County, whereas seven members represent portions of Orange County under the old maps. The new Assembly districts that cover north and central Orange County are predominantly within Orange County, while new Assembly districts that cover south Orange County substantially extend outside of Orange County. Most of IRWD’s service area is within the new 73rd Assembly District. The remainder of IRWD’s service area is distributed between three Assembly districts.

The new maps will shrink Orange County's congressional delegation from seven members to six members, as the district that covers Long Beach will extend north from the Los Angeles County line, whereas the former 47th Congressional District, represented by Congressman Alan Lowenthal (D-Long Beach), stretched south from Long Beach into Orange County. Most of IRWD's service area is within the new 47th Congressional District, which extends south from Seal Beach along the coast through Laguna Beach and inland through Irvine. The remainder of IRWD's service area is within the new 40th Congressional District, which extends south from Chino Hills in Los Angeles County down around Irvine through Tustin and through inland south Orange County into Aliso Viejo and Coto De Caza. Maps of the congressional, State Senate and State Assembly districts covering Orange County are provided as Exhibit "B".

State Budget Update:

Governor's 2022-23 State Budget Proposal:

Governor Newsom unveiled his 2022-23 state budget proposal on January 10, 2022. For Fiscal Year 2022-23, the Governor's Budget proposes \$213.1 billion in total General Fund expenditures, projects \$197.3 billion in total General Fund revenues, and proposes to transfer \$1.6 billion from the General Fund to the Budget Stabilization Account/Rainy Day Fund, bringing the Rainy Day Fund total to \$20.9 billion. Another \$900 million is proposed for the Safety Net Reserve. The Governor's Budget also assumes a projected \$45.7 billion surplus. It proposes to spend the surplus on \$20.6 billion in General Fund for discretionary purposes, \$16.1 billion in additional Proposition 98 for K-14 education, and \$9 billion in reserve deposits and supplemental pension payments.

Of specific interest to IRWD, the Governor's Budget proposes funding to address the impacts of climate change, which includes funding for fighting wildfires and responding to the drought. The amounts allocated for responding to the drought are above the \$5.2 billion, three-year allocation included in last's year budget for water and drought response. Specifically, the Governor's Budget proposes \$750 million in one-time General Fund spending for drought resilience and response. The \$750 million includes: \$180 million for water conservation programs, \$145 million for urban and small community drought relief, \$75 million for fish and wildlife protection, \$40 million for multi-benefit land repurposing, \$30 million for groundwater recharge, \$20 million for on-farm water conservation, \$10 million for technical assistance and drought relief for small farmers and \$250 million as a drought contingency.

2021 State Legislative Update:

Assembly Housing Working Group Tour Report:

In 2021, the California Assembly Housing Working Group was established to examine issues related to housing production. Between September and November 2021, this working group hosted eight regional meetings and site visits around California to examine barriers and explore responses to housing production and affordability issues in the state, with the intent of informing policy ideas that could be pursued in 2022. In total, 28 members of the Legislature participated in these regional meetings. Assemblymember Sharon Quirk-Silva (D-Fullerton) hosted a tour for the working group in Orange County in October.

As a result of the working group tour, a report titled “*A Summary of Stakeholder Viewpoints and Potential Policies to Address Barriers to Building More Homes in California*” was prepared for the working group and published in December. This report presents ideas that arose in the working group’s regional meetings to inform future housing legislation and is expressly intended to be a starting point for further discussions and collaboration between policymakers and stakeholders. A copy of the report is provided as Exhibit “C”.

The report does briefly discuss development costs, including fees placed on new housing developments. Development cost is one of 14 housing-related issues areas that are addressed in the report. On January 17, 2022, staff discussed with the Water Resources Policy and Communications (WRP) Committee the District’s continued engagement in conversations relating to legislative proposals that may come from this report and that may impact connection fees and expectations for such conversations in 2022.

2021 State Legislative Update on Other Bills of Interest to IRWD:

AB 1434 (Friedman, D-Glendale) – Indoor Water Use:

The “Making Conservation a California Way of Life” legislation, which is currently in the process of being implemented, requires each urban water supplier to calculate and meet an urban water use object. The urban water use object is calculated largely by using an indoor water use efficiency standard, outdoor water use efficiency standard, and water loss standard. Originally, AB 1434 proposes to change the indoor standard to 48 gallons per capita daily (gpcd) until 2025, to 44 gpcd between 2025 and 2030, and to 40 gpcd in 2030. The bill was amended on January 6, 2022, to reflect the residential indoor standards recommended by the Department of Water Resources (DWR). The bill now proposes to change the indoor standard to 47 gallons per capita daily (gpcd) between 2025 and 2030, and to 42 gpcd in 2030.

On January 13, Assemblymember Friedman announced that she is not moving AB 1434 forward this year. Instead, she plans to introduce a new bill with the same proposal to revise the indoor water use standard to match DWR’s recommendations. IRWD currently has an “oppose” position on AB 1434. Staff recommends the Board adopt an “oppose/oppose unless amended” position on the bill even though the bill is not moving forward this year. Such a position would allow the District to partner with statewide associations, which have adopted “oppose unless amended” positions on AB 1434, to develop amendments to the proposal which will be reintroduced in a new bill and to communicate the District’s positions on the proposal regardless of the bill number.

Other 2022 Legislative Updates:

Staff also provided an update to the WRP Committee on developments related to the following:

- Proposals related to ornamental turf, and
- Other legislation matters of interest to the District.

2022 State and Regional Regulatory Update:

State Water Board Adopted Drought Conservation Emergency Regulations:

In his October 19, 2021, proclamation of a drought state of emergency, Governor Newsom encouraged the State Water Resources Control Board to prohibit, by emergency regulation, wasteful water practices. On January 4, the State Board adopted the recommended emergency regulations that prohibit unreasonable uses of water and promote water conservation.

Pursuant to the Drought Conservation Emergency Regulations, the following are currently prohibited in California:

- Applying potable water to outdoor landscapes in a manner that causes more than incidental runoff onto adjacent areas or structures;
- Using a hose to wash a motor vehicle unless fitted with a shut-off nozzle;
- Using potable water for washing sidewalks, driveways, buildings, structures, patios, parking lots, or other hard surfaces;
- Using potable water for street cleaning or construction purposes;
- Using potable water for decorative fountains, lakes, or ponds, unless recirculated or to replace evaporative losses;
- Applying water to irrigate turf and ornamental landscapes during and 48 hours after measurable rainfall; and
- Using potable water for irrigation of turf on public street medians or publicly owned or maintained landscaped areas between the street and sidewalk.

The District submitted a comment letter on December 22, 2021, in support of these emergency regulations and the temporary statewide mandatory water waste prohibitions. Staff also discussed with the WRP Committee these emergency regulations and the District's continuing advocacy relating to drought response.

Other 2022 Regulation Updates:

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

- Executive and Regulatory Actions on COVID-19;
- Executive and Regulatory Actions related to the drought;
- California Air Resources Board (CARB) [AB 32 Climate Change Scoping Plan Update](#);
- CARB's [Proposed Advanced Clean Regulation](#);
- CARB In-use Off-road Diesel-Fueled Fleets Regulation Amendments;

- California Fish and Wildlife California Endanger Species Act Petition for the Steelhead;
- California Natural Resources Agency (CNRA) [30 x 30 California Implementation](#);
- CNRA's [2021 State Adaptation Strategy Update](#);
- CNRA's [Water Resilience Portfolio Implementation](#);
- DWR's [2023 California Water Plan Update](#), as outlined in DWR's [2023 Update announcement](#);
- DWR's [Groundwater Management Principles and Strategies to Monitor, Analyze and Minimize Impacts to Drinking Water Wells](#);
- DWR and the State Board's implementation of the "Making Water Conservation a California Way of Life" legislation;
 - DWR and the State Board's Indoor Water Use Study and Indoor Water Use Standard Recommendations;
 - DWR's Outdoor Standard Recommendations;
 - DWR's Work Group on Commercial, Industrial, and Institutional (CII) performance measures; and
 - State Board's [Water Loss Performance Standards Regulations](#);
- State Board's development of a "Cross Connection Policy Handbook;"
- State Board's Direct Potable Reuse Regulations;
- State Board's drought monitoring and emergency actions;
- State Board's actions on lead service lines;
- State Board's [Safe and Affordable Funding for Equity and Resilience \(SAFER\) Drinking Water Program](#).

2022 Federal Legislative Update:

IRWD's federal advocacy efforts in 2021 continue to largely focus on seeking federal funding for the Kern Fan Groundwater Storage Project and advocating for an increased funding authorization for the federal Water Storage Program. Staff updated the WRP Committee on these efforts and the ongoing efforts related to positioning the Kern Fan Groundwater Storage Project for federal funding, and other federal proposals of interest to the District.

2022 Federal Regulatory Update:

Federal Lead and Copper Rule Revisions (LCRR) and Lead Pipe and Paint Action Plan:

During the Trump Administration, the U.S. Environmental Protection Agency (EPA) developed a revised Federal Lead and Copper Rule (LCRR). When the Biden Administration took over, the EPA delayed the effective date of the LCRR until December 16, 2021, to review the LCRR in accordance with directives issued by President Biden in January 2021. Having completed their review, the LCRR went into effect on December 16, 2021.

According to the EPA, the LCRR took effect in order to facilitate lead service line inventories that the EPA deems necessary for achieving the objective of removing 100 percent of lead service lines. The EPA intends to issue guidance to assist with the implementation of this rule and announced that it will develop a new proposed rule, which it is calling the Lead and Copper Rule Improvements (LCRI), that would aim to replace “all lead service lines as quickly as is feasible.” In addition to replacing all lead service lines, the LCRI will focus on compliance tap sampling, action and trigger levels, and prioritizing historically underserved communities. EPA anticipates that the LCRI will be finalized prior to October 16, 2024, which is the initial compliance date in the LCRR.

At the WRP Committee meeting, staff also discussed anticipated next steps and IRWD’s engagement on the LCRI and other federal efforts to remove lead service lines and address lead in drinking water.

Proposed Rule Published Defining “Waters of the United States”:

On December 7, 2021, the EPA and the Department of the Army published a new proposed rule defining the “Waters of the United States” (WOTUS). The proposed rule would return to WOTUS definition to a definition similar to the pre-2015 definition which had been the definition since 1986. The proposed rule incorporates the “significant nexus” test and a “relatively permanent standard” presented in both the plurality opinion and a concurring opinion in *Rapanos v. United States* decision. As with past proposed WOTUS definitions, the District will be submitting a comment letter by the February 7, 2022, deadline that encourages the agencies to ensure that the WOTUS definition will not hinder the District’s recycled water and natural treatment system (NTS) operations.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on January 17, 2022.

RECOMMENDATION:

THE BOARD ADOPT AN “OPPOSE/OPPOSE UNLESS AMENDED” POSITION ON AB 1434 (FRIEDMAN).

LIST OF EXHIBITS:

Exhibit “A” – IRWD Legislative Matrix

Exhibit “B” – Adopted 2021 Congressional, State Senate and State Assembly Maps

Exhibit “C” – Copy of “*A Summary of Stakeholder Viewpoints and Potential Policies to Address Barriers to Building More Homes in California*”

EXHIBIT “A”
IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>AB 1</u> Garcia (D)	Hazardous Waste		Creates the Board of Environmental Safety in the California Environmental Protection Agency. Provides requirements for the membership of the board and requires the board to conduct no less than 6 public meetings per year. Provides for the duties of the board, which would include, among others, reviewing specified policies, processes, and programs within the hazardous waste control laws.	06/09/2021 - To SENATE Committees on ENVIRONMENTAL QUALITY and JUDICIARY.
<u>AB 2</u> Fong (R)	Regulations: Legislative Review: Regulatory Reform		Requires the Office of Administrative Law to submit to each house of the Legislature for review a copy of each major regulation that it submits to the Secretary of State. Requires each state agency to review that agency's regulations, identify any regulations that are duplicative, overlapping, inconsistent, or out of date, to revise those identified regulations, and report to the Legislature and Governor.	05/20/2021 - In ASSEMBLY. Joint Rule 62(a) suspended.;05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 11</u> Ward (D)	Climate Change: Regional Climate Change Authorities		Requires the Strategic Growth Council to establish regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions and coordinate with other regional climate adaptation authorities, state agencies, and other relevant stakeholders. Authorizes the regional climate change authorities to engage in certain activities to address climate change. Requires the regional climate change authorities to annually submit to the council a report on their activities.	01/21/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;01/21/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.
<u>AB 15</u> Chiu (D)	COVID-19 Relief: Tenancy Stabilization Act of 2021		Extends the definition of "COVID-19 rental debt" as unpaid rent or any other unpaid financial obligation of a tenant that came due between March 1, 2020, and December 31, 2021. Extends the repeal date of the	01/11/2021 - To ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			COVID-19 Tenant Relief Act of 2020 to January 1, 2026. Prohibits a landlord from taking certain actions with respect to a tenant's COVID-19 rental debt, including, among others, charging or attempting to collect late fees, or withholding a service or amenity.	
<u>AB 16</u> Chiu (D)	Tenancies: Tenant, Small Landlord, and Housing Act		Establishes the Tenant, Small Landlord, and Affordable Housing Provider Stabilization Program. Authorizes the Director of Housing and Community Development to direct an existing office or program within the Department of Housing and Community Development to implement the program. Establishes in the State Treasury the COVID-19 Tenant, Small Landlord, and Affordable Housing Provider Stabilization Fund, and, upon appropriation, distributes all moneys in the fund to carry out the purposes of the program.	01/12/2021 - From ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT with author's amendments.;01/12/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on HOUSING AND COMMUNITY DEVELOPMENT.
<u>AB 25</u> Kiley (R)	Worker Classification: Employees and Contractors		Generally repeals provisions relating to the "ABC" test to determine if workers are employees or independent contractors. The bill would instead require the determination of whether a person is an employee or an independent contractor to be based on the specific multifactor test set forth in the Borello decision, including whether the person to whom service is rendered has the right to control the manner and means of accomplishing the result desired.	01/11/2021 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT.
<u>AB 29</u> Cooper (D)	State Bodies: Meetings		Requires that the notice of a meeting of a state body include all writings or materials provided for the noticed meeting to a member of the state body by the staff of a state agency, board, or commission, or another member of the state body that are in connection with a matter subject of discussion or consideration at the meeting.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>AB 49</u> Petrie-Norris (D)	California Debt Limit Allocation Committee		Abolishes the California Debt Limit Allocation Committee and transfer its powers, duties, and functions to the California Tax Credit Allocation Committee.	04/28/2021 - In ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW: Not heard.
<u>AB 50</u> Boerner Horvath (D)	Climate Adaptation Center and Regional Support Network		Establishes the Climate Adaptation Center and Regional Support Network in the Ocean Protection Council to provide local governments facing sea level rise challenges with information and scientific expertise necessary to proceed with sea level rise mitigation.	01/11/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 51</u> Quirk (D)	Regional Climate Adaptation Planning Groups		Requires the Strategic Growth Council, by July 1, 2022, to establish guidelines for the formation of regional climate adaptation planning groups. Requires the council, by July 1, 2023, and in consultation with certain state entities, to develop criteria for the development of regional climate adaptation plans.	01/11/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 52</u> Frazier (D)	California Global Warming Solutions Act of 2006		Requires the State Air Resources Board, in each scoping plan update prepared by the state board after January 1, 2022, to include, consistent with the Global Warming Solutions Act of 2006, recommendations for achieving the maximum technologically feasible and cost-effective reductions of emissions of greenhouse gases and black carbon from wildfires. Expresses the intent of the Legislature to appropriate an amount from the Greenhouse Gas Reduction Fund for wildfire mitigation and prevention.	01/11/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 55</u> Boerner Horvath (D)	Employment: Telecommuting		Declares the intent of the Legislature to enact future legislation to ensure certain rights and benefits for telecommuting employees.	12/07/2020 - INTRODUCED.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>AB 59</u> Gabriel (D)	Mitigation Fee Act: Fees: Notice and Timeliness	OPPOSE	Relates to the Mitigation Fee Act. Increases, for fees and service charges and for fees for specified public facilities, the time for mailing the notice of the time and place of the meeting to at least 45 days before the meeting. Requires the local agency to make that information available to the public at least 30 days before the meeting.	01/11/2021 - To ASSEMBLY Committees on LOCAL GOVERNMENT and HOUSING AND COMMUNITY DEVELOPMENT.
<u>AB 64</u> Quirk (D)	Electricity: Long-term Backup Electricity Supply		Requires the PUC, Energy Commission, and state board, in consultation with all balancing authorities, to additionally develop a strategy, by a specified date, that achieves (1) a target of 5 gigawatthours of operational long-term backup electricity, as specified, by a specified date, and (2) a target of at least an additional 5 gigawatthours of operational long-term backup electricity in each subsequent year through 2045.	03/23/2021 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;03/23/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.
<u>AB 67</u> Petrie-Norris (D)	Sea Level Rise: Working Group: Economic Analysis		Requires a state agency to take into account the current and future impacts of sea level rise based on projections provided by the Ocean Protection Council when planning, designing, building, operating, maintaining, and investing in infrastructure located in the coastal zone or otherwise vulnerable to flooding from sea level rise or storm surges, or when otherwise approving the allocation of state funds for those purposes.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 69</u> Kiley (R)	State of Emergency: Termination After 60 Days		Requires a state of emergency to terminate 60 days after the Governor's proclamation of the state of emergency unless the Legislature extends it by a concurrent resolution. Prohibits a concurrent resolution from extending a state of emergency by more than 60 days.	01/11/2021 - To ASSEMBLY Committee on EMERGENCY MANAGEMENT.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
AB 84 Budget Cmt	Rehiring and Retention: Displaced Workers		Appropriates specified amount and make available through June 30, 2025, from the Labor and Workforce Development Fund to the Labor Commissioner for staffing resources to implement and enforce the provisions related to the rehiring and retention of workers displaced due to the Coronavirus pandemic.	05/18/2021 - Re-referred to SENATE Committee on BUDGET AND FISCAL REVIEW.
AB 93 Garcia E (D)	Pandemic Response Practices		Makes findings and declarations relating to California's response to the COVID-19 pandemic. The bill would, during a state of emergency or health emergency in response to a viral pandemic or any other health crisis, as specified, require the Medical and Health Coordination Center within the department to include federally qualified health centers in the organizational response structure established by OES.	01/11/2022 - From ASSEMBLY Committee on HEALTH: Do pass to Committee on APPROPRIATIONS.
AB 95 Low (D)	Employees: Bereavement Leave		Enacts the Bereavement Leave Act of 2021. Requires an employer with 25 or more employees to grant a request made by any employee to take up to 10 business days of unpaid bereavement leave upon the death of a spouse, child, parent, sibling, grandparent, grandchild, or domestic partner, in accordance with certain procedures, and subject to certain exclusions. Requires an employer with fewer than 25 employees to grant up to 3 business days of leave.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.
AB 96 O'Donnell (D)	Clean Truck, Bus, and Off-Road Vehicle and Technology		Extends the requirement that 20% of funding be made available to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology until December 31, 2026. The bill would further require at least 20% of that funding support early commercial deployment of existing near-zero-emission heavy-duty truck technology.	04/08/2021 - In ASSEMBLY. Coauthors revised.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>AB 108</u> Cunningham (R)	Governor's Emergency Orders and Regulations: Approval		Permits an order or regulation, or an amendment or rescission thereof, issued pursuant to specified California Emergency Services Act (CESA) provisions 60 or more days after the proclamation, to take effect only if approved by a concurrent resolution of the Legislature.	01/11/2021 - To ASSEMBLY Committee on EMERGENCY MANAGEMENT.
<u>AB 111</u> Boerner Horvath (D)	Transportation: Zero-emission Vehicles		Requires the Secretary of Transportation, in consultation with certain state entities, to implement a Safe and Clean Truck Infrastructure Program to support the construction and operation of zero-emission medium- and heavy-duty vehicle parking and electric vehicle charging and hydrogen refueling infrastructure on public and private properties, and to encourage the use of zero-emission vehicles. Establishes the Clean Freight Corridor Efficiency Assessment.	01/03/2022 - From ASSEMBLY Committee on TRANSPORTATION with author's amendments.;01/03/2022 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on TRANSPORTATION.
<u>AB 119</u> Salas (D)	County Assessors: Direct Levies		Requires the county auditor, or other county officer designated by the county, to make publicly available on their internet website information about direct levies as defined, including the range of combined direct levies assessed on real property. Requires a website posting that identifies contact information for each direct levy assessed within their jurisdiction, to also include the range of fees assessed on individual parcels of real property subject to the special district's assessment.	01/26/2021 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;01/26/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
<u>AB 125</u> Rivas R (D)	Equitable Economic Recovery, Healthy Food Access		Enacts the Equitable Economic Recovery, Healthy Food Access, Climate Resilient Farms, and Worker Protection Bond Act. Authorizes the issuance of bonds to finance programs related to agricultural lands, food and fiber infrastructure, climate resilience, agricultural professionals, including farmers, ranchers, and farmworkers, workforce development and training, air	04/15/2021 - From ASSEMBLY Committee on AGRICULTURE: Do pass to Committee on NATURAL RESOURCES.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			quality, tribes, disadvantaged communities, nutrition, food aid, meat processing facilities, fishing facilities, and fairgrounds.	
<u>AB 152</u> Budget Cmt	Elections		Authorizes a county that has previously conducted an all-mailed ballot election to conduct an all-mailed ballot election. Requires counties to conduct a voter education and outreach campaign.	08/16/2021 - Re-referred to SENATE Committee on BUDGET AND FISCAL REVIEW.
<u>AB 155</u> Budget Cmt	Public Resources Trailer Bill		Changes the name of the Healthy Stores Refrigeration Grant Program to the Healthy Refrigeration Grant Program. Expands the definition of qualified entity to include a tribal government or tribal organization under certain circumstances and would revise the criteria required for a city, county, tribal government, tribal organization, or nonprofit entity to qualify to apply for a grant.	01/06/2022 - In SENATE. From Inactive File. To second reading.;01/06/2022 - Re-referred to SENATE Committee on BUDGET AND FISCAL REVIEW.
<u>AB 170</u> Ting (D)	Budget Act of 2021		Amends the Budget Act of 2021 by amending, adding, and repealing items of appropriation and making other changes.	01/06/2022 - In SENATE. From Inactive File. To second reading.;01/06/2022 - Re-referred to SENATE Committee on BUDGET AND FISCAL REVIEW.
<u>AB 221</u> Santiago (D)	Emergency Food Assistance		Requires the department, in consultation with a workgroup, to author a report to provide recommendations and solutions for a permanent food assistance program for low-income California residents experiencing food insecurity, to complete that report by a specified date and to submit a copy of that report to the Legislature.	08/26/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>AB 230</u> Voepel (R)	Employment: Flexible Work Schedules		Enacts the Workplace Flexibility Act of 2021. Permits an individual nonexempt employee to request an employee-selected flexible work schedule providing for	01/28/2021 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			workdays up to a certain number of hours per day within a 40-hour workweek, and would allow an employer to implement this schedule without the obligation to pay overtime compensation for those additional hours in a workday, except as specified.	
<u>AB 244</u> Rubio (D)	Affordable Housing Cost Study: Housing Plan Addendum		Requires the California Tax Credit Allocation Committee, the Department of Housing and Community Development, the California Housing Finance Agency, and the California Debt Limit Allocation Committee to conduct an affordable housing cost study that measures the factors that influence the cost of building affordable housing, breaks down total development costs for affordable housing, and enables the state to maximize resources allocated for affordable housing.	01/28/2021 - To ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT.
<u>AB 252</u> Rivas R (D)	Multibenefit Land Repurposing Incentive Program		Establish the Multibenefit Land Repurposing Program, for purposes of assisting groundwater sustainability agencies in critically overdrafted basins achieve their groundwater sustainability goal by providing grants to public and private entities for projects and programs that reduce groundwater use by converting irrigated agricultural land to new uses that both reduce groundwater demand or use and provide some other measurable benefits to the environment or broader community.	09/07/2021 - In SENATE. From third reading. To Inactive File.
<u>AB 255</u> Muratsuchi (D)	COVID-19 Emergency Small Business Eviction Relief Act		Requires a landlord, who receives a statement by a commercial tenant supported by documentary evidence that the commercial tenant has experienced a decrease in average monthly gross revenue attributable to the Coronavirus pandemic, to conduct a good faith negotiation to form a plan to allow the commercial	06/03/2021 - In ASSEMBLY. Reconsideration granted.;06/03/2021 - In ASSEMBLY. To Inactive File.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			tenant a reasonable opportunity to repay Coronavirus lease debt while minimizing the hardship to the landlord.	
<u>AB 267</u> Valladares (R)	California Environmental Quality Act: Exemption		Extends the exemption from CEQA prescribed fire, thinning, or fuel reduction projects undertaken on federal lands to reduce the risk of high-severity wildfire that have been reviewed under the federal National Environmental Policy Act of 1969 and the requirement on the Department of Forestry and Fire Protection to report to the relevant policy committees of the Legislature to specified date.	06/02/2021 - From SENATE Committee on NATURAL RESOURCES AND WATER with author's amendments.;06/02/2021 - In SENATE. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES AND WATER.
<u>AB 284</u> Rivas R (D)	Global Warming Solutions Act of 2006: Climate Goal		Requires the state board, as part of the next scoping plan update, in collaboration with the Natural Resources Agency and other relevant state agencies and departments and no later than a specified date, to identify a 2045 climate goal, with interim milestones, for the state's natural and working lands, as defined, and to integrate into the scoping plan update recommendations developed by the Natural Resources Agency and the Department of Food and Agriculture.	09/02/2021 - In SENATE. From third reading. To Inactive File.
<u>AB 297</u> Gallagher (R)	Fire Prevention		Appropriates certain amounts to the Department of Forestry and Fire Prevention and the California Conservation Corps, respectively, for fire prevention activities. Exempts from the requirements of the California Environmental Quality Act (CEQA) projects or activities related to forest health and fuel reduction that involve thinning overgrown brushes or trees 10 inches or less in diameter by mechanical thinning, pile burning, prescribed fire, and grazing.	04/21/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;04/21/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>AB 318</u> Levine (D)	Hazardous Waste: Exclusion: Cannabis Waste		Requires the Department of Toxic Substances Control, in consultation with the Department of Resources Recycling and Recovery and the Department of Food and Agriculture, to provide guidance to certified unified program agencies on how to characterize cannabis waste, as defined, under the hazardous waste control laws and regulations.	06/03/2021 - In ASSEMBLY. To Inactive File.
<u>AB 327</u> Kiley (R)	COVID-19 Vaccination: Prohibits Required Disclosure		Prohibits state agencies, local governments, and any other state governmental authority from adopting or enforcing any order, ordinance, policy, regulation, rule, or similar measure that requires an individual to provide, as a condition of receiving any service or entering any place, documentation regarding the individual's vaccination status for any COVID-19 vaccine administered under an emergency use authorization.	04/15/2021 - In ASSEMBLY. Suspend Assembly Rule 96.;04/15/2021 - Re-referred to ASSEMBLY Committees on HEALTH and PRIVACY AND CONSUMER PROTECTION.
<u>AB 343</u> Fong (R)	California Public Records Act Ombudsperson		Establishes, within the California State Auditor's Office, the California Public Records Act Ombudsperson. Requires the California State Auditor to appoint the Ombudsperson subject to certain requirements. Requires the Ombudsperson to receive and investigate requests for review, determine whether the denials of original requests complied with the California Public Records Act, and issue written opinions of its determination.	06/09/2021 - To SENATE Committees on JUDICIARY and GOVERNMENTAL ORGANIZATION.
<u>AB 346</u> Seyarto (R)	Privacy: Breach		Relates to the Information Practices Act which requires an agency, which includes a local agency, that owns or licenses computerized data that includes personal information to disclose expeditiously and without unreasonable delay a breach in the security of the data to a resident of California whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. Makes this	04/08/2021 - In ASSEMBLY Committee on PRIVACY AND CONSUMER PROTECTION: Not Heard.

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			requirement applicable if the information is accessed by an unauthorized person.	
<u>AB 350</u> Villapudua (D)	Cannella Environmental Farming Act of 1995		Requires the Department of Food and Agriculture to establish and administer a 3-year grant program to fund technical assistance to support landowners located in a critically overdrafted basin, as defined, in reaching water use reduction goals established pursuant to the Sustainable Groundwater Management Act. Authorizes the department to use specified guidelines to administer this program.	09/02/2021 - In SENATE. From third reading. To Inactive File.
<u>AB 355</u> Cooper (D)	Demand-Side Energy Management Programs		Requires the Public Utilities Commission to monitor the incentive program to ensure that savings generated by the program are equitable and ethical.	03/18/2021 - To ASSEMBLY Committee on UTILITIES AND ENERGY.;03/18/2021 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;03/18/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.
<u>AB 363</u> Medina (D)	Carl Moyer Air Quality Standards Attainment Program		Requires the state board to establish or update grant criteria and guidelines for covered vehicle and infrastructure projects as soon as practicable, but not later than July 1, 2017. The state board's program guidelines describe the minimum criteria and requirements for on-road heavy-duty vehicles and the types of projects that can be incentivized to provide surplus emissions reductions from on-road heavy-duty vehicles through contracts or through the On-Road Heavy-Duty Voucher Incentive Program (VIP).	07/13/2021 - In SENATE Committee on TRANSPORTATION: Not heard.
<u>AB 373</u> Seyarto (R)	State Emergency Plan: Update		Requires the California Office of Emergency Services to update the State Emergency Plan every three years.	03/03/2021 - From ASSEMBLY Committee on EMERGENCY

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
				MANAGEMENT with author's amendments.;03/03/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on EMERGENCY MANAGEMENT.
<u>AB 377</u> Rivas R (D)	Water Quality: Impaired Waters	OPPOSE	Requires the state board and regional boards to prioritize enforcement of all water quality standard violations that are causing or contributing to an exceedance of a water quality standard in a surface water of the state.	05/20/2021 - In ASSEMBLY. Joint Rule 62(a) suspended.;05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.
<u>AB 380</u> Seyarto (R)	Forestry: Priority Fuel Reduction Projects		Requires the Department of Forestry and Fire Protection, before December 31, 2022, and before December 31 of each year thereafter, to identify priority fuel reduction projects. Exempts the identified priority fuel reduction projects from certain legal requirements in a similar manner as provided in the proclamation of a state of emergency issued by the Governor on March 22, 2019.	02/12/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 386</u> Cooper (D)	Public Employees Retirement: Investments: Confidential		Exempts from disclosure under the California Public Records Act specified records regarding an internally managed private loan made directly by the Public Employees' Retirement Fund. Provides that these records would include quarterly and annual financial statements of the borrower or its constituent owners, unless the information has already been publicly released by the keeper of the information. Prescribes specified exceptions to this exemption from disclosure.	07/13/2021 - In SENATE Committee on JUDICIARY: Failed passage.;07/13/2021 - In SENATE Committee on JUDICIARY: Reconsideration granted.
<u>AB 404</u> Salas (D)	Workers' Compensation: Medical-Legal Expenses		Relates to Workers compensation. Requires that the medical-legal fee schedule be reviewed, and updated if necessary, to increase the conversion factor by the percentage increase in the most recent federal Medicare Economic Index.	08/26/2021 - In SENATE Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.

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<u>AB 426</u> Bauer-Kahan (D)	Toxic Air Contaminants		Authorizes air pollution control districts and air quality management districts to adopt and implement regulations to require data regarding air pollution within the district's jurisdiction from indirect and areawide sources of air pollution, including mobile sources drawn by those sources, to enable the calculation of health risks from toxic air contaminants. Authorizes the districts to adopt and implement regulations to accomplish these objectives in carrying out their responsibilities.	03/17/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/17/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.
<u>AB 427</u> Bauer-Kahan (D)	Electricity: Resource Adequacy Requirements		Requires the Public Utilities Commission to establish a capacity valuation methodology for customer-sited energy storage resources and customer-sited hybrid resources, as defined, in consultation with the ISO and the State Energy Resources Conservation and Development Commission for the 2023 resource adequacy year.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 436</u> Fong (R)	Wages: Records: Inspection and Copying		Relates to existing law which gives every current and former employee the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employee's performance. Requires, if an employee or their representative requests to inspect or copy records relating to the itemized statement and also requests to inspect or receive a copy of personnel records, that the deadline to comply with both requests be governed by the response deadline provisions.	02/12/2021 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT.
<u>AB 460</u> Mayes (R)	Fire Protection: Residential Fire Sprinklers	WATCH	Prohibits water-related fees imposed on the owner of residential property from being affected by the installation of a residential fire sprinkler system on that residential property, including those residential fire sprinkler systems mandated by a local jurisdiction or a fire protection district.	03/25/2021 - To ASSEMBLY Committee on LOCAL GOVERNMENT.;03/25/2021 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;03/25/2021 - In

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				ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
<u>AB 513</u> Bigelow (R)	Employment: Telecommuting Employees		Authorizes an employee working from home or a remote location not at the physical location of the employer to receive legally required notices and postings electronically and sign or acknowledge certain documents electronically.	03/17/2021 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT with author's amendments.;03/17/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LABOR AND EMPLOYMENT.
<u>AB 517</u> Dahle M (R)	California State Safe Harbor Agreement Program Act		Relates to existing law which requires the Department of Fish and Wildlife to provide notice to the landowner at least 7 days before accessing the land or water for purposes of the California State Safe Harbor Agreement Program Act. Increases the notice period to the landowner to at least 7 business days.	04/08/2021 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Do pass to Committee on APPROPRIATIONS.
<u>AB 522</u> Fong (R)	Forest Fire Prevention Exemption		Extends the operation of the Forest Fire Prevention Exemption indefinitely. Deletes the requirement that the tree harvesting area not exceed 300 acres and the requirement that temporary road construction or reconstruction be limited to no more than 2 miles of road per ownership in a planning watershed per any 5-year period.	01/10/2022 - From ASSEMBLY Committee on NATURAL RESOURCES: Do pass as amended to Committee on APPROPRIATIONS.
<u>AB 530</u> Fong (R)	Labor Code Private Attorneys General Act of 2004		Requires the aggrieved employee to inform the employer which specific violations of the Labor Code are being brought under each subdivision of the Labor Code Private Attorneys General Act and to inform the employer if statutory right to cure provisions apply.	02/18/2021 - To ASSEMBLY Committees on LABOR AND EMPLOYMENT and JUDICIARY.
<u>AB 554</u> Mathis (R)	Department of Fish and Wildlife		Establishes in the Department of Fish and Wildlife the Office of the Ombudsperson, administered through the ombudsperson, requires the Fish and Game Commission	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

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			to appoint the Ombudsperson and would require the Office to operate independently of department staff and to report to the president of the commission, requires the office to undertake specified duties under the supervision of the president of the commission.	
<u>AB 564</u> Gonzalez (D)	Biodiversity Protection and Restoration Act		Establishes the Biodiversity Protection and Restoration Act and provides that it is the policy of the state that all state agencies, boards, and commissions shall utilize their authorities in furtherance of the biodiversity conservation purposes and goals of certain executive orders.	04/13/2021 - In ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW: Not heard.
<u>AB 566</u> Nguyen J (R)	Property Taxation: Revenue Allocations		Makes a nonsubstantive change to the requirement that the county auditor, in each fiscal year, allocate property tax revenues to local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications.	02/11/2021 - INTRODUCED.
<u>AB 588</u> Garcia E (D)	Safe Drinking Water Act: Compliance		Requires the state board to identify actions necessary to assist specified water systems to achieve compliance within any compliance period established. Requires the state board to identify a compliance period or periods, when it adopts a primary drinking water standard, of not less than 30 days and not more than 3 years, and to consider specified criteria when identifying the compliance period.	03/30/2021 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS with author's amendments.;03/30/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
<u>AB 620</u> Mullin (D)	Unified Online Environmental Permit Application		Expresses the intent of the Legislature to enact subsequent legislation creating a unified online environmental permit application and process for state	02/12/2021 - INTRODUCED.

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			agencies that simplify the submittal and tracking of environmental permits for permit applicants and state agencies, and supports interagency coordination.	
<u>AB 622</u> Friedman (D)	Washing Machines: Microfiber Filtration		Requires, on or before January 1, 2024, that all washing machines sold as new in California contain a microfiber filtration system with a mesh size of 100 microns or smaller.	04/07/2021 - In ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Not heard.
<u>AB 648</u> Fong (R)	CalRecycle Greenhouse Gas Reduction Fund: Forest		Continuously appropriates, beginning in the 2021-22 fiscal year and ending in the 2028-29 fiscal year, \$200,000,000 of the annual proceeds from the Greenhouse Gas Reduction Fund to the Department of Forestry and Fire Protection for healthy forest and fire prevention programs and projects that improve forest health and reduce greenhouse gas emissions caused by uncontrolled wildfires, and prescribed fire and other fuel reduction projects through proven forestry practices.	02/25/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 649</u> Bennett (D)	Department of Resources Recycling and Recovery		Establishes the Office of Environmental Justice and Tribal Relations within the department. Prescribes the duties of the office, including, among others, ensuring that the department's programs effectively address the needs of disadvantaged communities, low-income communities, California Native American tribes, and farmworkers.	01/10/2022 - From ASSEMBLY Committee on NATURAL RESOURCES: Do pass to Committee on APPROPRIATIONS.
<u>AB 678</u> Grayson (D)	Housing Development Projects: Fees And Exactions Cap		Prohibits a city or county from imposing a specified fee or exaction if the total dollar amount of the fees and exactions that a city or county would impose on a proposed housing development is greater than 12% of the city's or county's median home price unless approved by the Department of Housing and Community Development. Authorizes a city or county to seek	03/25/2021 - To ASSEMBLY Committees on LOCAL GOVERNMENT and HOUSING AND COMMUNITY DEVELOPMENT.;03/25/2021 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's

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			approval from the department to impose a fee or an exaction that would result in the total dollar amount of fees and exactions.	amendments.;03/25/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
<u>AB 688</u> Nazarian (D)	Property Tax: Reassessment		Makes nonsubstantive changes to existing property tax law which authorizes a county board of supervisors to adopt ordinances that allow assessee's whose property was damaged or destroyed to apply for a reassessment of that property if certain conditions are met.	02/16/2021 - INTRODUCED.
<u>AB 693</u> Chau (D)	Proposition 65: Enforcement		Requires, for all settlements generated by alleging a violation of or threatening to allege a violation of the Safe Drinking Water and Toxic Enforcement Act, the plaintiff or person acting in the public interest to submit those settlements to the court, and would additionally require the court, in order to approve the settlement, to find that neither the plaintiff nor the attorney representing the plaintiff has received any compensation from the alleged violator.	03/18/2021 - To ASSEMBLY Committees on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS and JUDICIARY.;03/18/2021 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS with author's amendments.;03/18/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.
<u>AB 703</u> Rubio (D)	Open Meetings: Local Agencies: Teleconferences		Removes the requirements of the Ralph M. Brown Act particular to teleconferencing and allows for teleconferencing subject to existing provisions regarding the posting of notice of an agenda and the ability of the public to observe the meeting and provide public comment.	04/29/2021 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;04/29/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
<u>AB 732</u> Quirk (D)	Hazardous Waste: Transportation: Registration		Provides that the Department of Toxic Substances Control generally regulates the management and handling of hazardous waste and hazardous materials. Prohibits a person from carrying on or engaging in the transportation of hazardous waste unless the person	01/11/2022 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Do pass. To Consent Calendar.

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			holds a valid registration issued by the department, and also prohibits a person from transferring custody of hazardous waste to a transporter who does not hold a valid registration issued by the department.	
<u>AB 736</u> Mathis (R)	Safe Drinking Water State Revolving Fund: Internet		Relates to the Safe Drinking Water State Revolving Fund Law, which requires the State Water Resources Control Board, at least once every 2 years, to post information on its internet website and send a link of the internet website to the Legislature regarding implementation of the law and expenditures from the fund. Requires the board to post that information and send that link at least annually instead of at least once every 2 years.	04/07/2021 - In ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Not heard.
<u>AB 747</u> Mathis (R)	Water treatment Facility		Appropriates \$20,000,000 from the General Fund to the State Water Resources Control Board for the purpose of improving water treatment. Requires the board to grant a specified amount to a specified joint powers authority for a water treatment facility to be operated by the joint powers authority.	04/07/2021 - In ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Not heard.
<u>AB 753</u> Grayson (D)	Barry Keene Underground Storage Tank Cleanup Trust Fund		Authorizes eligible owners and operators of underground storage tanks containing petroleum to file claims with the state board for reimbursement from the fund of corrective action costs, as provided, incurred to address releases of petroleum from these tanks.	08/26/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>AB 754</u> Mathis (R)	Sustainable Groundwater Management		Authorizes the Department of Water Resources to extend the deadline for a high- or medium-priority basin not subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated plans upon request of a local agency or	07/12/2021 - In SENATE Committee on NATURAL RESOURCES AND WATER: Failed passage.;07/12/2021 - In SENATE Committee on NATURAL RESOURCES AND WATER: Reconsideration granted.

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			groundwater sustainability agency in the basin for an extension of a specified period of time.	
<u>AB 757</u> Davies (R)	Private Employment: COVID-19: Positive Test		Authorizes a private employer to request prescribed documentation of a positive Coronavirus test or diagnosis if an employee reports that the employee has been diagnosed or tested positive for Coronavirus and is unable to work and the employer determines that an employee may be subject to a 14-day exclusion from the workplace as required under certain law or regulations.	02/25/2021 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT.
<u>AB 772</u> Ramos (D)	Workers' Compensation: Medical Treatment		Clarifies that an employer is not limited in its ability to insure against an act of domestic terrorism or to provide benefits in excess of those required by existing law following an act of terrorism. Clarifies that when an employer approves a request for medical treatment from a treatment provider, without modification, the employer has completed utilization review under the law.	03/25/2021 - To ASSEMBLY Committee on INSURANCE.;03/25/2021 - From ASSEMBLY Committee on INSURANCE with author's amendments.;03/25/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.
<u>AB 800</u> Gabriel (D)	Safety Elements: Fire Hazard Severity Zones		Requires the director to also identify areas of the state as moderate and high fire hazard severity zones.	03/18/2021 - To ASSEMBLY Committees on NATURAL RESOURCES and LOCAL GOVERNMENT.;03/18/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/18/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.
<u>AB 802</u> Bloom (D)	Microfiber Pollution		Requires the State Water Resources Control Board to identify the best available control technology for filtering microfibers from an industrial, institutional, or commercial laundry facility on or before an unspecified	04/07/2021 - In ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Not heard.

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			date, and requires the state board to consult with owners and operators of laundry facilities on the types of filtration systems currently in use and with universities, scientific organizations, and experts on plastic pollution in identifying the best available control technology.	
<u>AB 805</u> Maienschein (D)	Personal Protective Equipment: Distribution Reports		Requires, during a health-related state of emergency in California proclaimed by the President of the United States or by the Governor, the Medical Health Operational Area Coordinator to report specified information relating to the distribution of personal protective equipment to the Office of Emergency Services on a weekly basis. Requires, at all other times, the MHOAC to report that information on a monthly basis.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.
<u>AB 814</u> Levine (D)	Personal Information: Contact Tracing		Authorizes a state or local health department to disclose, to the University of California or a nonprofit education institution conducting scientific research, data collected, received, or prepared for purposes of contact tracing only if certain requirements are met, including that the request for information is approved by the Committee for the Protection of Human Subjects for the California Health and Human Services Agency or an institutional review board.	08/26/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>AB 854</u> Lee (D)	Residential Real Property: Withdrawal Of Accommodations		Prohibits an owner of accommodations from filing a notice with a public entity of an intent to withdraw accommodations or prosecuting an action to recover possession of accommodations, or threatening to do so, if not all the owners of the accommodations have been owners of record for a specified amount of time, or with respect to property that the owner acquired within a specified amount of time after providing notice of an	03/18/2021 - To ASSEMBLY Committees on HOUSING AND COMMUNITY DEVELOPMENT and JUDICIARY.;03/18/2021 - From ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT with author's amendments.;03/18/2021 - In

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			intent to withdraw accommodations at a different property.	ASSEMBLY. Read second time and amended. Re-referred to Committee on HOUSING AND COMMUNITY DEVELOPMENT.
<u>AB 867</u> Kiley (R)	Family Care Leave: Child Deceased in Childbirth		Expands eligibility for benefits under the paid family leave program by expanding bonding leave relating to a child's birth to include leave for a parent who was pregnant with a child, if the child dies unexpectedly during childbirth at 37 weeks or more of pregnancy.	02/25/2021 - To ASSEMBLY Committee on INSURANCE.
<u>AB 870</u> Santiago (D)	Hazardous Materials: Liens		Requires the Department of Toxic Substances Control, upon a determination of the scope of a necessary response or corrective action, to provide to the responsible parties an estimate of the costs to complete the response or corrective action. Establishes that the estimated costs constitute a claim and a lien upon the real property owned by a responsible party that is subject to, or affected by, the response or corrective action.	01/06/2022 - In ASSEMBLY. Assembly Rule 56 suspended.
<u>AB 878</u> Dahle M (R)	Wildlife Resources: Natural Community Conservation Plan		Relates to Wildlife resources, natural community conservation plans and public review and comment. Expands the time for public review and comment on a proposed planning agreement from 21 calendar days to 21 business days.	04/08/2021 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Do pass to Committee on APPROPRIATIONS.
<u>AB 885</u> Quirk (D)	Bagley-Keene Open Meeting Act: Teleconferencing		Requires a state body that elects to conduct a meeting or proceeding by teleconference to make the portion that is required to be open to the public both audibly and visually observable. Requires a state body that elects to conduct a meeting or proceeding by teleconference to post an agenda at the designated primary physical meeting location in the notice of the meeting where	03/24/2021 - From ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION with author's amendments.;03/24/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on GOVERNMENTAL ORGANIZATION.

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			members of the public may physically attend the meeting and participate.	
<u>AB 893</u> Davies (R)	Emergency Regulations: Department of Public Health		Requires the Division of Occupational Safety and Health or the State Department of Public Health, within 14 calendar days of the release of a federal recommendation that conflicts with an emergency regulation related to Coronavirus 2019 issued by the division or the department, to review the conflicting emergency regulation and make a determination to either amend the regulation or submit a report to the Legislature on the decision not to amend the regulation, as specified.	02/25/2021 - To ASSEMBLY Committee on ACCOUNTABILITY AND ADMINISTRATIVE REVIEW.
<u>AB 897</u> Mullin (D)	Office of Planning and Research: Regional Climate		Authorizes eligible entities, as defined, to establish and participate in a regional climate network, as defined. Requires the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks. Authorizes a regional climate network to engage in activities to address climate change, as specified.	08/26/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>AB 906</u> Carrillo (D)	Zero-Emission Trucks: Tax and Fee Exemptions		Exempts from sales and use taxes, on and after January 1, 2022, the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, fuel for the operation of a zero-emission medium- or heavy-duty truck that is the subject of a lease entered into after July 1, 2022, with specified characteristics.	02/25/2021 - To ASSEMBLY Committees on REVENUE AND TAXATION and TRANSPORTATION.
<u>AB 908</u> Frazier (D)	Natural Resources Agency: Statewide Natural Resources		Requires the Natural Resources Agency, to the extent a specified appropriation is made, to prepare a comprehensive, statewide inventory of the natural resources of the state and establish treatment measures necessary to protect those resources, and to post its	02/25/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.

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			initial inventory on its internet website on or before January 1, 2023, with annual updates on or before January 1 of each year thereafter.	
<u>AB 909</u> Frazier (D)	Wildfire Risk Assessment Map		Requires the Department of Forestry and Fire Protection, in consultation with the California Fire Science Consortium and the Department of Insurance to develop a fire risk assessment map for the state that quantifies the risks of wildfire for a parcel of land for a time span of 50 years. Requires the department to annually update the wildfire risk assessment map.	02/25/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 919</u> Grayson (D)	Construction Defects: Actions: Statute of Limitations		Shortens the timeframe in which specified actions against a nonprofit housing corporation, as defined, may be brought for underlying construction projects using a certified skilled and trained workforce.	04/13/2021 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;04/13/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.
<u>AB 926</u> Mathis (R)	Fire Prevention: Local Assistance Grant Program		Expands the definition of fire prevention activities to include the removal of hazardous dead trees, creation of fuel breaks and community defensible spaces, and creation of ingress and egress corridors. Requires the department to prioritize projects that have a completed, or nearly completed, environmental review document, as provided. Authorizes the department to consider and evaluate the wildfire risk within the proposed project area.	05/20/2021 - In ASSEMBLY. Joint Rule 62(a) suspended.;05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 943</u> Garcia E (D)	Competitive Grant Programs: Funding Objectives		Requires state agencies administering competitive grant programs that allocate moneys from the Greenhouse Gas Reduction Fund to give specified communities preferential points during grant application scoring for programs intended to improve air quality, to include a specified application timeline, and to allow applicants	01/10/2022 - From ASSEMBLY Committee on NATURAL RESOURCES: Do pass as amended to Committee on APPROPRIATIONS.

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			from the Counties of Imperial and San Diego to include daytime population numbers in grant applications.	
<u>AB 953</u> Kiley (R)	Environmental Quality: Department of Fish and Wildlife		Requires the Department of Fish and Wildlife to separately track and account for all revenues collected under the above filing fee provision and all costs incurred in its role as a responsible agency or trustee agency under the California Environmental Quality Act.	04/12/2021 - In ASSEMBLY. Suspend Assembly Rule 96.;04/12/2021 - Re-referred to ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.
<u>AB 956</u> Flora (R)	Wildfire Mitigation Plans: Fire Retardants		Expressly authorizes a wildfire mitigation plan to include the use of fire-retardant chemicals approved by the State Fire Marshal on a planned basis for wildfire mitigation and risk management.	03/04/2021 - To ASSEMBLY Committee on UTILITIES AND ENERGY.
<u>AB 968</u> Frazier (D)	Wildfire Resilience: Community Certification		Requires the Natural Resources Agency to research, and provide a report to the Legislature with recommendations for, ways in which a community that undertakes science-supported wildfire resilience actions can be recognized with a peer-reviewed, community-level certification in order to acknowledge and motivate wildfire resilience activity, as provided.	03/18/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.;03/18/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/18/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.
<u>AB 969</u> Frazier (D)	Natural Resources Agency: Wildfire Technology Support:		Requires the Natural Resources Agency to provide a basic level of technological support to community organizations for wildfire risk reduction and resiliency, including technology for data, geospatial mapping, and data management, as well as software and limited technical support, and requires the Natural Resources Agency to structure this wildfire technology support in the same way that technology support is provided for similar services for wildfire-program building, outreach, and planning.	03/18/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.;03/18/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/18/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.

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<u>AB 972</u> Berman (D)	Elections: Deceptive Audio or Visual Media		Extends the repeal date of provisions relative to deceptive audio or visual media use in elections through a specified date.	03/04/2021 - To ASSEMBLY Committee on ELECTIONS.
<u>AB 975</u> Rivas (D)	Political Reform Act of 1974		Relates to the Political Reform Act of 1974. Allows a gift of admission to an invitation-only event to be returned, reimbursed, or donated within 30 days of the calendar quarter in which it was received, and would make other changes prescribing conditions for the donation, return, or reimbursement.	06/01/2021 - In ASSEMBLY. To Inactive File.
<u>AB 976</u> Rivas (D)	Resilient Economies and Community Health Pilot Program		Establishes the Resilient Economies and Community Health Pilot Program, which would be administered by the council from January 1, 2022, through December 31, 2026, as a grant pilot program for eligible community-based organizations to provide a comprehensive suite of coordinated incentives and services to disadvantaged communities at the resident household level to provide economic savings, reduce greenhouse gas emissions and air pollution, and improve resiliency to the impacts of climate control.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 979</u> Frazier (D)	Sacramento-San Joaquin Delta: Projects: Sea Level Rise		Requires any individual or entity that undertakes a project, as defined, within the Delta to complete a report analyzing the impact of sea level rise on the project.	05/20/2021 - In ASSEMBLY. Joint Rule 62(a) suspended.;05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 981</u> Frazier (D)	Forestry: California Fire Safe Council		Establishes the California Fire Safe Council in the Natural Resources Agency consisting of 11 members. Requires the council to identify programs administered by public agencies to address and minimize the risks of wildfire and to coordinate the implementation of those programs, to identify public and private programs that may be leveraged to facilitate structure-hardening and	05/20/2021 - In ASSEMBLY. Joint Rule 62(a) suspended.;05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

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			community resilience to minimize the impacts of wildfire to habitable structures.	
<u>AB 987</u> Low (D)	Public Utilities: Civil Penalties		Requires the Commission to require any penalty imposed on a public utility, person, or corporation for a violation of the act, or for a violation of any order, decision, decree, rule, direction, demand, or requirement of the commission, to be paid no later than 2 years from the date the penalty was imposed, as provided.	03/25/2021 - To ASSEMBLY Committee on UTILITIES AND ENERGY.;03/25/2021 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;03/25/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.
<u>AB 995</u> Gonzalez (D)	Paid Sick Days: Accrual and Use		Modifies the employers alternate sick leave accrual method to require that an employee have no less than 40 hours of accrued sick leave or paid time off by the 200th calendar day of employment or each calendar year, or in each 12-month period.	06/03/2021 - In ASSEMBLY. To Inactive File.
<u>AB 1001</u> Garcia (D)	Mitigation Measures for Air and Water Quality Impacts		Requires certain measures to mitigate the adverse effects of a project on air or water quality of a disadvantaged community, to mitigate those effects directly in the affected community. Requires all public agencies, in implementing the California Environmental Quality Act, to act consistently with the principles of environmental justice, as provided, by ensuring the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins.	01/10/2022 - From ASSEMBLY Committee on NATURAL RESOURCES: Do pass to Committee on APPROPRIATIONS.
<u>AB 1005</u> Muratsuchi (D)	Scientific Review Panel on Toxic Air Contaminants		Relates to existing law that creates and establishes a 9-member Scientific Review Panel on Toxic Air Contaminants to advise the State Air Resources Board and the Department of Pesticide Regulation in their evaluation of the health effects toxicity of toxic air contaminants and pesticides and prescribes the manner	02/18/2021 - INTRODUCED.

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			in which the members shall be appointed. Makes nonsubstantive changes to these provisions.	
<u>AB 1013</u> Lackey (R)	State Mandates: Claims		Relates to State mandates of a new program or higher level of service on any local government, including school districts. Requires the state to provide a subvention of funds to reimburse the local government, unless an exception applies. Provides that statutory provisions that establish procedures for making that reimbursement include a requirement that no claim shall be made or paid unless it exceeds \$1,000. Changes the minimum claim amount to \$900.	03/04/2021 - To ASSEMBLY Committee on LOCAL GOVERNMENT.
<u>AB 1017</u> Quirk-Silva (D)	Public Restrooms: Right to Restrooms Act of 2021		Requires each local government, as defined, to complete an inventory of public restrooms owned and maintained by the local government, either directly or by contract, that are available to the general population in its jurisdiction. Requires each local government to make its inventory available to agencies and service providers that work directly with homeless populations within the local government' s jurisdiction and, with certain exceptions, to make the inventory available on its internet website.	08/26/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>AB 1027</u> Seyarto (R)	Solid and Organic Waste		Expresses the intent of the Legislature to enact subsequent legislation to provide relief from those solid waste recycling, composting, and source reduction requirements and organic waste recycling requirements, for no more than one year, to cities and municipalities struggling due to the impacts of COVID-19.	02/18/2021 - INTRODUCED.
<u>AB 1028</u> Seyarto (R)	Telework Flexibility Act		Concerns the Telework Flexibility Act. Authorizes any nonexempt employee working from home who is not under the physical control of the employer to choose	03/04/2021 - To ASSEMBLY Committees on LABOR AND EMPLOYMENT and JUDICIARY.

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			when to take any meal or rest period during the workday, if the employer has not already scheduled a meal or rest period within the requirements of the law. Requires an employer to notify the employee of this right one time, when the employee begins working from home.	
<u>AB 1030</u> Chen (R)	Professional Land Surveyors' Act and Engineers Act		Relates to the Professional Land Surveyors' Act and Professional Engineers Act. Includes within the practices that subject a person to those acts, with regard to the practice of identifying the location, alignment, or elevation for any of the fixed works embraced within the practice of civil engineering, laying out the reference points or lines through the use of mathematical or physical measurements. Expands the practice of land surveying and civil engineering, as specified.	03/04/2021 - To ASSEMBLY Committee on BUSINESS AND PROFESSIONS.
<u>AB 1037</u> Grayson (D)	Infrastructure Construction: Digital Construction		Requires the Department of General Services to develop guidance, policies, and procedures for the integration and development of digital construction technologies for use on a civil infrastructure project, as defined, that is developed by specified state entities and has a state project cost of greater than a specified amount.	08/23/2021 - In SENATE. From third reading. To Inactive File.
<u>AB 1041</u> Wicks (D)	Leave Issues		Expands the population that an employee can take leave to care for to include a designated person. Defines "designated person" to mean a person identified by the employee at the time the employee requests family care and medical leave. Authorizes an employer to limit designation of a person, as prescribed.	09/09/2021 - In SENATE. To Inactive File.
<u>AB 1086</u> Aguiar-Curry (D)	Organic Waste: Implementation Strategy		Requests that the State Council on Science and Technology, in consultation with its academic and research partners and specified state agencies undertake	08/26/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.

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			and, within specified months of entering into a contract, complete a report that provides an implementation strategy to achieve the state's organic waste, and related climate change and air quality, mandates, goals, and targets. Requires the council to provide the report to the relevant state agencies after peer review.	
<u>AB 1092</u> Mayes (R)	Public Employees' Retirement: Health Benefits		Precludes a person who has retired under PERS and who obtains work with a subsequent employer from receiving any health benefits offered under PEMHCA if the person's subsequent employer offers health care coverage that provides reasonably comparable benefits. Prohibits, among other things, employees, annuitants, and family members who become eligible to enroll on or after a specified date in Part A and Part B of Medicare from being enrolled in a basic health benefit plan.	04/26/2021 - From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT With author's amendments.;04/26/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
<u>AB 1099</u> Rivas R (D)	Environmental Equity: Bond and Fund Expenditures		Requires the administration of proceeds from the sales of bonds issued under a bond act that is enacted by the Legislature and is approved by the voters on or after a specified date, pursuant to the State General Obligation Bond Law and that addresses environmental issues, and the administration of certain funds established on or after a specified date, that provide financial assistance to eligible entities to incorporate certain principles of environmental equity.	03/25/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.;03/25/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/25/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.
<u>AB 1110</u> Rivas R (D)	Zero-Emission Vehicles; Clean Vehicles Ombudsperson		Establishes the Clean Vehicles Ombudsperson, to be appointed by and report directly to the Director of GO-Biz, and would require the ombudsperson to consult with appropriate entities in identifying available programs and incentives offered by the state that can help to reduce costs and increase participation in a statewide contract or leveraged procurement agreement,	09/09/2021 - In ASSEMBLY. To Inactive File.

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			as described below. Requires the ombudsperson to convene 2 or more workshops of an advisory committee to aid ombudsperson.	
<u>AB 1119</u> Wicks (D)	Employment Discrimination		Relates to the California Fair Employment and Housing Act (FEHA), which protects the right to seek, obtain, and hold employment without discrimination because of prescribed characteristics. Expands the protected characteristics to include family responsibilities, defined to mean the obligations of an employee to provide direct and ongoing care for a minor child or a care recipient. Defines additional terms for this purpose.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.
<u>AB 1122</u> Garcia (D)	Employment Discrimination		Provides that, under Fair Employment and Housing Act, it is not a violation of the rights of any individual who is not chosen for an employer to hire or promote a member of a protected group, if the employer determines that the individual hired or promoted is qualified for the job and the individual hired or promoted is a member of a protected group that is underrepresented in the type of job in question in the relevant general workforce.	03/11/2021 - To ASSEMBLY Committees on LABOR AND EMPLOYMENT and JUDICIARY.;03/11/2021 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT with author's amendments.;03/11/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LABOR AND EMPLOYMENT.
<u>AB 1141</u> Frazier (D)	Wildfires: Wildland Urban Interface Fire Research		Requires the Natural Resources Agency to develop and fund, upon an appropriation by the Legislature, a Wildland-Urban Interface Fire Research Center that addresses the wildland-urban interface fire problem and the need for wildfire prevention, detection, and mitigation planning, building, and response, and related economic, insurance, and modeling practices in the state.	03/18/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.;03/18/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/18/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.

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<u>AB 1142</u> Frazier (D)	Fire Prevention: Detection and Response		Requires the Department of Forestry and Fire Protection to develop and implement a program to predict and respond to wildfire ignition events and to provide for the sharing of information regarding wildfire events and coordination of activities among local, state, and federal agencies in response to wildfires.	03/04/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 1161</u> Garcia E (D)	Electricity: Eligible Renewable Energy: State Agencies		Enacts the Clean Economy and Clean Jobs Stimulus Act of 2021 and would require the Department of Water Resources to procure newly developed eligible renewable energy resources or zero-carbon resources, and energy storage associated with those resources, in an amount that satisfies 100 percent electricity procured to serve all state agencies by specified date.	04/13/2021 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;04/13/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.
<u>AB 1164</u> Flora (R)	Dams and Reservoirs: Exclusions		Specifies that the exclusion from being considered a dam for a barrier that is not across a stream channel, watercourse, or natural drainage area and that has the principal purpose of impounding water for agricultural use applies only to a barrier owned or operated by a private entity. Provides that the structure is no greater than 20 feet in height, as measured from the lowest adjacent native ground elevation to the maximum achievable water surface impounded by the structure.	06/03/2021 - To SENATE Committee on NATURAL RESOURCES AND WATER.
<u>AB 1175</u> Aguiar-Curry (D)	Division Of Occupational Safety and Health: Inspections		Revises advance warning provisions to prohibit any representative of the Division Of Occupational Safety and Health from giving advance notice of an inspection or investigation to an employer or other person unless authorized under OSHA. Authorizes the chief or their authorized representatives to permit advance notice of an inspection or investigation when advance notice is necessary to ensure availability of essential personnel or	03/11/2021 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT.;03/11/2021 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT with author's amendments.;03/11/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LABOR AND EMPLOYMENT.

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			access to the site, equipment, or process, as prescribed by the director.	
<u>AB 1179</u> Carrillo (D)	Employer Provided Benefit: Backup Childcare		Requires an employer to provide an employee who works in California for the same employer for 30 or more days within a year from the commencement of employment, with up to 60 hours of paid backup childcare benefits, to be accrued and used as provided. Defines backup childcare as childcare provided by a qualified backup childcare provider to the employee's child when the employee's regular childcare provider cannot be utilized.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.
<u>AB 1188</u> Wicks (D)	State Rental Assistance Program: Data		Requires the Department of Housing and Community Development to retain data from designated sources, including data on the state rental assistance program, information submitted by eligible grantees that received the federal funding, and data on rental registries operated by local governments, as specified.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 1195</u> Garcia (D)	Drinking Water		Prohibits a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board.	06/17/2021 - In SENATE. Rescinds referral to Committee on NATURAL RESOURCES due to limitations concerning COVID-19 virus.
<u>AB 1205</u> Frazier (D)	State Air Resources Board: Elections		Requires a certain composition of the Air Resources Board.	03/18/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.;03/18/2021 - From ASSEMBLY Committee on NATURAL RESOURCES with author's amendments.;03/18/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES.

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<u>AB 1218</u> McCarty (D)	Motor Vehicle Greenhouse Gas Emissions Standards		Declares that, to help achieve the state's climate and air quality goals and mandates, it is the goal of the state that 100% of new passenger and light-duty trucks sales are zero-emission vehicles by 2035. Requires, on and after January 1, 2023, total passenger vehicles and light-duty trucks sold by a manufacturer in the state in a calendar year to meet specified greenhouse gas emissions standards pursuant to a tiered plan.	01/06/2022 - From ASSEMBLY Committee on APPROPRIATIONS with author's amendments.;01/06/2022 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.
<u>AB 1232</u> McCarty (D)	Construction Documents		Relates to existing law that requires a contract for construction to contain specified information regarding the names, addresses, and places of business of various parties to the contract. Makes a nonsubstantive change to this provision.	01/11/2022 - From ASSEMBLY Committee on HIGHER EDUCATION: Do pass to Committee on APPROPRIATIONS.
<u>AB 1239</u> Ting (D)	Electricity: Demand Response Resources and Programs		Requires the PUC, by a specified date, to open an investigation into the root causes of demand response market failures and why demand response has not reached its potential and make recommendations for policy changes aimed at ensuring those market failures are not repeated. Requires that the investigation include public participation and be concluded by September 30, 2022.	03/29/2021 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;03/29/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.
<u>AB 1255</u> Bloom (D)	Fire Risk Reduction Guidance: Local Assistance Grants		Requires the Natural Resources Agency to develop a guidance document that describes goals, approaches, opportunities, and best practices in each region of the state for ecologically appropriate, habitat-specific fire risk reduction.	06/02/2021 - In ASSEMBLY. To Inactive File.
<u>AB 1256</u> Quirk (D)	Employment Discrimination: Cannabis Screening Test		Prohibits an employer from discriminating against a person in hiring, termination, or any term or condition of employment because a drug screening test has found the person to have nonpsychoactive cannabis metabolites in	04/12/2021 - From ASSEMBLY Committee on LABOR AND EMPLOYMENT with author's amendments.;04/12/2021 - In

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			their urine, hair, or bodily fluids. Exempts from its provisions an employer that is required to conduct testing for tetrahydrocannabinol by federal law or regulations, or that would lose a monetary or licensing-related benefit for failing to conduct testing for tetrahydrocannabinol.	ASSEMBLY. Read second time and amended. Re-referred to Committee on LABOR AND EMPLOYMENT.
<u>AB 1271</u> Ting (D)	Surplus Land	WATCH	Adds to the definition of "exempt surplus land" a former military base or other planned residential or mixed-use development of certain parcels of a certain size, that are subject to a written plan, where at least one of the owners is a local agency and meets other specified criteria. Provides that these provisions do not preclude a local agency that purchases surplus land from a disposing agency from reconveying the surplus land to a developer for development of low and moderate income housing.	04/19/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on HOUSING AND COMMUNITY DEVELOPMENT.
<u>AB 1295</u> Muratsuchi (D)	Residential Development Agreements: Fire Risk Areas		Prohibits the legislative body of a city or county from entering into a residential development agreement for property located in a very high fire risk area. Defines very high fire risk area for these purposes to mean a very high fire hazard severity zone designated by a local agency or a fire hazard severity zone classified by the director.	03/04/2021 - To ASSEMBLY Committees on LOCAL GOVERNMENT and HOUSING and COMMUNITY DEVELOPMENT.
<u>AB 1296</u> Kamlager (D)	South Coast Air Quality Management District		Increases the number of members of the South Coast Air Quality Management District board to 15 members by adding 2 environmental justice appointees, one appointed by the Senate Committee on Rules and one appointed by the Speaker of the Assembly.	03/04/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 1313</u> Bigelow (R)	COVID-19: Immunity from Civil Liability		Exempts a business from liability for an injury or illness to a person due to coronavirus based on a claim that the	03/04/2021 - To ASSEMBLY Committee on JUDICIARY.

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			person contracted coronavirus while at that business, or due to the actions of that business, if the business has substantially complied with all applicable state and local health laws, regulations, and protocols.	
<u>AB 1325</u> Burke (D)	Clean Community Microgrid Incentive Program		Requires the Public Utilities Commission (PUC) to develop and implement a Clean Community Microgrid Incentive Program by 2022 to fund community microgrids that support the critical needs of vulnerable communities that utilize distributed energy resources for the generation of electricity. Establishes the budget for the program in an unspecified amount to be dispersed in successive phases to local public agencies for community microgrid development.	03/04/2021 - To ASSEMBLY Committee on UTILITIES AND ENERGY.
<u>AB 1332</u> Flora (R)	Local Government Ordinances		Relates to existing law that authorizes any local agency to enact any ordinance that adopts a code by reference if the referenced code is specified in the title of the ordinance. Makes nonsubstantive changes in the provision which prohibits the adoption by reference of any penalty clauses that may appear in any code that is adopted by reference.	02/19/2021 - INTRODUCED.
<u>AB 1354</u> Grayson (D)	Public Employees' Retirement		Makes nonsubstantive changes to provisions prohibiting a retired person from being employed by a public employer in the same public retirement system from which the retiree receives pension benefits without reinstatement from retirement into that system, subject to certain exceptions.	02/19/2021 - INTRODUCED.
<u>AB 1376</u> Gray (D)	Water Quality: State Certification		Requires the State Water Resources Control board to make a water quality certification available on its website for a public comment and review period.	04/07/2021 - In ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Not heard.

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<u>AB 1384</u> Gabriel (D)	Resiliency Through Adaptation, Economic Vitality		Requires the agency to also coordinate with the Office of Planning and Research and identify, among other things, vulnerabilities to climate change for vulnerable communities, an operational definition of "climate resilience" for each sector and for vulnerable communities, special protections of vulnerable communities and industries that are disproportionately impacted by climate change, opportunities to improve policy and budget coordination across jurisdictions, and timetables and specific metrics.	09/10/2021 - In SENATE. From third reading. To Inactive File.
<u>AB 1395</u> Muratsuchi (D)	The State Climate Crisis Act		Declares the policy of the state both to achieve net zero greenhouse gas emissions as soon as possible, but no later than a specified year, and achieve and maintain net negative greenhouse gas emissions thereafter, and to ensure that by a specified year, statewide anthropogenic greenhouse gas emissions are reduced to at least 90% below the 1990 levels.	09/10/2021 - In SENATE. Read third time. Failed to pass SENATE.;09/10/2021 - In SENATE. Motion to reconsider.;09/10/2021 - In SENATE. Reconsideration granted.;09/10/2021 - In SENATE. From third reading. To Inactive File.
<u>AB 1399</u> Flora (R)	Diversion or Use of Water: Penalties		Makes nonsubstantive changes to provisions that state that the diversion or use of water other than as authorized by specified provisions of law is a trespass, subject to specified civil liability.	02/19/2021 - INTRODUCED.
<u>AB 1400</u> Kalra (D)	Guaranteed Health Care for All		Creates the Guaranteed Health Care for All Program, or CalCare, to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state. Provides that CalCare cover a wide range of medical benefits and other services and would incorporate the health care benefits and standards of other existing federal and state provisions. Creates the CalCare Board to govern CalCare, made up of 9 voting members.	01/06/2022 - To ASSEMBLY Committee on HEALTH.

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<u>AB 1411</u> Cunningham (R)	Agriculture: Greenhouse Gas Mitigation: Healthy Soils		Makes a nonsubstantive change to the Cannella Environmental Farming Act of 1995, which requires the Department of Food and Agriculture, in consultation with the Scientific Advisory Panel on Environmental Farming, to establish and oversee a Healthy Soils Program to seek to optimize climate benefits while supporting the economic viability of California agriculture by providing incentives to farmers whose management practices contribute to healthy soils.	02/19/2021 - INTRODUCED.
<u>AB 1431</u> Frazier (D)	Forestry: Forest Carbon and Resilience Goals		Establishes state goals for fuels treatment, vegetation management, and wildfire risk reduction, including, but not limited to, increasing vegetation management on nonfederal lands and urging the federal government to increase vegetation management on federal lands, as provided, and increasing the pace and scale of home hardening efforts to harden at least 100,000 existing homes per year by 2025.	08/26/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>AB 1434</u> Friedman (D)	Urban Water Use Objectives: Indoor Residential	OPPOSE	Establishes, beginning January 1, 2023, until January 1, 2025, the standard for indoor residential water use as 48 gallons per capita daily. Establishes, beginning January 1, 2025, the standard as 44 gallons per capita daily and, beginning January 1, 2030, 40 gallons per capita daily. Eliminates the requirement that the Department of Water Resources conduct necessary studies and investigations and recommend to the Legislature a standard for indoor residential water use.	01/06/2022 - From ASSEMBLY Committee on APPROPRIATIONS with author's amendments.;01/06/2022 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.
<u>AB 1442</u> Ting (D)	Accessory Dwelling Units		Makes nonsubstantive change to existing law which provides for the creation by local ordinance, or by ministerial approval if a local agency has not adopted an ordinance, of accessory dwelling units to allow single-	02/19/2021 - INTRODUCED.

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			family or multifamily dwelling residential use in accordance with specified standards and conditions.	
<u>AB 1453</u> Muratsuchi (D)	Environmental Justice: Just Transition Commission		Establishes the Just Transition Advisory Commission, consisting of specified members, in the Labor and Workforce Development Agency and would require the commission, through a public process, to develop and adopt, on or before January 1, 2024, the Just Transition Plan that contains recommendations to transition the state's economy to a climate-resilient and low-carbon economy.	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>AB 1458</u> Frazier (D)	Fish and Wildlife Protection and Conservation		Exempts from the prohibition against lake and streambed alterations vegetation management or fuels treatment projects undertaken, carried out, or approved by a state or local governmental agency necessary to prevent or mitigate the threat or intensity of a wildfire.	04/26/2021 - In ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Not heard.
<u>AB 1490</u> Chau (D)	California Privacy Rights Act of 2020: Agency		Requires appointments to the board which governs the California Privacy Protection Agency to be made from among Californians with expertise in the areas of privacy, technology, and consumer rights.	06/01/2021 - In ASSEMBLY. To Inactive File.
<u>AB 1493</u> Rubio (D)	Tenancy: Victims of Domestic Violence, Sexual Assault		Makes nonsubstantive changes to existing law which prohibits a landlord from terminating or failing to renew a tenancy based upon an act against a tenant or a member of a tenant's household that constitute domestic violence, sexual assault, stalking, human trafficking, or elder or dependent adult abuse, if certain standards are met.	02/19/2021 - INTRODUCED.
<u>AB 1500</u> Garcia E (D)	Safe Drinking Water, Wildfire Prevention	SUPPORT IF AMENDED	Enacts the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of	05/20/2021 - In ASSEMBLY. Joint Rule 62(a) suspended.;05/20/2021 - From ASSEMBLY Committee on

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			2022, which, if approved by the voters, would authorize the issuance of bonds pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.	APPROPRIATIONS: Do pass to Committee on RULES.
<u>AB 1519</u> Gallagher (R)	Forestry: Fuels Transportation Program: Biomass Energy		Requires the Natural Resources Agency to develop and implement a fuels transportation program that provides competitive grants or other financial incentives for projects in eligible communities to offset the costs of transporting fuels to a biomass energy facility.	01/10/2022 - In ASSEMBLY Committee on NATURAL RESOURCES: Failed passage.
<u>AB 1523</u> Gallagher (R)	Greenhouse Gases		Revises the California Global Warming Solutions Act of 2006 by designating the State Air Resources Board with the responsibility of regulating vehicular sources of emissions of greenhouse gases and each district with the responsibility of regulating all sources, other than vehicular sources, of emissions of greenhouse gases within its jurisdiction.	03/11/2021 - To ASSEMBLY Committee on NATURAL RESOURCES.
<u>AB 1528</u> Santiago (D)	Wages: Final Payments		Makes nonsubstantive changes to these provisions related to regulation of the terms and conditions of employment and, specifically, the payment of wages.	02/19/2021 - INTRODUCED.
<u>AB 1567</u> Emergency Management Cmt	Emergency Services: Catastrophic Plans: Recovery		Requires the Office of Emergency Services and the governing bodies of political subdivisions, in developing recovery frameworks, to incorporate lessons learned from recent major disasters, including the coronavirus pandemic. Requires the frameworks to be consistent with guidance from the Federal Emergency Management Agency and to address, at a minimum, specified recovery support functions, including economic	05/20/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

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			recovery, health and social services, and infrastructure systems.	
<u>AB 1604</u> Holden (D)	The Upward Mobility Act of 2022: Boards and Commissions		Requires that, on or after January 1, 2023, all state boards and commissions consisting of one or more volunteer members have at least one board member or commissioner from an underrepresented community. Defines the term board member or commissioner from an underrepresented community as an individual who self-identifies as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, or Alaska Native, or as defined.	01/04/2022 - INTRODUCED.
<u>AB 1610</u> Lackey (R)	State Mandates: Claims		Provides that no claim for reimbursement by a local government or school district for a state-mandated cost shall be made or paid unless it exceeds \$800.	01/05/2022 - INTRODUCED.
<u>AB 1616</u> Petrie-Norris (D)	Public Contracts		Relates to existing law which generally regulates the formation and awarding, among other things, of a contract by a public entity and makes a nonsubstantive change to the definition of the term public entity.	01/06/2022 - INTRODUCED.
<u>ACA 1</u> Aguiar-Curry (D)	Local Government Financing: Affordable Housing		Creates an additional exception to the 1% ad valorem tax rate limit on real property that would authorize a city, county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, if the proposition proposing the tax is approved by 55% of the voters of the city or county, and the proposition includes accountability requirements.	04/22/2021 - To ASSEMBLY Committees on LOCAL GOVERNMENT and APPROPRIATIONS.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>SB 12</u> McGuire (D)	Local Government Planning and Zoning: Wildfires		Requires the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after a certain date, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the clearinghouse for climate adaptation.	07/12/2021 - In ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT: Failed passage.;07/12/2021 - In ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT: Reconsideration granted.
<u>SB 36</u> Skinner (D)	Energy Efficiency		Makes nonsubstantive changes to existing law which authorizes the State Energy Resources Conservation and Development Commission to prescribe, by regulation, energy efficiency standards, including appliance efficiency standards.	01/28/2021 - To SENATE Committee on RULES.
<u>SB 37</u> Cortese (D)	Contaminated Site Cleanup and Safety Act		Repeals the requirement for the State Department of Health Care Services to compile a list of all public drinking water wells. Provides that a project located on a site that is included on any list compiled by the state agencies specified above and posted on the California Environmental Protection Agency' s internet website is exempted from CEQA if the project meets specified conditions.	09/08/2021 - In ASSEMBLY. To Inactive File.
<u>SB 45</u> Portantino (D)	Wildfire Prevention, Safe Drinking Water Bond Act	SUPPORT IF AMENDED	Enacts the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in a specified amount pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.	01/10/2022 - From SENATE Committee on ENVIRONMENTAL QUALITY: Do pass to Committee on APPROPRIATIONS.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 46 Stern (D)	American Rescue Plan Act Funds		Requires, to the extent authorized by federal law, a state agency that receives and disburses American Rescue Plan funds or other federal recovery funds to consider projects' potential impact on specified goals, including, among other things, restoring frontline communities and rapidly accelerating achievement of environmental justice and climate goals, including, but not limited to, climate, environmental, and biodiversity protection and stimulating growth.	03/18/2021 - Re-referred to SENATE Committees on GOVERNMENTAL ORGANIZATION and LABOR, PUB. EMPLOY. & RETIREMENT and ENVIRONMENTAL QUALITY.;03/18/2021 - In SENATE. Rescinds referral to Committee on ENVIRONMENTAL QUALITY due to limitations concerning COVID-19 virus.
SB 55 Stern (D)	Very High Fire Hazard Severity Zone: Development	WATCH	Prohibits the creation or approval of a new development, as defined, in a very high fire hazard severity zone or a state responsibility area unless there is substantial evidence that the local agency has adopted a comprehensive, necessary, and appropriate wildfire prevention and community hardening strategy to mitigate significant risks of loss, injury, or death, as specified.	04/15/2021 - In SENATE Committee on GOVERNANCE AND FINANCE: Heard, remains in Committee.
SB 67 Becker (D)	Clean Energy: 24/7 Clean Energy Standard Program		Establishes a goal that a certain percentage of electrical load be supplied by eligible clean energy resources. Establishes the California 24/7 Clean Energy Standard Program to require that a certain percentage of retail load be supplied by eligible clean energy resources. Requires the Energy Commission to establish compliance periods that meet certain criteria. Requires establishment of clean energy procurement requirements.	04/26/2021 - In SENATE Committee on ENERGY, UTILITIES AND COMMUNICATIONS: Not heard.
SB 72 Rubio (D)	Property Insurance: Wildfire Risk		Requires the Insurance Commissioner to transmit to the Secretary of the Natural Resources Agency a report that makes geographic recommendations for vegetation management projects based on the commissioner's analysis of specified information, including nonrenewal	08/26/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			data on policies of residential property insurance, and to post that report on the Department of Insurance's internet website.	
<u>SB 77</u> Nielsen (R)	Elections: Ballots		Makes a technical, nonsubstantive change to provisions of existing law providing that, on election day, a voter who does not vote the ballot the voter has received shall, before leaving the polling place, return it to the precinct board member having charge of the ballots, who shall immediately cancel it.	01/28/2021 - To SENATE Committee on RULES.
<u>SB 99</u> Dodd (D)	Community Energy Resilience Act of 2021		Requires the State Energy Resources Conservation and Development Commission to develop and implement a grant program for local governments to develop community energy resilience plans and expedite permit review of distributed energy resources by local governments.	08/26/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>SB 209</u> Dahle (R)	State of Emergency: Termination After 45 Days:		Requires a state of emergency to terminate 45 days after the Governor's proclamation of the state of emergency unless the Legislature extends it by a concurrent resolution.	03/04/2021 - From SENATE Committee on GOVERNMENTAL ORGANIZATION with author's amendments.;03/04/2021 - In SENATE. Read second time and amended. Re-referred to Committee on GOVERNMENTAL ORGANIZATION.
<u>SB 222</u> Dodd (D)	Water Rate Assistance Program	WATCH	Establishes the Water Rate Assistance Fund in the State Treasury to help provide water affordability assistance, for both drinking water and wastewater services, to low-income ratepayers and ratepayers experiencing economic hardship in State. Makes moneys in the fund available upon appropriation by the Legislature to the department to provide direct water bill assistance, water bill credits, and water crisis assistance, and would	09/03/2021 - In ASSEMBLY. To Inactive File.

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			require 80% of total funds to be directly applied to customer assistance.	
<u>SB 223</u> Dodd (D)	Discontinuation of Residential Water Service	OPPOSE UNLESS AMENDED	Revises the conditions under which urban and community water systems and very small community water systems are prohibited from discontinuing residential service for nonpayment. Prohibits these systems from discontinuing residential service for nonpayment during a state or local emergency.	05/20/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>SB 230</u> Portantino (D)	State Water Resources Control Board: Constituents		Requires the State Water Resources Control Board to establish, maintain, and direct, a dedicated program called the Constituents of Emerging Concern in Drinking Water Program for 5 years to assess the state of information and recommend areas for further study on, among other things, the occurrence of Constituents of Emerging Concern in drinking water sources and treated drinking water.	01/03/2022 - From SENATE Committee on APPROPRIATIONS with author's amendments.;01/03/2022 - In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.
<u>SB 282</u> Dahle (R)	State Water Resources Control Board		Makes a nonsubstantive change in provisions establishing the State Water Resources Control Board.	02/22/2021 - In SENATE. Article IV. Section 8(a) of the Constitution dispensed with.;02/22/2021 - In SENATE. Joint Rule 55 suspended.
<u>SB 286</u> Min (D)	Elections: Orange County Department of Education		Requires an election for an office within the Orange County Department of Education that is determined by the plurality of the votes cast for that office, with no possibility of a runoff, and is consolidated with a statewide election to be consolidated with the statewide general election in November.	01/03/2022 - From SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS with author's amendments.;01/03/2022 - In SENATE. Read second time and amended. Re-referred to Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS.;01/03/2022 - Withdrawn from SENATE Committee

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				on ELECTIONS AND CONSTITUTIONAL AMENDMENTS.;01/03/2022 - Re-referred to SENATE Committee on RULES.;01/03/2022 - Re-referred to SENATE Committees on EDUCATION and ELECTIONS AND CONSTITUTIONAL AMENDMENTS.
SB 295 Dahle (R)	District Elections		Makes a technical, nonsubstantive change to provisions of existing law concerning the Uniform District Election Law and terms of elected members.	02/22/2021 - In SENATE. Article IV. Section 8(a) of the Constitution dispensed with.;02/22/2021 - In SENATE. Joint Rule 55 suspended.
SB 305 Jones (R)	Political Reform Act of 1974: Electronic Filing		Imposes the online and electronic filing system with respect to specified committees, slate mailer organizations, lobbyists, and other persons. Eliminates the requirement that individual lobbyists, lobbying firms, lobbying coalitions, and lobbyist employers, as defined, file their registration statements, any amendments, or notices of termination, in physical form with the Secretary of State.	05/20/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
SB 312 Nielsen (R)	Renewables Portfolio Standard Program		States that it is the policy of the state and the intent of the Legislature to promote biomass facilities and biomass funding.	03/18/2021 - Re-referred to SENATE Committee on ENERGY, UTILITIES AND COMMUNICATIONS.
SB 318 Melendez (R)	Land Use: Development Fee or Charge: Auditor Standards		Requires that under the Mitigation Fee Act, an independent auditor be a certified public accountant, or a firm of certified public accountants, concerning an audit to determine whether a fee or charge is reasonable.	02/22/2021 - In SENATE. Article IV. Section 8(a) of the Constitution dispensed with.;02/22/2021 - In SENATE. Joint Rule 55 suspended.;02/22/2021 - To SENATE Committee on GOVERNANCE AND FINANCE.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 335 Cortese (D)	Workers' Compensation: Liability		Reduces the time periods after the date the claim form is filed with an employer in which the injury is presumed compensable and the presumption is rebuttable only by evidence discovered subsequent to the time period for certain injuries or illnesses, including hernia, heart trouble, pneumonia, or tuberculosis, among others, sustained in the course of employment of a specified member of law enforcement or a specified first responder.	07/13/2021 - In ASSEMBLY Committee on INSURANCE: Failed passage.
SB 342 Gonzalez (D)	South Coast Air Quality Management District		Adds members to the South Coast Air Quality Management District board, appointed by the Senate Committee on Rules and the Speaker of the Assembly. Requires the additional members to reside in and work directly with communities in the South Coast Air Basin that are disproportionately burdened by and vulnerable to high levels of pollution and issues of environmental justice. Authorizes the district board to create a Labor Advisory Panel to provide feedback.	06/03/2021 - In SENATE. From third reading. To Inactive File.
SB 345 Becker (D)	Energy Programs and Projects: Nonenergy Benefits		Requires the commission to begin the process, by a specified date, to establish common definitions of nonenergy benefits and attempt to determine consistent values and methodologies for use in assigning priority access to authorized funds by distributed energy resource programs. Requires the commission to prioritize the use of authorized funding to support distributed energy resource programs and projects that provide the greatest nonenergy benefits, particularly for disadvantaged communities.	05/20/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
SB 351 Caballero (D)	Water Innovation Act of 2021		Enacts the Water Innovation Act of 2021. Creates the Office of Water Innovation at the California Water Commission for the furtherance of new technologies and	05/20/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.

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			other innovative approaches in the water sector. Requires the office to take specified measures to advance innovation in the water sector.	
<u>SB 396</u> Dahle (R)	Electrical Transmission or Distribution Line: Clearance		Revises and recast those provisions related to electrical lines and abatement activities for a person who owns, controls, operates, or maintains an electrical transmission or distribution line, specifying that abatement activities covered by this law include felling, cutting, or trimming trees. Requires all these line clearance and tree pruning and abatement activities to comply with the commission's vegetation management rules, if applicable.	01/11/2022 - In ASSEMBLY. From Inactive File. To third reading.
<u>SB 410</u> Leyva (D)	Department of Industrial Relations		Exempts any occupational safety and health standard and order from the standardized regulatory impact analysis requirement. Requires an economic impact assessment to be prepared for the adoption, amendment, or repeal of any occupational safety and health standard and order, including for any such standard and order that is a major regulation proposed after a specified date.	09/08/2021 - In ASSEMBLY. To Inactive File.
<u>SB 412</u> Ochoa Bogh (R)	Environmental Quality Act: Emergency Definition		Expands the definition of emergency provided in the Environmental Quality Act to include a project jointly identified by a state or local agency and the Department of Forestry and Fire Protection or the State Board of Forestry and Fire Protection, with notice to the Department of Fish and Wildlife, as mitigating a high threat to life and safety by preventing, minimizing, or mitigating damage to life, health, property, natural resources, or essential public services, resulting from a catastrophic fire.	04/26/2021 - In SENATE Committee on ENVIRONMENTAL QUALITY: Not heard.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
SB 426 Rubio (D)	Municipal Separate Storm Sewer Systems		Requires the State Water Resources Control Board to establish financial capability assessment guidelines for municipal separate storm sewer system permittees that are adequate and consistent when considering the costs to local jurisdictions. Requires the state board and the regional boards to continue using available regulatory tools and other approaches to foster collaboration with permittees to implement permit requirements in light of the costs of implementation.	06/01/2021 - In SENATE. From Special Consent Calendar. To Inactive File.
SB 448 Melendez (R)	Emergency Services Act: Emergency Powers: Limitation		Enacts the Emergency Power Limitation Act. Requires an emergency order, as defined, to be narrowly tailored to serve a compelling public health or safety purpose and limited in duration, applicability, and scope. Authorizes any person to bring an action to invalidate or enjoin enforcement of an emergency order that is allegedly unlawful.	02/25/2021 - To SENATE Committees on GOVERNMENTAL ORGANIZATION and JUDICIARY.
SB 449 Stern (D)	Climate-Related Financial Risk		Requires a bank, corporation, credit union, finance lender, insurer, investment advisor, real estate investment trust, and mortgage lender, as those terms are defined, to, before January 1, 2023, and annually thereafter, prepare a climate-related financial risk report, as defined, and to submit to the department, and make available to the public on its own internet website, a copy of that report.	05/20/2021 - In SENATE Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.
SB 457 Portantino (D)	Public Employee Retirement Systems: Investments		Requires the boards of administration of the Public Employees Retirement System and the State Teachers Retirement System to provide employers that are school districts and cities that participate in the systems an option to elect an investment portfolio that does not contain investment vehicles that are issued or owned by the government of the Republic of Turkey.	05/28/2021 - To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>SB 459</u> Allen (D)	Political Reform Act of 1974: Lobbying		Requires lobbyists, lobbying firms, and lobbyist employers to include information in the periodic reports that identifies each bill or administrative action subject to lobbying activity, and the respective position advocated for, during that period. Requires additional specified disclosures for lobbying activity during a specified period before the Legislature is scheduled to adjourn in a calendar year.	07/06/2021 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.
<u>SB 463</u> Dahle (R)	Water: Landowner Right To Modify, Repair, Or Replace		Authorizes a landowner to, where a conduit is constructed across or buried beneath the lands of landowners, and the conduit is not under the control or management of any public agency or authority, modify, repair, or replace, as defined, the conduit on or beneath their land if the modification, repair, or replacement is made in a manner that does not impede the flow of the water to any other property receiving a benefit of the conduit or, otherwise injure any person using or interested in the conduit.	01/10/2022 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;01/10/2022 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
<u>SB 471</u> Hueso (D)	The Racial and Economic Equity Grant Program		Creates the Racial and Economic Equity Grant Program, administered by GO-Biz, for the purpose of providing grants to address disproportionate impacts borne from the COVID-19 pandemic, as defined, and the lack of critical physical and social infrastructure, resulting from chronic underinvestment, in key segments of the economy of this state.	04/21/2021 - From SENATE Committee on BUSINESS, PROFESSIONS AND ECONOMIC DEVELOPMENT with author's amendments.;04/21/2021 - In SENATE. Read second time and amended. Re-referred to Committee on BUSINESS, PROFESSIONS & ECONOMIC DEVELOPMENT.
<u>SB 505</u> Hertzberg (D)	Wages: Withholdings: Written Authorization		Requires a public employer, absent fraud, misrepresentation, or theft, to make a good faith effort to consult with an employee to obtain a written authorization to resolve a monetary obligation before	06/17/2021 - In ASSEMBLY. Suspend Assembly Rule 96.;06/17/2021 - Re-referred to ASSEMBLY Committee on RULES.

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			utilizing third-party collection services or commencing a civil action. Requires the written authorization to include a mutual agreement between the public employer and employee and, to the extent possible, would prohibit that written authorization from placing an undue financial burden upon the employee.	
SB 506 Jones (R)	California Environmental Quality Act: Greenhouse Gas		Prohibits the Department of Forestry and Fire Protection from requiring applicants for a grant or other funds made available to the department from the Greenhouse Gas Reduction Fund to consider the greenhouse gas emissions impacts of vegetation management projects pursuant to the California Environmental Quality Act (CEQA) as a condition of applying for or receiving a grant or other funds from moneys made available to the department from the fund.	02/25/2021 - To SENATE Committees on NATURAL RESOURCES AND WATER and ENVIRONMENTAL QUALITY.
SB 520 Wilk (R)	Water Resources: Permit to Appropriate: Applications		Requires the State Water Resources Control Board, if the board has not rendered a final determination on an application for a permit to appropriate water within 30 years from the date the application was filed, to issue a new notice and provide an opportunity for protests before rendering a final determination, with specified exceptions.	06/17/2021 - In ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Not heard.
SB 526 Min (D)	Community Water Systems: Lead User Service Lines		Requires community water system to remove or replace the full lead user service line, if the community water system disturbs, removes, or replaces a portion thereof. Applies specified enforcement provisions to a violation of the requirements of the bill, thereby creating a state-mandated local program by expanding the scope of crimes under the California Safe Drinking Water Act.	02/25/2021 - To SENATE Committee on ENVIRONMENTAL QUALITY.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>SB 527</u> Melendez (R)	Greenhouse Gas Reduction Fund: High-Speed Rail		Eliminates the continuous appropriation of 25% of the annual proceeds of Greenhouse Gas Reduction Fund to the High-Speed Rail Authority on a specified date. Transfers 25% of the annual proceeds of the Greenhouse Gas Reduction Fund to the Salton Sea Restoration Fund.	02/25/2021 - To SENATE Committees on ENVIRONMENTAL QUALITY and TRANSPORTATION and NATURAL RESOURCES AND WATER.
<u>SB 542</u> Limon (D)	Vehicle License Fees for Zero-emission Vehicles: Sales		Provides an exemption from certain taxes with respect to the sale in this state of, and the storage, use, or other consumption in this state of, a qualified motor vehicle. Defines qualified motor vehicle as a specified zero-emission truck. Provides that this exemption does not apply to specified state sales and use taxes from which the proceeds are deposited into the Local Revenue Fund, the Local Revenue Fund 2011, or the Local Public Safety Fund.	01/10/2022 - In SENATE. Read second time. To third reading.
<u>SB 551</u> Stern (D)	California Zero-Emission Vehicle Authority		Establishes the California Zero-Emission Vehicle Authority within the Governor's Office of Business and Economic Development. Requires the authority to coordinate activities among state agencies to advance zero-emission vehicle infrastructure deployment, including charging stations and hydrogen refueling stations, as well as ensure related equity, workforce development, economic development, and other needs are addressed, as specified.	08/26/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>SB 559</u> Hurtado (D)	Water Conveyance Restoration Fund		Establishes the Water Conveyance Restoration Fund in the State Treasury to be administered by the Department of Water Resources in consultation with the State Water Resources Control Board and the Department of Fish and Wildlife.	09/08/2021 - In ASSEMBLY. To Inactive File.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>SB 582</u> Stern (D)	Climate Emergency Mitigation, Safe Restoration		Requires the Air Resources Board to ensure that statewide greenhouse gas emissions are reduced to at least a certain percentage and up to a certain percentage below the 1990 level by a specified year. Adopts a state policy to lead a global effort to restore oceanic and atmospheric concentrations of greenhouse gas emissions to preindustrial levels as soon as possible, and to restore community health and reverse the impacts from the damage and injustice climate change is causing.	06/03/2021 - In SENATE. From third reading. To Inactive File.
<u>SB 592</u> Dahle (R)	Catastrophic Wildfires		Requires the Director of Fish and Wildlife to establish a working group, composed of the director or the director's representative, the Director of Forestry and Fire Protection or their representative, and a county government representative from each county impacted by any catastrophic wildfire being studied by the workgroup.	05/20/2021 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<u>SB 600</u> Borgeas (R)	Administrative Procedure Act		Makes a nonsubstantive change to provisions relative to the Administrative Procedure Act.	03/03/2021 - To SENATE Committee on RULES.
<u>SB 618</u> Borgeas (R)	Fire prevention Activities: Local Assistance Grant		Makes nonsubstantive changes to the definition of fire prevention activities.	03/03/2021 - To SENATE Committee on RULES.
<u>SB 649</u> Cortese (D)	Local Governments: Affordable Housing: Local Tenant		Establishes a state policy supporting local tenant preferences for lower income households, as defined, that are subject to displacement risk, and, further, permits local governments and developers in receipt of local or state funds, federal or state tax credits, or an allocation of tax-exempt private activity bonds designated for affordable rental housing to restrict occupancy by creating a local housing preference for lower income households subject to displacement risk.	06/17/2021 - In ASSEMBLY. Suspend Assembly Rule 96.;06/17/2021 - Re-referred to ASSEMBLY Committee on RULES.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<u>SB 656</u> Eggman (D)	Stockton-East Water District: Water Rates		Defines groundwater assessment for purposes of the Water Conservation District Law of 1931 establishing the Stockton-East Water District to mean groundwater assessment or charge. Specifies the rates the district was authorized to impose in the 2020 calendar year under existing law, and would prohibit the rates for stream-delivered water and for domestic and agricultural groundwater assessments or charges for the 2022 calendar year and thereafter from exceeding the 2020 rates.	01/10/2022 - In SENATE. Read second time. To third reading.
<u>SB 669</u> Borgeas (R)	California Renewables Portfolio Standard Program		Makes a nonsubstantive revision to a definition applicable to existing law, wherein the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, while local publicly owned electric utilities are under the direction of their governing boards.	03/03/2021 - To SENATE Committee on RULES.
<u>SB 674</u> Durazo (D)	Public Contracts: Workforce Development		Requires the Labor and Workforce Development Agency to create 2 programs. Relates to State Jobs Plan Program and the United States Jobs Plan Program. Requires the programs to meet specified objectives, including supporting the creation and retention of quality, nontemporary full-time jobs, as specified, and the hiring of displaced workers and individuals facing barriers to employment. Requires all compliance reporting to be accessible to the public through the web-based portal.	09/09/2021 - In ASSEMBLY. To Inactive File.
<u>SB 676</u> Bates (R)	Forcible Entry, Forcible Detainer, or Unlawful Detainer		Relates to an action for forcible entry, forcible detainer, or unlawful detainer. Authorizes a defendant to file a motion to strike on or before the day fixed for the defendants appearance. Authorizes a party to file a	04/06/2021 - In SENATE Committee on JUDICIARY: Not heard.

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			motion for summary adjudication in the same manner as a motion for summary judgment.	
SB 683 Ochoa Bogh (R)	Water Quality: Regional Storm Sewer System Permits		Requires, to the extent permitted by federal law, a regional board that issues a municipal separate storm sewer system permit pursuant to the NPDES permit program to a region rather than to an individual discharger to include specified elements in the permit and to meet and collaborate with the permittees before or during the permit writing process.	04/26/2021 - In SENATE Committee on ENVIRONMENTAL QUALITY: Not heard.
SB 695 Ochoa Bogh (R)	Mitigation Fee Act: Housing Developments		Prohibits a local agency from imposing a housing impact requirement adopted by the local agency on a housing development project unless specified requirements are satisfied by the local agency. prohibit a housing impact requirement from exceeding the amount necessary to maintain the existing level of service identified in a nexus study for the type of capital facility for which the housing impact requirement is imposed.	03/18/2021 - Re-referred to SENATE Committee on GOVERNANCE AND FINANCE.
SB 696 Allen (D)	Enhanced Infrastructure Financing Districts		Authorizes a district to also finance units in a mixed-income housing development that are allocated to the jurisdictions in the district pursuant to regional housing needs allocations determined in accordance with housing element laws. Authorizes the authority to acquire the real property and any interest in the property by eminent domain, so long as the activities that would produce the benefit are defined as a public use for eminent domain purposes.	09/09/2021 - In SENATE. Senate Rules suspended.;09/09/2021 - From SENATE Committee on GOVERNANCE AND FINANCE with author's amendments.;09/09/2021 - In SENATE. Read second time and amended. Re-referred to Committee on GOVERNANCE AND FINANCE.
SB 698 Grove (R)	Water Rights		Makes nonsubstantive changes to existing law that declares the right to water is limited to that water that is reasonably required for the beneficial use to be served, and does not extend to the waste or unreasonable use,	03/03/2021 - To SENATE Committee on RULES.

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			unreasonable method of use, or unreasonable method of diversion of water.	
<u>SB 719</u> Min (D)	Exempt Surplus Land: Eligible Military Base Land		Deems certain land comprising of the Tustin Marine Corps Air Station to be exempt surplus land if specified requirements are met. Requires at least a certain percent of the residential units that are permitted after a certain date to be restricted to persons and families of low or moderate income, and at least a certain percent of those units to be restricted to lower income households. Requires a local agency that disposes of exempt surplus land under these provisions to comply with certain requirements.	06/10/2021 - To ASSEMBLY Committees on LOCAL GOVERNMENT and HOUSING AND COMMUNITY DEVELOPMENT.
<u>SB 733</u> Hueso (D)	Energy Storage: Pumped Storage Hydroelectric Facilities		Requires the chair of the Energy Resources Conservation and Development Commission to appear annually before the appropriate policy committees of the Legislature to report on activities of the commission, as specified.	06/21/2021 - In ASSEMBLY. Suspend Assembly Rule 96.;06/21/2021 - Re-referred to ASSEMBLY Committee on RULES.
<u>SB 746</u> Skinner (D)	Consumer Privacy Act of 2018: Personal Information		Grants a consumer the right to request that a business disclose to the consumer whether or not the business uses personal information collected about the consumer for a political purpose. Requires a business that collects and uses such information to disclose specified information upon receipt of a request from the consumer. Requires a business with gross revenue exceeding a certain amount that does not engage in such activities to submit a certain statement to the State Privacy Protection Agency.	01/04/2022 - In SENATE. Read second time. To third reading.
<u>SB 747</u> Hurtado (D)	COVID-19 Relief: Tenancy		Addresses certain issues related to the impact of the Coronavirus 2019 pandemic on landlords and tenants, including by providing public funds to cover monetary	01/03/2022 - From SENATE Committee on RULES with author's amendments.;01/03/2022 - In

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			judgments against tenants in small claims court who do not qualify for the State Rental Assistance Program, revisiting the self-certification process created by the COVID-19 Tenant Relief Act, and providing assistance to landlords who have tenants who have not paid the rent and who do not qualify for emergency rental assistance dollars.	SENATE. Read second time and amended. Re-referred to Committee on RULES.;01/03/2022 - Re-referred to SENATE Committees on HOUSING and JUDICIARY.
<u>SB 751</u> Gonzalez (D)	Environmental Justice		States the intent of the Legislature to enact subsequent legislation to promote environmental justice by ensuring that disadvantaged communities, often low-income communities of color, do not continue to be overburdened with unfair shares of pollution.	03/03/2021 - To SENATE Committee on RULES.
<u>SB 752</u> Allen (D)	Elections: Disclosure of Contributors		Requires an initiative, referendum, or recall petition to instruct voters to sign the petition only after viewing certain disclosures regarding the top contributors to the initiative, referendum, or recall, as specified. Revises the minimum contribution thresholds above which a contributor to a committee may be considered a top contributor, and requires identification of top campaign committee contributors in certain political advertisements without regard to any minimum contribution threshold.	08/26/2021 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<u>SB 794</u> Glazer (D)	Elections: Secretary of State		Requires the Secretary of State to summon the candidates subject to the tie vote to the Secretary of States office.	06/17/2021 - In ASSEMBLY. Suspend Assembly Rule 96.;06/17/2021 - Re-referred to ASSEMBLY Committee on RULES.
<u>SB 832</u> Dodd (D)	Water Rights: Measurement of Diversion		Clarifies existing law that a person diverting 10 acre feet or more of water per year under a registration is subject to water diversion measurement, recording, and reporting requirements. Authorizes the state board to modify water diversion measurement requirements if the	01/03/2022 - INTRODUCED.

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			board finds that, among other things, the beneficial use of the water right is for irrigation, the water right is for direct diversion only and the runoff and tailwater from the application of the diverted water returns, as specified.	
<u>SB 833</u> Dodd (D)	Community Energy Resilience Act of 2022		Requires the State Energy Resources Conservation and Development Commission to develop and implement a grant program for local governments to develop community energy resilience plans and expedite permit review of distributed energy resources by local governments. Requires the plans to be consistent with the city, county, or city and county general plan and other local government planning documents.	01/04/2022 - INTRODUCED.
<u>SCA 1</u> Hertzberg (D)	Elections: Referenda		Requires that the ballot for a referendum measure provide that a Yes vote is in favor of the referendum and rejects the statute or part of the statute subject to the referendum, and a No vote is against the referendum and approves the statute or part of the statute subject to the referendum, thus requiring a majority vote in favor of the referendum to reject the statute or part of the statute subject to the referendum.	09/01/2021 - In SENATE. From third reading. To Inactive File.
<u>SCR 5</u> Melendez (R)	State of emergency: COVID-19: Termination		Declares that the state of emergency proclaimed by the Governor on a specified date, is at an end, thereby terminating the emergency powers granted to the Governor as a result of that proclamation.	02/10/2021 - Re-referred to SENATE Committee on GOVERNMENTAL ORGANIZATION.
<u>HR 535</u> Garamendi (D)	Coronavirus Relief Fund Special Districts		Amends the Social Security Act, includes special districts in the coronavirus relief fund, directs the Secretary to include special districts as an eligible issuer under the Municipal Liquidity Facility.	01/28/2021 - INTRODUCED.;01/28/2021 - To HOUSE Committee on OVERSIGHT AND REFORM.;01/28/2021 - To

IRWD 2022 LEGISLATIVE MATRIX
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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
				HOUSE Committee on FINANCIAL SERVICES.
<u>HR 616</u> Tlaib (D)	Water Shutoffs Prohibition		Prohibits water shutoffs during the Coronavirus disease 2019 emergency period, provides drinking and waste water assistance to households.	01/28/2021 - INTRODUCED.;01/28/2021 - To HOUSE Committee on ENERGY AND COMMERCE.;01/28/2021 - To HOUSE Committee on EDUCATION AND LABOR.
<u>HR 737</u> Valadao (R)	California Operational Flexibility and Drought Relief		Extends the authorities under the Water Infrastructure Improvements for the Nation Act of 2016 providing operational flexibility, drought relief, and other benefits to the State of California.	02/02/2021 - INTRODUCED.;02/02/2021 - To HOUSE Committee on NATURAL RESOURCES.
<u>HR 1015</u> Napolitano (D)	Water Recycling and Reuse Project Grants	SUPPORT	Establishes a grant program for the funding of water recycling and reuse projects.	02/11/2021 - INTRODUCED.;02/11/2021 - To HOUSE Committee on NATURAL RESOURCES.
<u>HR 1352</u> Lawrence (D)	Trust Fund for Water and Sewer Infrastructure		Establishes a trust fund to provide for adequate funding for water and sewer infrastructure.	04/05/2021 - In HOUSE Committee on AGRICULTURE: Referred to Subcommittee on CONSERVATION AND FORESTRY.
<u>HR 1848</u> Pallone (D)	National Infrastructure		Rebuilds and modernizes the Nation's infrastructure to expand access to broadband and Next Generation 9-1-1, rehabilitate drinking water infrastructure, modernize the electric grid and energy supply infrastructure, redevelop brownfields, strengthen health care infrastructure, create jobs, and protect public health and the environment.	03/11/2021 - To HOUSE Committee on ENERGY AND COMMERCE.;03/11/2021 - To HOUSE Committee on TRANSPORTATION AND INFRASTRUCTURE.;03/11/2021 - To HOUSE Committee on NATURAL RESOURCES.;03/11/2021 - To HOUSE Committee on SCIENCE, SPACE, AND TECHNOLOGY.;03/11/2021 - To HOUSE Committee on EDUCATION AND LABOR.;03/11/2021 - To

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
				HOUSE Committee on WAYS AND MEANS.;03/11/2021 - To HOUSE Committee on AGRICULTURE.;03/11/2021 - To HOUSE Committee on OVERSIGHT AND REFORM.
HR 1915 DeFazio (D)	Federal Water Pollution Control Act		Amends the Federal Water Pollution Control Act to reauthorize certain water pollution control programs.	06/22/2021 - From HOUSE Committee on TRANSPORTATION AND INFRASTRUCTURE: Reported as amended.;06/22/2021 - In HOUSE. Placed on HOUSE Union Calendar.
HR 2238 Lowenthal A (D)	Single Use Plastic Production Reduction		Amends the Solid Waste Disposal Act to reduce the production and use of certain single-use plastic products and packaging, to improve the responsibility of producers in the design, collection, reuse, recycling, and disposal of their consumer products and packaging, to prevent pollution from consumer products and packaging from entering into animal and human food chains and waterways.	03/29/2021 - In HOUSE Committee on TRANSPORTATION & INFRASTRUCTURE: Referred to Subcommittee on WATER RESOURCES AND ENVIRONMENT.
HR 2467 Dingell D (D)	Hazardous Substances		Requires the Administrator of the Environmental Protection Agency to designate per- and polyfluoroalkyl substances as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.	07/22/2021 - In SENATE. Read second time.;07/22/2021 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS.
HR 2468 Garamendi (D)	Federal Infrastructure Aid Program Materials		Ensures that certain materials used in carrying out federal infrastructure aid programs are made in the United States.	06/07/2021 - In HOUSE Committee on AGRICULTURE: Referred to Subcommittee on COMMODITY EXCHANGES, ENERGY, AND CREDIT.
HR 3291 Tonko (D)	Water System Assistance		Amends the Safe Drinking Water Act to provide assistance for states, territories, areas affected by natural disasters, and water systems and schools affected by	06/29/2021 - From HOUSE Committee on ENERGY AND COMMERCE: Reported as

IRWD 2022 LEGISLATIVE MATRIX
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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			PFAS or lead, and to require the Environmental Protection Agency to promulgate national primary drinking water regulations for PFAS, microcystin toxin, and 1,4-dioxane.	amended.;06/29/2021 - In HOUSE. Placed on HOUSE Union Calendar.
<u>HR 3292</u> Dingell D (D)	Residential Emergency Relief Program		Requires the Administrator of the Environmental Protection Agency to carry out a residential emergency relief program to provide payment assistance for households to retain water service.	05/18/2021 - INTRODUCED.;05/18/2021 - To HOUSE Committee on ENERGY AND COMMERCE.;05/19/2021 - In HOUSE Committee on ENERGY AND COMMERCE: Referred to Subcommittee on ENVIRONMENT.
<u>HR 3293</u> Blunt Rochester (D)	Drinking Water and Wastewater Service Assistance		Amends the Safe Drinking Water Act and the Federal Water Pollution Control Act to establish programs to assist low-income households in maintaining access to drinking water and wastewater services.	06/29/2021 - From HOUSE Committee on ENERGY AND COMMERCE: Reported as amended.
<u>HR 3404</u> Huffman (D)	Drought Preparedness	SEEK AMENDMENTS;SUPPORT IF AMENDED	Provides drought preparedness and improved water supply reliability to the nation.	05/20/2021 - INTRODUCED.;05/21/2021 - In HOUSE Committee on ENERGY AND COMMERCE: Referred to Subcommittee on ENVIRONMENT.;05/21/2021 - In HOUSE Committee on TRANSPORTATION & INFRASTRUCTURE: Referred to Subcommittee on WATER RESOURCES AND ENVIRONMENT.
<u>HR 3622</u> Pappas (D)	Water Quality Criteria		Requires the Administrator of the Environmental Protection Agency to develop effluent limitations guidelines and standards and water quality criteria for PFAS under the Federal Water Pollution Control Act,	06/01/2021 - In HOUSE Committee on TRANSPORTATION & INFRASTRUCTURE: Referred to Subcommittee on WATER

IRWD 2022 LEGISLATIVE MATRIX
Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			provides Federal grants to publicly owned treatment works to implement such guidelines and standards.	RESOURCES AND ENVIRONMENT.
<u>HR 4099</u> Napolitano (D)	Water Recycling and Reuse Projects		Directs the Secretary of the Interior to establish a grant program to provide grants on a competitive basis to eligible entities for large-scale water recycling and reuse projects.	06/29/2021 - Subcommittee on WATER, POWER AND OCEANS hearings held.
<u>HR 4602</u> Lowenthal A (D)	Do Not Flush Labeling		Directs the Federal Trade Commission to issue regulations requiring certain products to have "Do Not Flush" labeling.	07/21/2021 - INTRODUCED.;07/21/2021 - To HOUSE Committee on ENERGY AND COMMERCE.;07/22/2021 - In HOUSE Committee on ENERGY AND COMMERCE: Referred to Subcommittee on DIGITAL COMMERCE AND CONSUMER PROTECTION.
<u>S 91</u> Sinema (D)	Coronavirus Relief Fund Special Districts		Amends the Social Security Act, includes special districts in the Coronavirus relief fund, directs the Secretary to include special districts as an eligible issuer under the Municipal Liquidity Facility.	01/28/2021 - INTRODUCED.;01/28/2021 - In SENATE. Read second time.;01/28/2021 - To SENATE Committee on FINANCE.
<u>S 914</u> Duckworth (D)	Safe Drinking Water Act		Amends the Safe Drinking Water Act and the Federal Water Pollution Control Act to reauthorize programs under those Acts.	04/29/2021 - In SENATE. Amendment SA 1471 proposed by Senator Rubio to Amendment SA 1460.;04/29/2021 - In SENATE. Amendment SA 1461 proposed by Senator Shaheen to Amendment SA 1460.;04/29/2021 - In SENATE. Amendment SA 1469 proposed by Senator Kennedy to Amendment SA 1460.;04/29/2021 - In SENATE. Amendment SA 1472 proposed by Senator Lee to Amendment SA

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Updated 01/11/2022

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
				1460.;04/29/2021 - In SENATE. SA 1461 agreed to on SENATE floor.;04/29/2021 - In SENATE. SA 1469 agreed to on SENATE floor.;04/29/2021 - In SENATE. Passed SENATE. *****To HOUSE.
S 1907 Gillibrand (D)	Water Quality Criteria		Requires the Administrator of the Environmental Protection Agency to develop effluent limitations guidelines and standards and water quality criteria for PFAS under the Federal Water Pollution Control Act, to provide Federal grants to publicly owned treatment works to implement such guidelines and standards.	05/27/2021 - INTRODUCED.;05/27/2021 - In SENATE. Read second time.;05/27/2021 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS.
S 2454 Padilla (D)	Alternative Water Source Projects		Amends the Federal Water Pollution Control Act to reauthorize the pilot program for alternative water source projects.	07/22/2021 - In SENATE. Read second time.;07/22/2021 - To SENATE Committee on ENVIRONMENT AND PUBLIC WORKS.

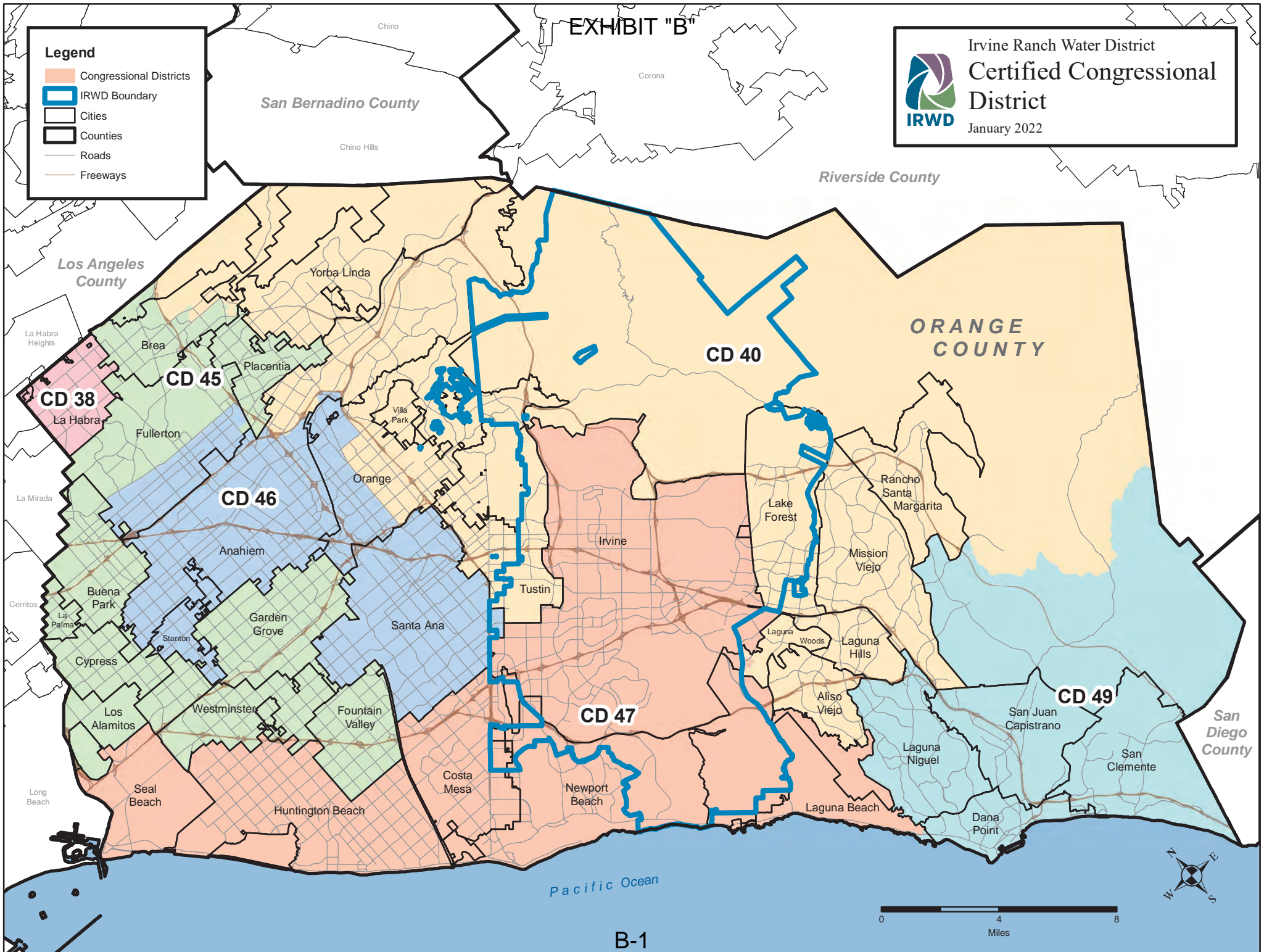
EXHIBIT "B"



Irvine Ranch Water District
Certified Congressional District
 January 2022

Legend

- Congressional Districts
- IRWD Boundary
- Cities
- Counties
- Roads
- Freeways

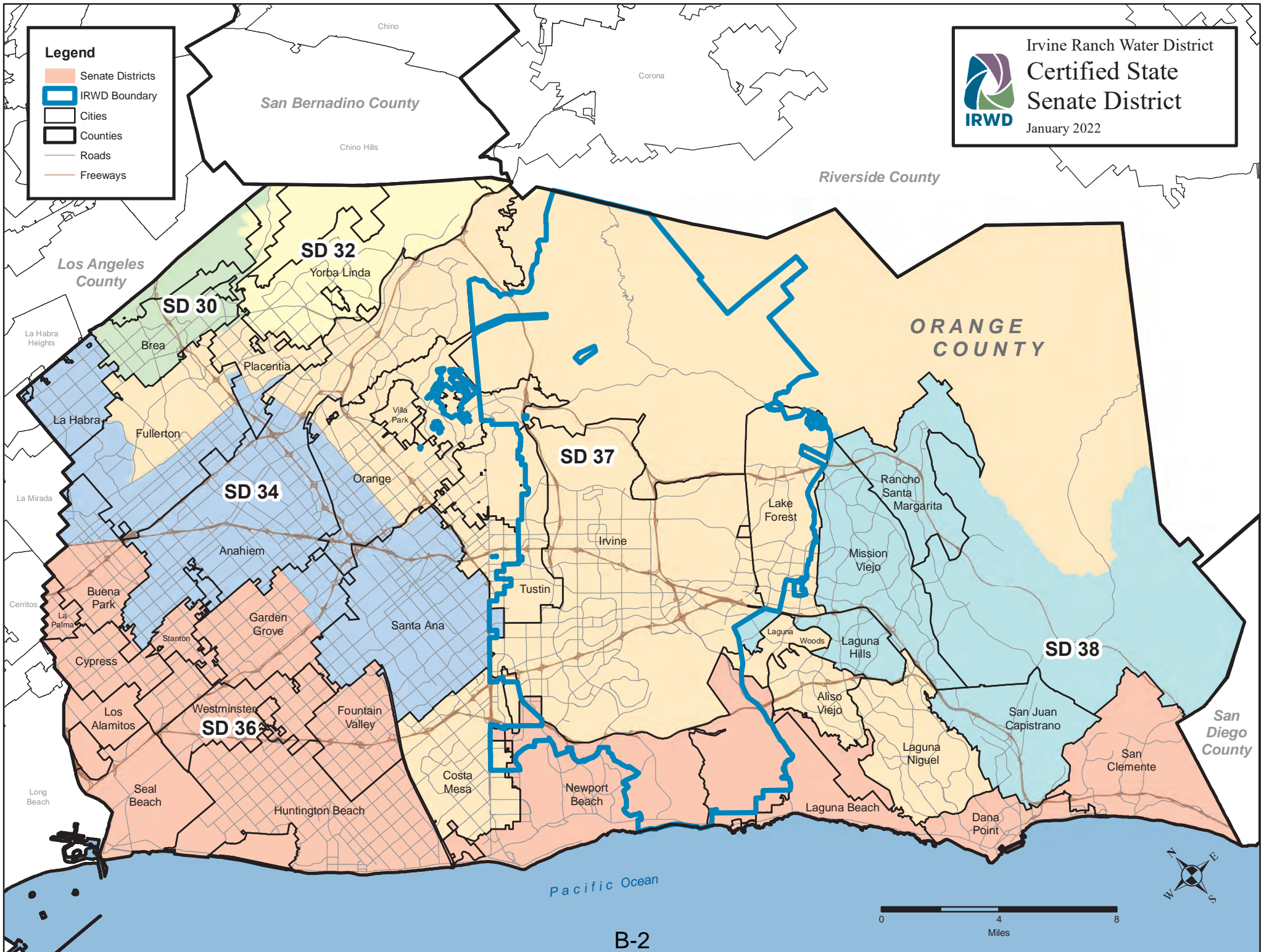


Legend

- Senate Districts
- IRWD Boundary
- Cities
- Counties
- Roads
- Freeways



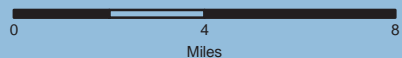
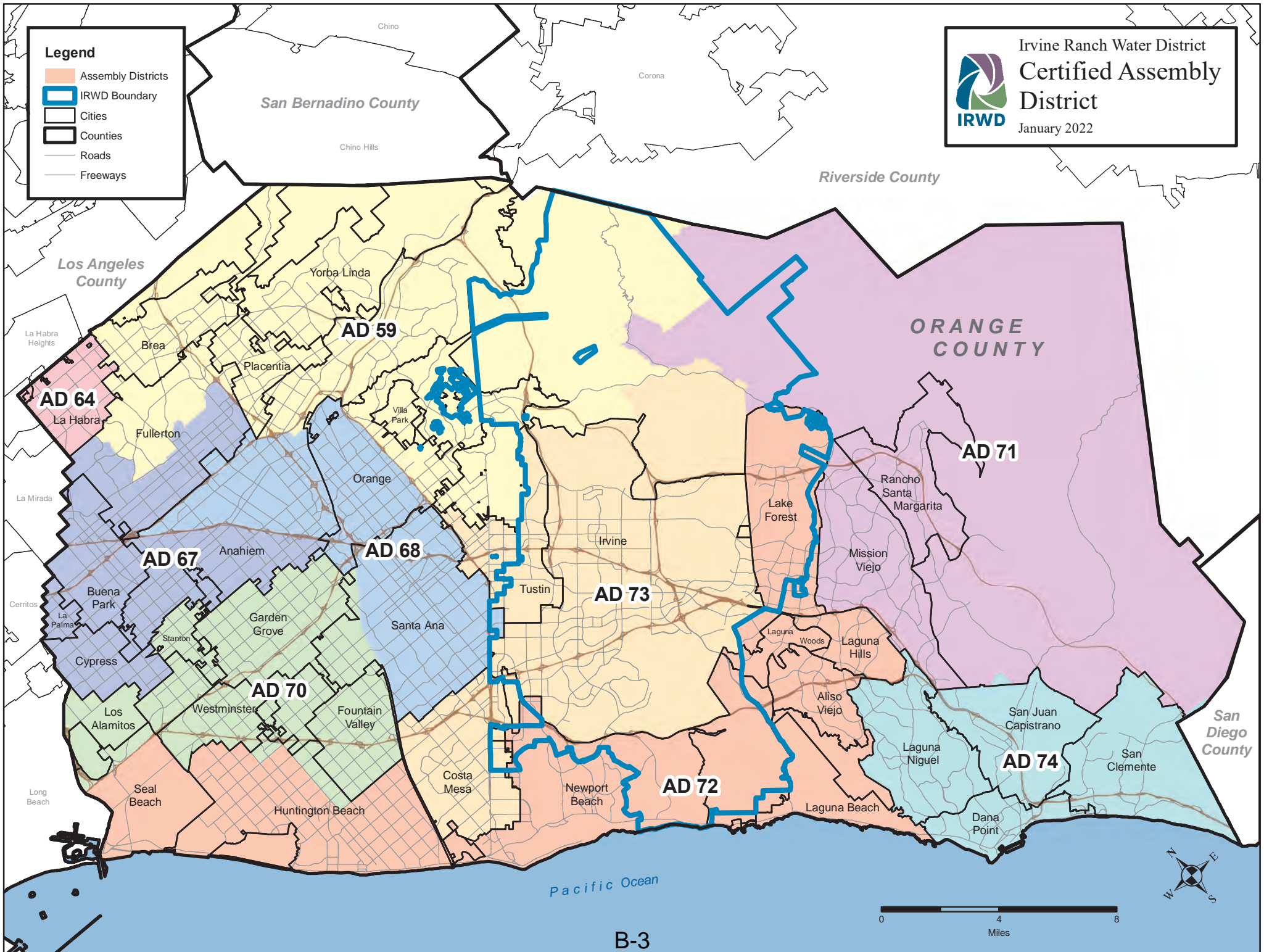
Irvine Ranch Water District
Certified State Senate District
 January 2022



B-2

Legend

- Assembly Districts
- IRWD Boundary
- Cities
- Counties
- Roads
- Freeways



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A Summary of Stakeholder Viewpoints and Potential Policies to Address Barriers to Building More Homes in California

Tepring Piquado, Ph.D.
Chief Policy Director, California Issues Forum

December 2021

Designed by James Matzen

Prepared for the California Assembly Housing Working Group

Comments or questions on this report should be addressed to Tepring Piquado at Tepring@caissuesforum.org

The views and opinions expressed in this report do not necessarily reflect that of the author, the author's organization, the Assembly Members or any Federal, State or Local governments or agencies.

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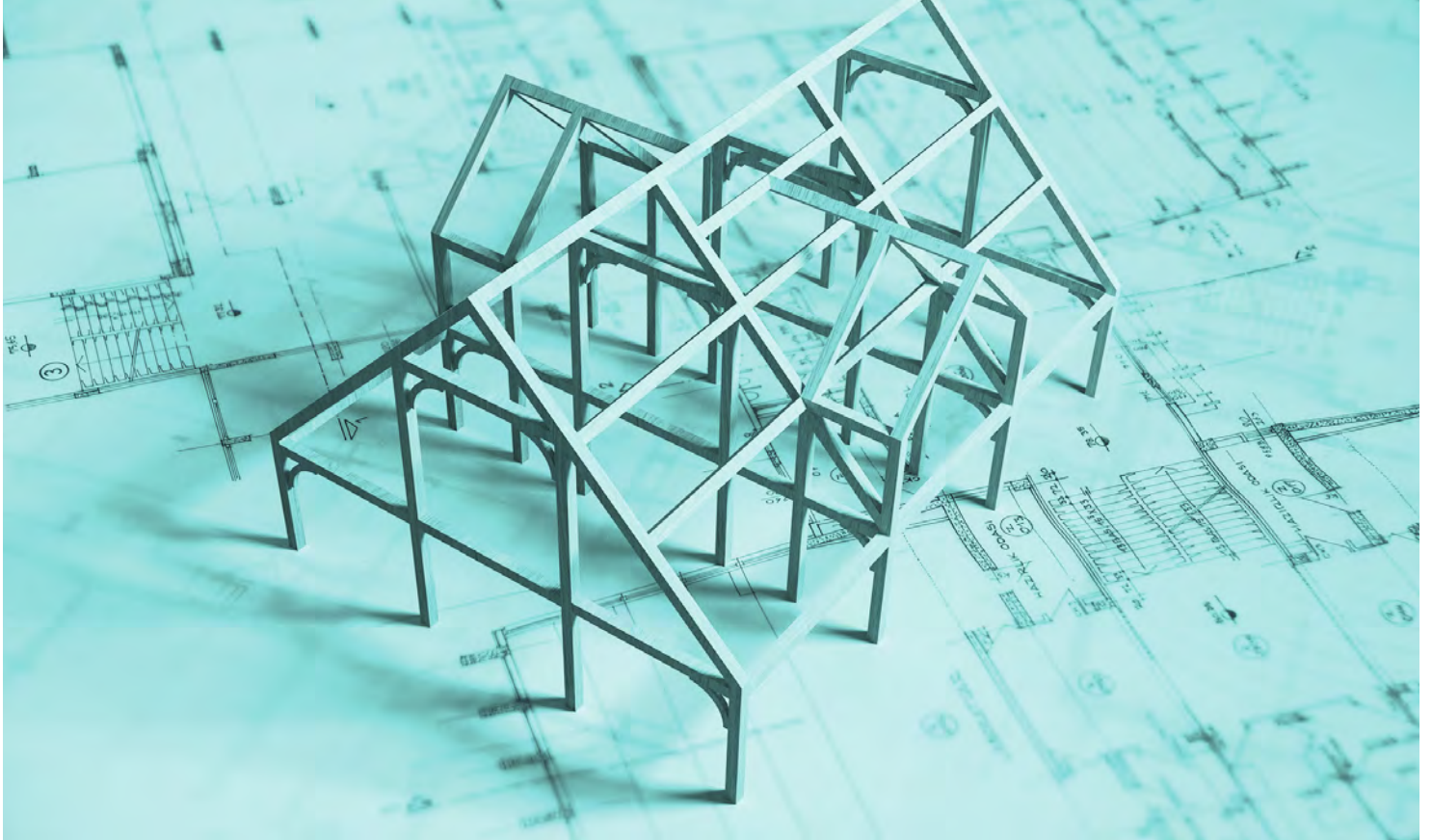
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Abbreviations

ADU	Accessory Dwelling Unit
CEQA	California Environmental Quality Act
NOAH	Naturally Occurring Affordable Housing
SB	Senate Bill
VMT	Vehicle Miles Traveled



Introduction

The California Assembly Housing Working Group was established to broadly examine issues related to housing production. In September 2021, the Assembly Housing Working Group announced a statewide series of regional roundtables. The ‘Housing Tour’ sought to examine barriers and explore solutions to California’s housing production and affordability crisis. After listening to stakeholders knowledgeable in housing development, tenant protections, and homeownership, the Housing Working Group is uniquely positioned to formulate new, innovative solutions to California’s housing crisis.

The Working Group held discussions in the Bay Area, Central Coast, Central Valley, Los Angeles Area, Inland Empire, Orange County, San Diego, and Butte County with local experts, policymakers, and a wide variety of housing stakeholders to inform policy ideas that the Working Group may want to pursue in 2022. Across all the sites, twenty-eight Assembly Members attended. Those members are: Arambula, Bauer-Kahan, Bloom, Boerner Horvath, Bonta, Bryan, Cervantes, Chiu, Dahle, Friedman, Gabriel, Gallagher, Grayson, Lackey, Levine, Maienschein, Muratsuchi, Nazarian, Petrie-Norris, Quirk-Silva, Reyes, L. Rivas, R. Rivas, Rodriguez, Santiago, Ting, Ward, and Wicks.

The Housing Working Group is uniquely positioned to formulate new, innovative solutions to California’s housing and affordability crisis.

Drawing on the expertise of the participating stakeholders, the current report provides a strategic guide to addressing the housing crisis. The policy ideas outlined in this document are proposed by stakeholders and are focused on a goal of increasing overall housing supply and long-term affordability of rental and for-sale properties. This report is not intended to replace coalition building or additional stakeholder input. Ultimately, any legislative package will be a combination of member-initiated and sponsor-driven legislation. As such, this report should be viewed as a starting point for further discussion and collaboration between these groups. This report should be used as informational material that policymakers and stakeholders can use to facilitate discussions, and to develop future legislation to address the housing crisis.

Method

From September 27 through November 16, 2021, ten Assembly Members held regional meetings and site visits to better understand the challenges and potential solutions to address California’s housing crisis. The members had extensive experience with different substantive housing issues and well-developed relationships with existing and potential sponsors of policy. Members organized tours in their respective districts to gain perspective about the challenges and successes that are similar and unique to each region.* Ideas that emerged from the housing tour have been summarized and explained in this report to provide information for future housing legislation. Table 1 provides a list of the housing tour locations.

Before the meeting, each Assembly Member developed an agenda that included a panel with key stakeholders, a roundtable discussion, and a site visit designed to facilitate later discussion, as described below.

In each region, general areas of importance for housing were discussed. Several questions guided these meetings:

- What are the greatest barriers to building the right mix of housing?
- What solutions are proposed to address the barriers?
- How might the State Legislature assist to reduce barriers and facilitate the production of housing in a sustainable and equitable manner?

This report was developed to document findings from the meetings and organize ideas into the general thematic areas of greatest need as identified during each regional meeting. The goal was to develop a summary with policy ideas to provide guidance to the Housing Working Group. Policy ideas are not limited to barriers to, and facilitators of, *producing* housing. The stakeholders identified ideas that fall into the following general categories:

- **Supply:** Having the right mix of housing for everyone
- **Subsidy:** Ensuring everyone can afford housing
- **Protections:** Having safeguards to ensure housing remains affordable, safe and stable

* It is important to note that the attendees of these sessions are a sample of housing related stakeholders. As such, the ideas and proposals may have looked different had the mix of stakeholders or cities been different.

TABLE 1
Summary of Tour Location and Host Member(s) by Date

DATE	TOUR LOCATION	ASSEMBLY MEMBER(S)
September 27, 2021	Bay Area	Grayson and Wicks
October 4 & 5, 2021	Central Coast	R. Rivas
October 7, 2021	Central Valley	Arambula
October 11, 2021	Los Angeles	Friedman
October 12, 2021	Inland Empire	Reyes and Cervantes
October 13, 2021	Orange County	Quirk-Silva
October 14, 2021	San Diego	Ward
November 16, 2021	Butte County	Gallagher



Current Context of The Housing Crisis

A theme shared across the sites was that policies should have a people-centric perspective. As such, this report divides California's current housing crisis into three critical populations:

- People who are rent-burdened or living in overcrowded units.
- People who are younger, middle-class, or working-class individuals who struggle to afford rental or for-sale units.
- People experiencing homelessness.

Lack of housing supply is a primary reason for the current California housing crisis. The stakeholders emphasized that the cost of rental property is too high leading to rent burden, overcrowding, and homelessness, and limited opportunities for homeownership for middle-class adults and racial minorities. The California Department of Housing and Community Development also notes that not enough housing is being built and lack of supply and rising costs are compounding, which is growing inequality and limiting advancement opportunities for younger Californians.

Middle-class adults and racial minorities have limited opportunities for homeownership.

For legislators and other decisionmakers to enact policies that have the potential of reducing homelessness, rent burden, and overcrowding, or the potential of promoting homeownership, stakeholders emphasized several competing factors that must be agreed upon regarding whom to prioritize (at least a majority must agree to pass legislation). Stakeholders emphasized the following difficult trade-offs.

To what extent will policies prioritize:

- Future residents or current residents?
- Tenants or landlords?
- Development on undeveloped land or infill development?
- "Missing middle" (working-class) residents or other residents such as seniors, veterans, or low-income individuals?

Additionally, legislation will need to consider:

- Whether to adopt a racial equity lens to ensure policies are creating equitable and just opportunities.
- The role of mandates and incentives.
- Terms and conditions of employment for all trades and craft workers regardless of affiliation.
- Residential wages and benefits.
- The fiscalization of land use and how to provide benefits from residential property of equal or greater value as commercial property to local government.

Stakeholders throughout the state seemed to agree on several key issues:

- Housing should be affordable.
- Construction workers should be appropriately compensated.
- Policies should not limit residential mobility.
- Policies should not displace vulnerable residents.
- Homeownership has been a main method of wealth accumulation.
- Black and Latino homeownership rates are lower than White homeownership rates.

Homelessness Crisis

FIGURE 1
Strategies for Supporting People Experiencing Homelessness

The concern and care for people experiencing homelessness was a general theme at each of the sites. Stakeholders acknowledged that the shortage of affordable housing likely contributed to the homelessness crisis. Yet, addressing the homelessness crisis will require more than building additional housing. Stakeholders note that investments in building the appropriate type of housing for people, and developing and delivering the needed services to people, will be needed. Figure 1 provides an overview of stakeholders' description of an action plan to support people experiencing homelessness. Additionally, stakeholders emphasized that state and local stakeholders will need to set clear, measurable, and achievable goals, and will need to align future policies and programs with racial equity priorities.

Stakeholders also described a variety of housing types to aid in the transition to independent living, including:

- Emergency shelters: a first housing option with a wide range of services.
- Transitional housing: temporary housing with wrap-around services.
- Permanent supportive housing: housing with voluntary and flexible services.

Each tour stop emphasized a need for better programming and more housing to support the vulnerable population of people experiencing homelessness. Table 2 provides a description of the support housing type and site-specific information for each site.

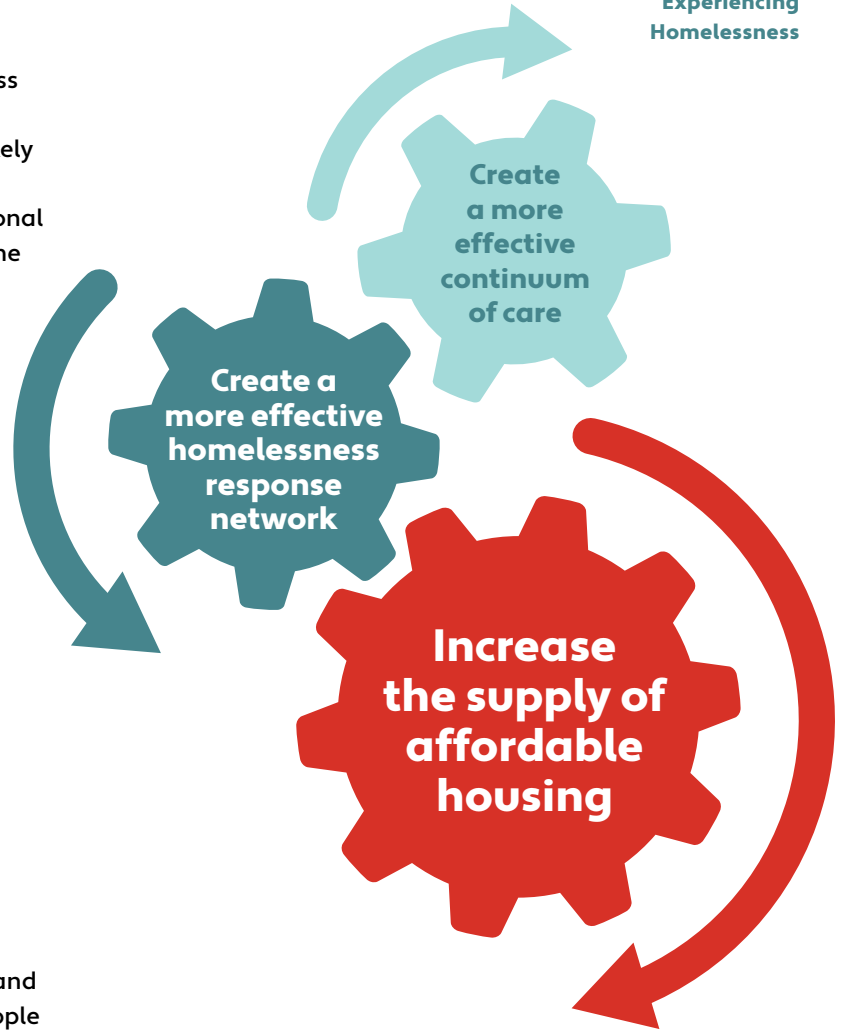


TABLE 2
Summary of Tour Location, Type of Housing, and Site Specific Information

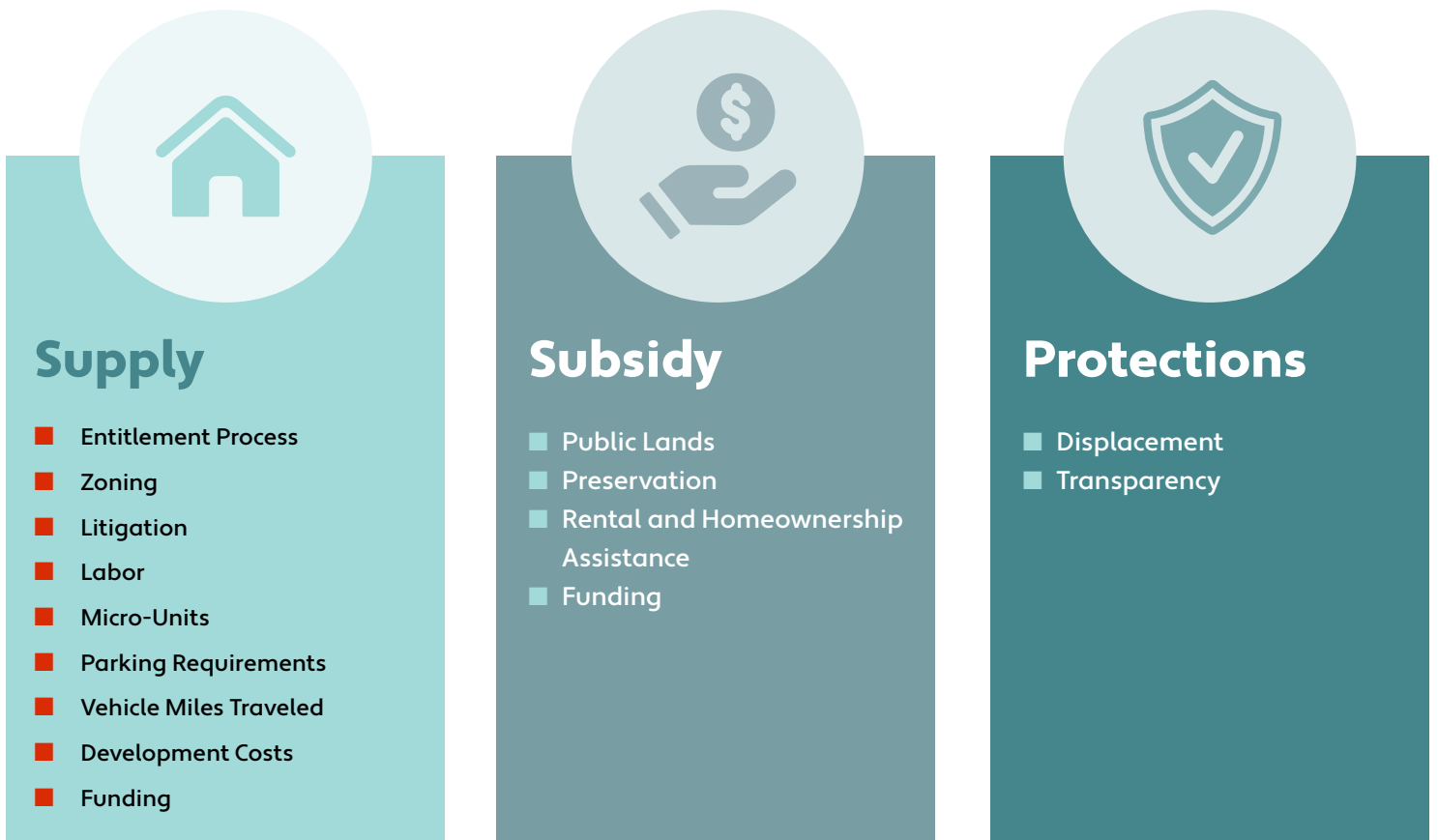
TOUR LOCATION	TYPE OF HOUSING	SITE SPECIFIC INFORMATION
Bay Area	Transitional	Housing Consortium of the East Bay, Oakland
Central Coast	Permanent Supportive	Crossings on Monterey, Morgan Hill
Central Valley	Emergency	Poverello House, Fresno
	Transitional	Valley Inn at Parkway Drive, Fresno
Los Angeles	Permanent Supportive	PATH Metro Villas, Los Angeles
Inland Empire	Transitional	Phoenix Swaure & Pacific Village, San Bernadino
Orange County	Emergency	Illumination Foundation Navigation Center, Fullerton & Be Well Orange County, Orange
	Permanent Supportive	Buena Esperanza
San Diego	Affordable	The Nook East Village, San Diego
Butte County	Emergency and Transitional	Jesus Center, Chico



Housing Policy Summary

The housing policy overview was developed from comments made by panelists, participants, legislators, and material provided on the housing tour. This overview is general and, in some places, vague because it is based on stakeholder comments that were not well described. It is intended to be a high-level plan, capturing the major policy proposals from a variety of engaged stakeholders. The intent is that these ideas lead to a specific plan for achieving a positive impact on housing production and affordability. Figure 2 shows the key policy areas for further investigation.

FIGURE 2
Housing Policy Ideas



1 Entitlement Process

Most of the housing production in California has been approved through discretionary review, not ministerial review. Notably, a single project might need to obtain Design Review approval from the Director of the Planning Department, a rezoning approval from the City Council, and a Certificate of Compatibility from the Historic Resources Commission.¹ When developments are providing affordable housing, paying prevailing wages, and consistent with a city's objective zoning standards, the ministerial review mechanisms would increase certainty of receiving approval and ultimately reduce cost. Stakeholders proposed that jurisdictions could also reduce discretionary control over smaller projects to decrease risk, costs and time, and to increase housing supply, while maintaining discretionary review over large projects.

Additionally, stakeholders suggested reviewing base zoning requirements (for example, height, density, setbacks and other design elements) and incentivizing cities to minimize the use of discretionary review in order to provide more certainty to developers with projects that are consistent with the goal of producing more housing and complying with the law.

At each roundtable the need for more “by-right housing” was emphasized. By-right development qualifies for streamlining and ministerial review, and does not require a public hearing.² California Senate Bill (SB) 35 (Wiener, 2017) effectively streamlined housing construction in California counties and cities that fail to build enough housing to meet state-mandated housing construction requirements.^{3,4} Expanding by-right streamlining to projects that meet local zoning laws, building codes, and environmental standards, regardless of the city's ability to meet or exceed the state-mandated housing construction requirements, could speed up decisions on the acceptability of the project, leading to more housing production at a lower cost, than the status quo.

PROPOSAL 1

Review and reform the entitlement process to expedite review and permitting for housing developments that provide affordable housing, pay prevailing wage, and meet local zoning laws, building codes, and environmental standards to balance long-term housing needs with environmental impacts and enforcement of local zoning laws.

2 Zoning

Across the state there were a variety of zoning topics that were mentioned, including converting commercial zoning to mixed-use zoning, prioritizing upzoning in transit-rich and high opportunity areas, and changing the zoning for larger areas at one time.

2a. Mixed-use zoning

The purpose of mixed-use zoning is to allow a mix of commercial and residential uses in what is currently zoned as commercial areas. Mixed-use land allows developers to explore projects in all neighborhoods to increase housing production and potentially support climate change goals by creating affordable, accessible communities.

PROPOSAL 2a

Convert commercial zoning to mixed-use zoning statewide, and create a ministerial statewide approval mechanism to give developers a baseline level of certainty.⁵

2b. Zoning capacity in transit-rich areas and high opportunity areas

To produce the supply of new housing that experts said California needs to address the housing crisis, measures must be taken to increase housing production, particularly in transit-rich areas and high opportunity zones.

PROPOSAL 2b

Upzone and create ministerial statewide approval for affordable rental and for-sale multi-family housing near transit-rich areas and high opportunity areas.

2c. Rezoning large areas

Rezoning large areas for higher density may rapidly increase the supply of housing. In 2021, SB 9 (Atkins) changed the zoning laws for 1-unit single-family areas to allow 2-unit single-family zoning, however, SB 9 does not require new homes to be built. Reforming and expanding SB 9 could increase the supply of homes and dismantle historic injustices that arose out of single-family zoning, housing covenants, and redlining practices. While not every area of a city should be zoned for skyrises, increasing density limits would likely help to create more affordable housing without disrupting the neighborhood's character dramatically.

Although upzoning may increase the land value, it is important that overall housing affordability is assessed by calculating land value divided by the unit capacity, not the cost of the land itself.

A city model: In 2019, Seattle passed Mandatory Housing Affordability (MHA) legislation to upzone 27 neighborhoods.^{6,7}

PROPOSAL 2c

Accelerate the production of housing by incentivizing cities to upzone larger areas of the city for affordable higher density housing. Where appropriate, provide density bonuses and prohibit density limits, while maintaining restrictions on building size standards per parcel (i.e., setback limits, regional maximum height requirements, and maximum floor area ratios).

3 Litigation

Lawsuits and the threat of lawsuits have emerged as a serious barrier to rapidly building the housing needed to end the housing crisis. Stakeholders across the state emphasized repeatedly that the original intent of the California Environmental Quality Act (CEQA) review was positive and ensured that environmental impacts from projects were considered and mitigated, where needed and feasible. However, several stakeholders agreed that CEQA lawsuits and threats of litigation are used as a strategy to bring about costly and unnecessary concessions from developers or used to delay or stop projects entirely. Better balancing of environmental protections with the need to build more housing is crucial to ensuring the state's environmental statutes are not weaponized to block critically needed housing in California. The following proposals emerged as possible reforms to reduce the potential for abuse.

PROPOSAL 3a

Limit the time allowed for claims to be brought against projects.

PROPOSAL 3b

Create an injunction bond requirement that covers any damages that the defendant can receive if the injunction is not upheld by the courts.⁸

PROPOSAL 3c

Review the relative costs and benefits of building codes and environmental regulations to determine whether they are necessary, equitable, and aligned with the need for more housing.

4 Labor

Across the state, labor is perceived to be a barrier to building housing at a faster rate. Stakeholders that included local officials, affordable and market-rate developers, and advocates expressed that there was an insufficient number of local hires to support the construction of more homes. Additionally, stakeholders stated that while labor rates should support a living wage, there is a need for residential rates rather than the uniform rate that nearly all trades and craft workers are paid currently. To facilitate more efficient building of homes and address barriers, these proposals could be implemented.⁹

PROPOSAL 4a

Assess whether there are enough construction workers needed to build the necessary housing in each region.

PROPOSAL 4b

Increase investment in training programs to anticipate the future construction labor force needs.

PROPOSAL 4c

Reform and consistently enforce regional residential labor rates.

PROPOSAL 4d

Ensure that all construction workers have the knowledge, skills, and abilities to build safe and high-quality homes.

5 Micro-Units and Other Alternatives to Accessory Dwelling Units

In 2021, although the building of single-family homes remains possible, SB 9 changed the zoning of single-family parcels to allow for building duplexed on a ministerial basis if the project satisfies the requirements. While accessory dwelling units (ADUs) have added to the supply of housing, adding another dwelling unit voluntarily, however, is unlikely to increase the volume of for-sale property at a high enough rate to match demand and end the housing crisis. Building smaller for-sale single-family homes and condos, and micro-unit rental apartments may increase housing production to greater levels than ADUs placed on single-family parcels alone. Producing micro-units can increase supply and be a desirable, affordable housing option in the future.



PROPOSAL 5

Permit the development of micro-units for rent and for sale, where appropriate, if the units comply with building safety requirements, such as the use of fire-resistant materials, electrical safety, and structural integrity across the state.

6 Parking Minimums

Less parking can lower the cost of transportation and housing by creating more space allowed for homes within a given parcel or building area. There are multiple benefits that may arise from lowering the parking requirement. One outcome may be that decreased parking requirements compel residents to use low-carbon modes of transportation, such as public transit, biking, and walking, while at the same time lowering the cost of development, thus increasing the production of affordable housing. Another outcome could be reducing barriers of developing micro-units. Since many cities' municipal code require that apartments have at least one space for every unit, reduced parking minimums allows affordable and market-rate developers to build more homes, which would lead to greater supply and lower costs for the renter or homebuyer.

PROPOSAL 6

Review statewide zoning to reduce or eliminate parking minimums, with few exceptions for safety, such as fire risk and narrow streets.

7 Vehicle Miles Traveled

California SB 743 (Steinberg, 2013) redefined how to measure transportation impacts on the environment. Instead of measuring traffic congestion, the amount of driving, as measured by “vehicle miles traveled (VMT),” was established for assessing transportation impacts on the environment for projects subject to CEQA review, and reducing the amount of driving is the way in which these impacts are reduced or “mitigated.”

The intent of VMT is to shift from measuring traffic congestion to using a metric focused on how many miles people drive in order to help California meet climate commitments. However, some opponents stress that VMT impact assessment fails to account for the transition to fully electric vehicles, telecommuting, and telehealth, which have greater promise to reduce greenhouse emissions and help California meet climate goals. Additionally, new developments, not redevelopment, and rural areas state that they are unfairly overburdened by VMT requirements. Further, new mixed-use properties are being developed. Overall, opponents say that VMT regulation is making housing unaffordable and does not sufficiently promote low-carbon modes of transportation, particularly for those with lower incomes and for people of color.¹⁰

PROPOSAL 7

Prohibit the use of VMT except in transit-rich areas in order to decrease the costs of producing housing, where appropriate. Revise the criteria for measuring transportation impacts to measuring greenhouse gas emissions comprehensively.

8 Development Costs

There are several factors that contribute to the cost of developing housing properties, including land acquisition and mitigation costs, labor costs, material costs, lending costs, impact fees, and developer's overhead and profit. There are, however, areas that stakeholders highlighted that could be reformed in order to reduce costs and delays.

8a. Infrastructure

Developers mentioned the cost of replacing, expanding, or building new infrastructure was not typically an expense eligible for state subsidy, which means that projects needed multiple sources of funding that increased costs due to adding more requirements. To mitigate these costs, the state could provide additional funding for affordable housing projects, when appropriate.

PROPOSAL 8a

Create additional funding sources to fill the gap in need for infrastructure for affordable housing.

8b. Impact Fees

Impact fees are designed to help cities offset costs of the increased demand on services. The assessment of impact fees on new development increases costs to those who live in new homes as compared to older homes. To ensure that the fees are appropriate, a review could be conducted.

PROPOSAL 8b

Review impact fees to determine whether they are necessary, equitable, and aligned with building affordable housing.

8c. Land

Although land is expensive, developers highlighted that land acquired for affordable housing sites typically needs additional preparation before building can begin, such as clearing and grading. Public lands may be able to be acquired inexpensively to reduce costs.

PROPOSAL 8c

Provide affordable housing developers the first opportunity to acquire land, especially if it is public land.



9 Public Lands

California Assembly Bill 1255 (R. Rivas, 2019) requires cities and counties to inventory and report surplus and excess local public lands to the state. On January 15, 2019, Governor Newsom signed Executive Order N-06-19¹¹ that ordered the California Department of General Services (DGS) and the California Department of Housing and Community Development (HCD) to identify and prioritize excess state-owned property and aggressively pursue sustainable, innovative, cost-effective housing projects. Future projects on public land can lead to lower upfront costs and more affordable housing units. State and local government should take a long-term financial perspective on whether to rent or lease land.¹²

PROPOSAL 9

Lease, rather than sell, public land to address the housing crisis.

10 Redevelopment and Renter Displacement

Several participants voiced concerns that rapid growth and gentrification could lead to displacement of the most vulnerable residents. Measured and thoughtful redevelopment is essential to prevent displacement or other harms.

PROPOSAL 10

Prioritize policies that provide housing affordability and stability to the most disadvantaged community members, those who are most at risk for being displaced.

11 Funding and Subsidies

Affordable housing developers noted that the rent low- and moderate-income households can afford to pay often does not fully cover the costs of owning and managing a rental property. This gap between the funding needed to develop and operate a property and the revenue available is called the affordable housing funding gap.¹³ To fill the gap, developers usually need help in the form of a subsidy. The subsidy most often comes from local, state, or the federal government. The subsidy can be used to help cover construction costs, rents, or operating costs. For-sale home developers and homeowners have similar challenges related to needing subsidies. Here are multiple solutions to address the affordability gap in the near term.

PROPOSAL 11a

Make funding for the creation of affordable housing a permanent allocation in the state budget.

PROPOSAL 11b

Increase funding for affordable housing.

PROPOSAL 11c

Provide funding for infrastructure and operating costs for affordable housing.

PROPOSAL 11d

Fund low- and zero-interest loans for affordable housing developers.

PROPOSAL 11e

Increase direct rental assistance.

PROPOSAL 11f

Increase homeownership assistance, specifically down payment assistance.

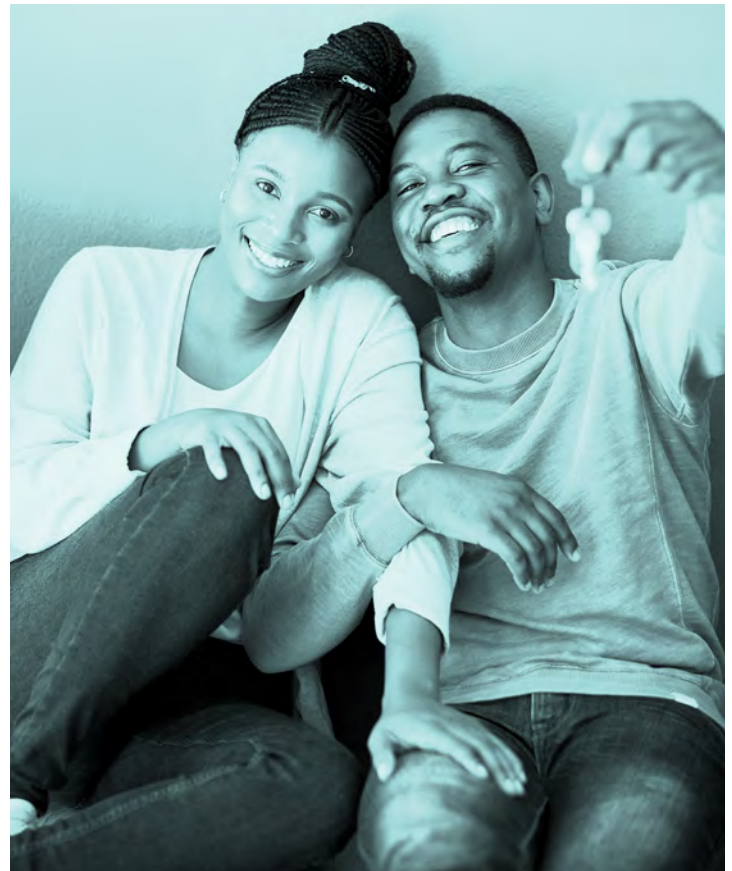
12 Homeownership

Achieving long-term affordability is particularly challenging in areas that have low housing supply and strong job growth like many cities across California. Even in areas that have not experienced recent job growth, average median incomes have not kept pace with increased housing costs. In order to address long-term affordability several solutions have been proposed, including increasing housing supply, providing more public housing, providing housing subsidies, and creating more certainty of future housing costs through deed restrictions and resale formulas.

A city model: Boulder, Colorado, uses an approach to ensure long-term housing affordability and reasonable wealth accumulation. The program ties the resale price of affordable units to an annual appreciation factor.^{14,15} It is important to note that a program must be designed appropriately to avoid non-price competition effects.

PROPOSAL 12

Ensure policies that promote long-term affordability of home sales are equitable. Programs should balance modest wealth accumulation for those who originally purchased affordable homes and more certainty of affordable prices of homes for future low-income Californians.



13 Current Housing Stock

13a. Flipping Houses

House “flipping” is when a buyer purchases a property, makes repairs or remodels, then sells the property, typically after a short amount of time and for a significant profit. House flipping doesn’t increase the number of housing units. In California, where supply of housing is low almost everywhere, promoting redevelopment to higher density housing is more beneficial to increasing supply compared to remodeling single-family homes.

PROPOSAL 13a

On parcels where increased density is possible, disincentivize house flipping. This can be accomplished in a variety of ways, such as by establishing a tax or requiring a residency requirement.

13b. Vacant or underutilized properties

In California, largely because Proposition 13 has kept property taxes low, there is potential that properties remain vacant or underutilized. To incentivize the sale or redevelopment of vacant or underutilized properties, the cost of holding land should be proportional with actual property values. Vacancy taxes are typically trying to prompt owners to develop vacant land or to sell or rent unoccupied units, while also serving as an additional source of revenue for the local jurisdiction. Limiting vacancy and underutilization is especially important in areas where redevelopment to higher density housing is possible.

PROPOSAL 13b

Where increasing the number of housing units is possible or the assembly of multiple single-family parcels for rezoning is possible, disincentivize vacant or underutilized properties.¹⁶

13c. Naturally occurring affordable housing

Naturally occurring affordable housing (NOAH) refers to aging residential homes that can be renovated and upgraded to increase the supply of affordable housing through a process that is quicker and cheaper than constructing new housing. Typically, nonprofit organizations acquire NOAH properties and keep rents at a specific percentage of the area median income (AMI), which in turn contributes to the stock of housing that is more affordable. Additionally, these rental properties maintain low rents without federal subsidy. Preserving NOAH can play an important role in ending the housing crisis.¹⁷

PROPOSAL 13c

Create a state fund or tax credit to support eligible nonprofits that preserve NOAH units.

14 Measurement and Transparency

To assist policymakers in determining the effectiveness of new policies, measuring inputs, activities, outputs, outcomes, and impact are essential. A logic model is a graphical representation of the program which in this case is the creation of affordable housing at all income levels. The logic model incorporates the resources (inputs), actions taken (activities), and deliverables, such as housing units produced across affordability levels or housing secure individuals (outputs). The outputs start to bring about change (outcomes) and ideally this will contribute to the positive impact of ending the housing crisis in California.

FIGURE 3

Logic Model



Thus, measuring inputs, activities, outputs, and outcomes is an essential component to help decisionmakers identify areas of programs that need improvement and determine whether the program is achieving its goals. The following proposals begin to collect that essential information.

14a. Rental unit registry

A rental registry would require registering rental units. Landlords would receive benefits from being registered by being provided timely notification of landlord rights, changes in tenant laws, and local market information. The registry would help individuals better understand the rental market, including unit composition, vacancy rate, turnover and rental pricing.

PROPOSAL 14a

Create an annual registration of rental units to include:

- Rental unit address & unit number.
- Rental unit year built.
- Number of bedrooms of each rental unit.
- Move-in date for each rental unit (Month & Year).
- Number of tenants (Adult & Children).
- Current monthly rent amount for each rental unit.
- The effective date of last rent increase for each rental unit (Month & Year).
- Utility services (Gas and/or Electric) provided by the landlord for each rental unit.
- Parking included in current monthly rent amount for each rental unit, if applicable.

14b. Public lands registry

A barrier to building new affordable homes is acquiring affordable land suitable for housing. Since the state and cities are already required to list surplus land, it would be beneficial to developers searching for land to purchase or lease to combine that information.

PROPOSAL 14b

Combine the state and local registries of available public land for easier access by developers.

14c. Impact fees registry

Impact fees could significantly affect the affordability of a project. To increase accountability and oversight over these fees, it is necessary to have a description of each fee and the intent for its use. An inventory of impact fees can begin to help determine whether each is necessary, equitable, and aligned with building affordable housing.

PROPOSAL 14c

Create a statewide registry of the impact fees assessed on new development.

14d. Credentialed construction workers registry

As described previously, a centralized registry of credentialed workers will ensure developers are hiring workers who are knowledgeable and capable of delivering the optimal quality and safety standards.

PROPOSAL 14d

Create a statewide registry of credentialed workers in the trades and crafts to ensure the highest quality workforce. The registry can also help inform investment needs to ensure there is a sufficient construction labor force in the future.



Conclusion and Summary of Proposal Ideas

Based on the collective experience of a subset of local experts, policymakers, and housing stakeholders, this report has outlined stakeholder perspectives and potential opportunities to inform future housing policies. Legislators can use this document to help determine how to further develop a package of legislation to address the housing crisis. The list of policy areas and proposals is quite broad, spanning from the entitlement process, litigation, land use, and funding. Ending the housing crisis will be a multi-year process and engagement from new and existing

stakeholders is critical. Policy changes can make meaningful improvements in reducing the housing shortage that currently exists across all regions of California.

Table 3 summarizes the policy ideas and specific legislative proposals. This report does not attempt to prioritize policy ideas or determine whether the idea is reasonable or feasible, as perspectives may vary and resource levels may wax and wane, even over the relatively short period of 3 to 5 years into the future.

TABLE 3
Summary of Policy Areas and Proposals

POLICY AREA	PROPOSAL
Entitlement Process	Proposal 1: Review and reform the entitlement process to expedite review and permitting for housing developments that provide affordable housing, pay prevailing wage, and meet local zoning laws, building codes, and environmental standards to balance long-term housing needs with environmental impacts and enforcement of local zoning laws.
	Proposal 2a: Convert commercial zoning to mixed-use zoning statewide, and create a ministerial statewide approval mechanism to give developers a baseline level of certainty.
Zoning	Proposal 2b: Upzone and create ministerial statewide approval for affordable rental and for-sale multi-family housing near transit-rich areas and high opportunity areas.
	Proposal 2c: Accelerate the production of housing by incentivizing cities to upzone larger areas of the city for affordable higher density housing. Where appropriate, provide density bonuses and prohibit density limits, while maintaining restrictions on building size standards per parcel (i.e., setback limits, regional maximum height requirements, and maximum floor area ratios).
Litigation	Proposal 3a: Limit the time allowed for claims to be brought against projects.
	Proposal 3b: Create an injunction bond requirement that covers any damages that the defendant can receive if the injunction is not upheld by the courts.
	Proposal 3c: Review the relative costs and benefits of building codes and environmental regulations to determine whether they are necessary, equitable, and aligned with the need for more housing.
Labor	Proposal 4a: Assess whether there are enough construction workers needed to build the necessary housing in each region.
	Proposal 4b: Increase investment in training programs to anticipate the future construction labor force needs.
	Proposal 4c: Reform and consistently enforce regional residential labor rates.
Micro-Units	Proposal 4d: Ensure that all construction workers have the knowledge, skills, and abilities to build safe and high-quality homes.
	Proposal 5: Permit the development of micro-units for rent and for sale, where appropriate, if the units comply with building safety requirements, such as the use of fire-resistant materials, electrical safety, and structural integrity across the state.

TABLE 3 (continued)

Summary of Policy Areas and Proposals

POLICY AREA	PROPOSAL
Parking Minimums	Proposal 6: Review statewide zoning to reduce or eliminate parking minimums, with few exceptions for safety, such as fire risk and narrow streets.
Vehicle Miles Traveled	Proposal 7: Prohibit the use of VMT except in transit-rich areas in order to decrease the costs of producing housing, where appropriate. Revise the criteria for measuring transportation impacts to measuring greenhouse gas emissions comprehensively.
Development Costs	Proposal 8a. Infrastructure: Create additional funding sources to fill the gap in need for infrastructure for affordable housing.
	Proposal 8b. Impact Fees: Review impact fees to determine whether they are necessary, equitable, and aligned with building affordable housing.
	Proposal 8c. Land: Provide affordable housing developers the first opportunity to acquire land, especially if it is public land.
Public Lands	Proposal 9: Lease, rather than sell, public land to address the housing crisis.
Redevelopment and Renter Displacement	Proposal 10: Prioritize policies that provide housing affordability and stability to the most disadvantaged community members, those who are most at risk for being displaced.
Funding and Subsidies	Proposal 11a: Make funding for the creation of affordable housing a permanent allocation in the state budget.
	Proposal 11b: Increase funding for affordable housing.
	Proposal 11c: Provide funding for infrastructure and operating costs for affordable housing.
	Proposal 11d: Fund low- and zero-interest loans for affordable housing developers.
	Proposal 11e: Increase direct rental assistance.
	Proposal 11f: Increase homeownership assistance, specifically down payment assistance.
Homeownership	Proposal 12: Ensure policies that promote long-term affordability of home sales are equitable. Programs should balance modest wealth accumulation for those who originally purchased affordable homes and more certainty of affordable prices of homes for future low-income Californians.
Current Housing Stock	Proposal 13a: Flipping Houses: On parcels where increased density is possible, disincentivize house flipping. This can be accomplished in a variety of ways, such as by establishing a tax or requiring a residency requirement.
	Proposal 13b: Vacant or underutilized: Where increasing the number of housing units is possible or the assembly of multiple single-family parcels for rezoning is possible, disincentivize vacant or underutilized properties.
	Proposal 13c: NOAH: Create a state fund or tax credit to support eligible nonprofits that preserve NOAH units.
	Proposal 14a: Rental Registry: Create an annual registration of rental units.
	Proposal 14b: Public Lands Registry: Combine the state and local registries of available public land for easier access by developers.
Measurement and Transparency	Proposal 14c: Impact Fees Registry: Create a statewide registry of the impact fees assessed on new development.
	Proposal 14d: Labor Registry: Create a statewide registry of credentialed workers in the trades and crafts to ensure the highest quality workforce. The registry can also help inform investment needs to ensure there is a sufficient construction labor force in the future.



Future Direction: World-Building through Collaboration, Storytelling & Visualization

Revisiting this report or repeating this exercise with different initial themes and in different regions may be useful to consider in the future. Additionally, gathering interested and impacted stakeholders to complete an inclusive, world-building exercise may be helpful to bringing about long-lasting change. This section describes an approach called “world-building” that brings together stakeholders to develop transformational ideas.

Background of Subject Matter Experts and Collaborators

Select subject matter experts that vary in multiple dimensions, including background in housing (i.e., state and local policymakers, developers, construction workers, realtors, landlords, renters, homeowners, urban planners, and researchers), generation, gender, and race. Selecting diverse teams may spark innovation and creativity, which is essential for this approach to succeed.

Implementation of World-Building: Storytelling

Divide the session into two parts: story generation and solution generation. Divide experts into smaller groups. Support the groups by including a visual notetaker who can represent ideas developed in real time which will aid in discussion.

The first part—**story generation**—establishes a structure that (hopefully) will guide the conversations. Specifically, tell the participants that they were expected to create a



short story, specific to housing, which contained elements of disaster, surprise, and chaos. Since the goal is to highlight specific opportunities to create affordable housing and develop affordable cities, ask each domain team to create extraordinary catastrophic stories based on an amalgamation of imagined and real-life experiences. In general, allow these discussions to flow naturally without a mandated sequence or structure. After initial story generation, the teams should recite their anecdotes to the entire group. This “imagined world” approach provides a mechanism to release participants from simply retelling



a real-life event and cultivates group unity to believe that these events were possible, yet improbable (German & Barrett, 2005). Also, imagining anecdotes about dramatic events (i.e., events that are unlikely to happen tomorrow), without the constraints of real life, is a simple way to get participants in the frame of mind to be creative and not think incrementally.

The second part of the session—**solution generation**—asks the experts to imagine a future state that could have helped resolve the catastrophic event. This open process again releases participants from thinking about current policies and incremental solutions and start thinking disruptively; by disruptive thinking, we are referring to thinking that challenges conventional thought processes and eventually leads to bold initiatives. Assume that if participants are asked about the future without first asking for story generation, experts will imagine a future that looks a lot like today. Instead, this approach is designed to pull participants out of the present and free them from concern about present-day constraints as to be truly creative and original. Asking operational questions about imagined stories after fostering an innovative space allows efficient probing of housing policies that are appreciatively different from the status quo in supporting housing affordability and sustainability.

Implementation of World-Building: Visualization

To visually document the narratives that emerge from each group and their solutions, use an innovative approach—World-Building Through Storytelling, Visualization, and Collaboration—in which an artist draws characters and objects and jots down phrases as the groups recite their stories. The intent of incorporating these visual notes is to: (1) keep the large group engaged for a multi-hour work session; (2) improve processing and synthesis by being able to refer to the most important points from each team’s story; and (3) obtain visuals that could support and illustrate the findings.

The goal by the end of the session is that each story will uniquely give a fuller picture of the housing crisis and provide solutions that could be used for a comprehensive strategy.

Appendix A. East Bay

Hosted by Grayson & Wicks
September 27, 2021

Emphasis:

- Production to increase supply to improve affordability
- Need for 'missing-middle' housing, not luxury
- All stakeholders are needed to engage to pass transformative legislation and address misinformation
- Need for new building techniques, such as modular housing
- Micro-units should be seriously considered

Why is it so expensive?

- Permitting delays, including from discretionary review and CEQA litigation
- Labor costs
- Land costs
- Infrastructure costs
- Impact fees
- Material costs

Homelessness Crisis

- Acquire inexpensive state land to build on
- Need for services & facilities, such as showers

Members in attendance:

- Arambula, Bloom, Bauer-Kahan, Chiu, Friedman, Grayson, Levine, Quirk-Silva, R. Rivas, Ting, and Wicks

Panelists:

- Local Government: Libby Schaaf, Mayor, City of Oakland
- Development: Carolyn Bookhart, Director of Housing Development at Resources for Community Development
- Labor: Bill Whitney, CEO, Contra Costa Building and Construction Trades Council
- Equity: Gloria Bruce, Executive Director, East Bay Housing Organizations
- Business: Matt Regan, Senior Vice President of Public Policy, Bay Area Council

TABLE 4**Bay Area Discussion Summary**

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamlining and reform
Zoning	Mixed-use zoning needed; consider increasing density, particularly in opportunity zones
Litigation	Return to the original intent of CEQA (not to delay or stop projects); limit the time allowed for claims to be brought against projects; create a bond requirement to compensate developer costs if court approves project
Labor	Availability and compensation issues noted; need for residential prevailing wage
Micro-Units	Need for smaller homes like Tiny Homes; need for small apartment units
Parking Minimums	Need for parking requirement reductions in transit-rich areas
Vehicle Miles Traveled	Nothing noted
Development Costs	Infrastructure costs; impact fees; wildfire evacuation and mitigation cost
Public Lands	Need for land for temporary shelters and subsidized housing
Redevelopment and Renter Displacement	Need a racial equity framework; prioritize redevelopment without displacement
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations); funding needed for infrastructure and operating costs; need for deed restricted homes, need for Universal Housing Choice Vouchers
Homeownership	Down payment assistance needed; Missing Middle-Class/Workforce housing needed; homeownership provides economic mobility
Current Housing Stock	Limit short-term rentals and house flipping
Measurement and Transparency	Measure project timeline to understand areas for improvement

■ Appendix B. Central Coast

Hosted by R. Rivas
October 4-5, 2021

Emphasis:

- Current reality: There is overcrowding with multiple families living in one unit
- Need for “basic needs” housing and workforce housing, not luxury
- Housing stability and affordability provides economic mobility for owners
- Urban areas may be impacted by violence in many areas that are overcrowded and rent burdened
- Need for the creation of a long-term, comprehensive plan

Why is it so expensive?

- Permitting delays, including from discretionary review and CEQA litigation
- Labor costs
- Land costs
- Infrastructure costs
- Requirement to have housing for labor
- Holding costs increase with delays
- Construction costs increase with delays
- Bonds run out
- Requirements from multiple applications create barrier to accessing funding
- Not enough local workforce to build the necessary number of units
- Impact fees
- Permit fees for worker housing

Homelessness Crisis

- Create statewide registry of individuals in temporary, transitional, congregate, permanent supportive housing

Members in attendance:

- Bonta, Friedman, Grayson, Levine, Reyes, R. Rivas, Ward, and Wicks

Panelists:

- Monterey Bay Economic Partnership, Alisal Family Resource Center, Eden Housing, MidPen Housing
- Community Association of Big Sur, Big Sur Chamber of Commerce, Big Sur Land Use Advisory Committee, Parks Department, Building Trades, Post Ranch Inn
- Housekeys, City of Morgan Hill Housing Director Rebecca Garcia, Destination Home
- Roderick Williams, CEO

TABLE 5

Central Coast Discussion Summary

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamlining and reform; multijurisdictional process can cause delays
Zoning	Mixed-use zoning needed; prioritize increasing density and infill development; protect or include requirements for open spaces, wetlands; fiscalization of land use causes challenges; rezone citywide; consider inclusionary housing policies
Litigation	Return to the original intent of CEQA (not to delay or stop projects); limit the time allowed for claims to be brought against projects; put environmental considerations on par with housing needs; consider a bond requirement to compensate developer costs if court approves project
Labor	Availability and compensation issues noted
Micro-Units	Nothing noted
Parking Minimums	Nothing noted
Vehicle Miles Traveled	Congestion concerns noted
Development Costs	Infrastructure costs; impact fees; land is limited and expensive
Public Lands	Need for inexpensive land; desire to lease or purchase state land
Redevelopment and Renter Displacement	Prioritize redevelopment in transit-rich areas and blighted areas, protect current residents
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations); layering funding increases costs; funding needed for infrastructure and operating costs; deed restricted homes needed; Universal Housing Choice Vouchers needed; wildfire insurance subsidies needed; need to reform California Tax Credit Allocation Committee (CTCAC) to include a better definition of 'rural area' or 'small city'
Homeownership	Down payment assistance needed; wealth accumulation opportunity; consider deed restrictions and duration of deed restriction for-rent and for-sale properties; allow future owners to contribute with sweat equity rather than cash
Current Housing Stock	Limit short-term rentals
Measurement and Transparency	Create a registry of projects with timeline for oversight and accountability purposes, include assessment of affordability (number of units); aggregate available public land; calculate overcrowding
Other	Lower threshold for passing initiatives for local areas to raise money for housing

Appendix C. Central Valley

Hosted by Arambula
October 7, 2021

Emphasis:

- Need to confront concentrated poverty with a mixed-income building strategy, a deliberate strategy of mixing housing units at a variety of income levels, including market-rate
- Racial Equity Planning/Equity Planning for Social Justice
- Efforts to eliminate redlining and not create new areas of inequality

Why is it so expensive?

- Permitting delays, including from discretionary review and CEQA litigation
- Labor costs
- Land costs
- Infrastructure costs
- Construction costs
- Not enough local workforce to build the necessary number of units
- Impact fees

Homelessness Crisis

- Continuum of care housing needed (i.e., emergency shelter, triage, transition, affordable housing, owner occupied)
- Need for services, facilities

Members in attendance:

- Arambula, Bonta, Grayson, R. Rivas, and Wicks

Panelists:

- City of Fresno: H. Spees, Director, Housing and Homeless Services & Miguel Arias, Fresno City Council District 3
- Faith in the Valley: Alexandra Alvarado & Ambar Crowell
- Self-Help Enterprises: Tom Collishaw, CEO
- Fresno Housing Authority: Michael Duarte & Tyrone Roderick Williams, CEO

TABLE 6

Central Valley Discussion Summary

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamlining and reform; expand and reform by-right housing ordinance multijurisdictional process can cause delays
Zoning	Mixed-use zoning needed; consider increasing density, particularly in opportunity; fiscalization of land use causes challenges; disincentivize vacancy and underutilization; rezone citywide; need to develop infill overlay; need to develop inclusionary housing zoning requirement
Litigation	Return to the original intent of CEQA (not to delay or stop projects); put environmental considerations on par with housing need; housing is a public health concern; consider bond requirements; exempt motels from inspection
Labor	Availability and compensation issues noted; need for residential prevailing wage
Micro-Units	Nothing noted
Parking Minimums	Reduce parking minimums
Vehicle Miles Traveled	VMT challenges in rural areas
Development Costs	Infrastructure costs; impact fees; land is limited and expensive; need for surplus land to be acquired inexpensively; approval needed for cross laminated lumber to replace steel; layering funding increases costs
Public Lands	Needed for inexpensive land, desire to lease or purchase state land
Redevelopment and Renter Displacement	Nothing noted
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations); funding need for infrastructure and operating costs; gap financing needed, particularly in opportunity zones; low-interest loans for affordable housing developers needed; deed restricted homes needed; Universal Housing Choice Vouchers needed; bridge funding needed in disaster zones; need a special category for "small communities" to compete for funds in same size category or a better definition of 'rural area' or 'small city'
Homeownership	Down payment assistance needed; deed restrictions needed; need to promote condo conversions from apartments to increase homeownership supply
Current Housing Stock	Limit short-term rentals; consider Land Trust to increase homeownership opportunities as condos; preserve "naturally occurring affordable housing" (NOAH); disincentivize flipping homes
Measurement and Transparency	Create registry of reasons why evicted, why became homeless to help with racial equity consideration
Other	Need for technical support staff to assist with regulatory requirements

Appendix D. Los Angeles

Hosted by Friedman
October 11, 2021

Emphasis:

- Current reality: There is overcrowding with multiple families living in one unit
- Need for income-restricted development, not luxury
- Prioritization of infill development
- Traffic congestion and long commutes are problems, so there is a need for transit-oriented development
- Need for mixed-use development, especially on city-owned land
- Health is correlated with housing (poor health is correlated with housing distress)

Why is it so expensive?

- Permitting delays, including from discretionary review and CEQA litigation
- Labor costs
- Land costs
- Infrastructure costs
- Requirement to have housing for labor
- Impact fees
- Construction defect litigation

Homelessness Crisis

- Need data about inputs, outputs and outcomes
- Create statewide registry of individuals in temporary, transitional, congregate, permanent supportive housing
- Need for Safe sleeping areas
- Continue Project RoomKey

Members in attendance:

- Bloom, Bryan, Friedman, Gabriel, Grayson, Lackey, Levine, Muratsuchi, Nazarian, Quirk-Silva, Reyes, L. Rivas, R. Rivas, Santiago, Ward, and Wicks

Panelists:

- Jenna Hornstock, Deputy Director for Land Use Planning, Southern California Association of Governments
- Joy Forbes, NBC Universal, VP of Global Real Estate
- Councilmember Nithya Raman, City of Los Angeles
- Chris Hannan, Executive Secretary, Los Angeles /Orange Counties Building & Construction Trades Council AFL-CIO
- Charles E. Loveman, Jr., Executive Director, Heritage Housing Partners
- Philip Lanzafame, Director of Community Development at City of Glendale, CA

TABLE 7

Los Angeles Discussion Summary

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamling and reform; expand and reform by-right housing ordinance
Zoning	Mixed-use zoning needed; prioritize increasing density and infill development, particularly in transit-rich areas; fiscalization of land use causes challenges, Prop 13 issues noted; disincentivize vacancy and underutilization; need to develop infill overlay; need to consider inclusionary housing zoning; need to upzone larger areas
Litigation	Return to the original intent of CEQA (not to delay or stop projects); reform housing defect laws
Labor	Availability and compensation issues noted
Micro-Units	ADUs and Cottage Housing Program needed
Parking Minimums	Need for parking requirement reductions in transit-rich areas
Vehicle Miles Traveled	VMT issues noted, including it's in tension with the future of electrification, telecommuting, and telehealth
Development Costs	Infrastructure costs; impact fees; land is limited and expensive; need to assembly parcels for development, layering funding increases costs
Public Lands	Nothing noted
Redevelopment and Renter Displacement	Prioritize infill housing projects without displacement, particularly in transit-rich areas
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations); funding need for infrastructure and operating costs; gap financing needed, particularly in opportunity zones; low-interest loans for affordable housing developers needed; need to lower threshold for initiatives for local areas to raise money for housing; deed restricted homes needed
Homeownership	Consider deed restrictions and duration of deed restriction for-rent and for-sale properties, may be a need to extend deed restrictions that are expiring; homeownership provides economic mobility; Investigate G.I. Bill and the increase of homeownership as a potential model; there are high income earners, but limited supply prevents them from becoming homeowners
Current Housing Stock	Preserve "naturally occurring affordable housing" (NOAH); limit short-term rentals and house flipping
Measurement and Transparency	Calculate the number of houses available from rezoning
Other	Nothing noted

Appendix E. Inland Empire

Hosted by Reyes and Cervantes
October 12, 2021

Emphasis:

- Need to confront concentrated poverty with a mixed-income building strategy, a deliberate strategy of mixing housing units at a variety of income levels, including market-rate
- Racial Equity Planning/Equity Planning for Social Justice
- Efforts to eliminate redlining and not create new areas of inequality

Why is it so expensive?

- Permitting delays, including discretionary review and CEQA litigation and construction defect litigation
- Labor costs
- Land costs
- Infrastructure costs
- Requirement to have housing for labor
- Impact fees

Homelessness Crisis

- Continue Project RoomKey and Project HomeKey
- Need data about inputs, outputs and outcomes
- Need wraparound services

Members in attendance:

- San Bernardino: Bonta, Cervantes, Friedman, Grayson, Lackey, Levine, Reyes, R. Rivas, Rodriguez, Ward, and Wicks

Panelists:

- Maria Razo, Executive Director, Housing Authority of San Bernardino County
- Lorraine Kindred, Vice President of Public Affairs, National CORE
- Kim Carter, Founder, Time for Change Foundation
- David Kersh, Executive Director, Carpenters/Contractors Cooperation Committee
- Tim Johnson, Chief Operating Officer, Quality Management Group/LaBarge Industries
- Michael Walsh, Deputy Director, Riverside County Affordable Housing and Community Services
- Michelle Davis, Housing Authority Manager, City of Riverside
- Karen Roper, Manager of Homeless Solutions, City of Corona; Vice Chair, Riverside County Continuum of Care
- Gabriel Maldonado, Executive Director and CEO of TruEvolution
- Daniel O'Farrell, Chief Executive Office of the Parkview Legacy Foundation; Steering Committee Member of the Inland SoCal Housing Collective

TABLE 8

Inland Empire Discussion Summary

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamlining and reform; expand and reform by-right housing ordinance; multijurisdictional process and timeline are challenging, including tribal commission
Zoning	Mixed-use zoning needed; prioritize density and infill development; need to consider inclusionary housing zoning
Litigation	Return to the original intent of CEQA (not to delay or stop projects); reform housing defect laws
Labor	Availability and compensation issues noted; need residential prevailing wage
Micro-Units	Need for smaller homes and small apartment units
Parking Minimums	Nothing noted
Vehicle Miles Traveled	VMT issues noted
Development Costs	Infrastructure costs; impact fees; need for innovative build alternatives like modular housing, although concern about complying with timelines; need for alternative building materials that reduce costs while maintaining safety standards; layering funding increases costs
Public Lands	Nothing noted
Redevelopment and Renter Displacement	Nothing noted
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations), funding need for infrastructure and operating costs; gap financing needed, particularly in opportunity zones
Homeownership	Consider Land Trust to increase homeownership opportunities, such as condos; there are high income earners, but limited supply prevents them from becoming homeowners
Current Housing Stock	Preserve “naturally occurring affordable housing” (NOAH)
Measurement and Transparency	Nothing noted
Other	Try not to layer federal funding into projects to retain the ability to rent to anyone regardless of immigration status

Appendix F. Orange County

Hosted by Quirk-Silva
October 13, 2021

Emphasis:

- Current reality: There is unmet need at all income levels
- Need for sustainable growth
- Need for more housing and programs for people experiencing homelessness

Why is it so expensive?

- Permitting delays, including from discretionary review and CEQA litigation
- Labor costs
- Land costs – land is rarely flat, square sites – sites may need to be “cleaned up”
- Infrastructure costs
- Construction costs
- Underwriting costs
- Developer fees
- Layered funding sources increase requirements
- Services to everyone in the community increase costs

Homelessness Crisis

- Continuum of care housing needed (i.e., emergency shelter, triage, transition, affordable housing, owner occupied)
- Need for services, facilities
- Need data about inputs, outputs and outcomes
- Need wraparound services
- Mental health facilities need to be part of the solution
- Need to consider on-going costs of operations, possibly use service fee for healthcare costs

Members in attendance:

- Bloom, Bonta, Grayson, Levine, Petrie-Norris, Quirk-Silva, R. Rivas, Ward, and Wicks

Panelists:

- Cesar Covarrubias, Kennedy Commission:
- Laura Archuleta, Jamboree Housing:
- Ernesto Medrano, Building & Construction Trades Council
- Frank Martinez, Southern California Association of Non-Profit Housing
- Adam Wood, Building Industry Association of Southern California, Orange County
- Aaron France, City Manager, City of Buena Park
- Rich Gomez, Business Partner, Southwest Regional Council of Carpenters, Local 714
- Orange County Business Council

TABLE 9

Orange County Discussion Summary

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamlining and reform
Zoning	Mixed-use zoning needed; fiscalization of land use causes challenges; need to consider negative aspects of inclusionary housing zoning
Litigation	Return to the original intent of CEQA (not to delay or stop projects)
Labor	Availability and compensation issues noted, need residential prevailing wage
Micro-Units	Nothing noted
Parking Minimums	Nothing noted
Vehicle Miles Traveled	Nothing noted
Development Costs	Infrastructure costs; impact fees; need for innovative build alternatives like modular housing, although concern about complying with timelines; need for alternative building materials that reduce costs while maintaining safety standards
Public Lands	Need inexpensive public land for lease or for sale
Redevelopment and Renter Displacement	Nothing noted
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations); funding need for infrastructure and operating costs; gap financing needed; low-interest loans for affordable housing developers needed
Homeownership	Missing Middle-Class/Workforce housing needed; down payment assistance needed; acknowledgement that homeownership is major source of wealth building, which is a challenge to long-term affordability
Current Housing Stock	Nothing noted
Measurement and Transparency	Create a registry of projects with timeline for oversight and accountability purposes, including assessment of affordability (number of units); create a registry of state land available; need data about inputs, outputs and outcomes about people experiencing homelessness, renters and homeowners
Other	Nothing noted

Appendix G. San Diego

Hosted by Ward
October 14, 2021

Emphasis:

- Current reality: There is unmet need at all income levels
- Rental property is too high leading to rent burden, overcrowding, and homelessness
- Need to reform single-family zoning
- Need to allow housing as-of-right (“by-right”)
- Need to lock in regulations at the time of application submission
- Need for tenant protections
- Need for additional transparency on housing and homelessness budget
- Need for downtown community development
- Need for community space
- Ordinance on inclusionary housing has been helpful

Why is it so expensive?

- Permitting delays, including from discretionary review and CEQA litigation
- Labor costs
- Land costs
- Infrastructure costs
- Bonds run out
- Requirements from multiple applications create barrier to accessing funding

Homelessness Crisis

- Continuum of care (emergency shelter, triage, transition, affordable housing, owner occupied)
- Project Homekey was helpful to expedite approvals and allowed for needed money and flexibility
- Need data about inputs, outputs and outcomes
- Housing First Action Plan–Housing Project Types
 - Permanent supportive housing, rapid housing, transitional housing, interim housing, temporary housing, supportive housing, workforce housing

Members in attendance:

- Boerner Horvath, Bonta, Grayson, Maienschein, R. Rivas, Quirk-Silva, and Ward

Panelists:

- Rick Gentry, President & CEO San Diego Housing Commission
- Alan Gin, Associate Professor of Economics. University of San Diego
- Michael Hansen, Planning Director, City of San Diego Planning Department
- Emily Jacobs, Executive Vice President of Real Estate, San Diego Housing Commission
- Carol Kim, Political Director, San Diego County Building & Construction Trades Council
- Colin Miller, Vice President of Multifamily Housing Finance, San Diego Housing Commission
- Colin Parent, Councilmember/ Executive Director and General Counsel, City of La Mesa / Circulate San Diego
- Raynard Abalos, Deputy Director of Development Services, City of San Diego

TABLE 10

San Diego Discussion Summary

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamlining and reform; expand and reform by-right housing ordinance; multijurisdictional process and timeline are challenging
Zoning	Mixed-use zoning needed; prioritize density and infill development; upzone larger areas
Litigation	Return to the original intent of CEQA (not to delay or stop projects); limit the time allowed for claims to be brought against projects, reform housing defect laws
Labor	Availability and compensation issues noted
Micro-Units	ADUs and Cottage Housing Program needed
Parking Minimums	Nothing noted
Vehicle Miles Traveled	Nothing noted
Development Costs	Infrastructure costs; impact fees; land is limited and expensive; changing building codes every 3 year increases housing costs; layering funding increases costs
Public Lands	Nothing noted
Redevelopment and Renter Displacement	Nothing noted
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations); funding need for infrastructure and operating costs; gap financing needed; need to reform California Tax Credit Allocation Committee (CTCAC), need to lower threshold for local areas to raise money for affordable housing; need to permit the recycling of bonds to help with financing
Homeownership	Consider deed restrictions and duration of deed restriction for-rent and for-sale properties; may be a need to extend deed restrictions that are expiring; homeownership provides economic mobility; there are high income earners, but limited supply prevents them from becoming homeowners; homeownership assistance needed
Current Housing Stock	Preserve “naturally occurring affordable housing” (NOAH); limit short-term rentals and house flipping
Measurement and Transparency	Create a registry of projects with timeline for oversight and accountability, including assessment of affordability (number of units); create a registry of state land available; statewide registry of information on best practices from all jurisdictions
Other	Need for technical support staff to assist with regulatory requirements, allow nonprofit investors first right of refusal to buy land

Hosted by Gallagher November 16, 2021

Emphasis:

- Affordable housing in the context of disaster recovery
- Wildfires have had devastating effects; substantial impact
- Community impacts on mental health and loss of community are significant
- Need for more market-rate and subsidized housing
- Protect middle-class workers who have been displaced by disaster, use an equity framework
- Wages are not keeping up with rising housing prices
- Unprecedented local support for affordable housing has eliminated opposition and lawsuits

Why is it so expensive?

- Permitting delays, including discretionary review and CEQA litigation
- Labor costs
- Land costs
- Infrastructure costs
- Construction costs increase with delays
- Requirements from multiple applications create barrier to accessing funding
- Not enough local workforce to build the necessary number of units
- Impact fees
- Operational costs for community services on-going, and developers need to account for them upfront rather than from future rental increases
- Cost of insurance can be prohibitive to new construction
- Hard costs (~70%)
 - Land, street improvements, material costs, labor costs
- Soft costs (~30%)
 - Architects/engineers, attorneys, consultants, warranties, financing/holding fees, school fees, city/county permit fees, inspections, development impact fees, property tax, marketing, model cost, overhead, sales commission, title costs, mitigation fees, class action lawsuits, project supervision, profit

Members in attendance:

- Bonta, Dahle, Gallagher, Grayson, and Levine

Panelists:

- Kate Leyden, Chico Builders Association
- Katy Thoma, Chico Chamber of Commerce
- Seana O' Shaughnessy, Chico Housing Improvement Program CHIP (non-profit affordable housing)
- Amber Abney-Bass, Jesus Center (emergency/transitional housing)
- Scott Birkey, Attorney, Land Use/CEQA
- Chris Giampaoli, Epick Homes, market-rate developer
- State Building and Construction Trade Council of California

Homelessness Crisis

- Need for low barrier shelters and services with 24-hour programming that address root cause of homelessness
- Need for emergency housing
- Housing first programs may create a barrier to addressing root cause for entering into homelessness
- Public funding is only available if housing conforms to housing first criteria
- State and federal funding doesn't allow for mandatory wraparound service participation
- Need to improve and clarify Appendix O, which is the building code that covers various types of emergency shelters, which must be used and can only be used under the terms of a Shelter Crisis Declaration to not sunset with the ending of the Declaration

TABLE 11**Butte County Discussion Summary**

POLICY IDEA	SUMMARY OF STAKEHOLDER IDEAS
Entitlement Process	Need for streamlining and reform; expand and reform by-right housing ordinance; multijurisdictional process and timeline are challenging
Zoning	Mixed-use zoning needed; consider citywide zoning plans; community plans
Litigation	Return to the original intent of CEQA (not to delay or stop projects); limit the time allowed for claims to be brought against projects; ensure affordable housing considerations are on par with environmental considerations; create a bond requirement to compensate developer costs if court approves project
Labor	Availability and compensation issues noted; need residential prevailing wage
Micro-Units	Need for smaller homes and small apartment units
Parking Minimums	Nothing noted
Vehicle Miles Traveled	VMT issues for rural area noted
Development Costs	Infrastructure costs; impact fees; need for alternative building materials that reduce costs while maintaining safety standards; layering funding increases costs
Public Lands	Nothing noted
Redevelopment and Renter Displacement	Replacement housing development needed, particularly for wildfire areas
Funding and Subsidies	Permanent & on-going funding needed (i.e., tax credits, bonds, state allocations); funding need for infrastructure and operating costs; gap financing needed, particularly in opportunity zones
Homeownership	Down payment assistance needed; consider role for future owners to contribute with sweat equity rather than cash; home prices are rising more quickly than salary increases
Current Housing Stock	Nothing noted
Measurement and Transparency	Review urban bias in funding calculations and category definitions
Other	Opportunity maps are well intentioned, but need reform for smaller cities AB 5 changed truckers to employees – need to allow truckers to be independent contractors again

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Additional Reading

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2. Phillips, S. (2020). *The Affordable City: Strategies for Putting Housing Within Reach (and Keeping It There)*. Island Press.

About The Author

Tepring Piquado is a senior policy researcher and chief policy director at California Issues Forum. She conducts research on workforce knowledge, skills and abilities, workforce composition issues in the private and public sectors, and on health and well-being issues. She has taught courses on Ethics, Policy Design, and Policy Implementation. Piquado has a Ph.D. in neuroscience from Brandeis University and a B.S. in computer science from Georgetown University.

About This Report

This report summarizes information gathered from a series of meetings held in September, October and November across the state of California. Barriers to housing production or affordability were identified and briefly described. Subsequently, solutions were described that attempt to create new or modify current policies to increase the supply of housing and increase affordability of rentals and for-sale homes. The report was completed in November 2021 and underwent review before public release.

Disclaimer

The views and opinions expressed in this article do not necessarily reflect that of the author, the author's organization or any Federal, State or Local governments or agencies.

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January 24, 2022
Prepared by: R. Jacobson
Submitted by: C. Clary
Approved by: Paul A. Cook



ACTION CALENDAR

IRVINE LAKE – MASTER AGREEMENT FOR RESOLUTION OF REAL PROPERTY MATTERS

SUMMARY:

In December 2014, the Irvine Company donated land adjacent to Irvine Lake, previously planned for residential development, to the County of Orange for open space and park use. As a result of the land transfer, commitments from previous agreements related to land use, road access and recreation rights between IRWD, Serrano Water District, and the Irvine Company require modification. Staff recommends the Board approve a new Irvine Lake Property and Recreation Rights Umbrella Agreement (Master Agreement) and its related documents between IRWD, Serrano, the County, and the Irvine Company subject to non-substantive changes, which are intended to resolve outstanding real property matters at Irvine Lake. The Master Agreement is intended to:

- Terminate the Irvine Company’s reversionary rights interest in Irvine Lake (replaced with a covenant requiring the lake to be used for reservoir and approved recreation purposes);
- Approve reciprocal road easements providing unrestricted use by all parties of the existing access road (the “Haul Road”) from Santiago Canyon Road to the lake;
- Terminate prior lake management agreements including the Haul Road Agreement, Reciprocal License Agreement and other ancillary agreements related to Irvine Lake and adjacent land (originally between IRWD, Serrano, and the Irvine Company);
- Approve the transfer of the Irvine Company’s 75% recreation rights interest to the County; and
- Define permitted and prohibited recreational uses in and around the lake.

BACKGROUND:

Irvine Lake is owned jointly by IRWD and Serrano, each with a 50% property ownership interest. The majority of property adjacent to Irvine Lake is owned by the County following a donation from the Irvine Company of land previously planned for residential development and now designated for open space and recreation/park use. Recreation rights for the lake are currently owned by the Irvine Company (75%) and Serrano (25%).

Staff and legal counsels for IRWD, Serrano Water District, the County of Orange, and the Irvine Company have been working toward a Master Agreement to resolve a number of outstanding real property matters following the transfer of land from the Irvine Company to the County. A copy of the draft Irvine Lake Property and Recreation Rights Umbrella Agreement and related documents is provided as Exhibit “A”.

Termination of Reversionary Rights Interest:

As a condition to transferring the Irvine Lake property to the water districts (originally Serrano Irrigation District and Carpenter Irrigation District) in the late 1920s, the Irvine Company retained a right of reversion to the property. With the reversionary right, if the districts were perceived to be using all, or a part, of the property for a use other than “reservoir purposes,” title to all or a part could potentially revert back to the Irvine Company. While retaining a reversionary interest was more common at the time the land was transferred to the districts, a use covenant requiring that a property be used for a specific purpose(s) is more common today.

The Master Agreement provides terms for entering into a separate agreement: the Declaration of Covenants and Restrictions and Termination of Reversionary Rights (Covenant). The Covenant terminates the existing reversionary right and establishes covenants and restrictions for the purpose of maintaining the Irvine Lake property as a reservoir in perpetuity. The Covenant also provides for permitted types of recreation at the property as well as prohibited uses inconsistent with use of the lake for drinking water purposes. The County will have the primary responsibility to enforce the Covenant.

Reciprocal Road Easements – Haul Road Access:

A portion of the existing paved access road (the Haul Road) leading from Santiago Canyon Road to the back of the lake is owned by the County, and a portion of the road located within the lake boundaries is owned by the water districts. Based on a previous agreement known as the 2003 Memorandum of Understanding (2003 MOU) between IRWD, Serrano, and the Irvine Company, the parties agreed to provide reciprocal easements allowing for each party to have unrestricted access in the future.

Consistent with the 2003 MOU, the proposed Master Agreement provides for unrestricted access easements to be granted by the County to the water districts, and a reciprocal easement granted by the water districts to the County. A depiction of the lake showing the Haul Road and its respective ownership interests is provided as Exhibit “B”.

Termination of Prior Lake Management Agreements:

IRWD, Serrano and the Irvine Company are parties to a number of agreements relating to management of Irvine Lake and adjacent land (Ancillary Agreements). The majority of the Ancillary Agreements originated from 1993 to 1995 and were predicated on the Irvine Company’s planned future residential development of land adjacent to the lake. These Ancillary Agreements include the:

- Haul Road Agreement;
- Reciprocal License Agreement;
- Boundary Adjustment and Boundary Correction Agreements;
- Reservoir Study Plan and Reservoir Elevation Management Agreements; and
- 2003 Irvine Lake Memorandum of Understanding.

Following the land transfer to the County for open space and park use, most of the commitments made in the Ancillary Agreements are no longer necessary. Accordingly, the Master Agreement includes provisions that will terminate the prior agreements.

Termination of the 1995 Reciprocal License Agreement will result in the cancellation of a license involving two parcels, each approximately 3.9 acres, that were previously licensed by the water districts and the Irvine Company to each other to help facilitate a prior sand and gravel operation at the lake. The parcel previously licensed by the water districts to the Irvine Company is currently part of a larger picnic/event center leased to a concessionaire. District staff and legal counsel are currently in discussions with the concessionaire to complete a separate lease agreement for the space following the termination of the Reciprocal License Agreement.

Approval to Transfer the Recreation Rights:

The 2003 MOU between IRWD, Serrano, and the Irvine Company states that: “Any future sale, transfer or assignment of any party’s recreational rights will require the unanimous written consent of all parties.” The Irvine Company has requested the consent of IRWD and Serrano to transfer its 75% interest in the Irvine Lake recreation rights to the County. The terms of the Master Agreement provide for the water districts’ consent, subject to mutual approval and execution by all parties of the Master Agreement and related documents.

Future Recreation Use:

The existing picnic and event area adjacent to the lake and fishing concession area is currently leased by the County to a concessionaire. The event property is adjacent to an area of land within the lake boundaries known as “the Flats”. During discussions with the County and Serrano, the potential for a joint agreement to lease the combined area of the current event area and the Flats, and to also include the fishing concessions, was proposed. The proposed lease structure would be similar in concept to the current Strawberry Farms Golf Course land lease between IRWD and the County, with the County (OC Parks) taking primary responsibility for day-to-day management of the lessee and the parties sharing lease revenues.

The County has provided a draft Letter of Intent (LOI) between the County, Serrano, and IRWD. The non-binding LOI includes the issuance of a Request for Proposal, the process to select a lessee (to include IRWD and Serrano input), and future management and permitted recreational uses within Irvine Lake and adjacent land owned by the County. A final lease agreement of the Flats property would include terms allowing for the temporary or permanent use of the property for reservoir purposes at the discretion of the water districts. Staff recommends the Board authorize the General Manager to execute the LOI, provided as Exhibit “C”. The final lease agreement would be presented to the Board for approval at a future meeting.

Current Approval Status:

The County Board of Supervisors and Serrano Water District Board are expected to approve the terms of the Master Agreement in the coming weeks. The County and Serrano have previously reviewed and approved the joint lease concept and LOI terms.

FISCAL IMPACTS:

Not known at this time.

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 has been discussed in the past by the IRWD / Serrano Water District Ad Hoc Committee.

RECOMMENDATION:

THAT THE BOARD APPROVE THE IRVINE LAKE PROPERTY AND RECREATION RIGHTS UMBRELLA AGREEMENT SUBJECT TO NON-SUBSTANTIVE CHANGES, AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENT AND ALL RELATED DOCUMENTS, AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A LETTER OF INTENT TO ISSUE A JOINT REQUEST FOR PROPOSAL TO SELECT A LESSEE TO OPERATE RECREATIONAL ACTIVITIES AT IRVINE LAKE.

LIST OF EXHIBITS:

Exhibit "A" – Irvine Lake Property and Recreation Rights Umbrella Agreement

Exhibit "B" – Depiction of Irvine Lake

Exhibit "C" – Draft Letter of Intent to Lease Irvine Lake Property

IRVINE LAKE PROPERTY AND
RECREATIONAL RIGHTS UMBRELLA AGREEMENT

THIS IRVINE LAKE PROPERTY AND RECREATIONAL RIGHTS UMBRELLA AGREEMENT (“**Agreement**”) is effective as of **March 15, 2022** (“**Effective Date**”) and is among SERRANO WATER DISTRICT, a political subdivision of the State of California (“**Serrano**”), IRVINE RANCH WATER DISTRICT, a California water district (“**IRWD**”) (Serrano and IRWD are collectively the “**Districts**”), THE IRVINE COMPANY LLC, a Delaware limited liability company (“**The Irvine Company**”), and the COUNTY OF ORANGE, a body corporate and politic (the “**County**”) (each a “**Party**” and collectively the “**Parties**”).

A. Serrano and IRWD jointly own the land located in Orange County, California that includes the reservoir known as Santiago Reservoir or Irvine Lake (the “**Lake**”). Serrano and IRWD use water from the Lake to supply their water customers (“Reservoir Purposes”).

B. Serrano owns a 25 percent interest in the right to conduct recreational activities at the Lake (the “**Lake Recreation Rights**”) and The Irvine Company owns the remaining 75 percent interest in the Lake Recreation Rights.

C. The Irvine Company owned certain real property around the Lake, which it transferred to the County in 2014 (“**County Adjacent Land**”).

D. The Irvine Company intends to transfer to the County its interest in the Lake Recreation Rights, which transfer is subject to approval by the Districts pursuant to the 2003 MOU, defined below.

E. The Districts, jointly and separately, have entered into various ancillary agreements with The Irvine Company related to the management of the Lake, many of which have become unnecessary due to the passage of time or subsequent agreements.

F. The County and the Districts require reciprocal access across their adjacent real property holdings, and intend to provide for access easements.

G. The Irvine Company currently holds a right of reversion should the Districts use the Lake for anything other than Reservoir Purposes. The Parties intend to replace that right of reversion with a covenant running with the County's land.

H. The Parties intend by this Agreement to provide a roadmap for the execution and recordation of separate agreements that will terminate the ancillary agreements, provide for the transfer of the Lake Recreation Rights to the County, provide for reciprocal access easements, replace The Irvine Company's reversionary rights with a covenant running with the Districts' land with additional enforcement by The Irvine Company through a restriction of County's land. The Parties also intend by this Agreement to provide for the recording order of the various agreements contemplated herein.

The Parties therefore agree as follows:

1. Concurrent Transactions. The Parties intend to close concurrently the transactions described herein not later than January 14, 2022, which date can be extended by mutual written agreement of the Parties.

2. Declaration of Covenants. The Parties will enter into a *Declaration of Covenants and Restrictions and Termination of Reversionary Rights*, in the form attached as Exhibit 1 to terminate The Irvine Company's right of reverter, establish covenants and restrictions running with the land for the purpose of maintaining the Lake as a reservoir in perpetuity, and permitting and prohibiting specific recreational uses on and adjacent to the Lake in order to protect its use as a drinking water supply.

3. Access Road Easements. The County and the Districts will enter into three separate access easements (the “**Access Easements**”) to provide access to the other Partie(s) across their respective lands, in the forms attached as Exhibit 2-A (County grant to IRWD), Exhibit 2-B (County grant to Serrano), and Exhibit 2-C (Districts grant to County).

4. Termination of Ancillary Agreements.

(a) The Parties shall enter into a *Termination Agreement* in the form attached as Exhibit 3 providing for the termination of the following agreements ancillary to the Irvine Lake issues and rendered unnecessary by the passage of time or other agreements between the Parties:

- (i) The *Haul Road Agreement* between the Irvine Company and the Districts dated June 30, 1993 (except for surviving covenants, releases and indemnities).
- (ii) The *Santiago Reservoir Study Plan Agreement* between the Irvine Company and the Districts dated June 30, 1993.
- (iii) The *Santiago Reservoir Elevation Management Agreement* between Irvine Company and IRWD dated June 30, 1993.
- (iv) The *Boundary Correction Agreement* between The Irvine Company and the Districts, dated June 30, 1993
- (v) The *Boundary Adjustment Agreement* between The Irvine Company and the Districts, dated June 30, 1993
- (vi) The *Reciprocal License Agreement* between the Irvine Company and the Districts dated March 17, 1995 with respect to reconfiguring and licensing portions of Irvine Lake.
- (vii) The *Connector's License Agreement* between the Irvine Company

and the Districts dated March 17, 1995 (made in accordance with the Haul Road Agreement dated June 30, 1993).

- (viii) The *Memorandum of Understanding* between the Irvine Company and the Districts dated April 30, 2003 (the "2003 MOU") with respect to Irvine Lake and certain adjacent land.

(b) If the County has succeeded or may succeed to any rights of The Irvine Company in any of the agreements described in this Section, then the County shall be a party to the *Termination Agreement* or shall otherwise disclaim all rights in that agreement.

5. Assignment of Recreation Rights by Districts. Under the 2003 MOU, the transfer of The Irvine Company's Lake Recreational Rights to the County requires the written consent of Serrano and IRWD. To comply with the requirement to provide both Districts' consent of the transfer of The Irvine Company's Lake Recreational Rights to the County, the Parties shall enter into an *Assignment of Recreational Rights and Consent* in the form attached as Exhibit 4. The *Assignment of Recreational Rights and Consent* shall be concurrently effective with the *Termination Agreement*.

6. Escrow Instructions. The Parties shall engage First American title company to serve as Escrow Officer for this transaction. The Parties shall share equally in all escrow or title costs.

(a) Upon the full execution of this Agreement by all Parties, the County shall deliver to Escrow Officer the fully-executed Agreement, which Agreement may be signed electronically and in counterparts.

(b) Each of the Parties shall deliver to the Escrow Officer four wet-signed originals of each of the documents described above, duly notarized, together with proof of authority.

(c) Escrow Officer shall date each of the documents as of the date of the Close of Escrow. The Close of Escrow shall occur on or before March 15, 2022, unless the Closing Date is extended. The Closing Date may be extended in a writing executed by all Parties.

(d) Escrow Holder shall record the documents in the Office of the County Recorder for Orange County in the following order:

- (i) Access Easement from County to IRWD (Exhibit 2-A)
- (ii) Access Easement from County to Serrano (Exhibit 2-B)
- (iii) Access Easement from Districts to County (Exhibit 2-C)
- (iv) Assignment Agreement for the Transfer of Recreation Rights

(Exhibit 4)

(v) Declaration of Covenants and Restrictions (Exhibit 1)

(e) Recorded Documents. Escrow Officer will cause the County Recorder to mail the documents after recordation, to the Parties, as listed in the recording blocks. No later than two (2) Business Days after the Close of Escrow, Escrow Officer shall combine any original counterparts of each document into fully executed originals and deliver a complete set of the documents to each of the Parties.

7. Further Assurances. The Parties shall cooperate in good faith with each other and deliver such further documents and perform such other acts as are necessary or appropriate to consummate and carry into effect all of the terms and provisions of this Agreement.

8. Performance. Every provision of this Agreement to be performed by any Party is both a covenant and a condition and will be a material consideration for performance of the other Parties hereunder. Any breach of this Agreement by any Party is a material default.

9. Attorneys' Fees. In any action, claim or proceeding hereunder between the Parties or any of them to enforce any of the provisions of this Agreement or any right of any Party, each Party shall bear its own costs, including legal costs and attorney fees.

10. Miscellaneous. Any Party may specifically and expressly waive in writing any portion or breach of this Agreement, but no such waiver will constitute a further or continuing waiver of any preceding or succeeding breach of the same or any other provision. A waiving Party may at any time thereafter require further compliance by the other Party with respect to any breach or provision so waived. No waiver of any default will be implied from any omission by any Party to take action on account of such default. All rights, remedies, undertakings, obligations, covenants, conditions and agreements contained in this Agreement are cumulative and no one of them will be exclusive of any other. In the event of a Party's breach hereunder, any other Party may seek damages or specific performance or pursue any other remedy at law or equity, whether or not stated in this Agreement. This Agreement may be amended only by a writing executed by all Parties.

11. Governing Law. This Agreement will be governed by California law.

[signatures on next page]

The Parties are executing this Agreement to be effective as of the Effective Date.

SERRANO WATER DISTRICT,
a political subdivision of the
State of California

IRVINE RANCH WATER DISTRICT,
a California water district

By: _____
Title: _____

By: _____
Paul A. Cook, General Manager

Approved as to Form:

Approved as to Form:

General Counsel

General Counsel

THE IRVINE COMPANY LLC
a Delaware limited liability company

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____
Paul P. Hernandez, Senior Vice
President, Corporate Affairs

By: _____
Title: _____

By: _____
Cynthia R. Daily, Assistant Secretary

By: _____
Title: _____

Signed and certified that a copy of this
document has been delivered to the
Chairman of the Board

Robin Stieler,
Clerk of the Board of Supervisors of
the County of Orange, California

Approved as to Form:

County Counsel

Exhibit 1

Declaration of Covenants and Restrictions and Termination of Reversionary Rights

**RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:**

The Irvine Company LLC
550 Newport Center Drive
Newport Beach, CA 92660
Attn: General Counsel's Office

WITH CONFORMED COPIES TO:

Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, California 92619-7000
Attn: Leslie A. Bonkowski, Secretary

and to:

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

Exempt from Recording Fee per Gov. C. §§ 6103 & 27383

SPACE ABOVE THIS LINE FOR
RECORDER'S USE

**DECLARATION OF COVENANTS AND RESTRICTIONS AND
TERMINATION OF REVERSIONARY RIGHTS
(IRVINE LAKE)**

This Declaration of Covenants and Restrictions and Termination of Reversionary Rights (Irvine Lake) ("**Agreement**") is effective as of the date of its recordation in the Official Records of Orange County, California ("Effective Date"), and is among SERRANO WATER DISTRICT, a political subdivision of the State of California formed and operating under the Irrigation District Law, California Water Code Section 20500 *et seq.* ("**SWD**"), IRVINE RANCH WATER DISTRICT, a California water district organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code ("**IRWD**") (collectively SWD and IRWD are the "**Districts**"), THE IRVINE COMPANY LLC, a Delaware limited liability company ("**TIC**") and the COUNTY OF ORANGE, a political subdivision of the State of California ("**County**") (each a "**Party**" and collectively the "**Parties**"), with reference to the following facts:

A. Right of Reverter. TIC's predecessor-in-interest previously entered into that certain agreement regarding water rights of Irvine Lake, and related matters with SWD's predecessor-in-interest dated February 6, 1928 and recorded on April 29, 1929 in the Official Records of Orange County, California ("**Official Records**") in Book 265, Pages 272 *et seq.* (the "**1928 Agreement**"). Pursuant to the 1928 Agreement, additional grant deeds were recorded on or about March 6, 1931, File #15,027, Doc. #7 (the "**1931 Deed**"), and on or about August 25, 1934 in Book 700, Page 1 ("**1934 Deed**"). In addition, in connection with the Boundary Correction Agreement dated June 30, 1993 and the subsequent survey of the boundary of Irvine

Lake completed in 2002, TIC recorded a deed establishing the correct high water boundaries of Irvine Lake on April 3, 2002, O.R. 20020279521 (“**2002 Deed**”) wherein TIC reserved for itself a right of reverter should any part of the land be abandoned by the Districts or used for any purpose other than reservoir purposes (the “**Reversionary Rights**”). The land described in the 2002 Deed may be referred to herein as the “**Reservoir Property**” and generally serves as the lake bed for the body of water commonly known as Santiago Reservoir or Irvine Lake (“**Irvine Lake**”).

B. Reservoir Property; Flats; Lake & Dam. The Districts are the current fee owners of the Reservoir Property, which is improved with a dam, a reservoir and related equipment such as intake towers, and including the land under and certain land surrounding Irvine Lake and within the Reservoir Property. The Reservoir Property is described on Exhibit A and depicted on Exhibit B. The Reservoir Property is comprised of: (1) the “**Flats**” as described in Exhibit A; and (2) the “**Lake and Dam**” as also described in Exhibit A, and constituting that portion of the Reservoir Property outside of the Flats.

C. Transfer of Recreation Rights. Concurrently with this Agreement, TIC is transferring to County its seventy-five percent (75%) interest in the recreation rights in the waters in the Reservoir Property (the “**Recreation Rights**”), and the Districts are conditioning their consent to such transfer of the Recreation Rights on TIC’s permanent termination of its Reversionary Rights in exchange for the establishment of the Restrictions (as defined below) as further set forth below.

D. Intention of the Parties. The Districts intend by this Agreement to establish covenants and restrictions on the Reservoir Property, in exchange for TIC’s agreement to terminate TIC’s Reversionary Rights as to the Reservoir Property. The Parties further intend to establish procedures for authorizing IRWD or SWD, collectively or individually, to use the Reservoir Property for purposes other than reservoir purposes and the enforcement of the Restrictions (as defined below) by the County in the event of a breach of the Restrictions by the Districts. In addition to County acquiring the Recreation Rights concurrently with this Agreement, County is the owner of land surrounding the Reservoir Property as identified on Exhibit D (together with the Recreation Rights, the “**County Property**”) and TIC and its affiliates are the owners and developers of a large and unique landholding in Orange County, California that is served by the Reservoir Property (a portion of which is identified on Exhibit E and is the “**TIC Property**”), and TIC is engaged in continuing to master-plan the TIC Property. The limitations on the Districts’ use of the Reservoir Property pursuant to the terms of this Agreement are an integral part of both (a) County’s use of the County Property and (b) TIC’s master plan for, and use and development of, the TIC Property. The Restrictions are hereby declared and agreed to be part of a general plan for the purpose of assuring the enhancement and protection of the value, desirability and attractiveness of both the County Property and the TIC Property.

NOW THEREFORE, for and in consideration of the mutual covenants contained herein and other valuable consideration, the receipt of which is hereby acknowledged, the Parties hereto agree as follows:

1. Termination of Reversionary Rights. TIC and the County hereby relinquish and extinguish the Reversionary Rights under any and all agreements and deeds, or amendments thereto, pertaining to the land within the boundaries of the Reservoir Property, including, but not limited to the 1928 Agreement, the 1931 Deed, the 1934 Deed, and the 2002 Deed.

2. Declaration of Covenants and Restrictions. The Districts hereby establish in perpetuity the following covenants and restrictions (collectively, “**Restrictions**”) on the use of the Reservoir Property:

a. The Districts shall not use, and shall not knowingly permit others to use, the Reservoir Property for any purpose other than reservoir purposes. Reservoir purposes may include, but are not limited to:

(i) the storage or impoundment of water for use, purchase, and sale;

(ii) the operation, maintenance, repair, rehabilitation, replacement, and reconstruction of the reservoir, the intake tower and related appurtenances, the dam, spillway, parking areas, trails and all components thereof;

(iii) draining, dredging and silt removal as needed to conduct operation, maintenance, repair, rehabilitation, replacement, and reconstruction of the dam and various reservoir systems related to the reservoir and dam;

(iv) operation and maintenance of current and future treatment works, conveyance systems, and other facilities related to the Santiago Dam and the Districts’ water storage, conveyance and treatment services; and

(v) recreational uses by the Districts that will not interfere with the uses above. Recreational uses shall include, but not be limited to those provided for in Exhibit C, the contents of which are hereby incorporated by reference. These recreational uses may be augmented, amended, modified, or further defined by the Districts, TIC and the County through mutual agreement as set forth in Section 2.a(vi) below.

(vi) Prior to the Districts engaging in any Reservoir purpose not expressly authorized in 2.a.(i)-(v) above, or any additional recreational activities not expressly authorized in Exhibit C, each instance a “**Proposed Activity**”, the Districts shall provide written notice of the Proposed Activity to TIC and the County for review. The Proposed Activity must comply with the following mandatory criteria (“**Mandatory Criteria**”): (a) the Proposed Activity is a recreational use or ancillary use consistent with the existing authorized uses; (b) the Proposed Activity does not interfere with the primary purpose of water impoundment and protection of the water quality of Irvine Lake; and (c) the Proposed Activity complies with federal, state and local law. The written request shall inform TIC and the County in reasonable detail all material aspects of the Proposed Activity, as well as information or similar objective assessment of the Proposed Activity’s compliance with the Mandatory Criteria. As long as the Proposed Activity complies with the Mandatory Criteria and includes such required information, the Proposed Activity will be deemed approved by TIC unless TIC objects (or requests more information or time in order to assess the Proposed Activity as provided below) within thirty (30) days of receipt of the notice, and any such objections by TIC will not be unreasonably made,

conditioned, or delayed. No actual or deemed approved Proposed Activity shall constitute approval to any material aspect of the Proposed Activity that is not disclosed in the request to TIC or to any subsequent action or activity of the same or different nature, nor shall it alter any of the terms of this Agreement. If at any time during the thirty (30) day period, TIC reasonably requests in writing additional specified information regarding the Proposed Activity, the Districts shall promptly provide such information to TIC. If TIC reasonably requires more than thirty (30) days to respond to the request, TIC may so notify the Districts in writing during such thirty (30) day period. Such notice must specify TIC's reasons for desiring the extension and must set forth the date by which TIC will respond, which date may in no event exceed ninety (90) days after the original date of receipt of the request. If the extension is requested within the time period and in the manner required above, the response period within which TIC must respond as set forth above shall be extended to that date so requested by TIC. If the Districts fail to submit the Proposed Activity to TIC for review, or TIC objects to a Proposed Activity, then the Proposed Activity shall be considered rejected and the Districts shall not be allowed to engage in the Proposed Activity unless and until the Districts resubmit the request to TIC per the process above. Only after TIC approves the Districts' Proposed Activity (or the activity is deemed approved as set forth above) shall the County then consider the Districts' Proposed Activity. The Proposed Activity will be deemed approved by the County unless the County objects within thirty (30) days of receipt of the notice, and any such objections by the County will not be unreasonably made, conditioned, or delayed. Engaging in a Proposed Activity or any other activity not already expressly authorized in this Section 2.a.(i)-(v) without prior approval from TIC and the County, shall be deemed conclusive evidence of a breach of the Restrictions by the Districts. The County shall have all remedies available at law or in equity to enforce the Restrictions. In the event of any action brought by the County against the Districts to enforce the Restrictions, then the prevailing party shall be entitled to recover all of its costs and expenses, including court costs, expert fees, and reasonable attorneys' fees.

(vii) To ensure the County, or any County operator, has sufficient information to plan and coordinate the County's recreational activities, the Districts and County shall meet, at a minimum, on an annual basis to allow the Districts to inform the County of projected water levels (whether impacted by natural causes or drawdown by the Districts due to business operations) and water quality status, especially quality and/or quantity issues that may negatively impact fishing activities. Further, the Districts will provide immediate notice of any water level or water quality issues to the County that may arise from emergency situations, including but not limited to those situations that may threaten public health and public safety.

b. Nothing in this Agreement is intended to restrict the Districts' abilities to operate, maintain, or improve the Reservoir Property in other ways compatible with the use of Irvine Lake as a water reservoir or to otherwise comply with the requirements imposed by law.

c. The Districts may make temporary uses of the Reservoir Property for uses other than the allowed uses in Section 2.a above upon notice and the approval by the County in each case. Notice by either or both of the Districts must contain reasonably specific information as to the intended use. The temporary uses will be deemed approved unless the County objects within thirty (30) days of receipt of the Districts' notice, and any such objections by the County will not be unreasonably made, conditioned, or delayed. In the event of any such reasonable objection by the County, the Districts shall either (a) conform the temporary uses with the

County's objections, or (b) meet and confer with County within thirty (30) days of Districts' receipt of County's objections to resolve such objections of County. The Districts are responsible for coordinating with one another for any such temporary uses and the County is not responsible for responding to both Districts if the County is only contacted by one District.

3. Restrictions to Run with the Land; Dominant/Servient Tenements; Equitable Servitude. The Restrictions will run with and apply to each and every portion of the Reservoir Property, and shall inure to the benefit of the County Property pursuant to Civil Code Section 1468. For the purposes of these Restrictions, the Reservoir Property shall be deemed the servient tenement and the County Property shall be deemed the dominant tenement. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Reservoir Property or any improvements thereon is and shall be conclusively deemed to have consented and agreed to every covenant, condition and restriction contained herein, whether or not any reference to this instrument is contained in the instrument by which such person acquired an interest in the Reservoir Property or any such improvements. The County, for so long as it is the owner of any portion of the County Property shall have the right to enforce the Restrictions. If the County divests all of the County Property to a third party, then the owner of the portion of the County Property with the longest contiguous boundary with the Reservoir Property will be vested automatically with the sole and exclusive right to enforce the Restrictions. If, for any reason, the Restrictions herein described shall be deemed unenforceable pursuant to Civil Code Section 1468, the Restrictions shall be deemed enforceable as equitable servitudes, and enforced as such by the County, to the benefit of the County Property as the dominant tenement and the Reservoir Property as the servient tenement.

4. Incorporation into Deeds and Leases. The Districts covenant that the Restrictions shall be incorporated by reference or attached to each and all deeds, leases, licenses or other agreements for use or operation of all or any portion of the Reservoir Property. This Agreement will be deemed binding on all successors, assigns, licensees, and lessees and users as described in the prior sentence of any portion of the Reservoir Property, regardless of whether a copy of this Agreement has been attached to or incorporated into any such deed, lease, license or other agreement.

5. TIC Enforcement of Restrictions.

a. While the County shall have the primary right and obligation to enforce the Restrictions through any means available under law or equity, if the County fails to enforce the Restrictions within three (3) months (or such lesser amount of time in the event of an "emergency" as further set forth below) after receiving written notice from TIC of an alleged breach by the Districts (a "**Violation Notice**"), then TIC will have the right, but not the obligation, to require the County to enforce the Restrictions against the Districts (such enforcement right is the "**TIC Enforcement Right**"). During such three (3) month period after the Violation Notice, County shall promptly commence, and thereafter diligently pursue to completion, corrective action sufficient to enforce the Restrictions against the Districts. If TIC reasonably determines that the Restrictions have been violated and circumstances require immediate action to prevent, terminate or mitigate a significant violation of the Restrictions (i.e. an "emergency" which involves circumstances that would result in imminent harm to human safety or severe destruction of property), TIC may give a Violation Notice and, following receipt

by County of such Violation Notice, TIC may then pursue its remedies under this Agreement without waiting for the completion of the three (3) month period provided above. In the event of any action instituted between the County and TIC in connection with the TIC Enforcement Right, then the prevailing party shall be entitled to recover all of its costs and expenses, including court costs, expert fees, and reasonable attorneys' fees in connection with such action.

b. For purposes of TIC exercising its rights and powers under this Agreement, and as used in Exhibit E, "TIC" means (i) The Irvine Company LLC, (ii) any affiliate of The Irvine Company LLC; (iii) any successor to The Irvine Company LLC by acquisition of all or substantially all of its assets; or (iv) any successor to The Irvine Company LLC or any affiliate by merger, consolidation or other form of business combination; provided that, notwithstanding any provision of this Agreement, an assignment to and assumption by an affiliate of or successor to The Irvine Company LLC pursuant to clauses (ii), (iii) or (iv) above shall not require the recordation of such assignment in the Official Records of Orange County (and any such affiliate or successor shall provide reasonable evidence of such assignment to the Districts or County upon such Party's request). As used herein, an "affiliate" of The Irvine Company LLC shall mean a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, The Irvine Company LLC or its successor pursuant to clause (iii) above. Notwithstanding the foregoing, there shall not be more than one (1) party exercising the rights and powers of TIC under this Agreement at any time. In the event more than one party attempts to exercise the rights and powers of TIC, The Irvine Company LLC (or its successor pursuant to clauses (iii) or (iv)) above shall designate the applicable party to enforce the rights of TIC under this Agreement.

c. For the purposes of the TIC Enforcement Right, the County's obligation to enforce the Restrictions is subject and subordinate to the County's obligations set forth in that certain Grant Deed of Conservation Easement ("**Conservation Easement**"), recorded in the County of Orange on December 29, 2014 as instrument number 2014000561433, including but not limited to section 14 therein, and will run with each and every portion of the County Property (subject to Section 3 of this Agreement) pursuant to Civil Code Section 1468, and subject to the following paragraph, shall inure to the benefit of the TIC Property and the owners thereof. For the purposes of the TIC Enforcement Right, the County Property shall be deemed the servient tenement and the TIC Property shall be deemed the dominant tenement. This Agreement does not modify or amend the Conservation Easement in any way. In the event the County's obligations to enforce the Restrictions under this Agreement conflict with the County's obligations under the Conservation Easement, the County's obligations under the Conservation Easement shall control. TIC shall hold harmless the County and waive any right to prosecute any action, claim, challenge, or dispute against the County that TIC may have against the County related to any alleged violation of the Conservation Easement that arguably results from TIC providing approval to a Proposed Activity that occurs within the Reservoir Property. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the County Property (subject to Section 3) is and shall be conclusively deemed to have consented and agreed to the County's obligation to enforce the Restrictions, whether or not any reference to this instrument is contained in the instrument by which such person acquired an interest in the County Property or any such improvements. If, for any reason, the TIC Enforcement Right shall be deemed unenforceable pursuant to Civil Code Section 1468, the TIC Enforcement Right shall be deemed enforceable as equitable servitudes, and enforced as such by

TIC, to the benefit of the TIC Property as the dominant tenement and the County Property as the servient tenement.

d. In the event that any portion of the TIC Property is conveyed by TIC or its affiliates to a non-affiliated third party (each parcel of the TIC Property so transferred is hereinafter referred to as a “**Transferred Parcel**”), the Transferred Parcel shall no longer be part of the TIC Property and the TIC Enforcement Right shall cease to benefit the Transferred Parcel and the third party owner thereof. Any transfer of any portion of the TIC Property to any party under clauses (i) through (iv) in Section 5.b above will not be deemed a Transferred Parcel.

6. No Dedication Intended. Nothing set forth herein is to be construed to be a gift or grant of a dedication, or offer of a gift or dedication, of the Reservoir Property or any portion thereof to the general public.

7. Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Agreement, each such notice, demand, or other communication shall be in writing and shall be deemed effective: (a) when delivered, if personally delivered to the person being served or an official of a government agency being served; (b) the next business day, if sent by Federal Express or other reputable overnight courier; or (c) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested, and addressed:

IF TO THE DISTRICTS:

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92619-7000
Attn: General Manager

IF TO TIC:

The Irvine Company LLC
550 Newport Center Drive
Newport Beach, CA 92660
Attn: General Counsel’s Office

IF TO THE COUNTY:

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

CEO Real Estate
Attn: Chief Real Estate Officer
333 West Santa Ana Blvd., 3rd Floor
Santa Ana, CA 92701

8. Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined by a court having jurisdiction to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included.

9. References. All references to code sections include successor provisions.

10. Governing Law. This Agreement is governed and construed in accordance with the laws of the State of California. The venue for any action will be Orange County, California.

11. Termination or Amendment. This Agreement may be validly terminated, amended or modified, in whole or in part, only by recordation in the Office of the Orange County Recorder of a proper instrument duly executed and acknowledged by the Districts, the County and TIC.

[signatures on following page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

By: _____
Paul A. Cook
General Manager

By: _____
Claire Hervey Collins
District Counsel

By: _____
Leslie Bonkowski
Secretary

SERRANO WATER DISTRICT

APPROVED AS TO FORM:

By: _____
President & Director

By: _____
Jeremy N. Jungreis
General Counsel

By: _____
Jerry Vilander
General Manager

THE IRVINE COMPANY LLC,
a Delaware limited liability company

By: _____
Paul P. Hernandez
Senior Vice President, Corporate Affairs

By: _____
Cynthia R. Daily
Assistant Secretary

COUNTY OF ORANGE,
a political subdivision of the State of California

APPROVED AS TO FORM:

By: _____
Michael A. Haubert
Deputy County Counsel

By: _____
Thomas A. Miller

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20___, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20___, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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(SEAL)

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STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20___, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20___, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

EXHIBIT A

**RESERVOIR PROPERTY
“LAKE AND DAM” AND
“FLATS”**

LEGAL DESCRIPTION

Those certain parcels of land situated in the unincorporated territory of the County of Orange, State of California being those portions of Blocks 69, 70, 78 and 79 of Irvine’s Subdivision as shown on a map thereof filed in Book 1, Page 88 of Miscellaneous Record Maps in the Office of the County Recorder of said County, being more particularly described as follows:

“LAKE AND DAM”:

Being that certain parcel of land described as Irvine Lake in that certain grant deed recorded April 3, 2002 as Instrument No. 20020279521 of Official Records in said Office of the County Recorder.

EXCEPTING THEREFROM that portion of said Irvine Lake described as follows and hereinafter referred to as the **“FLATS”**:

BEGINNING at a point on the southeasterly line of said Irvine Lake being the northeasterly terminus of that certain course described in said deed as having a bearing and distance of South 32°05’59” West 917.93 feet; thence along the southeasterly and southerly line of said Irvine Lake the following courses: South 32°05’59” West 917.93 feet; thence North 86°38’06” West 418.44 feet; thence South 11°45’04” West 194.87 feet; thence South 35°19’28” West 157.49 feet; thence North 79°30’38” West 338.67 feet; thence South 88°04’40” West 598.06 feet; thence North 79°48’42” West 361.00 feet; thence leaving said southerly line of Irvine Lake North 79°00’00” East 229.00 feet; thence North 53°00’00” East 164.00 feet; thence North 4°30’00” West 298.00 feet; thence North 9°30’00” East 130.00 feet; thence North 16°00’00” East 83.00 feet to the beginning of a tangent curve concave southeasterly and having a radius of 200.00 feet; thence northeasterly and easterly along said curve through a central angle of 78°00’00” an arc distance of 272.27 feet; thence tangent from said curve South 86°00’00” East 86.00 feet; thence East 396.00 feet thence North 16°30’00” East 154.00 feet; thence North 80°00’00” East 242.00 feet; thence North 80°30’00” East 842.85 feet; thence South 77°00’00” East 136.45 feet to the **POINT OF BEGINNING**.

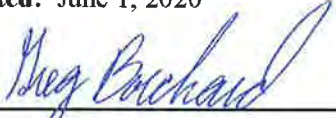
CONTAINING: 34.930 Acres, more or less.

SUBJECT TO: Covenants, conditions, reservations, restrictions, rights-of-way, and easements of record, if any.

EXHIBIT “B” attached hereto and by this reference made a part hereof.

Prepared by me or under my direction:

Dated: June 1, 2020



Gregory S. Borchard, P.L.S. 7705
License expires December 31, 2020



EXHIBIT B

DEPICTION OF RESERVOIR PROPERTY, INCLUDING "FLATS" and "LAKE AND DAM" SUB-PARCELS

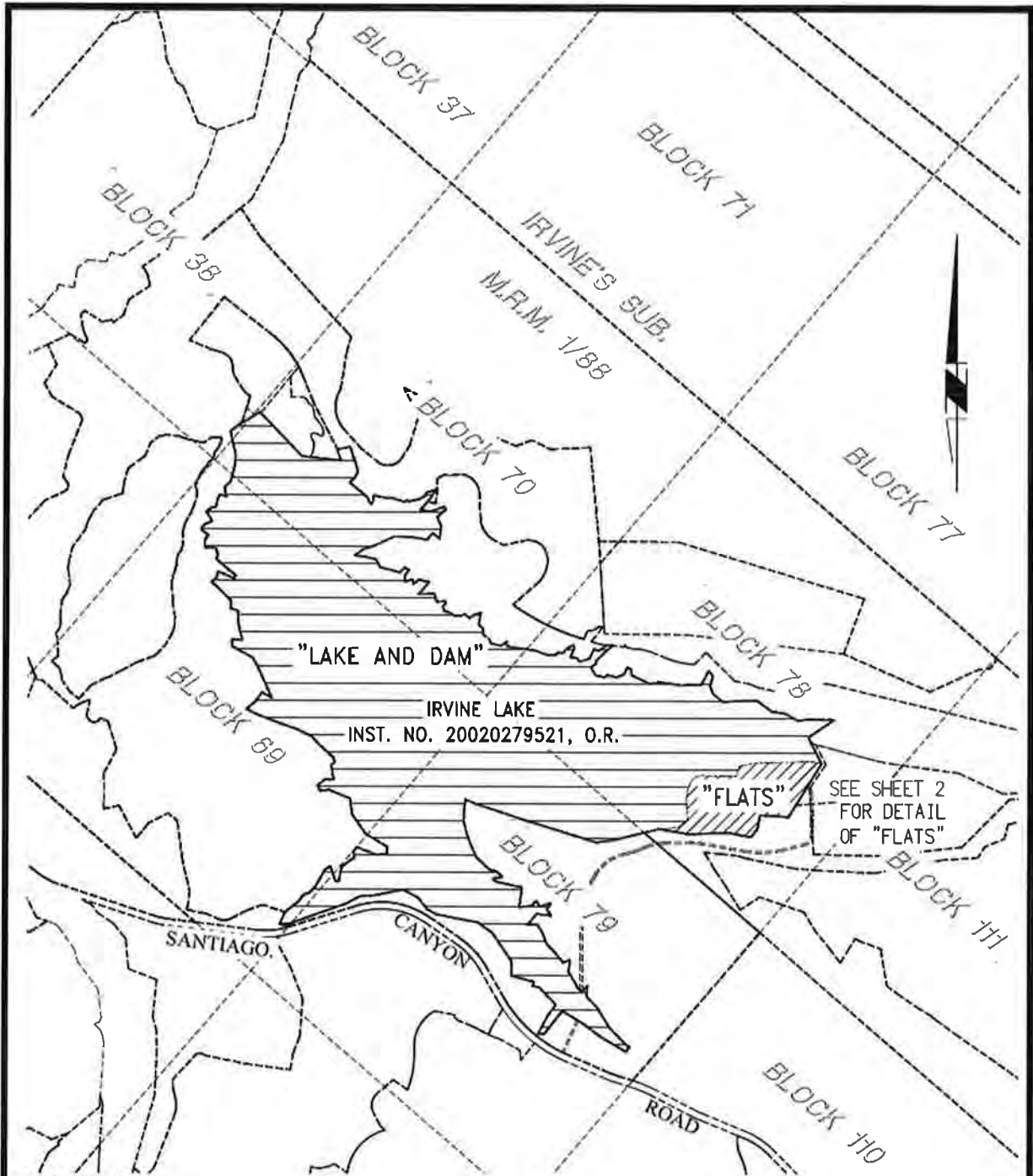


EXHIBIT "B"
SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

RESERVOIR PROPERTY
"LAKE AND DAM" AND
"FLATS"

SHEET 1 OF 2 SHEETS



Irvine Ranch
WATER DISTRICT
15600 SAND CANYON AVENUE, IRVINE, CA 92619

JUNE 1, 2020

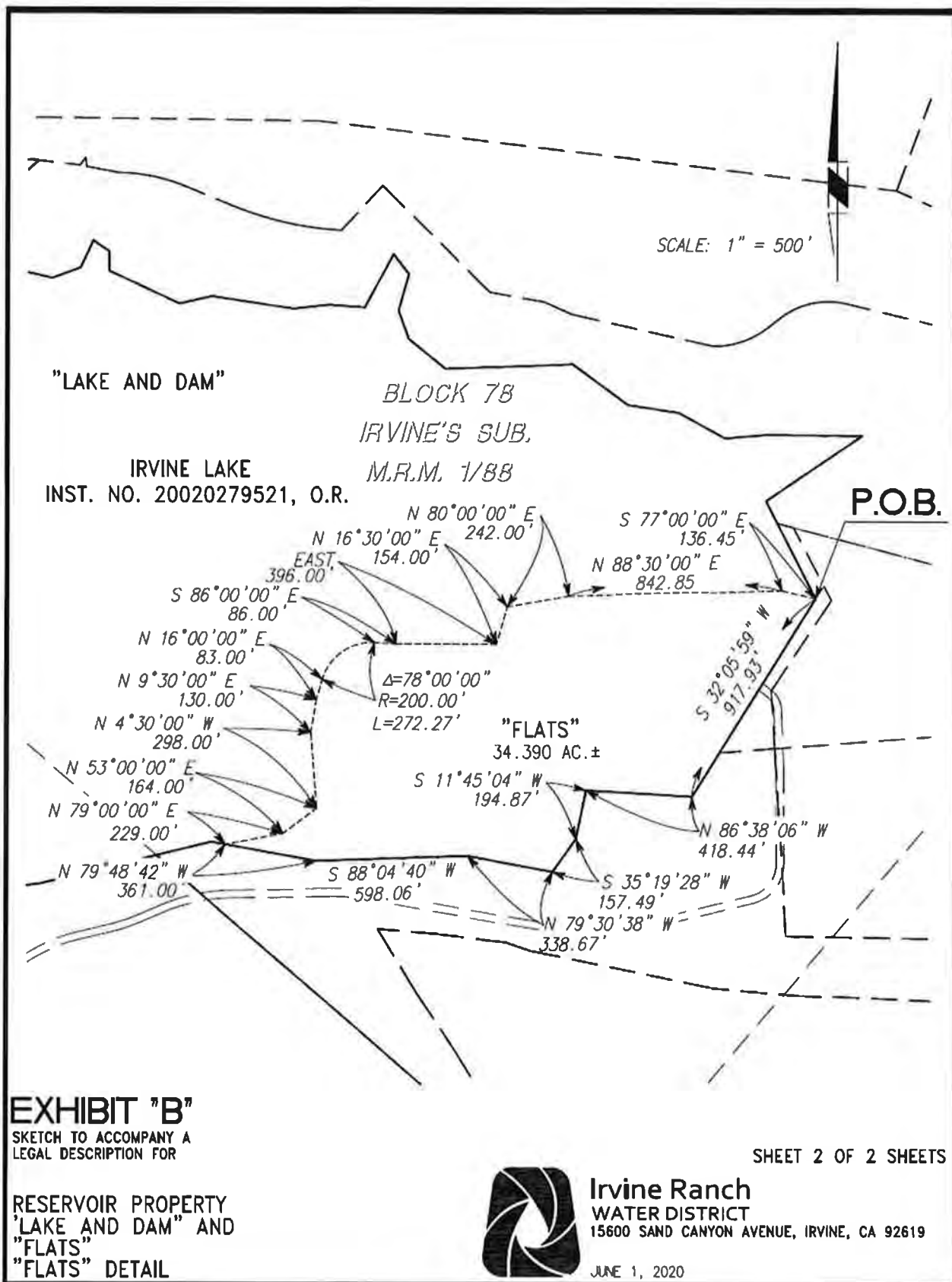


EXHIBIT "B"
 SKETCH TO ACCOMPANY A
 LEGAL DESCRIPTION FOR

**RESERVOIR PROPERTY
 "LAKE AND DAM" AND
 "FLATS"
 "FLATS" DETAIL**

SHEET 2 OF 2 SHEETS



**Irvine Ranch
 WATER DISTRICT**
 15600 SAND CANYON AVENUE, IRVINE, CA 92619

JUNE 1, 2020

EXBPLAT-RESERVIOR-2.DWG

17972772.4

EXHIBIT C

PERMITTED RECREATIONAL USES OF RESERVOIR PROPERTY

All recreational uses are subject to the primary purpose of water impoundment and storage, and protection of the water quality of Irvine Lake.

Lake (County/Serrano)

Recreation such as

- Fishing
- Boating - County, District, or concessionaire/operator fleet (but not public/personal vessels)
- Walking
- Bicycling
- Picnicking
- Bird watching
- Operational facilities and equipment to support the uses described above, including docks, vehicle parking, and related amenities such as sanitation facilities, subject to design and location approval by the Districts.
- Any other recreational and ancillary uses mutually agreed upon by Districts, TIC and the County pursuant to Section 2.a(vi) of the Agreement

Note: swimming and any other bodily contact with the water impounded in the Reservoir is strictly prohibited.

To ensure the County, or any County operator, has sufficient information to plan and coordinate the County recreational activities, the Districts and County shall meet, at a minimum, on an annual basis to allow the Districts to inform the County of projected water levels (whether impacted by natural causes or drawdown by the Districts due to business operations) and water quality status, especially quality issues that may negatively impact fishing activities. Further, the Districts will provide immediate notice of any water level or water quality issues to the County that may arise from emergency situations, including but not limited to those situations that may threaten public health and public safety.

Flats (Serrano/IRWD)

Recreation such as

- Walking
- Bicycling
- Bird watching
- Fishing
- Picnicking
- Barbeques
- Group parties or events
- Concerts
- Car shows
- Festivals
- Camping (including with recreational vehicles) and associated vehicle parking and related amenities, such as sanitation facilities
- Any other recreational and ancillary uses mutually agreed upon by Districts, TIC and the County pursuant to Section 2.a(vi) of the Agreement.

EXHIBIT “D”

**PROPOSED USE COVENANT
AT IRVINE LAKE**

LEGAL DESCRIPTION

JAMES LICENSE PARCEL:

That certain parcel of land situated in the unincorporated territory of the County of Orange, State of California being those portions of Blocks 78, 79 and 111 of Irvine’s Subdivision as shown on a map thereof filed in Book 1, Page 88 of Miscellaneous Record Maps in the Office of the County Recorder of said County, being that certain parcel of land described “BLACK STAR WILDERNESS PARK – PR32C-110” also known as “James License Parcel – East Orange Area II” in that certain gift deed recorded June 1, 2015 as Instrument No. 2015000281264 of Official Records in said Office of the County Recorder.

RECREATION PARCEL:

That certain parcel of land situated in the unincorporated territory of the County of Orange, State of California being those portions of Blocks 69 and 79 of Irvine’s Subdivision as shown on a map thereof filed in Book 1, Page 88 of Miscellaneous Record Maps in the Office of the County Recorder of said County, being that certain parcel of land described as “OPEN SPACE – OS31D-101” also known as “29-Acre Parcel – East Orange Area II” in that certain gift deed recorded June 12, 2019 as Instrument No. 2019000205217 of Official Records in said Office of the County Recorder.

ACCESS ROAD PARCEL:

That certain parcel of land situated in the unincorporated territory of the County of Orange, State of California being those portions of Blocks 78 and 79 of Irvine’s Subdivision as shown on a map thereof filed in Book 1, Page 88 of Miscellaneous Record Maps in the Office of the County Recorder of said County, being that certain parcel of land described as “IRVINE RANCH OPEN SPACE – OS31D-102” also known as “4.5 Acre Access Road Parcel – East Orange Area II” in that certain gift deed recorded September 4, 2019 as Instrument No. 2019000330637 of Official Records in said Office of the County Recorder.

PARCELS SUBJECT TO CONSERVATION EASEMENT:

Those certain parcels of land situated in the unincorporated territory of the County of Orange, State of California being those portions of Blocks 38, 70, 78, 79, 110, 111, 115 and 116 of Irvine’s Subdivision as shown on a map thereof filed in Book 1, Page 88 of Miscellaneous Record Maps in the Office of the County Recorder of said County, being those certain parcels of land described as “PARCEL 1 BLACKSTAR WILDERNESS PARK-PR32C-107”, “PARCEL 2 LIMESTONE CANYON NATURE PRESERVE-PR41D-307”, and “PARCEL 3 FREMONT CANYON NATURE PRESERVE-PR24A-113” in that certain gift deed recorded December 19, 2014 as Instrument No. 2014000562473 of Official Records in said Office of the County Recorder.

SUBJECT TO: Covenants, conditions, reservations, restrictions, rights-of-way, and easements of record, if any.

EXHIBITS “E” and “E-1” attached hereto and by this reference made a part hereof.

Prepared by me or under my direction:

Dated: December 13, 2021



Gregory S. Borchard, P.L.S. 7705
License expires December 31, 2022



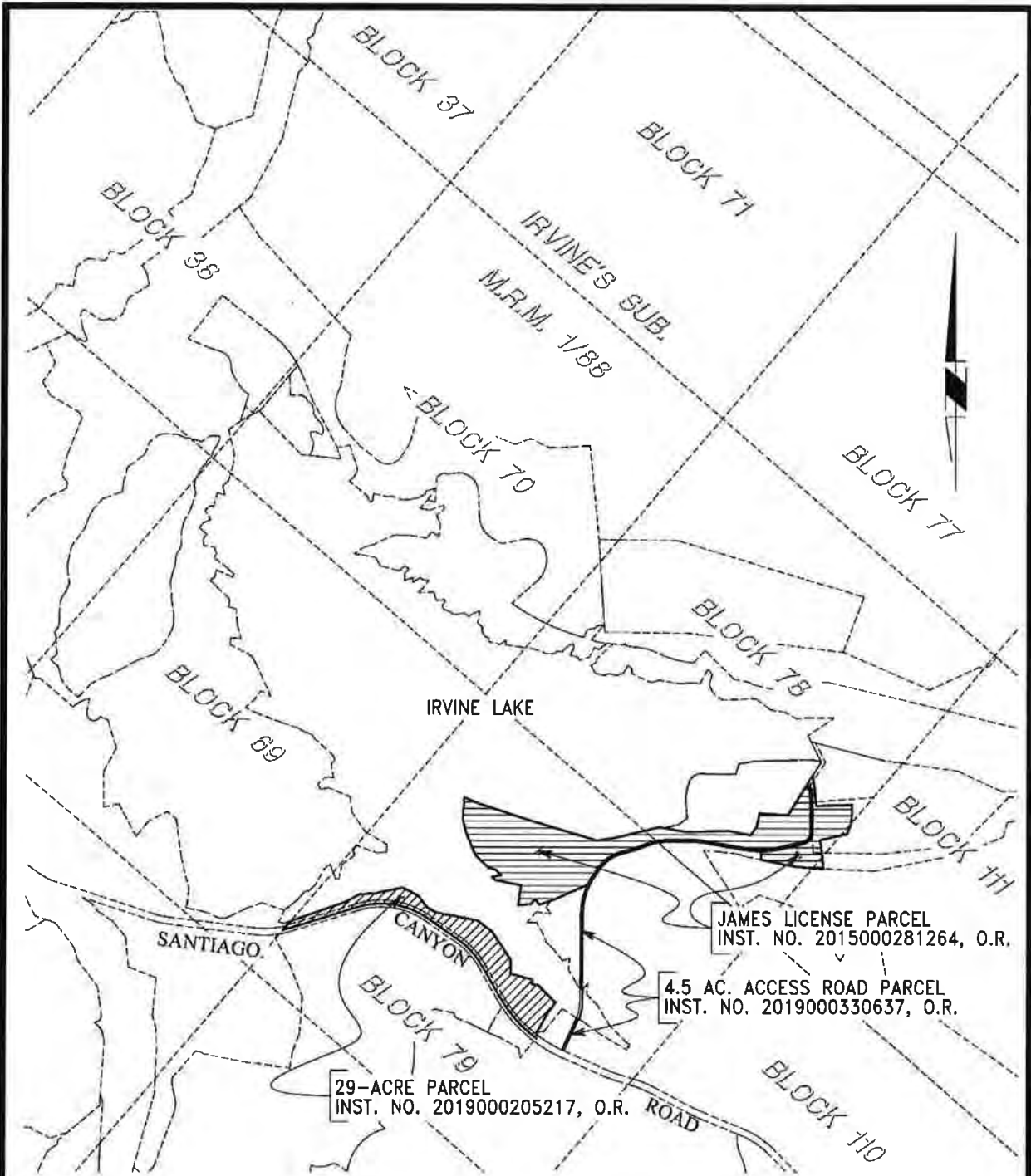


EXHIBIT "E"
SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

PROPOSED USE COVENANT
AT IRVINE LAKE

SHEET 1 OF 1 SHEET

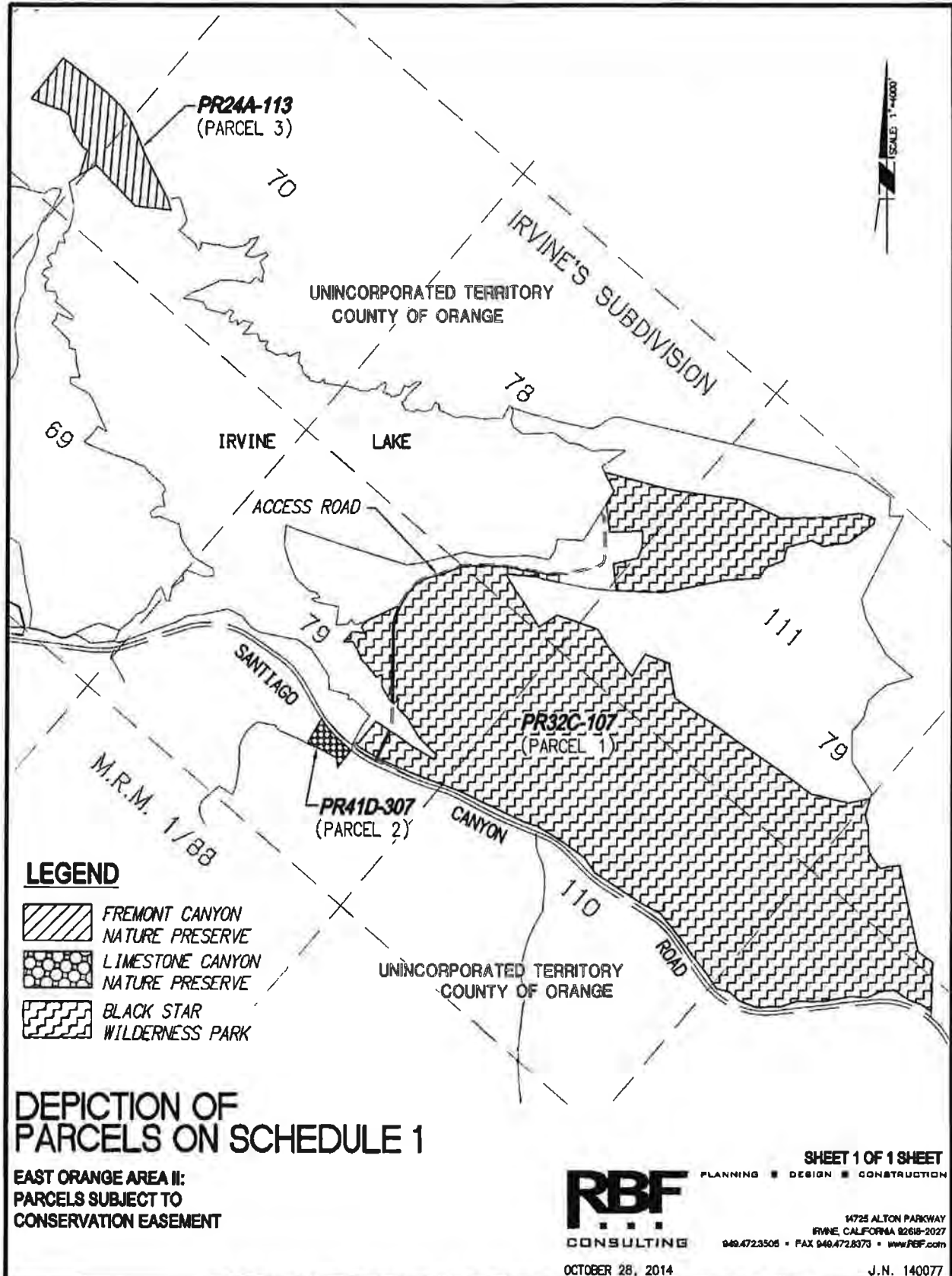


Irvine Ranch
WATER DISTRICT
15600 SAND CANYON AVENUE, IRVINE, CA 92619

NOVEMBER 15, 2021

EXEPLAT-PUC-1.DWG

EXHIBIT "D-1"



H:\PDATA\140077\CADD\MAPPING\EXHIBITS\EAST ORANGE I\APN SCHEDULE EXHIBITS\140077-EX-2A_SCHED 1.DWG KTR0XELL 10/29/14 12:22 pm

EXHIBIT E

TIC PROPERTY

The properties described below shall constitute the “TIC Property” for purposes of this Agreement, provided that any such property shall cease being part of the TIC Property at such time as fee title to such property ceases to be owned by any of The Irvine Company LLC (“TIC”), The Irvine Land Company LLC (“TILC”) or any of their respective divisions, subsidiaries or affiliates, or successor thereof pursuant to clauses (iii) or (iv) under Section 5.b of the Agreement.

I. PROPERTIES LOCATED IN CITY OF IRVINE.

1. Woodbury Town Center

Lot 1 of Tract No. 16755, in the City of Irvine, County of Orange, as shown on a Map filed in Book 866, Pages 12 to 21, inclusive, of Miscellaneous Maps, Records of Orange County, California.

2. Quail Hill Shopping Center

Lot 3 of Tract No. 16225, in the City of Irvine, County of Orange, as shown on a map filed in Book 829, Pages 1 to 29, inclusive, of Miscellaneous Maps, Records of Orange County, California.

3. Westpark Plaza

PARCEL A:

Parcel 1 of that certain Lot Line Adjustment No. 86-LL-0044, in the City of Irvine, County of Orange, State of California, recorded May 20, 1987, as Instrument No. 87-282633, Official Records of said Orange County, California, excepting therefrom that portion of said land conveyed to the Orange County Flood Control District by Deed recorded July 29, 1993, as Instrument No. 93-0507180, Official Records of Orange County, California.

PARCEL B:

Easements for parking and access over Lot 16 of Tract No. 12355, in the City of Irvine, County of Orange, State of California, as per Map recorded in Book 556, Pages 15 to 36, inclusive, of Miscellaneous Maps, in the Office of the County Recorder of said County, which easements are more particularly set forth in that certain instrument entitled “Declaration as to Access Easements,” recorded March 12, 1991, as Instrument No. 91-111920, Official Records of Orange County, California.

4. Harvard Place
Parcel 1, in the City of Irvine, County of Orange, State of California, of Lot Line Adjustment 86-LL-0042, recorded on May 20, 1987, as Instrument No. 87-282634 of Official Records of Orange County.
5. Retail Center at Culver & Irvine (Northpark Plaza)
Parcel 1 of Parcel Map No. 97-134 in the City of Irvine, County of Orange, as shown on a Map filed in Book 305, Pages 39, 40 and 41 of Parcel Maps, Records of Orange County, California.
6. West Irvine/The Market Place II
Parcels 1 and 2 of Parcel Map No. 93-204 in the City of Irvine, County of Orange, State of California, as shown on a Map filed in Book 291, Pages 18 to 23 of Parcel Maps, in the Office of the County Recorder of Orange County, California.
7. West Irvine/The Market Place III
All of Parcel Map No. 98-167, in the City of Irvine, County of Orange, as shown on a Map filed in Book 305, Pages 16 to 21, inclusive, of Parcel Maps, Records of Orange County, California.
8. Oak Creek Village Center
Lot 1 of Tract No. 15216, in the City of Irvine, County of Orange, as shown on a Map filed in Book 742, Pages 49 and 50 of Miscellaneous Maps, Records of Orange County, California.
9. Irvine Spectrum Center
That portion of Lot 292, Block 156 of the Irvine Subdivision in the City of Irvine, County of Orange, State of California, as shown on a Map filed in Book 1, Page 88 of Miscellaneous Maps in the Office of the County Recorder of said County, described as follows:

Beginning at the northwesterly terminus of that certain course in the easterly right-of-way line of Fortune, a public street, shown as “north 41°52’09” west, 512.82 feet” on Parcel Map No. 87-364 filed in Book 241, Pages 14 through 16, inclusive, of Parcel Maps in the Office of the County Recorder of said County, said point also being the beginning of a curve concave easterly, having a radius of 684.00 feet; thence along said right-of-way line of Fortune as shown on said Parcel Map 87-364 and as shown on Parcel Map 87-427 filed in Book 252, Pages 19 through 22, inclusive, of Parcel Maps, Records of said County, the following four (4) courses: (1) northwesterly 413.13 feet along said curve through a central angle of 34°36’21” to the beginning of a compound curve having a radius of 554.00 feet; (2) northwesterly, northerly and northeasterly, 940.45 feet along said compound curve through a central angle of 97°15’48”; (3) east 199.84 feet to the beginning of a curve concave northerly, having

a radius of 246.00 feet; (4) easterly, 221.52 feet along said curve through a central angle of 51°35'38"; thence, north 36°24'22" east, 40.68 feet; thence north 78°40'37" east, 34.30 feet to the southwesterly line of that certain land described in a Deed to the State of California recorded on August 13, 1985, as Instrument No. 85-300430, Official Records of said County and as shown on said Parcel Map No. 87-427; thence along said southwesterly line the following two (2) courses: (1) south 53°58'29" east, 50.76 feet; (2) north 36°21'52" east, 104.52 feet; thence leaving said southwesterly line and traversing the interior of said Lot 292 the following fifteen (15) courses: (1) south 46°05'24" east, 49.06 feet; (2) south 31°42'37" east, 89.49 feet; (3) south 47°47'43" west, 62.83 feet; (4) north 42°12'18" west, 5.62 feet to the beginning of a curve concave southeasterly, having a radius of 4.50 feet; (5) westerly, southwesterly, and southerly 7.49 feet along said curve through a central angle of 95°18'46"; (6) south 42°28'56" west, 104.32 feet; (7) south 04°31'29" east, 335.20 feet to the beginning of a non-tangent curve, concave southwesterly, having a radius of 30.73 feet, a radial line through said point bears north 77°35'50" east; (8) southeasterly, 14.23 feet along said curve through a central angle of 26°32'25" to the beginning of a non-tangent curve, concave to the southwest having a radius of 1097.95 feet, a radial line through said point bears south 87°38'31" east; (9) southeasterly, 826.32 feet along said curve through a central angle of 43°07'15" to the beginning of a non-tangent curve concave southwesterly having a radius of 45.63 feet, a radial through said point bears south 46°43'17" east; (10) southeasterly, 8.29 feet along said curve through a central angle of 10°24'41"; (11) non-tangent to said last mentioned curve, south 51°25'42" west, 73.01 feet; (12) south 32°47'46" east, 282.39 feet; (13) south 57°12'14" west, 155.00 feet; (14) south 32°47'46" east, 30.00 feet; (15) south 57°12'14" west, 159.40 feet to the northeasterly right-of-way line of Fortune as shown on said Parcel Map No. 87-364; and the beginning of a non-tangent curve concave southwesterly, having a radius of 346.00 feet, a radial through said point bears south 89°40'51" east; thence along said right-of-way line the following two (2) courses : (1) westerly and northwesterly, 254.77 feet along said curve through a central angle of 42°11'18"; (2) north 41°52'09" west, 512.82 feet to the point of beginning.

10. Irvine Technology Center

Lots 2 through 15, inclusive, and Lots 17 through 20, inclusive, of Tract No. 15661 in the City of Irvine, County of Orange, State of California, as shown on a Map filed on June 30, 1998, as Instrument No. 19980416848, in Book 770, at Pages 12 through 20, inclusive, of the Official Records of Orange County, California.

11. Westpark Village

Lot 16 of Tract No. 12355, in the City of Irvine, County of Orange, State of California, as per map recorded in Book 556, Pages 15 to 36, inclusive, of Miscellaneous Maps, in the Office of the County Recorder of Orange County, California.

12. Crossroads Shopping Center

Parcels 3 through 7, inclusive, and A and B of Parcel Map No. 86-138 recorded in Book 215, Pages 18 through 21, inclusive, of Parcel Maps, Official Records of Orange County, California; and Parcels 1, 2, 8, 9, 10, A, B, C, D and E as shown on Exhibit "A" to that certain Lot Line Adjustment No. 87-LLA-0068 recorded on November 16, 1987 as Instrument No. 87-64803, Official Records of Orange County, California.

13. Alton Square

Parcel 9, as per map filed in Book 135, Pages 11 to 15, inclusive, of Parcel Maps, Records of Orange County, California.

14. Oak Creek Golf Course

Parcels 1, A and B of Parcel Map 94-200 in the City of Irvine, County of Orange, State of California, as shown on a Map filed on February 23, 1996, as Instrument No. 96-0100462, in Book 291 at Pages 28 through 34, inclusive, of the Official Records of Orange County, California.

15. University Research Park

PARCEL A:

A leasehold interest in that certain property in the City of Irvine, County of Orange, State of California, described as Parcels 1 through 4, inclusive, as shown on a Map, recorded in Book 173, Pages 17 through 22, inclusive, of Record of Surveys in the Office of the County Recorder of said County, as per the Memoranda of Lease recorded May 5, 1999, as Instrument No. 19990328619 and October 30, 2000, as Instrument Nos. 20000454625, 20000454626 and 20000454627, Official Records of Orange County, California.

PARCEL B:

That property described as Parcels 1 to 9, inclusive, of Parcel Map No. 94-160 in the City of Irvine, County of Orange, State of California, as shown on a Map filed on June 14, 1996, as Instrument No. 96-0303310, in Book 293, Pages 6 to 11, inclusive, of Parcel Maps, as modified by Lot Line Adjustment 33324-LL recorded February 25, 1999, as Instrument No. 19990135421, Lot Line Adjustment No. 38355-LL recorded September 15, 1999, as Instrument No. 19990663936, Lot Line Adjustment No. 38615-LL recorded November 8, 1999, as Instrument No. 19990777735, Lot Line Adjustment No. 41522-LL recorded February 23, 2000, as Instrument No. 20000095623, and Lot Line Adjustment No. 43246-LL recorded May 25, 2000, as Instrument No. 20000275182, all of Official Records, Orange County, California.

16. Orchard Hills Shopping Center

That certain parcel of land situated in the City of Irvine, County of Orange, State of California, being all of Lot 1 of Tract Map No. 17004 recorded on June 12, 2007, as Instrument No. 2007000372942, in Book 891, Pages 1 through 53, inclusive, of Miscellaneous Maps, in the Official Records of Orange County, California.

17. Orchard Hills Apartments

That certain parcel of land situated in the City of Irvine, County of Orange, State of California, being all of Lot 2 of Tract No. 17004 recorded on June 12, 2007, as Instrument No. 2007000372942, in Book 891, Pages 1 through 53, inclusive, of Miscellaneous Maps, in the Official Records of Orange County, California.

18. Woodbury East Apartments

Lot 18 of Tract No. 17086, as shown on a map filed in Book 890, Pages 1 to 20, inclusive, of Miscellaneous Maps, Records of Orange County, California.

19. Stonegate Apartments

Lot 18 of Tract No. 17086, as shown on a map filed in Book 890, Pages 1 to 20, inclusive, of Miscellaneous Maps, Records of Orange County, California.

20. The Park Apartments in Irvine Spectrum

Those certain parcels of land situated in the City of Irvine, County of Orange, State of California being all of Parcels "A" and 1-3, inclusive, of Parcel Map No. 2006-220 filed in Book 269, Pages 42 through 45, inclusive, of Parcel Maps on file in the office of the County Recorder of Orange County, California.

21. The Village Apartments in Irvine Spectrum

Lot 1, 2 and 3 of Tract 16552 in the City of Irvine, County of Orange, State of California, being a subdivision of parcels 1 and 2, portions of Irvine Center Drive and Pacifica of Parcel Map No. 90-204 as shown on a map filed in book 269, pages 42 – 45, inclusive of Parcel maps and portion of Irvine in the office of the County Recorder of Orange County, California.

22. Cypress Village Apartment Communities (Murano, Cadenza, Veneto, Umbria and Avella)

Lots 1, 2, 5, 6 and 7 of Tract 17394, as shown on a map filed in Book 902, pages 33 through 43, inclusive, of Miscellaneous Maps, records of Orange County, California.

Lots 5 and 6 of Tract 17612, as shown on a map filed in Book 924, pages 1 through 14, inclusive, of Miscellaneous Maps, records of Orange County, California.

23. Los Olivos Apartments

Lots 1-14 and Lots A, B, E and F of Tract 17216, as shown on a map filed in Book 908, Pages 17-24, inclusive, of Miscellaneous Maps, records of Orange County, California.

24. Portola Place Apartments

Lot 20 of Tract 16780, as shown on a map filed in Book 867, pages 18 through 30, inclusive, of Miscellaneous Maps, records of Orange County, California.

TIC shall have the right by duly recorded amendment(s) to this Agreement executed only by such entity to unilaterally provide updated descriptions or depictions (or both) of all or portions of the TIC Property described above based on later subdivisions or lots line adjustments to such TIC Property or to remove Transferred Parcels from the identification of the TIC Property. TIC will not have the right to add any additional land to this description of the TIC Property.

Exhibit 2

Access Easements

**RECORDED REQUESTED BY AND
WHEN RECORDED, RETURN TO:**

Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, CA 92619-7000
Attn: Leslie A. Bonkowski, Secretary

WITH A CONFORMED COPY TO:

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

Assessor's Parcel Nos. 105-361-70,-73,-77 & -86
Exempt from Recording Fees per Gov. Code §§6103 & 27383

(Space above line for Recorder's use only)

**EASEMENT AGREEMENT
(Access and Utilities at Santiago Reservoir)**

This Easement Agreement ("**Easement Agreement**") is effective as of the date of its recordation in the Official Records of Orange County, California ("**Effective Date**") and is between the COUNTY OF ORANGE ("**County**"), a political subdivision of the State of California, and IRVINE RANCH WATER DISTRICT, a California water district organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code ("**IRWD**").

A. The Irvine Company, a Delaware limited liability company ("**TIC**"), IRWD, and Serrano Water District, a political subdivision of the State of California formed and operating under the Irrigation District Law, California Water Code Section 20500 *et seq.* ("**SWD**") are parties to that certain *Memorandum of Understanding - Irvine Lake* dated April 30, 2003 (the "**MOU**") related to that certain dam and reservoir facility commonly known as "Irvine Lake" or the "Santiago Reservoir" (the "**Reservoir Property**" or "**Reservoir**") and County's property in the vicinity of the Reservoir ("**County's Property**").

B. IRWD and SWD own fee title to the Reservoir Property and require access for the purpose of the operation and maintenance of the Reservoir.

C. Pursuant to that certain *Assignment and Assumption Agreement* between TIC and County dated August 27, 2019 and recorded in the official records of the County of Orange as OR # 2019000330638, September 4, 2019, TIC granted to the County all right, title and interest to two segments of a paved access road that upon acceptance became a part of the County's Property. The County's access road parcels are described in that certain Gift Deed (4.5-Acre Access Road Parcel – East Orange Area II) recorded September 4, 2019 as Instrument No. 2019000330637 of Official Records of Orange County, California ("**Road Parcels**").

D. In accordance with the provisions of the MOU, County wishes to convey to IRWD an easement for access to the Reservoir through County's Property, subject to the terms and conditions of this Easement Agreement, in exchange for a reciprocal access easement across a segment of access road that lies within the Reservoir Property and IRWD's authorization for TIC to transfer its recreational rights to Irvine Lake to the County.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Grant of Easement. County hereby grants to IRWD, its invitees, employees, agents, and contractors a non-exclusive easement (collectively, the "**Easement**") in, on, over, under, through, along, and across the Road Parcels, more particularly described on Exhibit A and depicted on Exhibit B (the "**Easement Area**") for the purposes of (a) ingress and egress, and (b) installation, operation, maintenance, repair, and replacement (including upsizing) of utilities and the Reservoir and any related appurtenances. The parties hereto recognize that the Road Parcels were improved in the past with certain roadway improvements which the County has determined are suitable for periodic park and County uses, and that at this time the County has no intention, nor duty, to further improve the Road Parcels ("**Roadway**").

2. Subject to Matters of Record or Apparent. In addition to the terms and conditions set forth in this Easement Agreement, the Easement conveyed to IRWD hereunder shall be subject to all easements, covenants, conditions, restrictions, reservations, rights and rights-of-way of record or apparent or of which IRWD has actual notice.

3. Non-Exclusive Rights. IRWD's use of the Easement Area shall be non-exclusive, and County retains the rights to use and to grant to others the non-exclusive right to use the property burdened by the Easement for any and all lawful purposes, to the extent such uses, or any of them, do not unreasonably interfere with the exercise by IRWD of the Easement granted hereunder. County's reserved rights shall include without limitation, the right, but not the obligation, to construct, relocate, maintain and use roadways, pipelines and utilities in, on, over, under, through, along, and across the Easement Area, subject to Section 11 (Indemnity).

4. Appurtenant to the Reservoir. The Easement is appurtenant to the Reservoir Property, which shall be the dominant tenement and the County's Property is the servient tenement.

5. Construction or Improvement of Roadway. IRWD may construct or improve the Roadway on the Easement Area, subject to compliance with the following requirements:

a. All construction must be in accordance with all applicable requirements of any governmental authorities having jurisdiction (the "**Governing Agencies**").

b. All construction must: (i) comply with the plans for same approved by the Governing Agencies; and (ii) be performed in a manner so that sediment erosion and other pollutant drainage into the Reservoir does not exceed amounts permissible under: (a) law, (b)

agreements between the parties to this Agreement, and (c) permits issued by Governing Agencies in connection with construction of the Roadway.

c. All materials and equipment used in the construction work must be stored or stockpiled solely on IRWD's Property and the Easement Area and not within any other area of County-owned property, unless otherwise done in accordance with the terms of this Easement Agreement or with prior written permission from the County.

d. County will not have any responsibility or obligation whatsoever for construction of the Roadway improvements, and all responsibility for the funding and the performance of such work will rest solely with IRWD.

e. IRWD shall obtain, at its own expense, all necessary permits and authorizations from the Governing Agencies related to construction of the Roadway.

f. IRWD shall notify County in writing not less than 30 calendar days prior to commencement of construction of any improvements within the Easement Area. IRWD shall promptly record a notice of completion with the County Recorder of Orange County and shall pay all claims for labor and material incurred with respect to the work activities of IRWD hereunder that could become a lien upon the Easement Area.

g. During the course of construction of any Roadway improvements by IRWD, IRWD may enter and use that portion of the County property that is adjacent to and within twenty-five (25) feet of the Easement Area (the "**Adjacent Work Area**") as necessary to construct, including staging, those improvements. IRWD's exercise of the right in this Subsection (g) is subject to all restrictions contained in this Agreement with respect to construction on and use of the Easement Area, and is further subject to the express limitation that IRWD partake in these rights without unreasonable interference with County operations and that IRWD comply with all environmental and other laws and regulations, for which IRWD shall have sole responsibility for compliance. Upon completion of the Roadway, IRWD shall restore any portion of the Adjacent Work Area so used by IRWD, so far as is practical, to the same condition in which it was prior to the construction activity, after which IRWD's temporary rights to use the Adjacent Work Area shall terminate.

h. If IRWD damages any portion of the Easement Area during IRWD's construction activities, IRWD shall, at its sole cost and expense, promptly repair and restore the same to the condition that existed prior to the damage.

i. IRWD shall not cause any liens of any kind to be filed against the Easement Area as a result of the IRWD's construction of the Roadway improvements. If any such lien is filed, IRWD shall, at its sole cost and expense, take such actions as are necessary to cause the lien to be satisfied and discharged or to cause such lien to be removed of record.

j. The parties hereto recognize that the IRWD's non-exclusive use of the Easement Area is for the purposes of access of cars and light trucks, as well as pedestrian uses. County shall maintain the Easement Area in accordance with the County's Operations and Maintenance

standards for park facilities and will provide additional maintenance on an as-needed basis, as determined by County. In the event that IRWD requires a more intense (i.e., large trucks or equipment) use of the Easement Area than as maintained by the County, IRWD shall be responsible for any necessary additional improvement of the Easement Area to meet its needs.

6. Compliance with Law. IRWD will be responsible for complying with all laws, ordinances and regulations with respect to its use of the Easement.

7. Relocation. County reserves the right, after delivery of prior written notice to IRWD, to relocate or realign the Easement Area and any utility lines within the Easement Area at no cost to IRWD. County's right to relocate or realign all or a portion of the Easement Area shall be conditioned upon the furnishing by County to IRWD of a good and sufficient grant of easement for a feasible relocation or realignment of the Easement Area, to be determined solely by County, which amended grant of easement shall be in a form substantially similar to this Easement Agreement, except for changes necessitated by the relocation or realignment. This right to cause the Easement Area to be relocated at County's expense may be exercised as many times as County shall elect, provided the realigned Easement Area includes comparable improvements (e.g. gravel, asphalt, or paved road) that existed prior to the relocation maintained by the County. Any relocation or realignment of the Easement Area, whether temporary or permanent, performed to accommodate IRWD's use and benefit of the Easement shall be at the sole cost of IRWD and must be approved by County in its sole and absolute discretion.

8. Term of the Easement. The term of the Easement will be from the date of recordation of this Agreement in the Official Records of Orange County, California, until the first to occur of:

a. Use of the Easement Area for any purpose not expressly permitted herein or violation (including failure to perform) by IRWD of any of its obligations contained herein where such unpermitted use or violation is not cured within thirty (30) days of IRWD's receipt of written notice thereof from the County (or if such matter is not reasonably capable of cure within such period, IRWD has not commenced such cure within such period and thereafter diligently pursued such cure to completion).

b. Cessation of use of the Easements by IRWD for a period of one (1) year, unless IRWD gives the County written notice prior to the termination of such one (1) year period of the reason for such suspension of use and of IRWD's intention to resume such use.

c. Relocation of the Easement Area as provided in Section 7 above.

d. Upon termination of the Easement for any of the reasons provided above, IRWD shall promptly execute and deliver to the County, in recordable form, such quitclaims or releases as may be necessary to confirm or effect such termination and to relinquish any rights or claim of IRWD to the portion of the Easement Area subject to the terminated Easement.

9. Damage and Repairs. If IRWD damages any portion of the Easement Area or any other property of County during its activities under this Easement Agreement, IRWD shall, at its

sole cost and expense, promptly repair and restore the same to the condition that existed prior to the damage; provided, however, that prior to any such repair, IRWD shall, within thirty (30) days of the damage, review its planned repair with County to confirm that such repair will be done to the reasonable specifications of County. IRWD shall not cause any liens of any kind to be filed against the Easement Area or any other portion of County's Property as a result of such repair activities.

10. Failure to Perform. To the extent that the repair of any IRWD damage is not completed by IRWD within thirty (30) business days of IRWD's receipt of County's approval of IRWD's proposed repair as described in Section 9 above (or if such damage is not capable of repair within such period, if IRWD has not commenced such repair within such period and diligently thereafter completed such repairs), then County may perform such repair and the cost thereof shall be paid by IRWD within sixty (60) days of its receipt of County's invoice and backup documentation substantiating the work performed.

11. Indemnity. IRWD shall indemnify, defend, and hold County and any other person or entity controlling, controlled by or under common control with County, and each of their elected officials, officers, directors, employees, representatives, agents, successors and assigns (collectively, the "**County Indemnitees**") harmless from and against any and all claims, obligations, damages, liabilities, costs, and expenses (including but not limited to attorneys' fees and costs), whether made against or incurred by County or any other Indemnitee (collectively, "**Claims**"), arising out of or related to injuries to or death of any person or damage to any property resulting from or caused by: (a) use of the Easement Area by IRWD, its officers, directors, employees, invitees, contractors, and agents, and the respective employees thereof; and/or (b) breach of any of the terms of this Easement Agreement by IRWD; provided, however, that the obligation to indemnify shall not apply to the extent that any Claim is determined by a court of competent jurisdiction to have been caused by the negligence or intentional misconduct of the County Indemnitees or any of them. Payment of any Claim shall not be a condition precedent to enforcement of the indemnity obligations contained herein. IRWD's and County Indemnitees' obligations under this Section shall survive until lapse of the applicable statutory period for limitation of actions, irrespective of whether the easement rights set forth herein have expired or been terminated.

County shall defend, indemnify, protect and hold harmless IRWD and all of their elected and appointed officials, directors, officers, employees, agents, representatives, successors and assigns (collectively, the "**IRWD Indemnitees**") from all Claims arising out of or related to injuries to or death of any person or damage to any property resulting from or caused by: (a) use of the Easement Area by County, its officers, directors, employees, invitees (including the general public), contractors, and agents, and the respective employees thereof; or (b) County's construction of improvements within the Easement Area; provided, however, that the obligation to indemnify shall not apply to the extent that any Claim is determined by a court of competent jurisdiction to have been caused by the active negligence or intentional misconduct of the IRWD Indemnitees or any of them. Payment of any Claim shall not be a condition precedent to enforcement of the indemnity obligations contained herein.

12. Controlling Law. This Easement Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

13. Attorneys' Fees. In any proceeding between the parties seeking enforcement of or attempting to construe any of the terms and provisions of this Easement Agreement, including, without limitation, any litigation seeking legal, declaratory or other relief, each Party shall bear its own costs, including but not limited to attorneys' fees and costs.

14. Notices. Any notice, demand or other communication to be given by either party to the other hereunder shall be given by personal service, Federal Express or other reputable overnight delivery service, or mailing in the United States mail, postage prepaid, certified and return receipt requested, addressed to the parties at their respective addresses as follows:

IF TO IRWD: Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, CA 92619-7000
Attention: General Manager

IF TO COUNTY: OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

Any such notice shall be deemed to have been given upon delivery or, if mailed, forty-eight (48) hours after deposit in the mail as aforesaid. Either party may change the address where it desires to receive notice upon giving written notice of such request to the other party.

15. Construction. Headings at the beginning of any section of this Easement Agreement are solely for the convenience of the parties and are not a part of this Easement Agreement. This Easement Agreement shall not be construed as if it has been prepared by either party, but rather as if both parties have prepared the same.

16. Waiver; Remedies. No delay on the part of any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

17. Successors. Any assignment of the rights conferred upon IRWD herein may only be assigned with the permission of County, whose permission shall not be unreasonably withheld. Assignment of IRWD's rights to another public entity shall be deemed acceptable to County. The provisions of this Easement Agreement shall be binding upon and inure to the benefit of the parties hereto and each of their respective successors and assigns.

18. No Third Party Beneficiaries. No person or entity other than the parties to this Easement Agreement shall be deemed to be a third party beneficiary hereof, and nothing in this

Easement Agreement, either express or implied, is intended to confer upon any person or entity, other than the parties to this Easement Agreement (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Easement Agreement.

19. Entire Agreement. This Easement Agreement, including the exhibits attached hereto which are incorporated herein by this reference, contains the entire agreement between the parties relating to the rights granted herein and the obligations herein assumed. Any oral representations or modifications concerning this document shall be of no force or effect except a subsequent modification in writing, signed by the party to be charged.

[Signatures appear on following page.]

DRAFT
~~10/27/21~~
~~11/2/21~~
~~11/15/21~~
12/21/21

IN WITNESS WHEREOF, the parties have executed this Easement Agreement as of the date first set forth above.

COUNTY OF ORANGE

APPROVED AS TO FORM:

By:

Thomas A. Miller

By:

Michael A. Haubert
Deputy County Counsel

IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

By:

Paul A. Cook
General Manager

By:

Claire Hervey Collins
District Counsel

DRAFT
10/27/21
11/2/21
11/15/21
12/21/21

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20___, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20___, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

EXHIBIT A

**LEGAL DESCRIPTION OF ACCESS ROAD PARCEL
BLACK STAR WILDERNESS PARK – PR32C-111**

A strip of land, 30.00 feet wide, over those portion of Blocks 78 and 79 of Irvine's Subdivision, in the unincorporated territory of the County of Orange, State of California, as shown on a map recorded in Book 1, Page 88 of Miscellaneous Record Maps in the office of the County Recorder of said County, lying 15.00 feet on each side of the following described centerline;

Beginning at a point on the centerline of Santiago Canyon Road, 60.00 feet wide, as described on the right-of-way document recorded September 29, 1958, in Book 4430, Page 94 of Official Records of said County, distant northwesterly 72.49 feet, along a curve concave northeasterly having a radius of 2038.00 feet, from the southeasterly terminus of the curve described as concave northeasterly, having a radius of 2038.00 feet, a delta of 37°03'00" and an arc length of 1317.86 feet in said document, a radial line to said point bears North 25°11'00" East; thence leaving said centerline non-tangent from said curve, North 24°44'44" East 541.52 feet to a curve concave westerly having a radius of 600.00 feet; thence northerly 252.79 feet along said curve through a central angle of 24°08'23"; thence North 0°36'21" East 1326.73 feet to a curve concave easterly having a radius of 900.00 feet; thence northerly 492.78 feet along said curve through a central angle of 31°22'16"; thence North 31°58'37" East 139.46 feet to a curve concave southeasterly having a radius of 635.00 feet; thence northeasterly 493.33 feet along said curve through a central angle of 44°30'47"; thence North 76°29'24" East 132.49 feet to a curve concave northerly having a radius of 685.00 feet; thence easterly 111.06 feet along said curve through a central angle of 9°17'22"; thence North 67°12'02" East 110.22 feet to a curve concave southerly having a radius of 735.00 feet; thence easterly 279.75 feet along said curve through a central angle of 21°48'27"; thence North 89°00'29" East 381.51 feet to a curve concave southerly having a radius of 785.00 feet; thence easterly 148.22 feet along said curve through a central angle of 10°49'05"; thence South 80°10'26" East 633.40 feet to a curve concave northerly having a radius of 1415.00 feet; thence easterly 577.88 feet along said curve through a central angle of 23°23'58"; thence North 76°25'36" East 327.88 feet to a curve concave northwesterly having a radius of 145.00 feet; thence northeasterly 192.62 feet along said curve through a central angle of 76°06'44"; thence North 0°18'52" East 351.69 feet;

Revised: December 5, 2014
August 8, 2003
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By H. Foss
Checked By R. Wheeler/rg

thence North 2°19'12" West 253.59 feet to a curve concave southwesterly having a radius of 80.00 feet; thence northwesterly 66.57 feet along said curve through a central angle of 47°40'48"; thence North 50°00'00" West 48.63 feet to the general southerly line of the Irvine Lake Boundary Described in Grant Deed recorded April 3, 2002 as Instrument no. 20020279521 of Official Records and also as shown on Record of Survey No. 2001-1044, filed in Book 188, Pages 25 through 29, inclusive, of Records of Surveys, both in the office of the County Recorder of said County.

Except that portion included the area described in the document recorded April 3, 2002, as Instrument No. 20020279521 of said Official Records.

Also except that portion included within said right-of-way of Santiago Canyon Road.

The side lines of said strip to be prolonged or shortened to terminate on said boundary.

As more particularly shown on Exhibit "B" attached hereto and made a part hereof.



Robert L. Wheeler IV, L.S. No. 8639

Date: 12/05/14



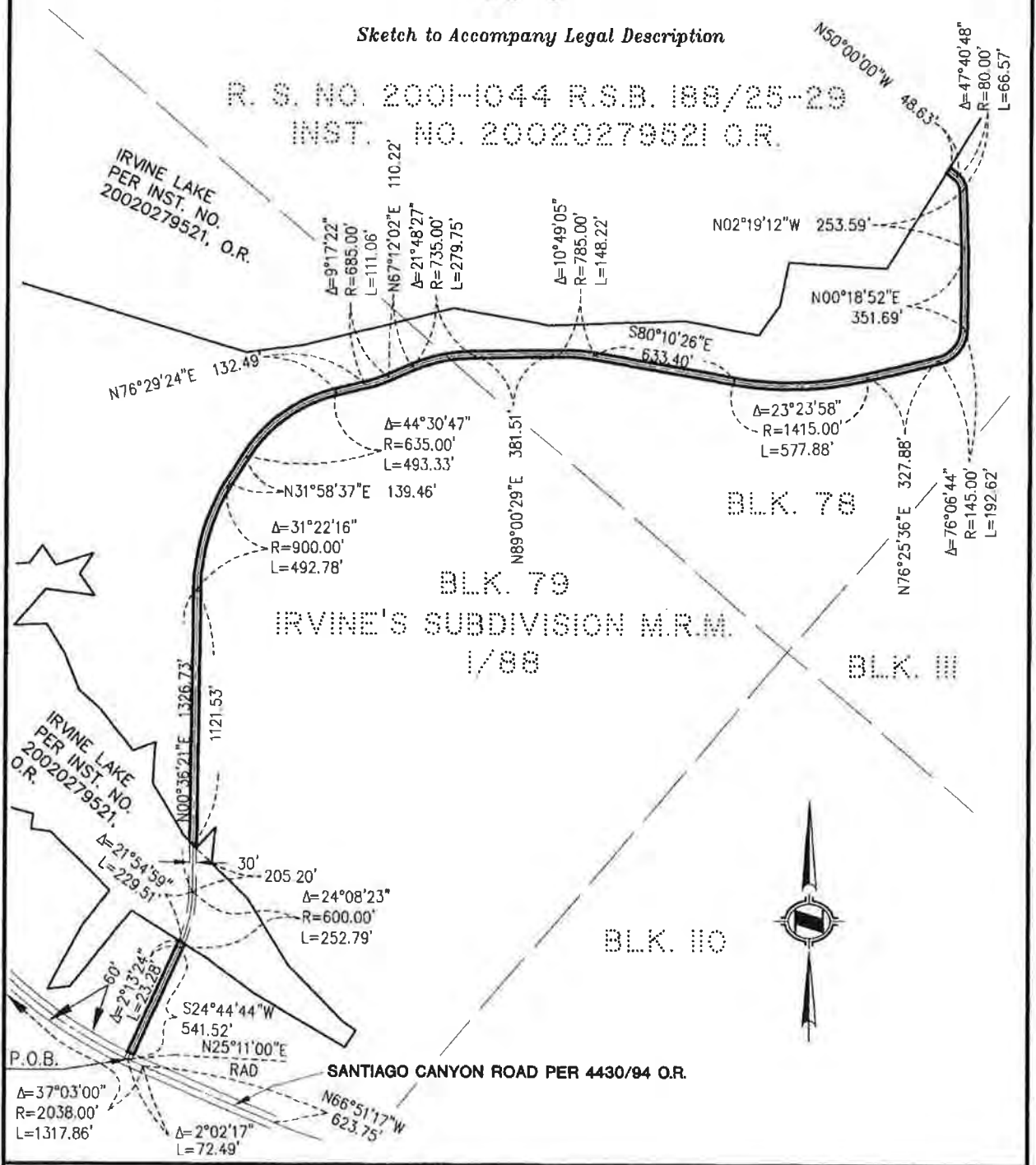
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Checked By R. Wheeler/rg


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 12/21/21

EXHIBIT "B"

Sketch to Accompany Legal Description

R. S. NO. 2001-1044 R.S.B. 188/25-29
 INST. NO. 20020279521 O.R.



 HUNSAKER & ASSOCIATES IRVINE, INC. PLANNING ■ ENGINEERING ■ SURVEYING Three Hughes • Irvine, CA 92618 • PH: (949) 583-1010 • FX: (949) 583-0759		DEPICTION OF ACCESS ROAD PARCEL UNINCORPORATED TERRITORY OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA		
DATE: 08/08/03	REV. DATE: 12/05/14	DWG. By: FOSS/GILL	CK'd By: R. WHEELER	SCALE: 1"=600'
I:\LakeLegals\ld\5760\sht01.dwg		H&A LEGAL No. 5760		W.O. 949-173CX
				SHEET 1 OF 1

DRAFT
~~10/27/21~~
~~11/2/21~~
~~11/15/21~~
12/21/21

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the attached Easement Agreement (Access and Utilities at Santiago Reservoir) to the IRVINE RANCH WATER DISTRICT, a California water district, is hereby accepted by the undersigned officer on behalf of the Board of Directors pursuant to authority conferred by Resolution No. 2020-01 of the Board of Directors, adopted on January 13, 2020, and the grantee consents to recordation thereof by its duly authorized officer.

IRVINE RANCH WATER DISTRICT

Dated: _____

By: _____
Leslie Bonkowski
Secretary

**RECORDED REQUESTED BY AND
WHEN RECORDED, RETURN TO:**

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

WITH A CONFORMED COPY TO:

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

Assessor's Parcel No. 105-361-70,-73,-77 & -86
Exempt from Filing Fees per Gov. C 6103

(Space above line for Recorder's use only)

**EASEMENT AGREEMENT
(Access and Utilities at Santiago Reservoir)**

This Easement Agreement ("**Easement Agreement**") is effective as of the date of its recordation in the Official Records of Orange County, California ("**Effective Date**") and is between the COUNTY OF ORANGE ("**County**"), a political subdivision of the State of California, and SERRANO WATER DISTRICT, a political subdivision of the State of California formed and operating under the Irrigation District Law, California Water Code Section 20500 *et seq.* ("**SWD**").

A. The Irvine Company, a Delaware limited liability company ("**TIC**"), SWD, and Irvine Ranch Water District, a California water district organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code ("**IRWD**") are parties to that certain *Memorandum of Understanding - Irvine Lake* dated April 30, 2003 (the "**MOU**") related to that certain dam and reservoir facility commonly known as "Irvine Lake" or the "Santiago Reservoir" (the "**Reservoir Property**" or "**Reservoir**") and County's property in the vicinity of the Reservoir ("**County's Property**").

B. IRWD and SWD own fee title to the Reservoir Property and require access for the purpose of the operation and maintenance of the Reservoir.

C. Pursuant to that certain *Assignment and Assumption Agreement* between TIC and County dated August 27, 2019 and recorded in the official records of the County of Orange as OR # 2019000330638, September 4, 2019, TIC granted to the County all right, title and interest to two segments of a paved access road that upon acceptance became a part of the County's Property. The County's access road parcels are described in that certain Gift Deed (4.5-Acre Access Road Parcel – East Orange Area II) recorded September 4, 2019 as Instrument No. 2019000330637 of Official Records of Orange County, California ("**Road Parcels**").

D. In accordance with the provisions of the MOU, County wishes to convey to SWD an easement for access to the Reservoir through County's Property, subject to the terms and conditions of this Easement Agreement, in exchange for a reciprocal access easement across a segment of access road that lies within the Reservoir Property and IRWD's authorization for TIC to transfer its recreational rights to Irvine Lake to the County.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Grant of Easement. County hereby grants to SWD, its invitees, employees, agents, and contractors a non-exclusive easement (collectively, the "Easement") in, on, over, under, through, along, and across the Road Parcels, more particularly described on Exhibit A and depicted on Exhibit B (the "Easement Area") for the purposes of (a) ingress and egress, and (b) installation, operation, maintenance, repair, and replacement (including upsizing) of utilities and the Reservoir and any related appurtenances. The parties hereto recognize that the Road Parcels were improved in the past with certain roadway improvements which the County has determined are suitable for periodic park and County uses, and that at this time the County has no intention, nor duty, to further improve the Road Parcels ("**Roadway**").

2. Subject to Matters of Record or Apparent. In addition to the terms and conditions set forth in this Easement Agreement, the Easement conveyed to SWD hereunder shall be subject to all easements, covenants, conditions, restrictions, reservations, rights and rights-of-way of record or apparent or of which SWD has actual notice.

3. Non-Exclusive Rights. SWD's use of the Easement Area shall be non-exclusive, and County retains the rights to use and to grant to others the non-exclusive right to use the property burdened by the Easement for any and all lawful purposes, to the extent such uses, or any of them, do not unreasonably interfere with the exercise by SWD of the Easement granted hereunder. County's reserved rights shall include without limitation, the right, but not the obligation, to construct, relocate, maintain and use roadways, pipelines and utilities in, on, over, under, through, along, and across the Easement Area, subject to Section 11 (Indemnity).

4. Appurtenant to the Reservoir. The Easement is appurtenant to the Reservoir Property, which shall be the dominant tenement and the County's Property is the servient tenement.

5. Construction or Improvement of Roadway. SWD may construct or improve the Roadway on the Easement Area, subject to compliance with the following requirements:

a. All construction must be in accordance with all applicable requirements of any governmental authorities having jurisdiction (the "**Governing Agencies**").

b. All construction must: (i) comply with the plans for same approved by the Governing Agencies; and (ii) be performed in a manner so that sediment erosion and other pollutant drainage into the Reservoir does not exceed amounts permissible under: (a) law, (b)

agreements between the parties to this Agreement, and (c) permits issued by Governing Agencies in connection with construction of the Roadway.

c. All materials and equipment used in the construction work must be stored or stockpiled solely on SWD's Property and the Easement Area and not within any other area of County-owned property, unless otherwise done in accordance with the terms of this Easement Agreement or with prior written permission from the County.

d. County will not have any responsibility or obligation whatsoever for construction of the Roadway improvements, and all responsibility for the funding and the performance of such work will rest solely with SWD.

e. SWD shall obtain, at its own expense, all necessary permits and authorizations from the Governing Agencies related to construction of the Roadway.

f. SWD shall notify County in writing not less than 30 calendar days prior to commencement of construction of any improvements within the Easement Area. SWD shall promptly record a notice of completion with the County Recorder of Orange County and shall pay all claims for labor and material incurred with respect to the work activities of SWD hereunder that could become a lien upon the Easement Area.

g. During the course of construction of any Roadway improvements by SWD, SWD may enter and use that portion of the County property that is adjacent to and within twenty-five (25) feet of the Easement Area (the "**Adjacent Work Area**") as necessary to construct, including staging, those improvements. SWD's exercise of the right in this Subsection (g) is subject to all restrictions contained in this Agreement with respect to construction on and use of the Easement Area, and is further subject to the express limitation that SWD partake in these rights without unreasonable interference with County operations and that SWD comply with all environmental and other laws and regulations, for which SWD shall have sole responsibility for compliance. Upon completion of the Roadway, SWD shall restore any portion of the Adjacent Work Area so used by SWD, so far as is practical, to the same condition in which it was prior to the construction activity, after which SWD's temporary rights to use the Adjacent Work Area shall terminate.

h. If SWD damages any portion of the Easement Area during SWD's construction activities, SWD shall, at its sole cost and expense, promptly repair and restore the same to the condition that existed prior to the damage.

i. SWD shall not cause any liens of any kind to be filed against the Easement Area as a result of the SWD's construction of the Roadway improvements. If any such lien is filed, SWD shall, at its sole cost and expense, take such actions as are necessary to cause the lien to be satisfied and discharged or to cause such lien to be removed of record.

j. The parties hereto recognize that the SWD's non-exclusive use of the Easement Area is for the purposes of access of cars and light trucks, as well as pedestrian uses. County shall maintain the Easement Area in accordance with the County's Operations and

Maintenance standards for park facilities and will provide additional maintenance on an as-needed basis, as determined by County. In the event that CWD requires a more intense (i.e., large trucks or equipment) use of the Easement Area than as maintained by the County, SWD shall be responsible for any necessary additional improvement of the Easement Area to meet its needs.

6. Compliance with Law. SWD will be responsible for complying with all laws, ordinances and regulations with respect to its use of the Easement.

7. Relocation. County reserves the right, after delivery of prior written notice to SWD, to relocate or realign the Easement Area and any utility lines within the Easement Area at no cost to SWD. County's right to relocate or realign all or a portion of the Easement Area shall be conditioned upon the furnishing by County to SWD of a good and sufficient grant of easement for a feasible relocation or realignment of the Easement Area, to be determined solely by County, which amended grant of easement shall be in a form substantially similar to this Easement Agreement, except for changes necessitated by the relocation or realignment. This right to cause the Easement Area to be relocated at County's expense may be exercised as many times as County shall elect, provided the realigned Easement Area includes comparable improvements (e.g. gravel, asphalt, or paved road) that existed prior to the relocation maintained by the County. Any relocation or realignment of the Easement Area, whether temporary or permanent, performed to accommodate SWD's use and benefit of the Easement shall be at the sole cost of SWD and must be approved by County in its sole and absolute discretion.

8. Term of the Easement. The term of the Easement will be from the date of recordation of this Agreement in the Official Records of Orange County, California, until the first to occur of:

a. Use of the Easement Area for any purpose not expressly permitted herein or violation (including failure to perform) by SWD of any of its obligations contained herein where such unpermitted use or violation is not cured within thirty (30) days of SWD's receipt of written notice thereof from the County (or if such matter is not reasonably capable of cure within such period, SWD has not commenced such cure within such period and thereafter diligently pursued such cure to completion).

b. Cessation of use of the Easements by SWD for a period of one (1) year, unless SWD gives the County written notice prior to the termination of such one (1) year period of the reason for such suspension of use and of SWD's intention to resume such use.

c. Relocation of the Easement Area as provided in Section 7 above.

d. Upon termination of the Easement for any of the reasons provided above, SWD shall promptly execute and deliver to the County, in recordable form, such quitclaims or releases as may be necessary to confirm or effect such termination and to relinquish any rights or claim of SWD to the portion of the Easement Area subject to the terminated Easement.

9. Damage and Repairs. If SWD damages any portion of the Easement Area or any other property of County during its activities under this Easement Agreement, SWD shall, at its sole cost and expense, promptly repair and restore the same to the condition that existed prior to the damage; provided, however, that prior to any such repair, SWD shall, within thirty (30) days of the damage, review its planned repair with County to confirm that such repair will be done to the reasonable specifications of County. SWD shall not cause any liens of any kind to be filed against the Easement Area or any other portion of County's Property as a result of such repair activities.

10. Failure to Perform. To the extent that the repair of any SWD damage is not completed by SWD within thirty (30) business days of SWD's receipt of County's approval of SWD's proposed repair as described in Section 9 above (or if such damage is not capable of repair within such period, if SWD has not commenced such repair within such period and diligently thereafter completed such repairs), then County may perform such repair and the cost thereof shall be paid by SWD within sixty (60) days of its receipt of County's invoice and backup documentation substantiating the work performed.

11. Indemnity. SWD shall indemnify, defend, and hold County and any other person or entity controlling, controlled by or under common control with County, and each of their elected officials, officers, directors, employees, representatives, agents, successors and assigns (collectively, the "**County Indemnitees**") harmless from and against any and all claims, obligations, damages, liabilities, costs, and expenses (including but not limited to attorneys' fees and costs), whether made against or incurred by County or any other Indemnitee (collectively, "**Claims**"), arising out of or related to injuries to or death of any person or damage to any property resulting from or caused by: (a) use of the Easement Area by SWD, its officers, directors, employees, invitees, contractors, and agents, and the respective employees thereof; and/or (b) breach of any of the terms of this Easement Agreement by SWD; provided, however, that the obligation to indemnify shall not apply to the extent that any Claim is determined by a court of competent jurisdiction to have been caused by the negligence or intentional misconduct of the County Indemnitees or any of them. Payment of any Claim shall not be a condition precedent to enforcement of the indemnity obligations contained herein. SWD's and County Indemnitees' obligations under this Section shall survive until lapse of the applicable statutory period for limitation of actions, irrespective of whether the easement rights set forth herein have expired or been terminated.

County shall defend, indemnify, protect and hold harmless SWD and all of their elected and appointed officials, directors, officers, employees, agents, representatives, successors and assigns (collectively, the "**SWD Indemnitees**") from all Claims arising out of or related to injuries to or death of any person or damage to any property resulting from or caused by: (a) use of the Easement Area by County, its officers, directors, employees, invitees (including the general public), contractors, and agents, and the respective employees thereof; or (b) County's construction of improvements within the Easement Area; provided, however, that the obligation to indemnify shall not apply to the extent that any Claim is determined by a court of competent jurisdiction to have been caused by the active negligence or intentional misconduct of the SWD

Indemnites or any of them. Payment of any Claim shall not be a condition precedent to enforcement of the indemnity obligations contained herein.

12. Controlling Law. This Easement Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

13. Attorneys' Fees. In any proceeding between the parties seeking enforcement of or attempting to construe any of the terms and provisions of this Easement Agreement, including, without limitation, any litigation seeking legal, declaratory or other relief, each Party shall bear its own costs, including but not limited to attorneys' fees and costs.

14. Notices. Any notice, demand or other communication to be given by either party to the other hereunder shall be given by personal service, Federal Express or other reputable overnight delivery service, or mailing in the United States mail, postage prepaid, certified and return receipt requested, addressed to the parties at their respective addresses as follows:

IF TO SWD: Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

IF TO COUNTY: OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

Any such notice shall be deemed to have been given upon delivery or, if mailed, forty-eight (48) hours after deposit in the mail as aforesaid. Either party may change the address where it desires to receive notice upon giving written notice of such request to the other party.

15. Construction. Headings at the beginning of any section of this Easement Agreement are solely for the convenience of the parties and are not a part of this Easement Agreement. This Easement Agreement shall not be construed as if it has been prepared by either party, but rather as if both parties have prepared the same.

16. Waiver; Remedies. No delay on the part of any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

17. Successors. Any assignment of the rights conferred upon SWD herein may only be assigned with the permission of County, whose permission shall not be unreasonably withheld. Assignment of SWD's rights to another public entity shall be deemed acceptable to County. The provisions of this Easement Agreement shall be binding upon and inure to the benefit of the parties hereto and each of their respective successors and assigns.

18. No Third Party Beneficiaries. No person or entity other than the parties to this Easement Agreement shall be deemed to be a third party beneficiary hereof, and nothing in this Easement Agreement, either express or implied, is intended to confer upon any person or entity, other than the parties to this Easement Agreement (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Easement Agreement.

19. Entire Agreement. This Easement Agreement, including the exhibits attached hereto which are incorporated herein by this reference, contains the entire agreement between the parties relating to the rights granted herein and the obligations herein assumed. Any oral representations or modifications concerning this document shall be of no force or effect except a subsequent modification in writing, signed by the party to be charged.

[Signatures appear on following page.]

DRAFT
~~10/27/21~~
~~11/2/21~~
~~11/15/21~~
12/21/21

IN WITNESS WHEREOF, the parties have executed this Easement Agreement as of the date first set forth above.

COUNTY OF ORANGE

APPROVED AS TO FORM:

By:

Thomas A. Miller

By:

Michael A. Haubert
Deputy County Counsel

SERRANO WATER DISTRICT

APPROVED AS TO FORM:

By:

President & Director

By:

Jeremy N. Jungreis
General Counsel

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

EXHIBIT A

**LEGAL DESCRIPTION OF ACCESS ROAD PARCEL
BLACK STAR WILDERNESS PARK – PR32C-111**

A strip of land, 30.00 feet wide, over those portion of Blocks 78 and 79 of Irvine's Subdivision, in the unincorporated territory of the County of Orange, State of California, as shown on a map recorded in Book 1, Page 88 of Miscellaneous Record Maps in the office of the County Recorder of said County, lying 15.00 feet on each side of the following described centerline;

Beginning at a point on the centerline of Santiago Canyon Road, 60.00 feet wide, as described on the right-of-way document recorded September 29, 1958, in Book 4430, Page 94 of Official Records of said County, distant northwesterly 72.49 feet, along a curve concave northeasterly having a radius of 2038.00 feet, from the southeasterly terminus of the curve described as concave northeasterly, having a radius of 2038.00 feet, a delta of 37°03'00" and an arc length of 1317.86 feet in said document, a radial line to said point bears North 25°11'00" East; thence leaving said centerline non-tangent from said curve, North 24°44'44" East 541.52 feet to a curve concave westerly having a radius of 600.00 feet; thence northerly 252.79 feet along said curve through a central angle of 24°08'23"; thence North 0°36'21" East 1326.73 feet to a curve concave easterly having a radius of 900.00 feet; thence northerly 492.78 feet along said curve through a central angle of 31°22'16"; thence North 31°58'37" East 139.46 feet to a curve concave southeasterly having a radius of 635.00 feet; thence northeasterly 493.33 feet along said curve through a central angle of 44°30'47"; thence North 76°29'24" East 132.49 feet to a curve concave northerly having a radius of 685.00 feet; thence easterly 111.06 feet along said curve through a central angle of 9°17'22"; thence North 67°12'02" East 110.22 feet to a curve concave southerly having a radius of 735.00 feet; thence easterly 279.75 feet along said curve through a central angle of 21°48'27"; thence North 89°00'29" East 381.51 feet to a curve concave southerly having a radius of 785.00 feet; thence easterly 148.22 feet along said curve through a central angle of 10°49'05"; thence South 80°10'26" East 633.40 feet to a curve concave northerly having a radius of 1415.00 feet; thence easterly 577.88 feet along said curve through a central angle of 23°23'58"; thence North 76°25'36" East 327.88 feet to a curve concave northwesterly having a radius of 145.00 feet; thence northeasterly 192.62 feet along said curve through a central angle of 76°06'44"; thence North 0°18'52" East 351.69 feet;

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August 8, 2003
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By H. Foss
Checked By R. Wheeler/rg


thence North 2°19'12" West 253.59 feet to a curve concave southwesterly having a radius of 80.00 feet; thence northwesterly 66.57 feet along said curve through a central angle of 47°40'48"; thence North 50°00'00" West 48.63 feet to the general southerly line of the Irvine Lake Boundary Described in Grant Deed recorded April 3, 2002 as Instrument no. 20020279521 of Official Records and also as shown on Record of Survey No. 2001-1044, filed in Book 188, Pages 25 through 29, inclusive, of Records of Surveys, both in the office of the County Recorder of said County.

Except that portion included the area described in the document recorded April 3, 2002, as Instrument No. 20020279521 of said Official Records.

Also except that portion included within said right-of-way of Santiago Canyon Road.

The side lines of said strip to be prolonged or shortened to terminate on said boundary.

As more particularly shown on Exhibit "B" attached hereto and made a part hereof.


Robert L. Wheeler IV, L.S. No. 8639
Date: 12/05/14



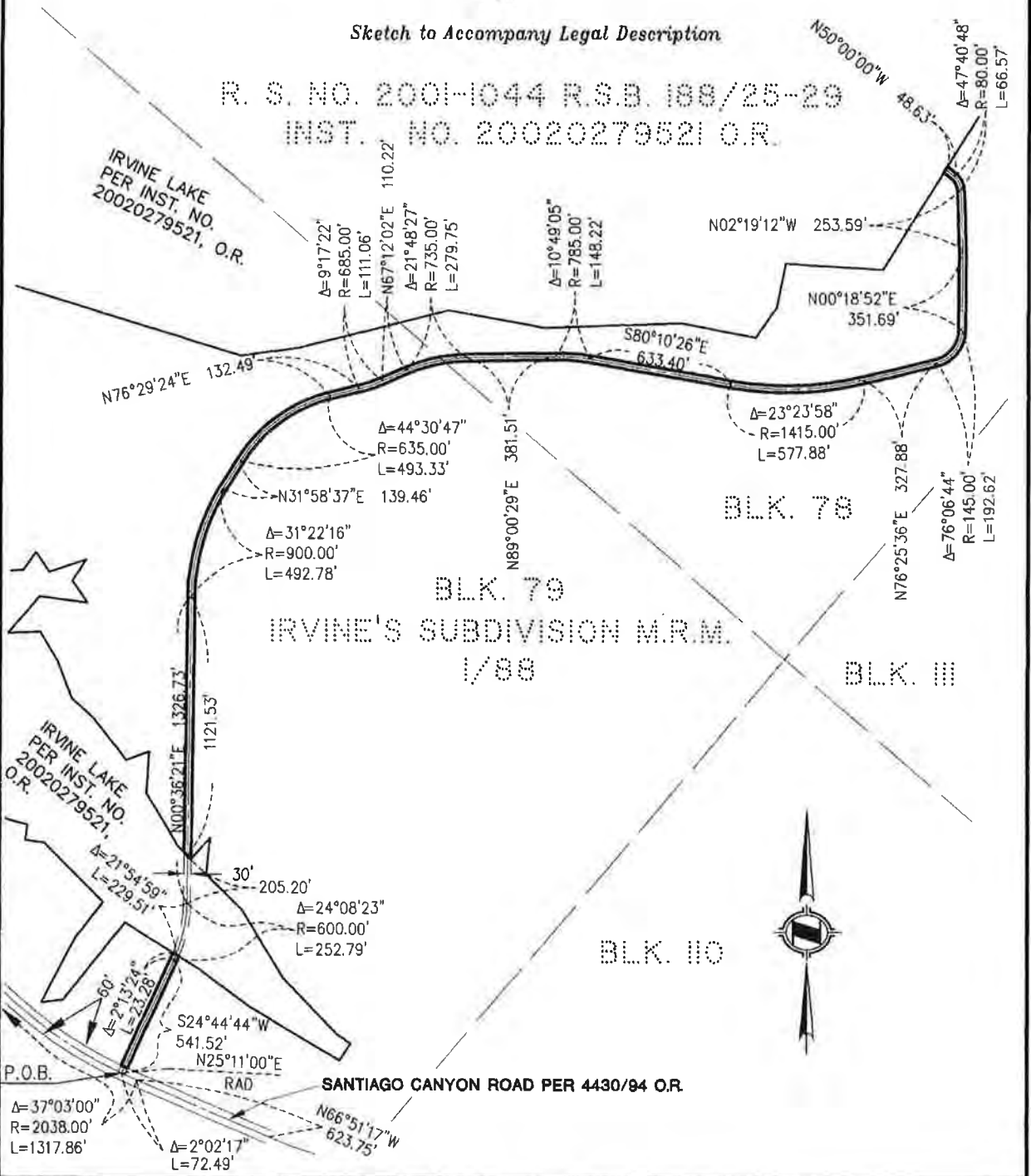
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By H. Foss
Checked By R. Wheeler/rg

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EXHIBIT "B"

Sketch to Accompany Legal Description

R. S. NO. 2001-1044 R.S.B. 188/25-29
 INST. NO. 20020279521 O.R.



HUNSAKER & ASSOCIATES IRVINE, INC. PLANNING ■ ENGINEERING ■ SURVEYING Three Hughes • Irvine, CA 92618 • PH: (949) 583-1010 • FX: (949) 583-0759			DEPICTION OF ACCESS ROAD PARCEL UNINCORPORATED TERRITORY OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA		
DATE: 08/08/03	REV. DATE: 12/05/14	DWG. By: FOSS/GILL	CK'd By: R. WHEELER	SCALE: 1"=600'	W.O. 949-173CX
I:\LakeLegals\ld\5760\sht01.dwg			H&A LEGAL No. 5760		SHEET 1 OF 1

DRAFT
10/27/21
11/2/21
11/15/21
12/21/21

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the attached Easement Agreement (Access and Utilities at Santiago Reservoir) to the SERRANO WATER DISTRICT, a political subdivision of the State of California, is hereby accepted by the undersigned officer on behalf of the Board of Directors pursuant to authority conferred by Resolution No. _____ of the Board of Directors, adopted on _____, and the grantee consents to recordation thereof by its duly authorized officer.

SERRANO WATER DISTRICT

Dated: _____

By: _____

**RECORDED REQUESTED BY AND
WHEN RECORDED, RETURN TO:**

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

WITH CONFORMED COPIES TO:

Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, California 92619-7000
Attention: Leslie A. Bonkowski, Secretary

and to:

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

Assessor's Parcel No. _____ (Space above line for Recorder's use only)
Exempt from Filing Fees per Gov. C. 6103

**EASEMENT AGREEMENT
(Access Road at Santiago Reservoir)**

This Easement Agreement ("**Agreement**") is effective as of the date of its recordation in the Official Records of Orange County, California ("**Effective Date**"), and is between SERRANO WATER DISTRICT, a political subdivision of the State of California formed and operating under the Irrigation District Law, California Water Code Section 20500 *et seq.* ("**SWD**"), IRVINE RANCH WATER DISTRICT, a California water district organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code ("**IRWD**") (individually and together, "**Districts**"), and the COUNTY OF ORANGE, a political subdivision of the State of California ("**County**").

A. The Districts own fee title to that certain dam and reservoir facility commonly known as "Irvine Lake" or the "Santiago Canyon Reservoir" (the "**Reservoir Property**") as described in Exhibit A and depicted in Exhibit B. County owns property adjacent to and surrounding the Reservoir (the "**County's Property**").

B. Pursuant to that certain *Assignment and Assumption Agreement* between The Irvine Company and County dated August 27, 2019 and recorded in the official records of the County of Orange as OR # 2019000330638, September 4, 2019, The Irvine Company granted to County all right, title and interest to two segments of a paved access road that upon acceptance became a part of the County's Property. The County's two access road segments are separated by

a segment of road on Reservoir Property as described in Exhibit C and depicted in Exhibit D. County desires to obtain easements for the County and public for (a) access on, over, and across the road segment on the Districts' Reservoir Property; and (b) hiking and biking trail uses within the fifteen (15) foot wide portion of the Reservoir Property adjacent to the east side of the access road segment.

C. As contemplated by a "*Memorandum of Understanding - Irvine Lake*" dated April 30, 2003 between the Districts and The Irvine Company, the Districts intend by this Agreement to convey to the County the above-described easements for use by the County and the general public in exchange for reciprocal access easements for the Districts across the County's two segments of access road.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Grant of Easement.

a. The Districts hereby grant to the County a non-exclusive easement (the "**Road Easement**") on, over, and across that certain portion of the Reservoir Property described on Exhibit C and depicted on Exhibit D (the "**Road Easement Area**") for the purpose of: (i) vehicular and pedestrian ingress and egress to County's Property on each side of the Easement Area for use by County and the general public, and (ii) constructing or improving the road over the Road Easement Area (the "**Roadway**").

b. The Districts hereby grant to the County a non-exclusive easement (the "**Trail Easement**") on, over, under and across the fifteen (15) foot wide portion of the land adjacent to the east side of the Road Easement Area (the "**Trail Easement Area**") for the purpose of installation, operation, maintenance, repair and replacement of a hiking and biking trail (the "**Trail**"). The Road Easement and the Trail Easement are sometimes referred to together herein as the "**Easements**," and the Road Easement Area and the Trail Easement Area are sometimes referred to together herein as the "**Easement Area**."

2. Subject to Matters of Record or Apparent. In addition to the terms and conditions set forth in this Agreement, the Easements conveyed to County hereunder will be subject to all easements, covenants, conditions, restrictions, reservations, rights and rights-of-way of record or apparent or of which County has actual notice.

3. Non-Exclusive Rights. County's use of the Easement Area will be non-exclusive, and Districts retain the rights to use and to grant to others the non-exclusive right to use the property burdened by the Easements for any and all lawful purposes, to the extent such uses, or any of them, do not unreasonably interfere with the exercise by County of the Easements granted hereunder.

4. Appurtenant to County's Property. The Easements are appurtenant to and benefit the County's Property.

5. Construction or Improvement of Roadway. County may construct or improve a Roadway on the Road Easement Area and the Trail on the Trail Easement Area, subject to compliance with the following requirements:
- a. All construction must be in accordance with all applicable requirements of any governmental authorities having jurisdiction (the "**Governing Agencies**").
 - b. All construction must: (i) comply with the plans for same approved by the Governing Agencies; and (ii) be performed in a manner so that sediment erosion and other pollutant drainage into the Reservoir does not exceed amounts permissible under: (a) law, (b) agreements between the parties to this Agreement, and (c) permits issued by Governing Agencies in connection with construction of the Roadway and the Trail improvements.
 - c. All materials and equipment used in the construction work must be stored or stockpiled solely on County's Property and the Easement Area and not within any other area of the Reservoir, unless otherwise done in accordance with the terms of this Easement Agreement or with prior written permission from IRWD or SWD.
 - d. Districts will not have any responsibility or obligation whatsoever for construction of the Roadway improvements or the Trail improvements, and all responsibility for the funding and the performance of such work will rest solely with County.
 - e. County shall obtain, at its own expense, all necessary permits and authorizations from the Governing Agencies related to construction of the Roadway and the Trail improvements, although Districts shall cooperate in signing permit applications where signatures of the underlying landowner are required.
 - f. County shall notify Districts in writing not less than 30 calendar days prior to commencement of construction of any improvements within the Easement Area, and Districts shall have the right to post notices of non-responsibility adjacent to the Easement Area in locations that do not unreasonably interfere with County's work on the Roadway and Trail improvements. Upon completion of the work, County shall promptly record a notice of completion with the County Recorder of Orange County and shall pay all claims for labor and material incurred with respect to the work activities of County hereunder that could become a lien upon the Easement Area or the Reservoir.
 - g. During the course of construction of the Roadway and the Trail improvements, County may enter and use that portion of the Reservoir Property that is adjacent to and within twenty-five (25) feet of the Easement Area (the "**Adjacent Work Area**") as necessary to construct, including staging, those improvements. County's exercise of the right in this Subsection (g) is subject to all restrictions contained in this Agreement with respect to construction on and use of the Easement Area, and is further subject to the express limitation that County enter and use the Adjacent Work Area from the Easement Area only and not across the Reservoir from any other direction, and that the County comply with all environmental and other laws and regulations, for which the County shall have sole responsibility for compliance. Upon completion of the Roadway, County shall restore any portion of the Adjacent Work Area so used

by County, so far as is practical, to the same condition in which it was prior to the construction activity, after which County's temporary rights to use the Adjacent Work Area shall terminate.

h. If County damages any portion of the Easement Area or any other Reservoir Property during County's construction activities, County shall, at its sole cost and expense, promptly repair and restore the same to the condition that existed prior to the damage.

i. County shall not cause any liens of any kind to be filed against the Easement Area or any portion of the Reservoir as a result of the County's construction of the Roadway and Trail improvements. If any such lien is filed, County shall, at its sole cost and expense, take such actions as are necessary to cause the lien to be satisfied and discharged or to cause such lien to be removed of record.

j. The parties hereto recognize that the County's use of the Road Easement Area and is for the purposes of access of cars and light trucks, as well as pedestrian, bike and equestrian access, as permitted per County park guidelines. Therefore, County shall maintain the Road Easement Area in accordance with the County's Operations and Maintenance standards for park facilities and will provide additional maintenance on an as-needed basis, as determined by County. In the event that the Districts require a more intense (*i.e.*, large trucks or equipment) use of the Road Easement Area than as maintained by the County, the Districts shall be responsible for any necessary additional improvement of the Road Easement Area to meet their needs.

k. To the maximum extent practicable while using the Easement Area, the County will take measures to prevent pollutants caused by equestrian use from entering the water of Irvine Lake by adhering to Best Management Practices ("BMP") that meet or exceed any applicable local, state, or federal clean water requirements. Such BMPs will include practices intended to minimize impact to the districts' Water Quality Management Plan ("WQMP") and may include, but not be limited to: restricting equestrian access and related activities in a manner to minimize contact with areas adjacent to and over Irvine Lake; requiring immediate horse waste removal by equestrian users; providing signage and maps to clearly designate areas approved for equestrian uses; and requiring the use of manure bags on horses within certain areas. The Parties shall coordinate with each other, on an as-needed basis, to update or modify these BMPs.

6. Maintenance and Repairs. All maintenance and repairs of the Easement Area and all construction of improvements by County shall be performed by County (to the standard set forth in Section 5(j) above) at no cost to the Districts unless such maintenance or repair is necessitated by the Districts' specific use or more intense use of the Easement Area. All maintenance and repairs shall be performed in such manner and at such intervals as shall be required to maintain the Easement Area in good condition and repair.

7. Term of Easements. The term of the Easements will be from the date of recordation of this Agreement in the Official Records of Orange County, California, until the first to occur of:

a. Use of the Easement Area for any purpose not expressly permitted herein or violation (including failure to perform) by County of any of its obligations contained herein

where such unpermitted use or violation is not cured within thirty (30) days of County's receipt of written notice thereof from Districts (or if such matter is not reasonably capable of cure within such period, County has not commenced such cure within such period and thereafter diligently pursued such cure to completion).

b. Cessation of use of the Easements by County for a period of one (1) year, unless County gives Districts written notice prior to the termination of such one (1) year period of the reason for such suspension of use and of County's intention to resume such use.

c. As to the Road Easement only, dedication of the Road Easement Area as a roadway that may be open to the public during park hours.

d. Relocation of road access to County's Property and of the Trail Easement so that access for such purposes over the Easement Area is no longer necessary, or grant of another private easement(s) to County that provides reasonable access to County's property from other public roadways or other segments of the hiking, biking and equestrian trail.

e. Relocation of the Easement Area as provided in Section 8 below.

Upon termination of the Easement(s) for any of the reasons provided above, County shall promptly execute and deliver to Districts, in recordable form, such quitclaims or releases as may be necessary to confirm or effect such termination and to relinquish any rights or claim of County to the portion of the Easement Area subject to the terminated Easement.

8. Relocation. In the event that County determines that either or both of the Road Easement Area and the Trail Easement Area must be relocated to accommodate the use of County's Property, then upon written request from County, Districts shall relocate or realign requested portion of the Easement Area to a location approved by Districts in order to accommodate such roadway and/or trail improvements serving County's Property, provided that all engineering and other customary costs related to such relocation will be at no cost to the Districts. In such event, Districts shall execute an easement for the new easement area, which grant of easement shall be in a form substantially similar to this Agreement, except for changes necessitated by the relocation or realignment. The relocation of either or both of the Road Easement Area and the Trail Easement Area as provided herein may be exercised as many times as County shall elect, provided that the costs thereof are borne by County.

9. Damage to Roadway or Trail Improvements by Districts. If the Districts damage any portion of the Roadway or Trail improvements constructed by County, Districts shall, at their respective sole cost and expense, promptly repair and restore the same to the condition that existed prior to the damage; provided, however, that prior to any such repair, the responsible District shall, within thirty (30) business days of the damage, review its planned repair with County to confirm that such repair will be done to the reasonable specifications of County. If repair of any Districts damage is not completed by the responsible District within thirty (30) business days of that District's receipt of County's approval of that District's proposed repair plans (or if the damage is not capable of repair within such period, if that District has not commenced such repairs within such period and diligently thereafter completed such repairs), then County may perform such repair and the cost thereof shall be paid by the responsible

District within sixty (60) days of its receipt of County's invoice and backup documentation substantiating the work performed.

10. Indemnity. County shall defend, indemnify, protect and hold harmless Districts and all of their elected and appointed officials, directors, officers, employees, agents, representatives, successors and assigns (collectively, the "**Indemnitees**") from all losses, claims, liens, suits, costs, damages, expenses (including actual attorneys' fees and costs), liabilities and/or actions of any name, kind or description (collectively, "**Claims**"), arising out of or related to injuries to or death of any person or damage to any property resulting from or caused by: (a) use of the Easement Area by County, its officers, directors, employees, invitees (including the general public), contractors, and agents, and the respective employees thereof; or (b) County's construction of improvements within the Easement Area; provided, however, that the obligation to indemnify shall not apply to the extent that any Claim is determined by a court of competent jurisdiction to have been caused by the active negligence or intentional misconduct of the Indemnitees or any of them. Payment of any Claim shall not be a condition precedent to enforcement of the indemnity obligations contained herein.

The Districts shall indemnify, defend, and hold County and any other person or entity controlling, controlled by or under common control with County, and each of their elected officials, officers, directors, employees, representatives, agents, successors and assigns (collectively, the "**County Indemnitees**") harmless from and against any and all claims, obligations, damages, liabilities, costs, and expenses (including but not limited to attorneys' fees and costs), whether made against or incurred by County or any other Indemnitee (collectively, "**Claims**"), arising out of or related to injuries to or death of any person or damage to any property resulting from or caused by: (a) use of the Easement Area by the Districts, their officers, directors, employees, invitees, contractors, and agents, and the respective employees thereof; and/or (b) breach of any of the terms of this Easement Agreement by the Districts; provided, however, that the obligation to indemnify shall not apply to the extent that any Claim is determined by a court of competent jurisdiction to have been caused by the negligence or intentional misconduct of the County Indemnitees or any of them. Payment of any Claim shall not be a condition precedent to enforcement of the indemnity obligations contained herein.

The Parties' obligations under this Section shall survive until lapse of the applicable statutory period for limitation of actions, irrespective of whether the easement rights set forth herein have expired or been terminated.

11. Controlling Law. This Agreement will be governed by and interpreted in accordance with the laws of the State of California.

12. Attorneys' Fees. In any proceeding between the parties seeking enforcement of or attempting to construe any of the terms and provisions of this Agreement, including, without limitation, any litigation seeking legal, declaratory or other relief, the parties shall be responsible for their own costs and expenses.

13. Notices. Any notice, demand or other communication to be given by any party to the other hereunder must be given by personal service, Federal Express or other reputable

overnight delivery service, or mailing in the United States mail, postage prepaid, certified and return receipt requested, addressed to the parties at their respective addresses as follows:

IF TO DISTRICTS: Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attention: General Manager

And to: Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, CA 92619-7000
Attention: General Manager

IF TO COUNTY: OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

Any such notice will be deemed to have been given upon delivery or, if mailed, 48 hours after deposit in the mail as aforesaid. Any party may change the address where it desires to receive notice upon giving written notice of such request to the other parties.

14. Language Construction. Headings at the beginning of any section of this Agreement are solely for the convenience of the parties and are not a part of this Agreement. This Agreement will not be construed as if it has been prepared by either party, but rather as if both parties have prepared the same.

15. Waiver; Remedies. No delay on the part of any party hereto in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any waiver on the part of any party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder, nor will any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

16. Entire Agreement. This Agreement, including the exhibits attached hereto which are incorporated herein by this reference, contains the entire agreement between the parties relating to the rights granted herein and the obligations herein assumed. Any oral representations or modifications concerning this document will be of no force or effect except a subsequent modification in writing, signed by the party to be charged.

[Signature page to Easement Agreement on following page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SERRANO WATER DISTRICT,
a political subdivision of the State of California

APPROVED AS TO FORM:

By: _____
President & Director

By: _____
Jeremy N. Jungreis
General Counsel
Serrano Water District

By: _____
Jerry Vilander
General Manager

IRVINE RANCH WATER DISTRICT,
a political subdivision of the State of California

APPROVED AS TO FORM:

By: _____
Paul A. Cook
General Manager

By: _____
Claire Hervey Collins
District Counsel

By: _____
Leslie Bonkowski
Secretary

COUNTY OF ORANGE,
a political subdivision of the State of California

APPROVED AS TO FORM:

By: _____
Thomas A. Miller

By: _____
Michael A. Haubert
Deputy County Counsel

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

EXHIBIT A**RESERVOIR PROPERTY
“LAKE AND DAM” AND
“FLATS”****LEGAL DESCRIPTION**

Those certain parcels of land situated in the unincorporated territory of the County of Orange, State of California being those portions of Blocks 69, 70, 78 and 79 of Irvine’s Subdivision as shown on a map thereof filed in Book 1, Page 88 of Miscellaneous Record Maps in the Office of the County Recorder of said County, being more particularly described as follows:

“LAKE AND DAM”:

Being that certain parcel of land described as Irvine Lake in that certain grant deed recorded April 3, 2002 as Instrument No. 20020279521 of Official Records in said Office of the County Recorder.

EXCEPTING THEREFROM that portion of said Irvine Lake described as follows and hereinafter referred to as the **“FLATS”**:

BEGINNING at a point on the southeasterly line of said Irvine Lake being the northeasterly terminus of that certain course described in said deed as having a bearing and distance of South 32°05’59” West 917.93 feet; thence along the southeasterly and southerly line of said Irvine Lake the following courses: South 32°05’59” West 917.93 feet; thence North 86°38’06” West 418.44 feet; thence South 11°45’04” West 194.87 feet; thence South 35°19’28” West 157.49 feet; thence North 79°30’38” West 338.67 feet; thence South 88°04’40” West 598.06 feet; thence North 79°48’42” West 361.00 feet; thence leaving said southerly line of Irvine Lake North 79°00’00” East 229.00 feet; thence North 53°00’00” East 164.00 feet; thence North 4°30’00” West 298.00 feet; thence North 9°30’00” East 130.00 feet; thence North 16°00’00” East 83.00 feet to the beginning of a tangent curve concave southeasterly and having a radius of 200.00 feet; thence northeasterly and easterly along said curve through a central angle of 78°00’00” an arc distance of 272.27 feet; thence tangent from said curve South 86°00’00” East 86.00 feet; thence East 396.00 feet thence North 16°30’00” East 154.00 feet; thence North 80°00’00” East 242.00 feet; thence North 80°30’00” East 842.85 feet; thence South 77°00’00” East 136.45 feet to the **POINT OF BEGINNING**.

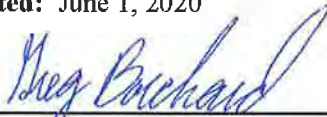
CONTAINING: 34.930 Acres, more or less.

SUBJECT TO: Covenants, conditions, reservations, restrictions, rights-of-way, and easements of record, if any.

EXHIBIT “B” attached hereto and by this reference made a part hereof.

Prepared by me or under my direction:

Dated: June 1, 2020



Gregory S. Borchard, P.L.S. 7705
License expires December 31, 2020



EXHIBIT B
DEPICTION OF RESERVOIR PROPERTY

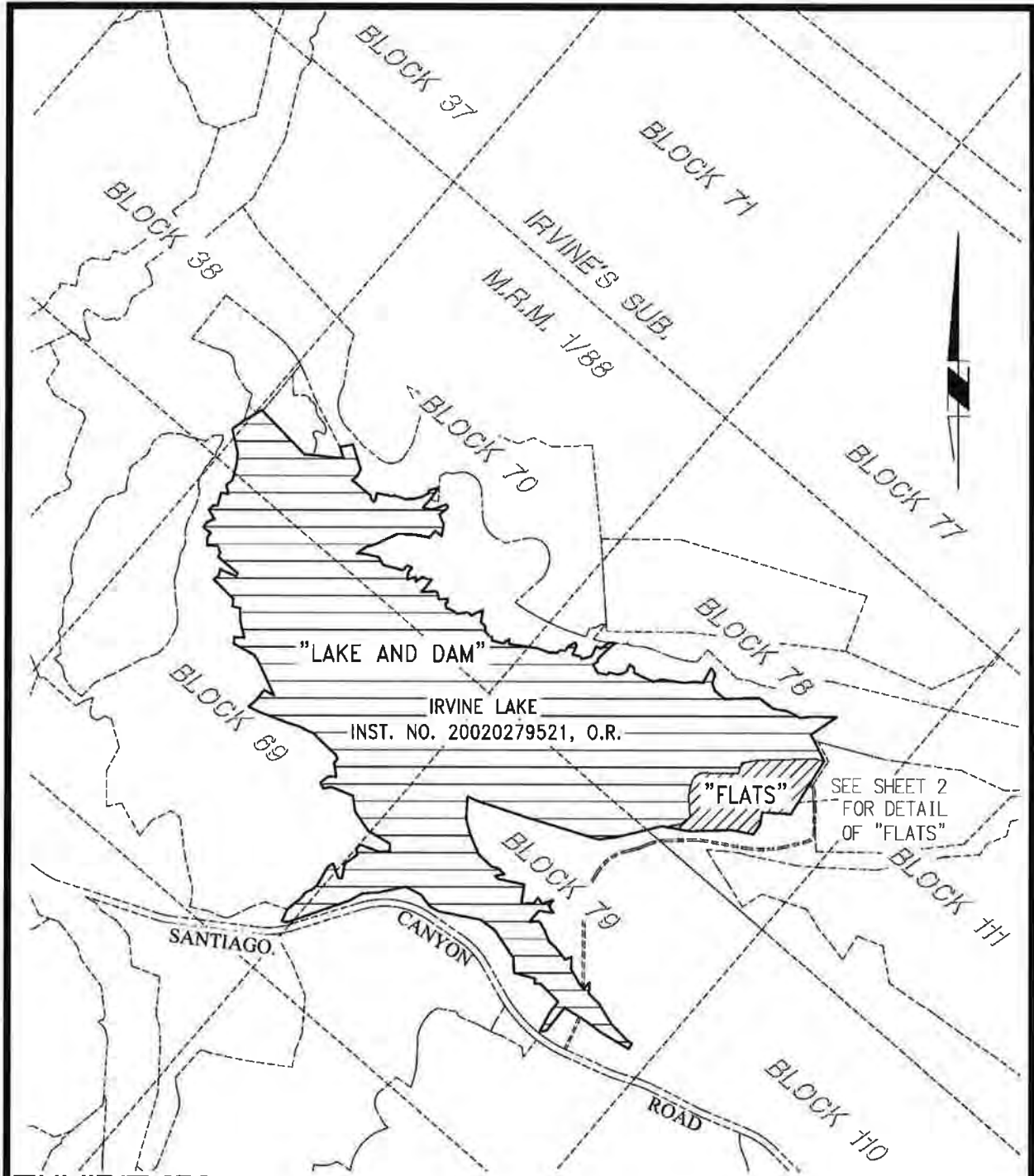


EXHIBIT "B"
SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

RESERVOIR PROPERTY
"LAKE AND DAM" AND
"FLATS"

SHEET 1 OF 2 SHEETS



Irvine Ranch
WATER DISTRICT
15600 SAND CANYON AVENUE, IRVINE, CA 92619

JUNE 1, 2020

EXBPLAT-RESERVOIR-1.DWG

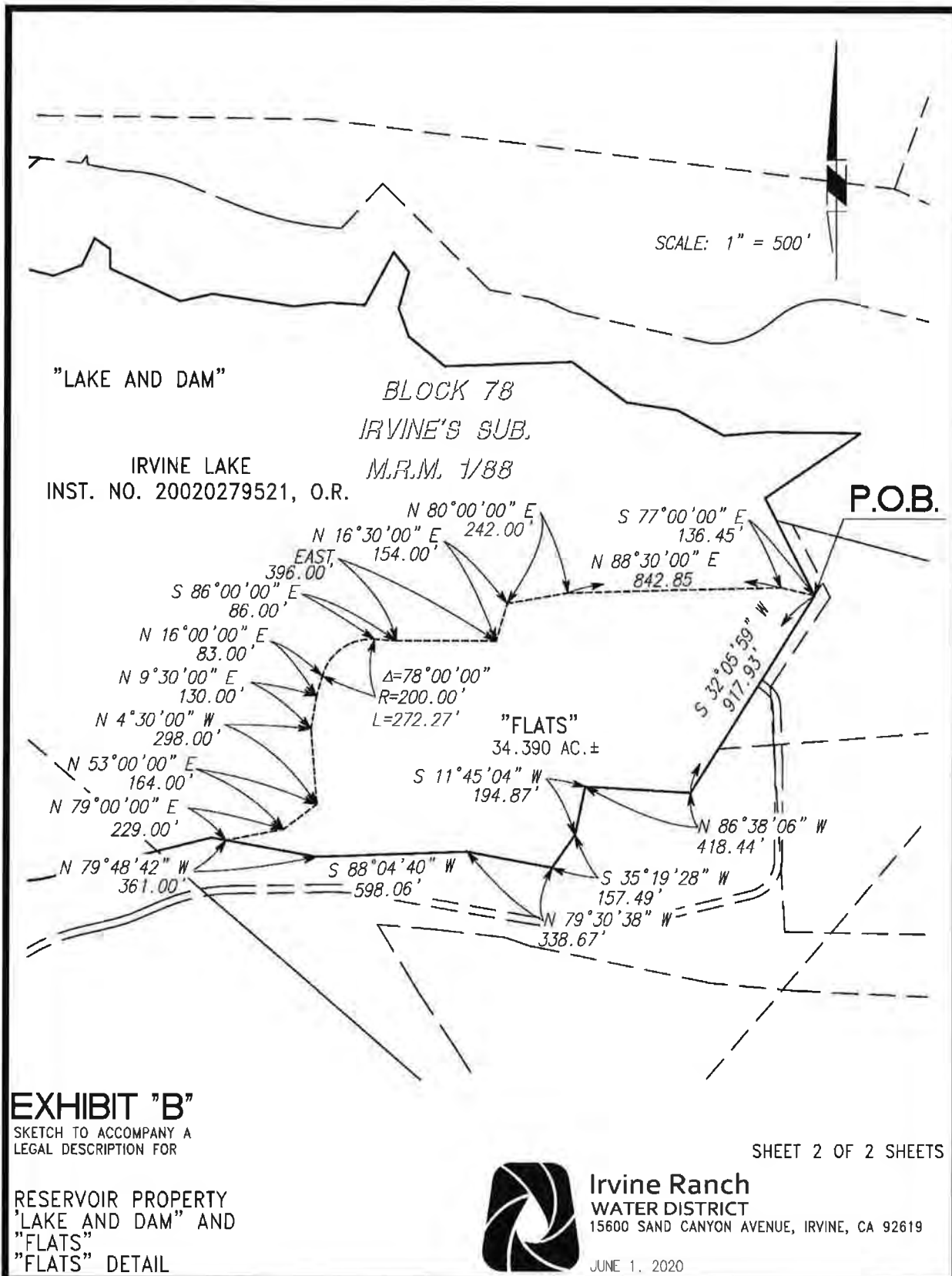


EXHIBIT "B"

SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

RESERVOIR PROPERTY
"LAKE AND DAM" AND
"FLATS"
"FLATS" DETAIL

SHEET 2 OF 2 SHEETS



Irvine Ranch
WATER DISTRICT
15600 SAND CANYON AVENUE, IRVINE, CA 92619

JUNE 1, 2020

EXPLAT-RESERVIOR-2.DWG

**EXHIBIT C
LEGAL DESCRIPTION OF ROAD EASEMENT AREA****ACCESS ROAD EASEMENT TO
THE COUNTY OF ORANGE
(SWD/IRWD-APN 105-361-20)****LEGAL DESCRIPTION**

That certain parcel of land situated in the unincorporated territory of the County of Orange, State of California being that portion of Block 79 of Irvine's Subdivision as shown on a map thereof filed in Book 1, Page 88 of Miscellaneous Record Maps in the Office of the County Recorder of said County included within a strip of land 30.00 feet wide, the centerline of which being more particularly described as follows:

COMMENCING at the southwesterly terminus of that certain course in the centerline of a 30 foot wide parcel of land described as having a bearing and distance of North 24°44'44" East 541.52 feet in that certain gift deed recorded September 4, 2019 as Instrument No. 2019000330637 of Official Records in said Office of the County Recorder; thence along said centerline North 24°44'44" East 541.52 feet to the beginning of a tangent curve concave westerly and having a radius of 600.00 feet; thence northeasterly along said curve and continuing along said centerline through a central angle of 2°13'24" an arc distance of 23.28 feet to a point on the southwesterly line of Irvine Lake as described in that certain grant deed recorded April 3, 2002 as Instrument No. 20020279521 of said Official Records and being the **TRUE POINT OF BEGINNING**; thence continuing northeasterly and northerly along said curve through a central angle of 21°54'59" an arc distance of 229.51 feet; thence tangent from said curve North 0°36'21" East 205.20 feet to the northeasterly line of said Irvine Lake.

The sidelines of said strip shall be lengthened or shortened so as to terminate southwesterly in said southwesterly line of Irvine Lake and northeasterly in said northeasterly line of Irvine Lake.


CONTAINING: 13043 square feet, more or less.

SUBJECT TO: Covenants, conditions, reservations, restrictions, rights-of-way, and easements of record, if any.

EXHIBIT "B" attached hereto and by this reference made a part hereof.

Prepared by me or under my direction:

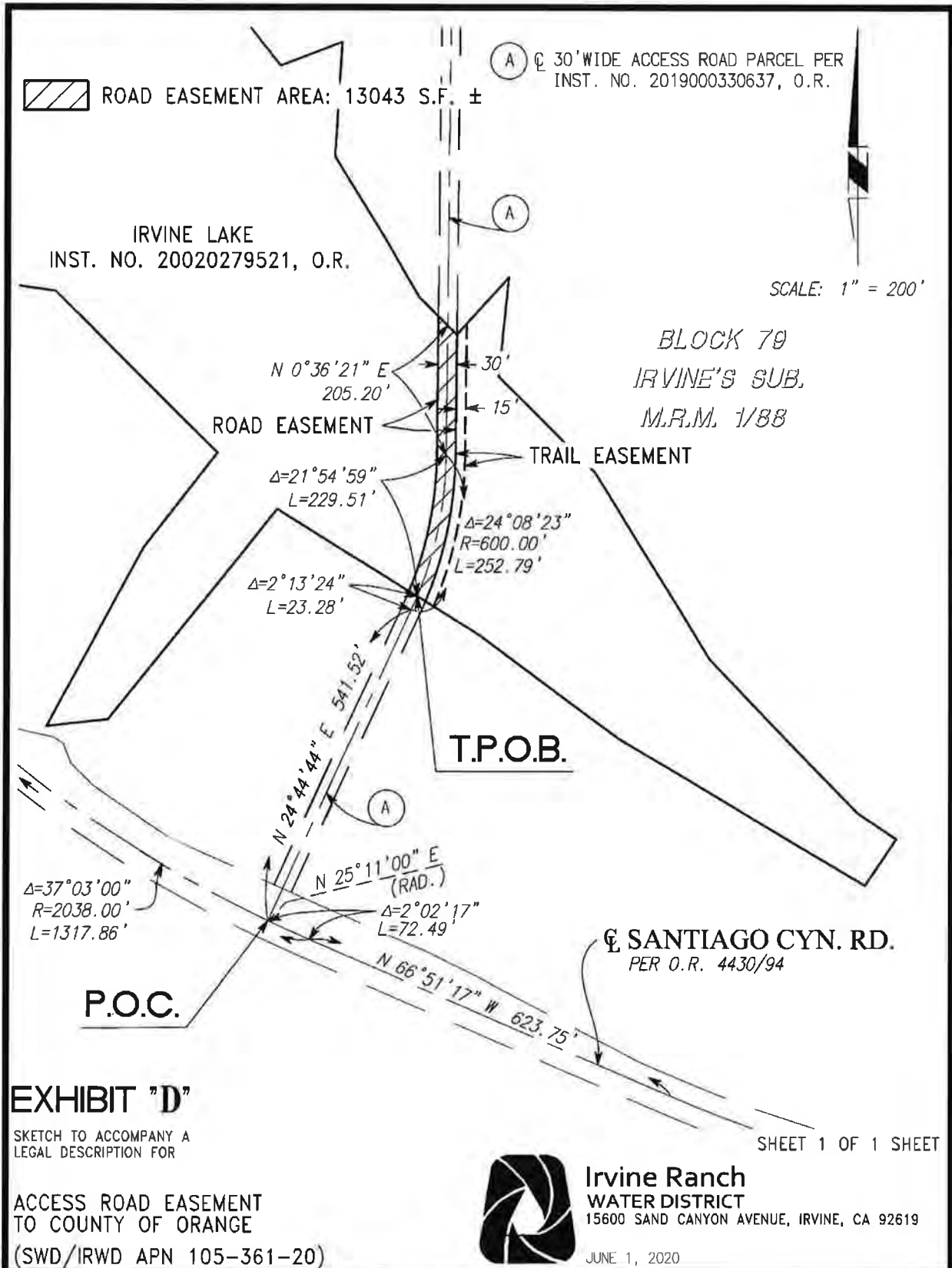
Dated: June 1, 2020



Gregory S. Borchard, P.L.S. 7705
License expires December 31, 2020



EXHIBIT D
DEPICTION OF ROAD EASEMENT AREA



CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the attached Easement Agreement to the COUNTY OF ORANGE, a political subdivision of the State of California, is hereby accepted by order of the Board of Supervisors of the County of Orange, California, and the COUNTY OF ORANGE consents to the recordation thereof by its undersigned duly authorized officer.

COUNTY OF ORANGE

Dated: _____

By: _____
Thomas Miller
Chief Real Estate Officer

APPROVED AS TO FORM:
Office of County Counsel
Orange County, California

By: _____
Deputy

Date: _____

Exhibit 3

Termination Agreement

**TERMINATION AGREEMENT
(Irvine Lake Ancillary Agreements)**

This Termination Agreement (“**Agreement**”) is effective as of the date of the recordation of the Assignment Agreement for the Transfer of Recreational Rights in the Official Records of Orange County, California (“**Effective Date**”) and is among IRVINE RANCH WATER DISTRICT, a California water district organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code (“**IRWD**”), SERRANO WATER DISTRICT, a political subdivision of the State of California formed and operating under the Irrigation District Law, California Water Code Section 20500 *et seq.* (“**Serrano**”) (IRWD and Serrano are collectively the “**Districts**”), THE IRVINE COMPANY LLC, a Delaware limited liability company (“**The Irvine Company**” or “**TIC**”), and the COUNTY OF ORANGE, a political subdivision of the State of California (the “**County**”) (each a “**Party**” and collectively the “**Parties**”).

A. The Districts, as successors-in-interest to various parties, jointly own the land located in Orange County, California that includes the reservoir known as Santiago Reservoir or Irvine Lake (“**Irvine Lake**”). The Districts use water from Irvine Lake to supply their water customers.

B. In connection with their use of Irvine Lake, the Districts previously entered into certain agreements with The Irvine Company that were ancillary to the primary uses of (or work performed on) Irvine Lake, but are no longer necessary or relevant to the Parties’ uses of Irvine Lake. Those agreements are as follows:

- i. The *Haul Road Agreement* dated June 30, 1993 for the construction and use of roadways across The Irvine Company’s land near Irvine Lake.
- ii. The *Santiago Reservoir Study Plan Agreement* dated June 30, 1993 to conduct a study of Irvine Lake.
- iii. The *Santiago Reservoir Elevation Management Agreement* dated June 30, 1993 with respect to Irvine Lake.
- iv. The *Boundary Correction Agreement* dated June 30, 1993 with respect to the boundaries of Irvine Lake.
- v. The *Boundary Adjustment Agreement* dated June 30, 1993 with respect to a parcel exchange for land in and around Irvine Lake.
- vi. The *Reciprocal License Agreement* dated March 17, 1995 with respect to reconfiguring and licensing portions of Irvine Lake.
- vii. The *Connectors’ License Agreement* dated March 17, 1995 for the license of connector roads mentioned in the Haul Road Agreement.
- viii. The *Memorandum of Understanding* dated April 30, 2003 (the “**2003 MOU**”) with respect to Irvine Lake and certain adjacent land.

Collectively the agreements described in Recitals B.i – vi are the “**Ancillary Agreements.**”

C. The Parties intend for this Agreement to supersede, terminate, and/or modify the Ancillary Agreements per the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

1. Termination of Certain Ancillary Agreements.

a. The Districts and The Irvine Company hereby terminate the *Haul Road Agreement* dated June 30, 1993, the *Santiago Reservoir Study Plan Agreement* dated June 30, 1993, the *Boundary Correction Agreement* dated June 30, 1993 and the *Boundary Adjustment Agreement* dated June 30, 1993 .

b. IRWD and The Irvine Company hereby terminate the *Santiago Reservoir Elevation Management Agreement* dated June 30, 1993.

c. The Districts and The Irvine Company hereby terminate the *Reciprocal License Agreement* dated March 17, 1995 and The Irvine Company is released from the *Reciprocal License Agreement*.

d. The Districts and The Irvine Company hereby terminate the *Connectors' License Agreement* dated March 17, 1995 (made in accordance with the *Haul Road Agreement* dated June 30, 1993).

2. Termination of 2003 MOU. Effective upon the recordation of those certain three road access easement agreements contemplated by the parties in the 2003 MOU and dated [REDACTED], 2022 (“**Access Easements**”), and upon execution and recordation of the agreement entitled “Declaration of Covenants and Restrictions and Termination of Reversionary Rights (Irvine Lake) dated [REDACTED], 2022 (“**Declaration Agreement**”), the Districts and The Irvine Company hereby terminate the 2003 MOU.

3. County's Approval. The County consents to the termination of the *Reciprocal License Agreement* and 2003 MOU. To the extent that the County has assumed any of the Parties' rights in any of the Ancillary Agreements, it hereby consents to their termination as set forth above.

4. Representations and Warranties. The Parties hereby represent and warrant that other than a transfer to one or more of the Parties signing this Agreement, the Parties have not transferred or assigned any of their contractual rights under the Ancillary Agreements to any third party, except for a concessionaire's use under the *Reciprocal License Agreement*. In the event that contractual rights have been assigned or transferred to a third party, then the Party that assigned or transferred those rights will assume all duties and costs to ensure the rights are terminated within thirty (30) days after notice from another Party.

5. Successors and Assigns. The provisions of this Agreement will be binding upon, and will inure to the benefit of, each of the Parties and to their respective successors, transferees and permitted assigns, except that none of the Parties may assign their respective rights under

this Agreement without the express prior written consent of the other Parties, which will not be unreasonably withheld, conditioned or delayed.

6. Entire Agreement. This Agreement is the entire agreement between the Parties with respect to the termination of the Ancillary Agreements and supersedes or modifies all prior agreements between the Parties regarding termination of the Ancillary Agreements. This Agreement may not be altered, amended, changed, terminated or modified in any respect or particular, except in writing and signed by the Party to be charged.

7. Further Assurances. The Parties shall cooperate in good faith with each other and deliver any further documents and perform any other acts necessary or appropriate to consummate and carry into effect all of the terms and provisions of this Agreement.

8. Authority to Sign. Each person signing this Agreement on behalf of a Party represents and warrants to the other Party that he/she has all requisite power and authority to execute and deliver this Agreement for such Party and that this Agreement, when so executed and delivered, will be a binding obligation of, and enforceable against, such Party in accordance with its terms.

9. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

10. Governing Law. This Agreement will be governed by California law.

11. Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Agreement, each such notice, demand, or other communication shall be in writing and shall be deemed effective: (a) when delivered, if personally delivered to the person being served or an official of a government agency being served; (b) the next business day, if sent by Federal Express or other reputable overnight courier; or (c) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested, and addressed:

If to IRWD: Irvine Ranch Water District
16500 Sand Canyon Avenue
P.O. Box 5700
Irvine, CA 92619-7000
Attn: General Manager
Email:

If to Serrano: Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager
Email:

If to The Irvine Company: The Irvine Company LLC
550 Newport Center Drive

Newport Beach, CA 92660
Attn: General Counsel's Office
Email:

If to County:

OC Parks
Attn: Director
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

CEO Real Estate
Attn: Chief Real Estate Officer
333 West Santa Ana Blvd., 3rd Floor
Santa Ana, CA 92701

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

IRVINE RANCH WATER DISTRICT,
a California water district

APPROVED AS TO FORM:

By: _____
Paul A. Cook
General Manager

By: _____
Claire Hervey Collins
District Counsel

By: _____
Leslie Bonkowski
Secretary

SERRANO WATER DISTRICT,
a political subdivision of the State of California

APPROVED AS TO FORM:

By: _____
President & Director

By: _____
Jeremy N. Jungreis
General Counsel

By: _____
Jerry Vilander
General Manager

THE IRVINE COMPANY LLC,
a Delaware limited liability company

By: _____
Paul P. Hernandez
Senior Vice President, Corporate Affairs

By: _____
Cynthia R. Daily
Assistant Secretary

COUNTY OF ORANGE,
a political subdivision of the State of California

APPROVED AS TO FORM:

By: _____
Thomas A. Miller

By: _____
Michael A. Haubert
Deputy County Counsel

Exhibit 4

Assignment Agreement for the Transfer of Recreation Rights and Consents of Irvine Ranch
Water District and Serrano Water District to Such Transfer

**RECORDED AT THE REQUEST OF,
AND WHEN RECORDED MAIL TO:**

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

WITH A CONFORMED COPY TO:

The Irvine Company LLC
550 Newport Center Drive
Newport Beach, CA 92660
Attn: General Counsel's Office

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92619-7000
Attn: General Manager

(Space Above For Recorder's Use)

**ASSIGNMENT AGREEMENT FOR THE TRANSFER OF RECREATION RIGHTS
AND CONSENTS OF IRVINE RANCH WATER DISTRICT AND SERRANO WATER
DISTRICT TO SUCH TRANSFER**

This Assignment Agreement for the Transfer of Recreation Rights ("**Assignment Agreement**") is effective as of the date of its recordation in the Official Records of Orange County, California ("**Effective Date**"), by and between THE IRVINE COMPANY LLC, a Delaware limited liability company ("**Company**"), as assignor, and the COUNTY OF ORANGE, a political subdivision of the State of California ("**County**"), as assignee, as well as SERRANO WATER DISTRICT, a political subdivision of the State of California formed and operating under the Irrigation District Law, California Water Code Section 20500 *et seq.* ("**Serrano**") and IRVINE RANCH WATER DISTRICT, a California water district organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code ("**IRWD**") (collectively SWD and IRWD are the "**Districts**"), as consenting parties to the assignment.

RECITALS

- A. The Irvine Company, a West Virginia corporation ("**TIC**"), previously entered into that certain agreement regarding water rights in the Santiago Reservoir (commonly known as Irvine Lake, and hereinafter, the "**Reservoir**") and related matters with Serrano Irrigation District, a California Irrigation District ("**Serrano**"), and Carpenter Irrigation District, a

California Irrigation District ("**Carpenter**"), which agreement was dated February 6, 1928 and recorded on April 29, 1929 in the Official Records of Orange County, California ("**Official Records**") in Book 265, Pages 272 et seq. (the "**1928 Agreement**"). Pursuant to Paragraph Thirteenth of the 1928 Agreement, TIC was allocated a fifty percent (50%) interest in the recreational rights for the waters in the Reservoir (the "**Recreational Rights**"), and Serrano and Carpenter were each allocated a twenty-five percent (25%) interest in the Recreational Rights in the Reservoir. Paragraph Thirteenth of the 1928 Agreement allocated to TIC, Carpenter and Serrano the joint right to use and to grant concessions for the public to use the Reservoir for recreation purposes such as fishing, hunting, boating, and other activities that would not pollute the water so as to interfere with the primary purposes for which the Reservoir was created (e.g., the storage and beneficial use of water for domestic and irrigation purposes).

- B. TIC and Carpenter subsequently entered into an agreement dated as of December 21, 1970 (the "**1970 Agreement**"), under which Carpenter conveyed its rights and interests under the 1928 Agreement to TIC, including but not limited to Carpenter's twenty-five percent (25%) interest in the Recreational Rights. The transfer of Carpenter's rights was memorialized in an Assignment dated December 21, 1970 and recorded in the Official Records on January 4, 1971 in Book 9509, Page 553. After the 1970 Agreement, TIC owned seventy-five percent (75%) of the Recreational Rights in the Reservoir, with the other 25% owned by Serrano.
- C. Company is the successor in interest to TIC and now owns seventy-five percent (75%) of the Recreational Rights in the Reservoir (the "**Company's Interest**"). The other twenty-five percent (25%) of the Recreational Right are owned by Serrano (the "**Serrano's Interest**").
- D. Per Attachment 1 incorporated by reference into the 2003 Memorandum of Understanding ("**2003 MOU**") between Serrano, IRWD and TIC, any future sale, transfer or assignment of recreational rights in the Reservoir requires the unanimous written consent of the Parties to the 2003 MOU. A copy of the 2003 MOU is attached hereto as Exhibit 2.
- E. Company desires to assign all of its right, title and interest in and to Company's share of the Recreational Rights to County, and County desires to accept the assignment of such rights. Districts are willing to consent to such assignment, provided such assignment shall only be for those recreational uses specified in Exhibit 1. Company, the Districts and County agree that the Recreational Rights (both the Company Interest and the Serrano Interest) shall only be used for those purposes specified in Exhibit 1.

ASSIGNMENT

NOW, THEREFORE, Company, County, Serrano, and IRWD agree as follows:

1. Recitals. The Recitals above are deemed true and correct and are hereby incorporated in this Agreement as though fully set forth herein.

2. Assignment of Share of Recreational Rights. Effective as of the date specified in Section 5 below (the “*Effective Date*”), Company assigns all of the Company Interest to County.
3. Acceptance of Assignment. Effective as of the Effective Date, County accepts the assignment of the Company Interest (the “*Assignment*”).
4. Consent to Assignment; Release of Company. Per Attachment 1 to the 2003 MOU, the Districts must consent to any assignment or transfer of the Company Interest from Company (as successor to TIC) to County before such assignment or transfer shall be deemed effective. The Districts, and each of them, hereby do provide consent as required pursuant to the 2003 MOU. As Company is assigning all of the Company Interest to County and will no longer have any interest in the Recreation Rights as of the Effective Date, the Districts hereby release Company from any and all liability and obligations related to the Company Interest and any agreements related thereto.
5. Effective Date. This Assignment Agreement shall be deemed effective as of the recordation of this document in the Official Records of Orange County, California.
6. Governing Law. This Assignment Agreement shall be construed and enforced in accordance with the laws of the State of California.
7. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but together shall constitute but one and the same instrument.
8. Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Agreement, each such notice, demand, or other communication shall be in writing and shall be deemed effective: (a) when delivered, if personally delivered to the person being served or an official of a government agency being served; or (b) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested, and addressed:

IF TO THE DISTRICTS:

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92619-7000
Attn: General Manager

IF TO THE COUNTY:

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

With copy to:

County of Orange
CEO Real Estate
Attn: Chief Real Estate Officer
333 West Santa Ana Blvd., 3rd Floor
Santa Ana, CA 92701

Any notice will be deemed effective upon receipt if personally delivered, and on the next business day if sent by reputable overnight courier.

IN WITNESS WHEREOF, Company, County, IRWD and Serrano have executed this Assignment Agreement as of the date first set forth above.

THE IRVINE COMPANY LLC,
a Delaware limited liability company

By: _____
Paul P. Hernandez
Senior Vice President, Corporate Affairs

By: _____
Cynthia R. Daily
Assistant Secretary

SERRANO WATER DISTRICT,

APPROVED AS TO FORM:

By: _____
President & Director

By: _____
Jeremy N. Jungreis
General Counsel

By: _____
Jerry Vilander
General Manager

IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

By:
Paul A. Cook
General Manager

By: _____
Claire Hervey Collins
District Counsel

By: _____
Leslie Bonkowski
Secretary

APPROVED AS TO FORM:

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____
Michael A. Haubert
Deputy County Counsel

By: _____
Thomas A Miller

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared **Paul P. Hernandez**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared **Jamie Yoshida**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
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STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20__, before me, _____, a Notary Public, personally appeared **Jamie Yoshida**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within Assignment Agreement to the COUNTY OF ORANGE, a political subdivision of the State of California, is hereby accepted by order of the Board of Supervisors of the County of Orange, California, and the COUNTY OF ORANGE consents to the recordation thereof by its undersigned duly authorized officer and to the transfer of title to the property to the COUNTY OF ORANGE.

COUNTY OF ORANGE

Dated: _____

By: _____

Thomas Miller
Chief Real Estate Officer
Per Minute Order dated November 18, 2014

APPROVED AS TO FORM:
Office of County Counsel
Orange County, California

By: _____
Deputy

Date: _____

EXHIBIT 1**PERMITTED RECREATIONAL USES OF RESERVOIR PROPERTY**

All recreational uses are subject to the primary purpose of water impoundment and storage, and protection of the water quality of Irvine Lake.

Lake (County/Serrano)

Recreation such as

- Fishing
- Boating - County, District, or concessionaire/operator fleet (but not public/personal vessels)
- Walking
- Bicycling
- Picnicking
- Bird watching
- Operational facilities and equipment to support the uses described above, including docks, vehicle parking, and related amenities such as sanitation facilities, subject to design and location approval by the Districts.
- Any other recreational and ancillary uses mutually agreed upon by Districts, TIC and the County pursuant to Section 2.a(vi) of the Agreement

Note: swimming and any other bodily contact with the water impounded in the Reservoir is strictly prohibited.

To ensure the County, or any County operator, has sufficient information to plan and coordinate the County recreational activities, the Districts and County shall meet, at a minimum, on an annual basis to allow the Districts to inform the County of projected water levels (whether impacted by natural causes or drawdown by the Districts due to business operations) and water quality status, especially quality issues that may negatively impact fishing activities. Further, the Districts will provide immediate notice of any water level or water quality issues to the County that may arise from emergency situations, including but not limited to those situations that may threaten public health and public safety.

Flats (Serrano/IRWD)

Recreation such as

- | | |
|---|--|
| <ul style="list-style-type: none"> ▪ Walking ▪ Bicycling ▪ Bird watching ▪ Fishing ▪ Picnicking ▪ Barbeques ▪ Group parties or events ▪ Concerts ▪ Car shows | <ul style="list-style-type: none"> ▪ Festivals ▪ Camping (including with recreational vehicles) and associated vehicle parking and related amenities, such as sanitation facilities ▪ Any other recreational and ancillary uses mutually agreed upon by Districts, TIC and the County pursuant to Section 2.a(vi) of the Agreement. |
|---|--|

EXHIBIT 2**2003 MOU****MEMORANDUM OF UNDERSTANDING
IRVINE LAKE**

This MEMORANDUM OF UNDERSTANDING ("MOU") is entered into this 30th day of April, 2003, by and between SERRANO WATER DISTRICT, a political subdivision of the State of California ("SWD"), IRVINE RANCH WATER DISTRICT, a political subdivision of the State of California ("IRWD"), and THE IRVINE COMPANY, a Delaware corporation ("TIC").

RECITALS

A. SWD and IRWD jointly own that certain reservoir, known variously as Santiago Reservoir or Irvine Lake, located in Orange County, California ("Reservoir"). SWD and IRWD use water from the Reservoir to supply their respective water customers.

B. TIC is the owner of the real property surrounding the Reservoir within the boundaries of the East Orange General Plan ("the EOGP"), as adopted by the City Council of the City of Orange, California on December 19, 1989 ("TIC Property").

C. On or about June 30, 1993, in resolution of concerns about the EOGP and other issues related to the Reservoir, SWD, IRWD and TIC entered into a series of agreements, including a Santiago Reservoir Study Plan Agreement, Boundary Adjustment Agreement and Haul Road Agreement. TIC now desires to pursue a substantial amendment to the EOGP, and dredging of the Reservoir by a commercial sand and gravel operator is coming to a close. These events, among others, have rendered the need to revise the two aforementioned 1993 agreements and resolve related issues affecting the Reservoir and TIC's Property.

UNDERSTANDINGS

Now, therefore, SWD, IRWD and TIC agree as follows:

1. The parties agree to all of the terms and provisions shown on Attachment 1 hereto, which is incorporated herein by this reference. The parties further agree to cooperate in good faith with each other and deliver such further documents and perform such other acts as are necessary or appropriate to consummate and carry into effect all of the terms and provisions shown on Attachment 1.

2. Each of SWD and IRWD expressly understand and agree that, in reliance upon this MOU, TIC will pursue an amendment to the EOGP (with companion Specific Plan and EIR) for the TIC Property, together with the property to be transferred to TIC as provided in this MOU. Neither SWD nor IRWD shall challenge any action undertaken by TIC relating to the TIC Property, and such additional property, in conformance with this MOU. The foregoing shall not relate to or have any effect upon the provision of water, sewer and reclaimed water services by IRWD to the TIC Property and such transferred property. The parties acknowledge that, as of the date of this MOU, neither SWD nor IRWD has received a copy of the application for, any

environmental documentation supporting, or any other documents relating to the amendment to the EOGP or its companion Specific Plan that TIC intends to process with the City of Orange (collectively, the “EOGP Documentation”); consequently, subject to the terms of the June 30, 1993 Master Agreement between SWD and TIC, SWD and IRWD reserve the right to comment upon and object to the EOGP Documentation, and challenge the EOGP and/or the companion Specific Plan and environmental documentation, except to the extent the same confirm something the Districts agreed to in this MOU.

3. Every provision of this MOU to be performed by any party hereto shall be deemed both a covenant and a condition and shall be a material consideration for performance of the other parties hereunder. Any breach hereof by any party shall be deemed a material default hereunder.

4. In any action, claim or proceeding between the parties or any two parties hereunder to enforce any of the provisions of this MOU or any right of any party hereto, regardless of whether such action or proceeding is prosecuted to judgment and in addition to any other remedy, the unsuccessful party shall pay to the successful party all costs and expenses, including actual attorneys’ fees, incurred therein by the successful party.

5. Any party may specifically and expressly waive in writing any portion of this MOU or any breach hereof, but no such waiver shall constitute a further or continuing waiver of any preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. No waiver of any default shall be implied from any omission by any party to take action on account of such default. All rights, remedies, undertakings, obligations, covenants, conditions

and agreements contained in this MOU shall be cumulative and no one of them shall be exclusive of any other. In the event of a party's breach hereunder, any other party may seek damages or specific performance or pursue any other remedy at law or equity, whether or not stated in this MOU. This MOU may be amended only by a writing executed by all parties.

SERRANO WATER DISTRICT,
a political subdivision of the State of California

IRVINE RANCH WATER DISTRICT,
a political subdivision of the State of California

JCA
7-14-03

By: [Signature]

Title: President, Board of Directors

By: [Signature]

Title: GENERAL MANAGER

By: [Signature]

Title: General Manager

By: [Signature]

Title: District Secretary

THE IRVINE COMPANY,
a Delaware corporation

By: [Signature]
Daniel A. Young
Senior Vice President

By: [Signature]
Mary K. Westbrook
Vice President

- Attachment 1: Resolution of Irvine Lake Issues dated April 11, 2003
 - Exhibit A: Map Showing Land Transfers, Road Parcels, Slope Easement, Access Easement
 - Exhibit B: Map Showing Proposed Golf Course

Attachment 1

Resolution of Irvine Lake Issues
April 11, 2003

Future Ownership of Recreation Rights

- Any future sale, transfer or assignment of any party's reservoir recreational rights will require the unanimous written consent of the parties.

Boundary Adjustments

- Immediate reservoir boundary adjustments transferring to TIC the "peninsula" parcels identified on Exhibit A, and to the Districts "Area A" and "Area B" identified on Exhibit A.
- Upon award of a construction contract for the widening and realignment of Santiago Canyon Road, reservoir boundary to be adjusted again to transfer all or a portion of the "road" parcels identified on Exhibit A to TIC, as needed for road right-of-way purposes.
- Following all development by TIC adjacent to the lake, reservoir boundary to be adjusted again to transfer to Districts any TIC owned property below the 800 foot elevation, excluding property presently subject to a conservation easement and excluding property downstream from the dam. If the parties do not develop a joint golf course as contemplated below, this 800 foot elevation adjustment will not be undertaken along the north eastern border of the reservoir boundary (Santiago Creek tributary area).
- Districts to receive an unrestricted vehicular access easement (30 foot minimum width) from Santiago Canyon road to the boundary of lake:
 - In the Limestone Creek area, and
 - In the Santiago Creek portion of the lake to the future golf course recreation area and the former sand and gravel operation site.

These easements can be modified to conform with future construction of local public roads serving development or recreational facilities north of Santiago Canyon Road.

- TIC to receive an unrestricted access easement within reservoir property in Limestone Creek area for public access to development, generally as shown on Exhibit A (exact location and area not yet determined). This easement can be modified to conform with future construction of local public road serving development.
- From the date of this MOU and until the above-described adjustments, TIC and Districts will not hereafter convey any fee, easement or other rights or interests in the respective adjustment parcels, including the property below 800 foot elevation.
- The 1993 agreement will be replaced with the aforementioned terms.

Construction and Slope Easements

- TIC to receive construction and maintenance easements from the Districts near the "peninsula" parcels as shown on Exhibit A subject to:
 - All created slopes being constructed and armored consistent with appropriate standards as reasonably approved by Districts;

- TIC releasing Districts from, and providing Districts full indemnification satisfactory to the Districts for third party claims relating to, all liability for maintenance, repair and failure of TIC constructed slopes, including potential impacts associated with lake operations (but excluding active negligence or willful misconduct of Districts; provided, that under no circumstances shall any level of the lake water, or any filling, drawing, spilling or releasing of water, be deemed to constitute active negligence or willful misconduct);
 - Any HOA set up by TIC and involved in maintenance of the slopes will also release and indemnify Districts, but TIC will not thereby be relieved of its release and indemnification of Districts; and
 - No use of the easement for access to the lake water for any purpose other than temporary access in connection with the construction, maintenance and repair of the slopes.
- Landscaping on portions of slopes owned by Districts to be approved by Districts. TIC to be responsible for any handrails, fencing, signage or other safety design of trail on slope bench adjacent to District boundary.
 - Real estate sales disclosure by TIC for residential property adjacent to the lake shall include the lack of lake access, and the level changes and other attributes of an operating storage reservoir and open water body. TIC's contracts with its merchant builders for such residential property shall require them to provide the same such disclosures.
 - TIC shall have access to the lake to excavate and export fill material for use only in connection with TIC's development around the lake, and subject to the Districts' approval of excavation and fill plans in their sole discretion. All fill placed in the lake by TIC for development purposes shall be subject to the Districts' prior approval, and shall be offset by the removal of an equivalent or greater amount of material placed in location(s) approved by Districts that results in no net loss of effective storage between the 730 and 790 foot elevations.

Golf Course Development

- Districts agree to act in good faith with TIC to negotiate with a third party golf course developer and operator to build and operate a course on TIC's and the Districts' property, as shown on Exhibit B, under a mutually acceptable ground lease and profit participation partnership that includes the golf course and ancillary uses, such as the proposed lodge.
- Ground lease, profit participation and any other business terms negotiated for the development of the golf course and ancillary uses will not be subject to existing recreation rights agreement or reversionary deed clauses.
- Reclamation by Districts of the proposed golf course property within Districts' ownership (as shown on Exhibit B) to an approximate 800 foot elevation shall not constitute a violation of any deed use restriction in favor of TIC, and TIC shall not assert any claim to a reversionary interest in such property based thereon, so long as the Districts do not make any use of the reclaimed land area in violation of any deed use restriction or use permitted in the Haul Road Agreement (for so long as that Agreement is in effect). Otherwise, however, all existing use restrictions and reversionary rights in favor of TIC remain in effect.

Water Quality Study

- Districts will provide letter approving new water quality study and scopes of work as an acceptable substitute for the scope of work required under the 1993 agreement.
- TIC will cover all costs of this water quality study. Districts will no longer have an obligation to fund 50% of this work.
- The data used to establish the baseline water quality condition in the lake shall be reviewed and approved by the Districts. Such review will be timely and such approval will not be unreasonably withheld.
- Districts will have right to review the final report and make a determination whether or not the final report conforms to the scope of work and adequately addresses the Districts' water quality concerns related to future development. Such review and determination will be timely and not be unreasonably withheld.
- The Reservoir Study Committee is no longer necessary.
- The 1993 agreement will be replaced with the aforementioned terms.

Haul Road

- The Haul Road Agreement will terminate as to the Haul Road, Haul Road Connector and Bridge (and Connectors' License Agreement shall likewise terminate as to Connector 1 and the Bridge) on the earlier of (a) date TIC receives written notice signed by both Districts indicating that Districts, their contractors and employees are no longer using the Haul Road or (b) August 1, 2003. Upon termination of the Haul Road Agreement as to the Haul Road, TIC will accept the Haul Road and Haul Road Connector (but not the Bridge) in "as-is" condition. The Bridge will be removed by the Districts on or before June 1, 2004 (rather than within 180 days of such termination date) per the original agreement.
- The Haul Road Agreement will terminate as to the Access Road and Batch Plant Connector (and Connectors' License Agreement shall likewise terminate as to Connector 2) on the date Districts receive the vehicular access easement from Santiago Canyon road to the boundary of the lake, as referenced above in the "Boundary Adjustment" section of this MOU. Whether or not the Haul Road Agreement (and Connectors' License Agreement) has so terminated as to the Access Road and Batch Plant Connector on or before August 1, 2003, (a) on or before August 1, 2003, Districts will discontinue use of that Road and Connector for purposes of hauling excavated Accumulated Materials and (b) on or before October 1, 2003, Districts will remove from such Connector the Triangle Rock block wall signage, gate foundation blocks and any other such improvements (i.e., improvements other than the access road itself). The Haul Road Agreement (and Connectors' License Agreement) may continue as to that Road and Connector for purposes of providing the Districts access for passenger vehicles, light trucks and vehicles appropriate for removing Triangle Rock's office, scales and plant and trailering earth moving equipment, only until the date Districts receive the referenced vehicular access easement from Santiago Canyon road.
- Based on the Districts foregoing agreement to cease use of the Roads, Connectors and Bridge as described above, Districts will be (i) immediately relieved of responsibility for maintenance and repair of both Roads, both Connectors and Bridge under the Haul Road

- Agreement and (ii) relieved of the obligation to pay TIC per-ton fees under the Haul Road Agreement for the period from and after May 1, 2003.
- Notwithstanding anything to the contrary in the foregoing: (A) until termination of the Haul Road Agreement and Connectors' License Agreement as to each Road, Connector and Bridge, Districts remain obligated for day-to-day removal of gravel, mud, trash and other debris on such Road, Connector and Bridge, (B) TIC shall have no responsibility for maintenance or repair of the Roads, Connectors or Bridge, and (C) to the extent the Districts, their contractors and/or invitees desire maintenance or repair of the same, the Districts shall be responsible for such maintenance and repair.
 - Districts remain obligated for removal of the Bridge.
 - Districts remain obligated for releasing and indemnifying TIC in connection with the Roads and the Connectors, per the original agreements.

Stabilization

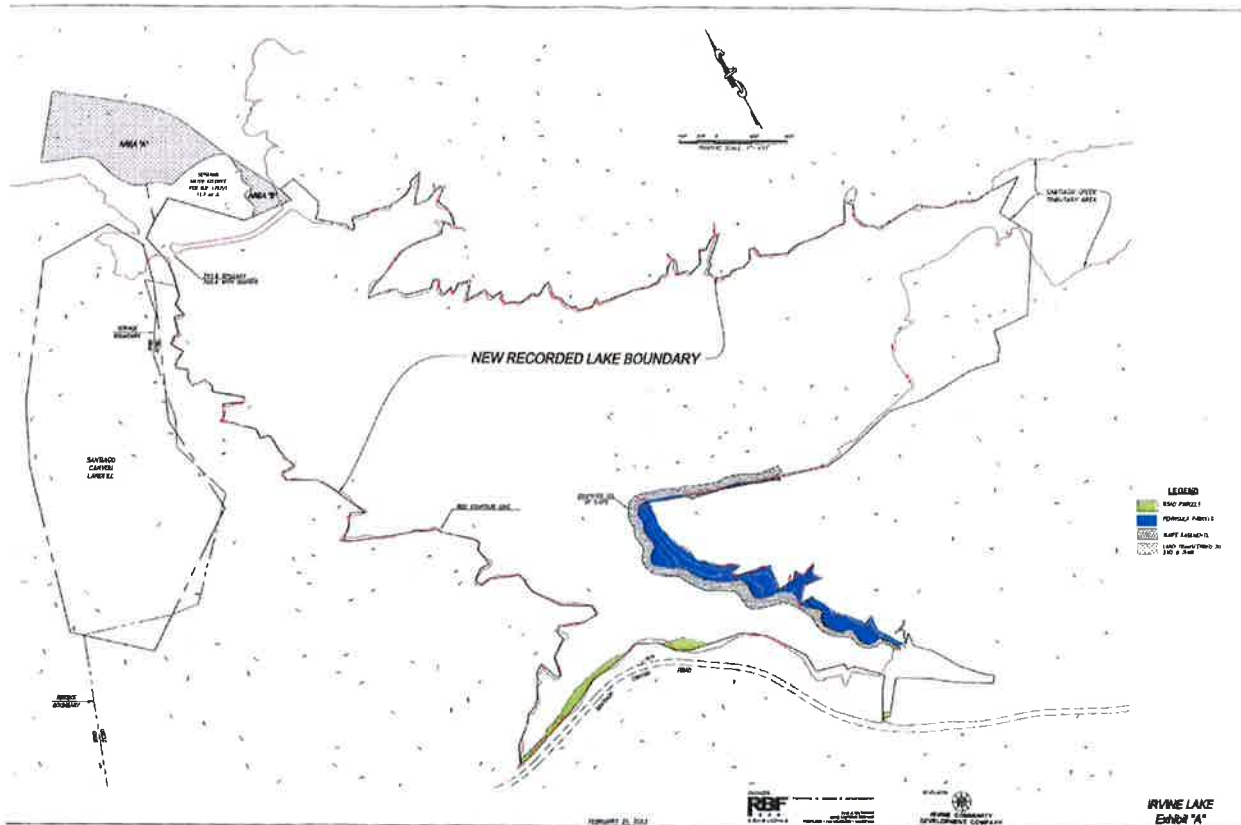
- TIC shall retain the right to stabilize the lake under the terms of the 1993 agreement

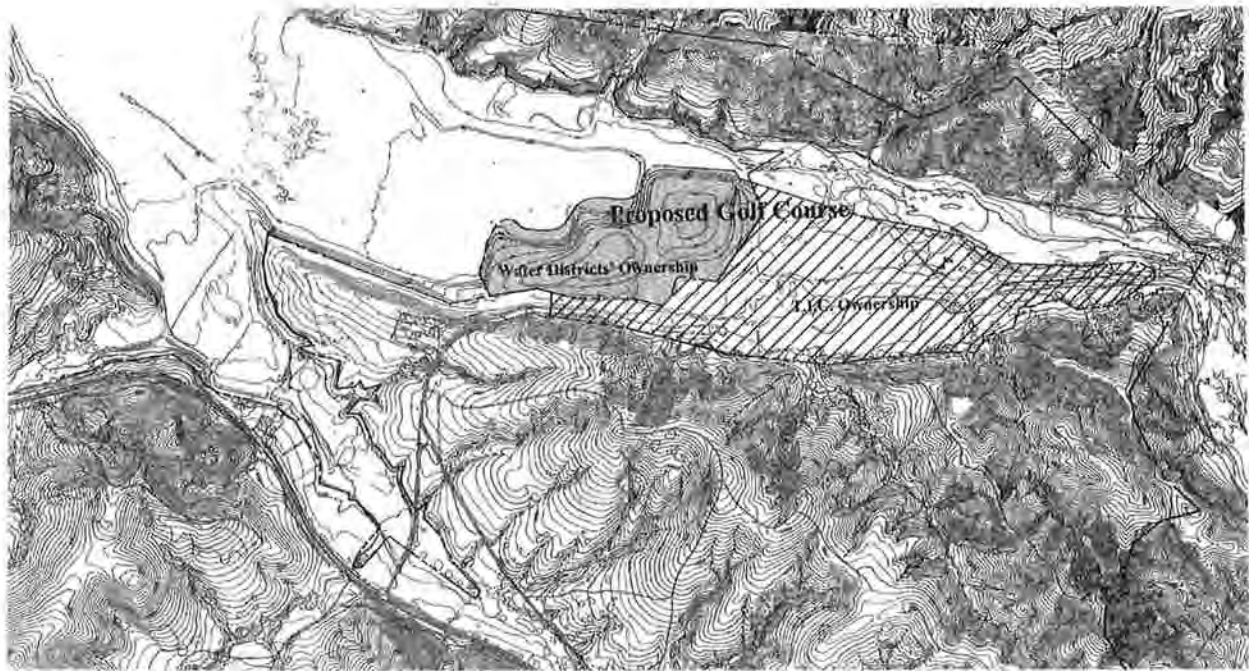
General

- Districts will sign documents and provide such other cooperation as may be required to permit or confirm rezoning of Districts' property to be transferred to TIC as shown on Exhibit A or to be included in possible golf development as shown on Exhibit B and to confirm Districts' concurrence with other matters described in this MOU for purposes in conjunction with TIC's applications and permitting of residential and commercial development (e.g. Districts will sign landowner's affidavit, or equivalent assurance, to accompany TIC's amendment for the East Orange General Plan). This obligation is not intended to require the Districts to incur expense, except expense mutually agreed to by the parties in pursuing approval for golf course development.
- If and to the extent permitted by the City of Orange, prior to public release of the CEQA and NEPA documents for TIC's development adjacent to the lake, TIC will provide the Districts with a screencheck draft of the water quality, erosion, hazardous materials, hydrology, storm flow and construction activities sections and confer with the Districts about these sections. The foregoing is intended to provide the Districts with a forum for providing advice and comments to TIC on these sections and is not meant to require that TIC revise the sections to address the Districts' comments or that TIC otherwise obtain the Districts' approval to these sections.
- The parties contemplate that the terms set forth in this outline will require the execution and delivery of the following agreements, but do not by listing them intend to affect the terms and provisions agreed to in this MOU, including their obligation to deliver such additional documents and perform such other acts as are necessary or appropriate to consummate and carry into effect the terms of this MOU:
 1. Amended 1993 Boundary Adjustment Agreement
 2. Construction and Slope Easement (new)
 3. Letter Amendment to 1993 Santiago Reservoir Study Plan Agreement

4. Golf Course Development and Participation Agreement(s) (new; replace 1993 Reclaimed Land letter agreement)

Drafting of the first three listed agreements will commence immediately upon execution of this MOU. Execution of the first two agreements will be concurrent. The third listed agreement will be executed sooner (i.e. in a matter of days following execution of the MOU). The fourth listed agreement(s) will be drafted and executed if and when the parties determine to pursue the golf course development.





02.17.03
Not to scale

Exhibit B



County Executive Office Real Estate

January 5, 2022

Mr. Jerry Vilander, General Manager
Serrano Water District
18201 East Lincoln Street
Villa Park, CA 92861-6446

Mr. Paul Cook, General Manager
Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 5700
Irvine, CA 92619-7000

RE: Letter of Intent Regarding Cooperative Agreement for Joint RFP at Irvine Lake

Dear Mr. Vilander and Mr. Cook,

The purpose of this Letter of Intent is to memorialize the County of Orange's intent, under the proposed deal points below, to draft and enter into a Cooperative Agreement, and related documents, between the County of Orange ("County"), Irvine Ranch Water District ("IRWD"), and Serrano Water District ("SWD") for the release of a joint Request for Proposals ("Joint RFP") and subsequent mutual ground lease of properties owned by the Parties around Irvine Lake.¹

Deal Points:

1. The Cooperative Agreement will include at least the following properties totaling 119.39 acres, as shown in Exhibit A, and as described below:

- a. County of Orange
 - i. Area A: 11.1-acre recreational parcel
 1. Includes entrance to Irvine Lake area

¹ County, IRWD, and SWD may sometimes hereinafter be individually referred to as "Party" or jointly as "Parties".



County Executive Office Real Estate

2. Shoreline fishing is currently being facilitated
 3. RV Storage Area not included
 - ii. Area B: 73.9-acre parcel, including James Licensed Land/Oak Canyon/County lease area
 1. The property is primarily used as an event center to host picnics, barbeques, group parties, rope courses, and other special events, and is improved with a landscaped park, pond with bridge, sports fields, parking areas, and other amenities.
 - iii. The County shall provide access rights to the County's property as required to accommodate recreational fishing contemplated in the Joint RFP.
- b. SWD/IRWD
- i. Area C: 34.39-acre area of filled lakebed known as the "Flats."
 - ii. SWD/IRWD shall provide access rights over the lakebed as required to accommodate access to and uses contemplated in the Joint RFP.²
- c. SWD and IRWD will authorize the transfer of The Irvine Company's ownership of lake recreational rights to the County. Each Party will authorize use of their lake recreational rights, which will also be included in the Joint RFP, so as to allow their exclusive use by the selected lessee. The selected lessee would be required to continue fishing and non-motorized boating at the lake consistent with uses allowed and subject to the reasonable operational restrictions set forth by SWD/IRWD associated with the primary purpose of Irvine Lake as a drinking water storage reservoir, as well as any applicable requirements of regulatory authorities. No Party is required to transfer ownership of lake recreational rights to any other Party or to the selected lessee. It is the Parties' intent that the selected lessee only be authorized exclusive use of recreational rights owned by the County and SWD to support recreation on Irvine Lake per the Cooperative Agreement and Joint RFP for the duration of the master lease.

² During drafting of necessary agreements and RFP, the Parties will determine if other properties necessary for the intended uses (i.e., shoreline fishing, etc.) should be included in the Joint RFP.



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- d. County will support and assist the Districts with the expedient finalization of the following tasks anticipated to occur no later than the execution date of master lease:
 - i. Exchange of access easements in and around the Haul Road;
 - ii. Termination of the 2003 MOU regarding the reciprocal license area
 - iii. Conversion of reversionary interest held by TIC at Irvine Lake into a use covenant that is primarily enforceable by the County, with limited retained enforcement rights by TIC in the event the County allows the Lake to be used for other than reservoir or authorized recreational purposes.
2. The County will act as lead agency, with the Districts' reasonable input, for drafting and releasing the Joint RFP and pursuing evaluation of the proposals and CEQA as necessary for the purposes for the master lease.
 - a. The County will form an Evaluation Panel with at least one representative from each of the Parties.
 - b. Staffing and oversight necessary for the development and solicitation of Joint RFP will be at no cost to SWD and IRWD.
3. The Evaluation Panel will be responsible for selecting a primary and secondary proposer. These selections will need to be approved by the County Board of Supervisors and the governing boards of SWD and IRWD.
 - a. Ratings and scoring methodology will be mutually agreed upon by the Parties prior to the convening of the Evaluation Panel.
4. Net revenue generated from master lease shall be split as follows: 50% to County, 30% to SWD, and 20% to IRWD.
 - a. Net revenue shall mean the gross rental revenue generated by a master ground lease minus expenses incurred by the County in amount equal to the lesser of:



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- (i) twenty-five percent (25%) of gross rental revenue, or
- (ii) actual County expenses for administration and management of the master lease and the joint properties included as part of the master ground lease.³

b. An accounting of actual County expenses for administration and management of the master lease and the joint properties shall be provided to SWD/IRWD prior to calculation of the above.

c. In the event lessee's activities are restricted by intentional "actions of the Parties" in violation of the Parties' agreements, the Party/Parties causing the action shall bear the costs, or loss of income, associated with its/their activities.

i. In such an event, the net revenue split would be adjusted by reducing the revenue portion of the Party/Parties causing the loss of income by a percentage that is proportionate to the loss of income.

ii. "Actions of the Parties" would be defined as any intentional activity, event, or regulation implemented by a Party/Parties that restricts, prohibits, or negatively impacts the revenue stream attributed to the lake that is not tied to: (a) the operational necessities of the Districts in managing Irvine Lake as a drinking water reservoir; (b) the good faith actions of the Parties to implement regulations or policies imposed on the use of Irvine Lake by oversight governmental authorities (e.g., State and Regional Water Quality Control Boards, Division of Dam Safety, etc.).

³ This calculation will not include any costs for the RFP or negotiation of the master lease.



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5. Each Party will assign any rights necessary for the successful operations of a potential lessee as a part of the lease document, including the ability to access the lake, shoreline, and dry lake beds to run a fishing and boating concession.

a. SWD and IRWD will provide any necessary rights for access upon, over, and across the lake, shoreline, and dry lake beds, with the caveat that the water levels will fluctuate in accordance with the operational requirements of the Districts, and rights will be subject to State and Federal restrictions and/or regulatory requirements on various uses.

6. Once Joint RFP responses are received:

a. The Parties will discuss the handling of start-up costs and associated rent abatement, if any, to the mutual benefit of the Parties, to be memorialized in the master lease agreement.

b. Any Party can choose not to move forward at any time prior to the execution of the master lease agreement. SWD may terminate participation in the master lease agreement at any time prior to its execution between the County and lessee.

7. Parties will seek the negotiation of the following into master ground lease:

a. Remedies to protect Parties' interests in case of:

- (i) Master lessee operating at a loss,
- (ii) Restrictions by oversight entities on uses at Irvine Lake, and
- (iii) Tenant failing to make any payment of rent

b. Requirements that lessee provide insurance and indemnification of the Parties for all activities that occur anywhere in and around Irvine Lake.

8. Pending the completion of the Joint RFP and the negotiation and execution of the master lease, as well as the anticipated construction and replacement of the Santiago Dam spillway and outlet tower, the Parties will agree to continue the current Irvine Lake fishing pilot program on a year-to-year basis under its current terms and conditions unless modified per the mutual consent of all Parties or otherwise terminated by a Party. Nothing herein shall prevent the Districts from restricting



County Executive Office Real Estate

activities under the pilot program as a result of the construction at Santiago Dam that is anticipated to begin in 2024 or 2025.

This Letter of Intent is solely a preliminary expression of general interest and intentions of the Parties and is to be used for discussion and planning purposes only. The Parties agree that this Letter of Intent is not intended to create any legally binding agreement or obligation, either implied or expressed, by any Party to negotiate a definitive agreement, and imposes no duty on any Party to continue negotiations or to ultimately enter into a binding agreement. It is the manifestation of the intent of the Parties that no Party shall have any contractual obligations to any other Party with respect to matters referred herein, unless and until a definitive agreement has been considered, approved, and fully executed by all Parties.

Please acknowledge receipt of this Letter of Intent and confirm your acceptance of the proposed deal points so that County staff can proceed with the drafting of the Cooperative Agreement for consideration of all Parties.

Sincerely,

Thomas A. Miller
Chief Real Estate Officer



County Executive Office Real Estate

PARTIES' APPROVAL OF LETTER OF INTENT:

COUNTY OF ORANGE

By: _____

Thomas A. Miller

Its: Chief Real Estate Officer

SERRANO WATER DISTRICT

By: _____

Its: _____

IRVINE RANCH WATER DISTRICT

By: _____


Its: _____

Exhibit A



Color	Area	Property Name	Owner	Acreage
	A	Recreational Lease Parcel (excluding RV Storage Areas)	County of Orange	11.1
	B	James Licensed Land/Oak Canyon/County lease area	County of Orange	73.9
	C	The Flats	SWD/IRWD	34.39
Total				119.39

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January 24, 2022
Prepared by: F. Sanchez / C. Compton
Submitted by: P. Weghorst
Approved by: Paul A. Cook 

ACTION CALENDAR

IRWD POLICY POSITION PAPER ON REGIONAL WATER SHORTAGE RESPONSE ACTIONS

SUMMARY:

IRWD's policy position papers are reviewed periodically to determine if the positions are still valid, need revisions or if additional papers need to be written on different issues of importance to the District. Based on recent discussions in Sacramento and regionally regarding potential drought response actions, staff has prepared a Regional Water Shortage Response Actions Policy Position Paper. Staff recommends the Board adopt the policy position paper, as revised, based on input received from the Board.

BACKGROUND:

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

Following the 2012-17 statewide drought, legislation was enacted in 2018 to strengthen local water supplier water management and water shortage planning. Assembly Bill 1668 and Senate Bill 606 require water suppliers to undertake additional drought planning, include projected water shortage information in their Urban Water Management Plans and enhance their Water Shortage Contingency Plans. These plans are updated and submitted to the Department of Water Resources (DWR) at least every five years, with the most recent plans submitted in 2021. Additionally, beginning in 2022, water suppliers are required to prepare and submit to DWR an Annual Water Supply and Demand Assessment.

Water Shortage Response Actions:

California is experiencing a statewide drought, and cycles of drought will continue and may become more frequent and extreme. IRWD has actively engaged in state and regional policy discussions regarding potential drought responses, including mandatory reductions. Water shortage response actions should not be "one-size-fits-all," but instead should consider local water shortage plans and assessments. When making determinations regarding water shortage declarations or calls for mandatory reduction requirements, regional actions should consider local retail supplier reliance on regional supplies, local water supplier conditions, investments into sustainable supplies and water efficiency in developing policies.

Given that discussions regarding drought responses are likely to continue, staff recommends the Board adopt a policy position paper regarding regional water shortage actions. A draft of the proposed paper is provided as Exhibit "A".

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

None.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on January 17, 2022.

RECOMMENDATION:

THAT THE BOARD ADOPT THE IRWD REGIONAL WATER SHORTAGE RESPONSE ACTIONS POLICY POSITION PAPER, AS REVISED, BASED ON INPUT FROM THE BOARD OF DIRECTORS.

LIST OF EXHIBITS:

Exhibit "A" – Draft Policy Paper: Regional Water Shortage Response Actions

Exhibit “A”

IRWD POLICY POSITION PAPER:
REGIONAL WATER SHORTAGE RESPONSE ACTIONS

January 24, 2022

ISSUE SUMMARY:

Agencies responsible for managing water resources have an obligation to provide the water in a safe, reliable, sustainable, and efficient manner. As a recognized leader in water resources public policy and governance, Irvine Ranch Water District (IRWD) promotes policy initiatives that allow IRWD, along with other water purveyors, to enhance the reliability and resiliency of water supplies.

IRWD also advocates for effective water shortage management. During a water shortage, regional water suppliers should account for reliance on imported supplies, local water supply conditions, investments in sustainable supplies, and water use efficiency in developing policies and when making any determinations regarding water shortage declarations or making calls for mandatory water use reductions.

BACKGROUND:

Providing a reliable water supply is a fundamental responsibility and requirement for water suppliers. Because of this, IRWD has specified as one of its Strategic Objectives the need to provide a reliable and high-quality water supply to its customers. Implicit in the concept of reliability is that IRWD will plan and make investments in water supplies to remain fully reliable for its customers under an array of scenarios, including climate change. It is the responsibility of water suppliers to develop multiple strategies to responsibly meet existing and future water demands. These strategies should include both supply augmentation and demand management.

Following the 2012-17 statewide drought, legislation was enacted in 2018 to strengthen water management and water shortage planning by local water suppliers. AB 1668 and SB 606 require water suppliers to undertake additional drought planning and include projected water shortage information in their Urban Water Management Plans and Water Shortage Contingency Plans. These documents, including their assumptions and analysis, are updated and submitted to the California Department of Water Resources (DWR) at least every five years.

Water Shortage Actions:

Water shortage actions should be customized to reflect local needs and conditions. It should be expected that water shortage response actions will vary from agency to agency – even within a specific region. Agencies may choose to focus their programs on some or all of the following areas: providing incentives, changing rate structures, encouraging landscape modifications, establishing in-lieu programs, and augmenting supplies by conserving or capturing previously unused water through projects such as water banking or water recycling.

While there is often agreement among agencies on the importance and value of water shortage contingency planning, the implementation of a regional water shortage declaration or water use reduction mandate requires thoughtful consideration of a variety of policies and factors. Regional wholesale agency water shortage response actions should appropriately calibrate responses based on local retail water suppliers’ reliance on the wholesaler’s supplies, availability

of imported supplies, and local water supply conditions. The actions should also consider investments made in sustainable supplies as well as water use efficiency and reliability.

Local retail and regional water suppliers should base their decision to implement a water shortage declaration or water reduction mandate on an assessment of actual conditions and the availability of supplies to meet projected demands, using the processes identified in their water shortage planning documents. Mandating use reductions to an entire region when only a portion of the area may be affected, or when a local retail supplier is not projecting a shortage, undermines support for continued and critical regional and local investments in sustainable drought resilient water supplies, emergency storage, emergency water supplies, and water use efficiency programs.


To facilitate providing input to discussions surrounding water shortage declarations, and to guide the District's advocacy efforts in this policy area, the following policy principles have been adopted by the IRWD Board of Directors.

POLICY PRINCIPLES:

- 1) Local retail water suppliers should have the primary role in responding to drought and other water shortages based on local conditions. They should take actions outlined in their Water Shortage Contingency Plans based on their annual water supply and demand assessments when responding to water shortages.
- 2) A local water supplier's reliance on imported water supplies will range from completely reliant on imported water to not at all. Regional wholesale water suppliers should rely upon an assessment of their available supplies and each retailer's reliance on those supplies to determine the severity of a shortage. Regional wholesale water suppliers providing imported water should take resource and demand management actions that are calibrated to the potential severity of shortages in imported water in a particular area, the availability of local water supplies, and investments made in sustainable supplies as well as water use efficiency and reliability.
- 3) Regional wholesale suppliers should incentivize local suppliers to invest in developing emergency supplies for use during water shortages. Regional wholesale water agency policies shall allow a water supplier that develops and establishes an emergency supply to use that supply without penalty during a water shortage or drought, consistent with the local water supplier's Water Shortage Contingency Plan.
- 4) Regional water actions during a water shortage must incentivize and account for local investments in drought resilient supplies, including investments in recycled water projects and potable reuse, emergency storage, and emergency water supplies. The actions must also consider levels of water efficiency. Regional policies and programs should recognize past investments in and continue to incentivize the development of drought resilient supplies.

- 5) Water shortage response strategies should promote both the expansion and efficient use of recycled water and potable reuse. Water recycling and reuse facilitates water use efficiency and conservation. At a minimum, regulations during a water shortage should exclude recycled water, both potable and non-potable reuse, from any calls for mandatory use reductions during a water shortage emergency because the source of the recycled water (sewage) remains substantially available – even during a water shortage. If potable reuse is not excluded, a reasonable credit for potable reuse should be provided.
- 6) Regional policies should encourage and reward previous and new investments in beneficial water use efficiency and water resiliency strategies, including water recycling, water-budget based rate structures that create a nexus between those overusing water and those bearing the costs of overuse, and investments in water supply reliability.

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January 24, 2022
Prepared by: K. Welch
Submitted by: F. Sanchez / P. Weghorst
Approved by: Paul A. Cook 

ACTION CALENDAR

TERMS FOR WATER STORAGE AND TRANSFER PILOT PROGRAM WITH MOJAVE WATER AGENCY

SUMMARY:

In December 2021, staff met with the Mojave Water Agency to discuss implementing a mutually beneficial water storage and transfer pilot program. As a follow-up to the meeting, staff has prepared terms for a pilot program that would allow Mojave to deliver portions of its excess State Water Project (SWP) water into storage at the Strand and Stockdale Integrated Banking Projects (IRWD Water Bank) and then transfer one-half of the water to IRWD. The proposed pilot program would provide a water supply to IRWD, with a minimum delivery commitment from Mojave. The program would provide Mojave with flexibility in managing its water supplies. Staff recommends the Board authorize the General Manager to develop and execute a Pilot Program Agreement between IRWD and Mojave Water Agency based on the terms presented below.

BACKGROUND:

Mojave Water Agency is a SWP Contractor that currently has Table A water supplies in excess of demands. These supplies also exceed Mojave's water banking capacities that were developed through its Mojave Basin Conjunctive Use Program. In December 2021, staff met with Mojave to discuss implementing a mutually beneficial pilot program that would allow Mojave to deliver excess SWP water into storage at the IRWD Water Bank, with Mojave transferring one-half of the water to IRWD. Mojave's main objective of implementing such a program is to store its share of the water to be recovered later and transferred to another SWP Contractor consistent with the amendments to the SWP Contract that went into effect in February 2021. The SWP contract amendments provide additional water management tools related to transfers and exchanges that provide increased flexibility in managing SWP supplies.

Proposed Pilot Program Terms:

As a follow-up to the December 2021 meeting with Mojave, staff prepared terms for implementation of a Water Storage and Transfer Pilot Program between IRWD and Mojave. The pilot program would allow Mojave to deliver its SWP supplies to IRWD's Water Bank for storage with Mojave transferring one-half of the water to IRWD. Since the water source would be SWP supplies, the California Department of Water Resources (DWR) will need to approve the program and prepare the appropriate point of delivery and transfer agreements. The transfer of SWP water will also require an SWP Contractor willing to act on IRWD's behalf. The proposed terms for this pilot program, which are a slight variation from IRWD's traditional unbalanced exchange programs, are provided as Exhibit "A".

The proposed terms would allow Mojave, at its discretion, to deliver up to 20,000 acre-feet (AF) of SWP Table A water to IRWD's water bank through the end of 2030. Mojave would have the ability to deliver up to 7,000 AF per year for recharge on a first-priority basis. (The IRWD Water Bank currently has an unobligated annual recharge capacity of 7,100 AF per year.) Any additional deliveries in the same year would be subject to Buena Vista Water Storage District and/or Antelope Valley – East Kern Water Agency opting to not deliver water into the IRWD Water Bank in the same year. Mojave would be required to deliver a minimum of 13,000 AF over the course of the pilot program.

When requested by Mojave, IRWD would recover Mojave's share of the stored water using IRWD's first priority rights to the use of IRWD Water Bank wells. The recovery of Mojave's water would be at a rate not to exceed 3,250 AF per year. (IRWD's annual recovery capacity in the IRWD Water Bank is currently 17,900 AF per year.) This would allow Mojave to recover its share of the minimum delivery requirement within two years. Mojave could request to recover more water should IRWD determine that capacity is available. The requirement for Mojave to deliver a minimum of 13,000 AF of water into storage equitably offsets the first priority recovery commitments to Mojave. Staff believes that with IRWD already having some extraordinary supply water stored in the Metropolitan system, IRWD's need for first-priority recovery capacity is reduced in the short-term.

FISCAL IMPACTS:

IRWD and Mojave shall each be responsible for their share of water banking costs including the costs associated with recharging water and the costs of recovering water using IRWD's Water Bank wells. Mojave would pay for all fixed SWP costs associated with making the water available for recharge, including the water that will be transferred to IRWD.

ENVIRONMENTAL COMPLIANCE:

Final Environmental Impact Reports for the Strand Ranch and Stockdale Integrated Banking Project were prepared, certified and approved in compliance with the California Environmental Quality Act (CEQA) of 1970 as amended, codified at California Public Resources Code Sections 21000 et. seq., and the State CEQA Guidelines in the Code of Regulations, Title 14, Division 6, Chapter 3. Rosedale-Rio Bravo Water Storage District, as lead agency, filed Notices of Determination for both the Strand Ranch and Stockdale Integrated Banking Projects with the County of Kern. IRWD, as a responsible agency, filed Notices of Determination with the County of Orange and with the County of Kern.

COMMITTEE STATUS:

This item was reviewed by the Supply Reliability Programs Committee on January 20, 2022.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO DEVELOP AND EXECUTE A WATER STORAGE AND TRANSFER PILOT PROGRAM AGREEMENT BETWEEN IRWD AND MOJAVE WATER AGENCY BASED ON THE TERMS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – Proposed Terms for a Storage and Transfer Pilot Program between Irvine Ranch Water District and Mojave Water Agency

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EXHIBIT “A”

Proposed Terms for a Water Banking Storage and Transfer Pilot Program
Between Irvine Ranch Water District and Mojave Water Agency

January 24, 2022

Parties	The Irvine Ranch Water District (IRWD) and the Mojave Water Agency (Mojave)
Description	IRWD and Mojave would implement a Water Banking Storage and Transfer Pilot Program (Pilot Program) that would allow Mojave to schedule and deliver its State Water Project (SWP) water into storage at IRWD’s Strand and Stockdale Integrated Banking Projects (IRWD Water Bank) and one-half of the water would then be transferred to IRWD. Recharge and recovery facilities available at both the Strand Ranch and Stockdale Integrated Banking Projects could be used to deliver water in and out of storage at the IRWD Water Bank.
Term	The Pilot Program will operate through 2035.
Storage Capacity	Up to 20,000 acre-feet (AF) of storage capacity in the IRWD Water Bank and associated leased storage capacity will be dedicated to the Pilot Program. The maximum account balance to be allocated for the storage of Mojave’s share of the water stored in the IRWD Water Bank would be 10,000 AF.
Water into Storage	Mojave will schedule and deliver a minimum of 13,000 AF and up to a maximum of 20,000 AF of its SWP water to the IRWD Water Bank by the end of 2030. On an annual basis, Mojave may deliver up to 7,000 AF of water for recharge at the IRWD Water Bank on a first priority basis. After the first 7,000 AF in a year, any further deliveries will be on a second priority basis to water deliveries associated with other IRWD programs. Mojave will transfer one-half of the water delivered into storage to a SWP Contractor willing to act on IRWD’s behalf.
Recovered Water	<p>Mojave’s share of water in storage shall be recovered on a first priority basis using IRWD’s Water Bank Wells, when requested by Mojave, at an annual rate not to exceed 3,250 AF per year. IRWD could allow Mojave to recover more water in a year should IRWD determine that the use of additional recovery capacity by Mojave would not infringe on IRWD’s ability to recover water for itself and/or IRWD’s other partners.</p> <p>All of Mojave’s water shall be recovered from the IRWD Water Bank before the end of the term of the Pilot Program in 2035.</p>
Losses	Water banking losses shall be shared equally between IRWD and Mojave (between 11 and 15%). Mojave and IRWD each may incur additional conveyance losses of approximately 2% in the Cross Valley Canal (CVC) for conveyance of each agency’s share of the water, as measured and assessed by Kern County Water Agency (KCWA).

Recharge Costs	IRWD and Mojave would each be responsible for one-half of all costs assessed to IRWD by Rosedale-Rio Bravo Water Storage District (Rosedale) for recharging water at the IRWD Water Bank. These costs may include Rosedale’s administrative charges, charges assessed by the KCWA, Cross Valley Canal (CVC) Standby, applicable CVC pumping and O&M costs, and applicable fixed and variable O&M Water Bank costs.
SWP Fixed and Variable Costs	IRWD and Mojave would each share in all SWP-related variable costs incurred with making the SWP Water available for recharge at the IRWD Water Bank. Mojave shall pay all fixed SWP costs associated with making the water available for recharge, including water that will be transferred to IRWD.
Recovery Costs	IRWD and Mojave would each be responsible for actual costs of recovery for their agency’s respective share of the water either through well pumping or by exchange. These costs may include Rosedale’s administrative charge, charges assessed by the KCWA, CVC Standby, O&M, and applicable CVC pumping costs, and applicable fixed and variable O&M Water Bank costs. Mojave will pay all conveyance costs in the Aqueduct associated with the delivery of recovered water to Mojave’s service area or other delivery points as determined by Mojave. IRWD and Mojave would each share any costs assessed by Rosedale under its Long Term Operations Plan for implementing provisions of the MOUs to prevent impacts from operations. It is expected that banking projects, such as the IRWD Water Bank, will be required to contribute \$2.00 per AF for recovered water to a fund, which may be used to meet mitigation obligations.
Agency Coordination	IRWD and Mojave would cooperate with DWR, KCWA, and a SWP contractor willing to act on behalf of IRWD in preparing all necessary agreements to facilitate the Pilot Program.
Environmental Compliance	Both parties shall comply with California Environmental Quality Act (CEQA) and cooperate with one another with respect to CEQA compliance that may be required by the DWR for the proposed Pilot Program. IRWD has already conducted environmental review under CEQA for the Strand and Stockdale Integrated Banking Projects that takes into consideration the delivery, storage and recovery of SWP water. Rosedale certified and IRWD and approved the CEQA documents for the Strand and Stockdale Integrated Banking Projects. Corresponding Notices of Determinations were filed by both Rosedale and IRWD. IRWD and Mojave will share equally any additional costs associated with environmental review or permitting deemed necessary for delivering Mojave water into storage (however, none are expected). Both IRWD and Mojave shall each be responsible for any other environmental review or permitting necessary to implement the Pilot Program within their own respective service areas.
General Expenses	Each Party would be responsible for its own fees and expenses arising out of the negotiation and execution of the Pilot Program Agreement, obtaining necessary approvals, and the like.