

AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
TUESDAY, JULY 5, 2022

This meeting will be held in-person at the District's headquarters located at 15600 Sand Canyon Avenue, Irvine, California. The meeting will also be broadcasted via Webex for those wanting to observe the meeting virtually.

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

Via Web:

<https://irwd.webex.com/irwd/j.php?MTID=mb2d9438f65d7d0254a5fff96a5cdf0f9>

Meeting Number (Access Code): 2485 376 8075

Meeting Password: jhDx69SrcN3

As courtesy to the other participants, please mute your phone when you are not speaking.

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

CALL TO ORDER 11:30 a.m.

ATTENDANCE Chair: Peer Swan _____ Member: Steve LaMar _____

<u>ALSO PRESENT</u>	Paul Cook	_____	Cheryl Clary	_____
	Wendy Chambers	_____	Kevin Burton	_____
	Paul Weghorst	_____	Rob Jacobson	_____
	Lance Kaneshiro	_____	Tiffany Mitcham	_____
	Jennifer Davis	_____	Eileen Lin	_____
	Christopher Smithson	_____	_____	_____
	_____	_____	_____	_____

PUBLIC COMMENT NOTICE

Public comments are limited to three minutes per speaker on each subject. If you wish to address the Committee on any item, you may attend the meeting in person and submit a "speaker slip." You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 7:30 a.m. on Tuesday, July 5, 2022.

COMMUNICATIONS

1. Notes: Clary
2. Public Comments
3. Determine the need to discuss and/or take action on item(s) introduced, which came to the attention of the District subsequent to the agenda being posted.
4. Determine which items may be approved without discussion.

INFORMATION

5. EMPLOYEE POPULATION AND RETENTION STATUS REPORT – SRADER / MITCHAM

Recommendation: Receive and file.

6. PERFORMANCE RECOGNITION PROGRAM – HALL / MITCHAM

Recommendation: Receive and file.

7. MONTHLY INVESTMENT AND DEBT REVIEW – MENDOZA / DAVIS / JACOBSON / CLARY

Recommendation: Receive and file.

ACTION

8. IRWD BUSINESS EXPENSE AND MEETING COMPENSATION AND REPRESENTATION POLICY REVISIONS – CLARY

Recommendation: That the Board approve the proposed revisions, subject to non-substantive changes to the District's Policy Regarding Business Expense Reimbursement, Travel, Meeting Compensation, and Representation.

9. UTILITY BILL PRINTING, MAILING, AND ELECTRONIC BILL PRESENTMENT SERVICES CONTRACT – COTTON / CLARY

Recommendation: That the Board approve a two-year renewal period effective August 16, 2022 through August 15, 2024 with Infosend, Inc. for utility bill printing, mailing, and electronic bill presentment services, totaling approximately \$1,264,000.

ACTION – Continued

10. FISCAL YEAR 2022-23 OPERATING BUDGET VENDOR
EXPENDITURE COMMITMENTS GREATER THAN \$200,000 – MUNCY /
JACOBSON / CLARY

Recommendation: That the Board approve the list of vendor commitments greater than \$200,000 based on approved FY 2022-23 operating budget.

OTHER BUSINESS

11. Directors' Comments
12. Adjourn


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

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July 5, 2022

Prepared by: L. Srader

Submitted by: T. Mitcham

Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND RETENTION STATUS REPORT

SUMMARY:

Staff has prepared various population status reports for the Committee's review. At the June Finance and Personnel Committee meeting, staff was asked to provide the Committee with salary range and performance rating data. Currently, there are 143 employees at the top of the range (fourth quartile) for their respective salary grades. For Fiscal Year 2021-2022, 232 employees received a performance rating of *Exceeds Expectations* (4-, 4, or 4+), and 33 received an *Exceptional* performance rating (5-, or 5).

FISCAL IMPACTS:

None.

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.

RECOMMENDATION:

Receive and file.

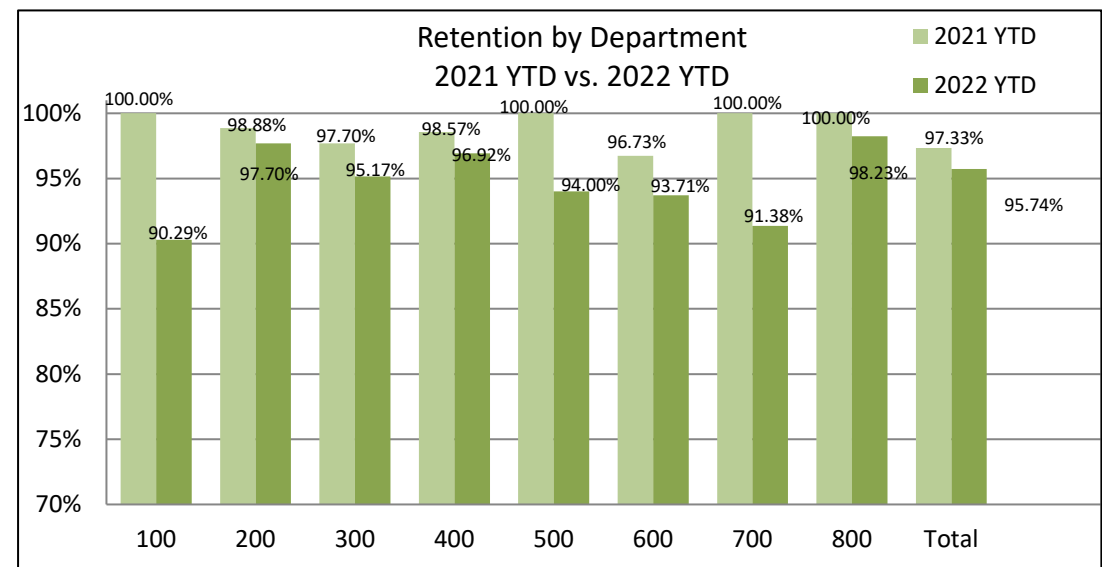
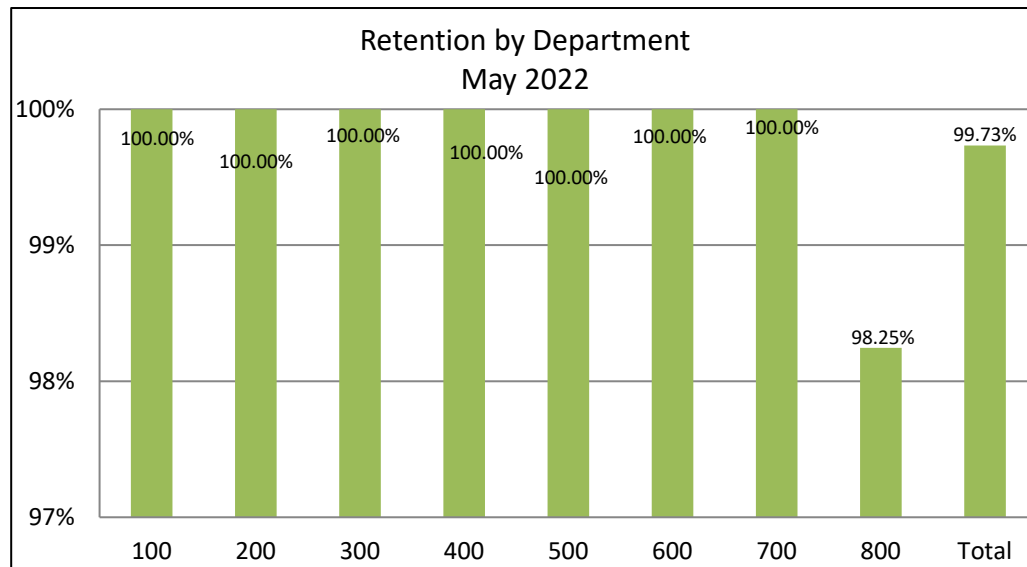
LIST OF EXHIBITS:

Exhibit "A" – Employee Population and Retention Status Report

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EXHIBIT "A"
IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
May 2022

	@05/01/22	Current Month Activity							@05/31/22		FY 21/22	Avg FYTD	Avg FYTD	Avg FYTD	Retention	
Dept	Positions Filled	New Hires	Terms		Promo Trnsfr		Lateral Trnsfr		Positions Filled	Positions Unfilled	Budgeted Positions	Filled Budget Positions	Temp Emp FTE	Total Filled Positions	Current	2022
			Vol	Invol	In	Out	In	Out							Period	YTD
100	21.0								21.0	6	27.0	18.8	0.38	19.2	100.00%	90.29%
200	88.0								88.0	3	91.0	88.5	0.97	89.4	100.00%	97.70%
300	42.0	1							43.0	2	45.0	42.0	2.51	44.5	100.00%	95.17%
400	64.0								64.0	9	73.0	66.1	2.28	68.4	100.00%	96.92%
500	50.0								50.0	12	62.0	50.7	1.63	52.4	100.00%	94.00%
600	31.0								31.0	2	33.0	31.4	5.33	36.7	100.00%	93.71%
700	22.0								22.0	6	28.0	27.1	3.34	30.4	100.00%	91.38%
800	57.0		1						56.0	5	61.0	55.2	0.00	55.2	98.25%	98.23%
Totals	375	1	1	0	0	0	0	0	375.0	45	420.0	379.7	16.43	396.2	99.73%	95.74%
5/21	390	3	1	0	0	0	0	0	392	21	413.0	388.9	15.5	404.4	99.74%	97.33%

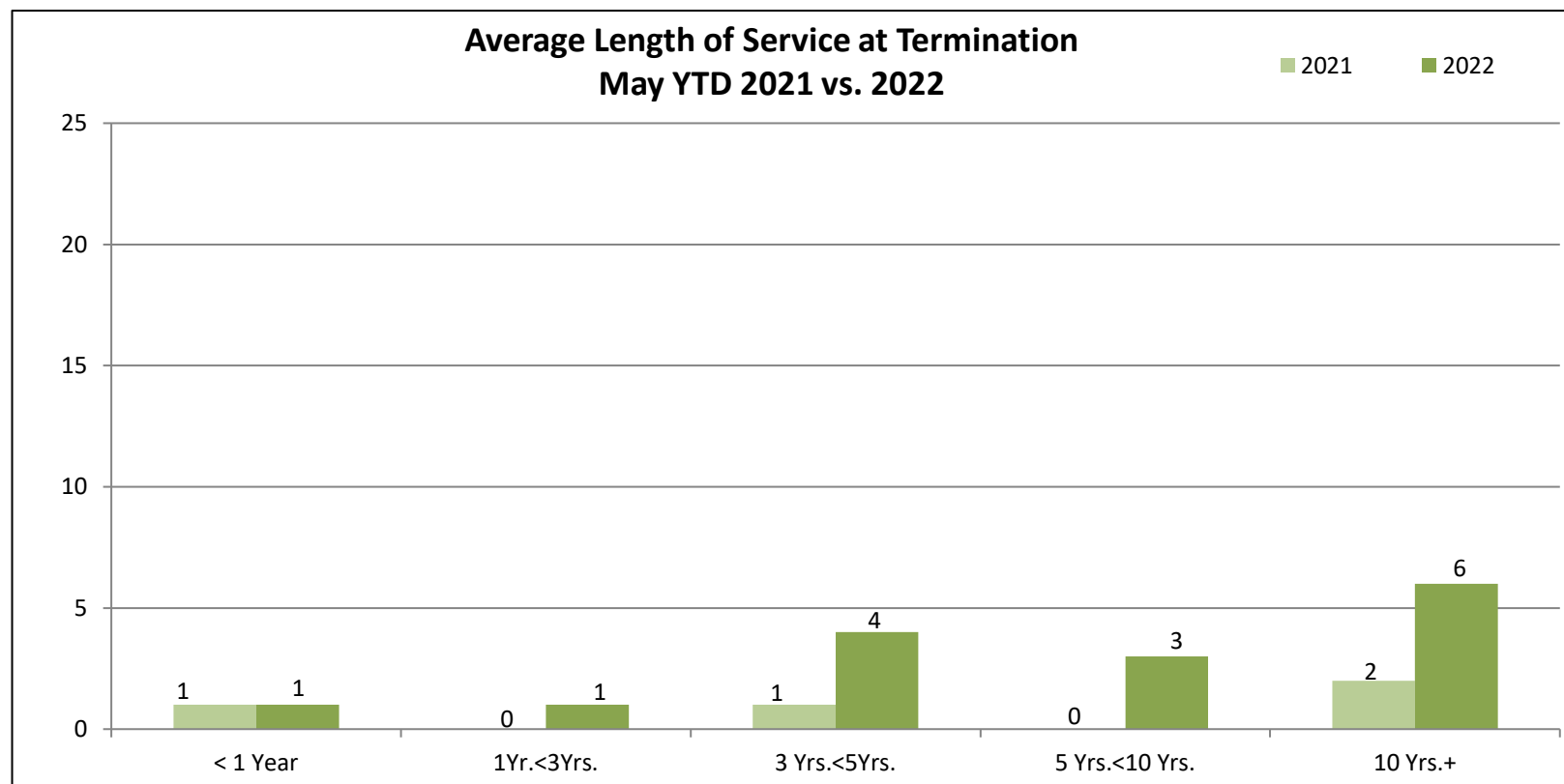


100-GM, HR, Safety; 200-Fin., Cust. Serv., IS, Purch.; 300-Eng.; 400-Water Ops; 500-Recycling; 600-WQ&RC; 700-Water Res., Recyc. Water and Public Affairs; 800-Adm. & Maintenance Ops

**IRVINE RANCH WATER DISTRICT
RETENTION LONGEVITY RATIO
May 2022**

Dept.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD Retention Longevity Ratio				
														< 1 Year	1Yr<.3Yrs.	3 Yrs.<5Yrs.	5 Yrs.<10 Yrs.	10 Yrs.+
100		1	1										2			2		
200			1	1									2				1	2
300	1		1										2				1	1
400		1	1										2			1		1
500		1	1	1									3	1			1	1
600	1			1									2			1		
700		1		1									2		1			1
800					1								1			1		
2022 Total	2	4	5	4	1	0	0	0	0	0	0	0	16	1	1	5	3	6
2021 Data	1	1	1	0	1	7	2	1	3	6	4	4	31	93.75%	93.75%	68.75%	81.25%	62.50%
Percentage of Total Retention																		

2022 Average YTD Length of Service at Termination	10.74 Years
2021 Average YTD Length of Service at Termination	10.21 Years
2020 Average YTD Length of Service at Termination	16.33 Years
2019 Average YTD Length of Service at Termination	9.21 Years
2018 Average YTD Length of Service at Termination	13.85 Years



**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION AND RETENTION REPORT
MAY 2022**

NEW HIRES				
Date	Dept	Employee Name	Position	Prior Company/Agency
05/09/22	300	Abigail Kuan	Assistant Engineer	Albert A. Webb Associates

TERMINATIONS					
Date	Dept	Employee Name	Position	Reason	Comments

RETIREMENTS					
Date	Dept	Employee Name	Position	Reason	Comments
05/13/22	800	Richard Mykitta	Director of Maintenance	RET	

PROMOTIONS					
Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
05/14/22	300	Brianna Palecek	Assitant Engineer	300	Associate Engineer
05/14/22	300	Willie James	Associate Engineer	300	Engineer
05/14/22	400	Anthony Zaragoza	Operator II	400	Operator III
05/14/22	400	Matthew Shapiro	Water Maintenance Technician I	400	Water Maintenance III

TRANSFERS					
Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position

CROSS TRAINING					
Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
04/02/22	800	Gregory Cronin	Vehicle & Equipment Maintance Mechanic	400	Water Maintenance Technician I

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION AND RETENTION REPORT
MAY 2022**

UNFILLED POSITIONS			
Dept	Position	Salary Grade	Comments
100	Community Relations Manager	U18.E	Recruiting
100	Safety Manager	U17.E	Recruiting
100	Public Affairs Specialist	29.N	
100	Digital Communications Specialist	U10.E	Recruiting
100	Senior Human Resources Analyst	U13.E	
100	Safety Specialist	U26.N	
200	Manager of Contract Admin & Risk	U19.E	Recruiting
200	Accountant	27.N	Recruiting
200	Accountant	27.N	Recruiting
300	Senior Engineer	U20.E	Recruiting
300	Senior Engineer	U20.E	
400	Water Maintenance Technician I	16.N	
400	Operator II	27.N	
400	Water Maintenance Technician I	16.N	
400	Field Services Manager	U18.E	Recruiting
400	Metering Systems Technician I	16.N	
400	Water Maintenance Technician I	16.N	
400	Water Maintenance Technician I	16.N	
400	Water Maintenance Technician I	16.N	
400	Water Maintenance Technician I	16.N	
500	Collection Systems Technician II	20.N	
500	Operator III	29.N	Recruiting
500	Process Specialist	32.N	
500	Cybersecurity Analyst	U18.E	
500	Operator III	29.N	Recruiting
500	Collection Systems Supervisor	S32.N	Recruiting
500	Operator II	27.N	
500	Collection Systems CCTV Tech	21.N	Recruiting
500	Collection Systems Technician II	20.N	Recruiting
500	Collection Systems Technician I	15.N	
500	Collection Systems CCTV Tech	21.N	Recruiting
500	Sr. Coll Systems CCTV Tech	25.N	Recruiting
600	Senior Scientist	32.N	Recruiting
600	Scientist	28.N	
700	Water Efficiency Analyst	33.N	Recruiting
700	Recycled Water Specialist	24.N	
700	Recycled Water Specialist	24.N	
700	Water Efficiency Specialist	26.N	
700	Environmental Compliance Analyst	U12.E	
700	Senior Energy & Water Resources Planner	U17.E	Recruiting
800	Instrumentation Technician	30.N	
800	Director of Maintenance	U27.E	
800	Instrumentation Technician	28.N	
800	Electrical Technician	28.N	Recruiting
800	Director of Field Operations	U27.E	

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
May 2022**

LEAVE OF ABSENCE					
Type of Leave	Pay Status	Date Leave Began	Anticipated Return Date	Current Length (wks)	Comments
FMLA/CFRA	SDI	12/8/2021	6/15/2022	27.00	
FMLA/CFRA	SDI	12/27/2021	7/26/2022	30.14	
FMLA/CFRA	WC/TTD	7/22/2021	6/13/2022	46.57	
FMLA/CFRA	SDI	3/21/2022	6/6/2022	11.00	
FMLA/CFRA	SDI	3/8/2022	6/14/2022	14.00	
FMLA/CFRA	SDI	3/17/2022	7/20/2022	17.86	
FMLA/CFRA	SDI	4/18/2022	9/5/2022	20.00	
FMLA/CFRA	WC/TTD	4/12/2022	6/28/2022	11.00	
FMLA/CFRA	ACCRUALS	5/11/2022	6/9/2022	4.14	
FMLA/CFRA	PFL	5/16/2022	7/22/2022	9.57	

Leave	Original Status	Date Leave Began	Anticipated Return Date	Length (wks)	Actual Return Date	Comments
FMLA/CFRA	SDI	9/30/2021	10/18/2021	2.57	10/18/2021	Returned
FMLA/CFRA	SDI	9/16/2021	11/1/2021	6.57	11/1/2021	Returned
FMLA/CFRA	SDI	9/7/2021	10/5/2021	4.00	10/5/2021	Returned
FMLA/CFRA	SDI	10/11/2021	11/30/2021	7.14	11/30/2021	Returned
FMLA/CFRA	SDI	6/29/2021	10/25/2021	16.86	10/25/2021	Returned
FMLA/CFRA	SDI	5/20/2021	10/21/2021	22.00	10/21/2021	Returned
FMLA/CFRA	SDI	10/4/2021	12/30/2021	12.43	12/30/21	Returned
FMLA/CFRA	SDI	11/1/2021	12/20/2021	7.00	12/20/21	Returned
FMLA/CFRA	SDI	10/5/2021	11/15/2021	5.86	11/15/21	Returned
FMLA/CFRA	SDI	12/23/2021	2/24/2022	9.00	02/07/22	Returned
FMLA/CFRA	SDI	1/17/2022	1/27/2022	1.43	01/31/22	Returned
FMLA/CFRA	SDI	1/24/2022	2/24/2022	4.43	02/22/22	Returned
FMLA/CFRA	WC/TTD	1/27/2022	2/16/2022	2.86	02/16/22	Returned
FMLA/CFRA	SDI	10/12/2021	3/7/2022	20.86	03/08/22	Returned
FMLA/CFRA	SDI	9/24/2021	3/17/2022	24.86	03/10/22	Returned
FMLA/CFRA	SDI	9/6/2021	3/7/2022	26.00	03/07/22	Returned
FMLA/CFRA	ACCRUALS	2/28/2022	3/17/2022	2.43	03/17/22	Returned
FMLA/CFRA	SDI	12/13/2021	4/1/2022	15.57	03/31/22	Separation

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT FOR 2022**

Month	Length of Employment	Termination		Comments
		Vol	Invol	
January	14 years, 3 months		X	
	20 years, 2 months	X		CS
February	32 years, 1 month	X		RET
	2 years, 3 months	X		REL
	4 years, 10 months	X		City of Santa Monica
	6 years	X		Inland Empire Utilities Authority
March	4 years, 8 months	X		Yorba Linda Water District
	10 months	X		City of San Diego
	9 years, 3 months	X		NRG
	3 years, 8 months		X	
	26 years, 3 months	X		RET
April	6 years, 2 months	X		NRS
	12 years, 9 months	X		NRG
	4 years, 10 months	X		NRG
	21 years, 8 months	X		RET
May	3 years, 2 months	X		RET
June				
July				
August				
September				
October				
November				
December				

Change in status = CS
Retirement = RET
Relocation = REL
No reason given = NRG

**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES**

ACTIVE											
Current Month FTE	FYTD Ave Hours Worked FTE	PERS Enroll- ment	Agency		Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.58 0.58	0.38 0.38	Yes		100 100	50.00	84	4,200.00	8	6	25,200.00	35,762.50
0.00	0.00			200							
0.26	0.34	No		300	18.00	84	1,512.00	12	10	15,120.00	11,511.00
0.27	0.35	No		300	18.00	84	1,512.00	12	10	15,120.00	11,871.00
0.83	0.31	Yes		300	81.81	84	6,872.04	12	6	41,232.24	47,695.23
0.93	0.33	Yes		300	31.65	168	5,317.20	5	5	26,586.00	19,717.95
0.70	0.40	No		300	19.00	84	1,596.00	12	10	15,960.00	14,658.50
2.99	1.72			300							
0.00 0.00	0.15 0.15	No		400 400	35.13	168	5,901.84	4	3	17,705.52	10,029.62
0.38	0.81	Yes		500	30.28	168	5,087.04	12	10	50,870.40	46,676.62
1.00 1.38	0.82 1.63	Yes		500 500	24.21	168	4,067.28	12	6	24,403.68	38,499.95
0.29	0.25	No		600	15.00	84	1,260.00	10	10	12,600.00	7,290.00
0.18	0.14	No		600	15.00	84	1,260.00	12	9	11,340.00	4,125.00
0.42	0.22	No		600	15.00	84	1,260.00	7	7	8,820.00	6,270.00
0.55	0.39	No		600	17.00	84	1,428.00	12	9	12,852.00	12,520.50
1.00	0.12	No	X	600	45.72	168	7,680.96	6	3	23,042.88	10,607.04
0.92	0.86	Yes		600	28.72	168	4,824.96	12	12	57,899.52	46,889.71
0.52	0.33	No		600	15.00	84	1,260.00	10	10	12,600.00	9,555.00
0.93	0.55	No	X	600	45.72	168	7,680.96	7	7	53,766.72	47,640.24
0.00	0.00	No	X	600	45.72	168	7,680.96	2	1	7,680.96	0.00
0.42	0.04	No	X	600	45.72	168	7,680.96	4	3	23,042.88	3,291.84
5.23	2.86			600							
0.87	0.84	Yes		700	32.04	168	5,382.72	12	10	53,827.20	51,071.76
0.92	0.82	Yes		700	32.04	168	5,382.72	12	10	53,827.20	50,366.88
1.00	0.22	No	X	700	30.28	168	5,087.04	4	4	20,348.16	12,778.16
0.87	0.44	Yes		700	32.04	168	5,382.72	6	7	37,679.04	27,049.77
0.31	0.26	Yes		700	42.95	84	3,607.80	7	7	25,254.60	21,614.59
3.97	2.59			700							
0.00	0.00			800							
14.14	9.33										

**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES**

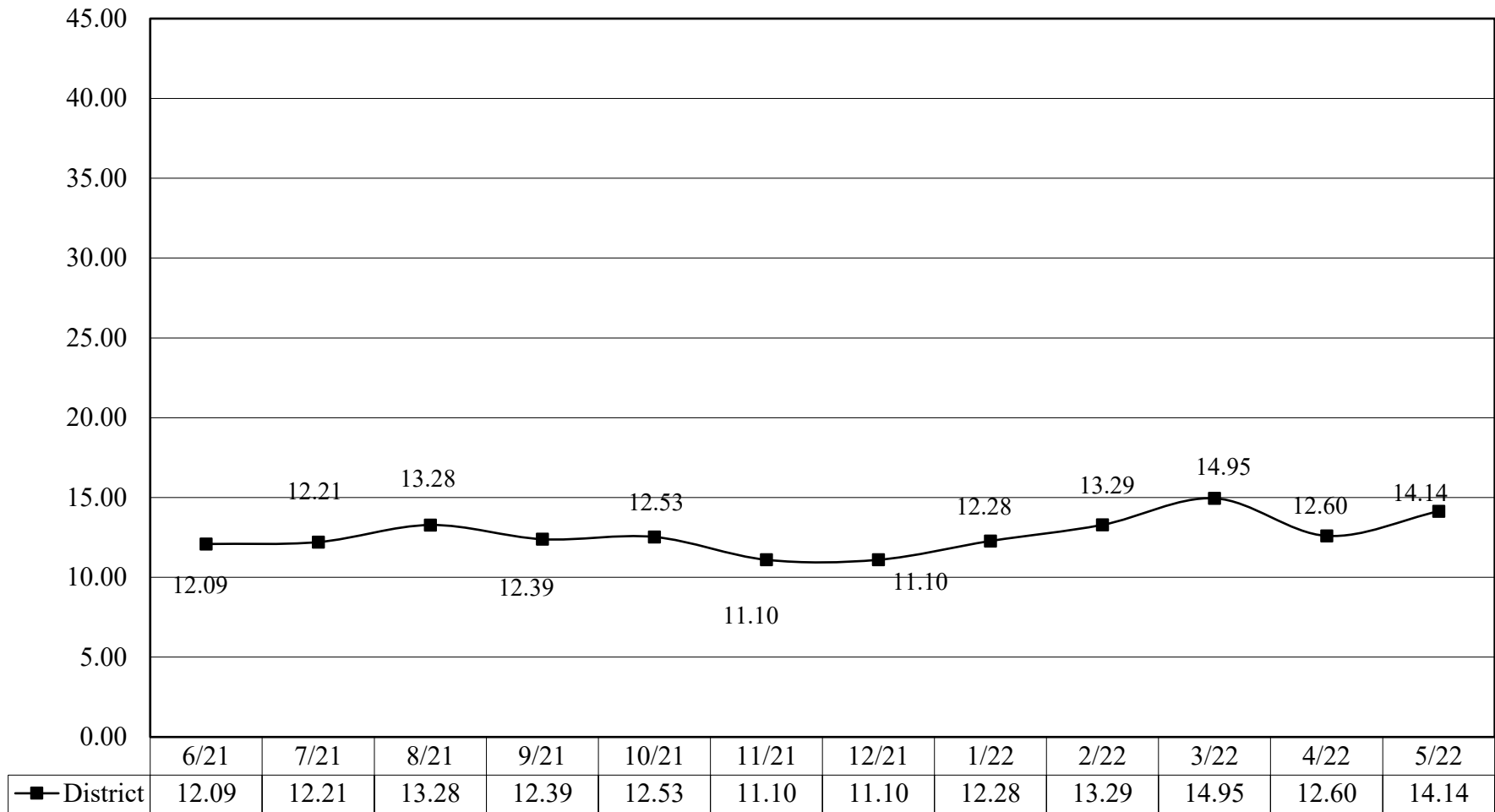
TERMINATED											
Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FYTD	Actual Cost FYTD
0.00	0.00			100							
0.98	0.97	Yes		200	22.37	168	3,758.16	12	5	18,790.80	18,734.88
0.98	0.97			200							
0.62	0.79	Yes		300	37.70	168	6,333.60	12	10	63,336.00	51,799.80
0.62	0.00			300							
0.98	0.97	No	X	400	23.92	168	4,018.56	6	3	12,055.68	12,103.52
0.64	0.66	Yes		400	24.78	168	4,163.04	12	10	41,630.40	31,396.26
1.00	0.45	No	X	400	32.26	168	5,419.68	4	4	21,678.72	12,718.51
0.00	0.05	No	X	400	30.53	168	5,129.04	6	4	20,516.16	1,221.20
2.62	2.13			400							
0.00	0.00			500							
0.98	0.87	No	X	600	32.76	168	5,503.68	2	4	22,014.72	19,787.04
0.87	0.96	No	X	600	32.76	168	5,503.68	6	4	22,014.72	21,785.40
1.00	0.60	No	X	600	46.43	168	7,800.24	5	4	31,200.96	23,981.10
2.85	0.87			600							
0.68	0.76	EXC		700	14.00	84	1,176.00	12	5	5,880.00	9,198.00
0.00	0.00			700							
0.00	0.00			800							
7.07	3.96									905,897.16	750,218.55

EXC = Exclude from PERS enrollment

Yes= Temporary employee enrolled in PERS Membership

No=Temporary Agency employee

**Temporary Employees
Full Time Equivalency
District Totals as of May 31, 2022**



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July 5, 2022

Prepared by: A. Hall

Submitted by: T. Mitcham

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE

SUMMARY:

IRWD's Performance Recognition Program recognizes employees who exhibit outstanding performance which depicts initiative, creativity and/or enthusiasm above and beyond the performance requirements of their positions. Below is an update of activities within this program through the fourth quarter of Fiscal Year 2021-22.

BACKGROUND:

During the fourth quarter of FY 2021-22, there were 28 Performance Recognition Award nominations totaling \$2,206 and involving 66 IRWD employees. As described in Exhibit "A", the awards include employees from the Technical Services, Water Resources and Policy, Operations, Water Quality and Regulatory Compliance, Finance and Administration, Human Resources, and Public Affairs. Also, in the fourth quarter of FY 2021-22, there were Year-End Performance Recognition awards made to 185 employees.

Exhibit "A" summarizes the Performance Recognition Awards for the fourth quarter of FY 2021-22.

FISCAL IMPACTS:

The District's annual budget for FY 2021-22 is \$180,000 for this program, of which \$181,623.00 was distributed for performance recognition as of June 30, 2022.

RECOMMENDATION:

Receive and file.

LISTS OF EXHIBITS:

Exhibit "A" – Quarterly Update for Fourth Quarter of FY 2021-22

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EXHIBIT "A"

PERFORMANCE RECOGNITION PROGRAM						
QUARTERLY UPDATE						
Fiscal Year 2021-2022						
Q4 January - June 2022						
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
4th Qtr.	4/5/2022	Colton Martin	Recognized for assisting an employee with the air conditioning in the Operations Committee Conference room. Colt took it upon himself to coordinate with the Facilities team in getting the room temperature adjusted remotely.	2 Gift Cards	\$20.00	\$20.00
	4/6/2022	David Perez	Recognized for his support with the Warehouse Buildings at Michelson; Projects 11854 and 11855. David was a valuable resource in that he submitted and updated multiple Dig Alert tickets as required for an area planned for survey. Additionally, he met with the Engineering staff and the surveyor on multiple occasions to provide answers and assist with locating utilities.	3 Gift Cards	\$30.00	\$30.00
	4/11/2022	Michael Chaney	Recognized for his efforts at the Customer Service counter with a potentially volatile customer. Mike stood patiently near the counter, assuring the customer service representative of his visibility as she assisted the customer with his billing concerns.	3 Gift Cards	\$30.00	\$30.00
	4/11/2022	Rosa Sandoval	Recognized for her professionalism as she assisted a disgruntled customer at the Customer Service Counter. In her interaction with the customer, Rosa demonstrated respect and kindness as she explained IRWD's policy on records request.	3 Gift Cards	\$30.00	\$30.00
	4/11/2022	Darin Nicholson	Recognized for his proactiveness in handling multiple emergencies, and taking on additional duties while the supervisor was on vacation.	3 Gift Cards	\$30.00	\$30.00
	"	Alex Garcia	Recognized for stepping in while his supervisor was out.	"	\$30.00	\$30.00
	"	Timothy Burgoon	Recognized for his teamwork and collaboration in assisting the standby personnel, by responding to weekend emergencies.	"	\$30.00	\$30.00
	"	Ryan Arbogast	Recognized for his teamwork and collaboration in assisting the standby personnel, by responding to weekend emergencies.	"	\$30.00	\$30.00
	"	Nicholas Humeny	Recognized for his support assisting with interviews and also during an emergency Power Outage at the Sand Canyon Offices.	"	\$30.00	\$30.00
	"	Corey Waibel	Recognized for his assistance during an emergency Power Outage at the Sand Canyon Office building.	"	\$30.00	\$30.00
	"	Jack Justice	Recognized for their teamwork and collaboration. Jack always avails himself to the team whenever assistance is needed.	"	\$30.00	\$30.00
	"	Dixie Daquial	Recognized for their teamwork and collaboration. Dixie always avails himself to the team whenever assistance is needed.	"	\$30.00	\$30.00
	4/18/2022	Ian Swift	Recognized for their commendable efforts going above-and-beyond assisting with an unfortunate event at the marsh. Their actions epitomized IRWD's value on teamwork, respect and kindness.	Payroll Check	\$100.00	\$97.45
	"	Shane Martin		"	\$100.00	\$97.45
	4/22/2022	Javier Tobar	Recognized for their ability to work as a team and picking up extra duties during a staffing shortage. The team made sure that all the critical assignments were completed, as result of which was meeting the scheduled deadlines.	3 Gift Cards	\$30.00	\$30.00
	"	Benjamin Reed		"	\$30.00	\$30.00
	"	Jessica Craig		"	\$30.00	\$30.00
	4/27/2022	Morgan Jones	Recognized for going above-and-beyond and keeping the team informed on the status of corrective Maximo Work Orders for the various Collection Facilities. Morgan's continued communication with the Collections team helps keep them on track in meeting their daily goals.	3 Gift Cards	\$30.00	\$30.00
	4/28/2022	Aaron Solorzano	Recognized for his customer care towards an employee requesting a specialized high-powered graphics computer needed to perform his job duties. Aaron went above-and-beyond, worked with the employee and provided a computer that surpassed the employee's expectations. His demonstrated ability to collaborate and level of innovation stood out.	3 Gift Cards	\$30.00	\$30.00
	5/4/2022	Mariaelena Teran	Recognized for her ability to accommodation an employee's request on getting the weekly report done with a pressing deadline.	2 Gift Cards	\$20.00	\$20.00
	5/9/2022	Lars Oldewage	Recognized for his teamwork efforts, providing feedback on a water quality report for the community outreach program in Irvine.	3 Gift Cards	\$30.00	\$30.00
	5/12/2022	Erik Segura	Recognized for their demonstrated customer care, respect, and kindness value. Both Erik and Vu were complimented by a customer, who was impressed by their level of professionalism and kindness.	2 Tickets	\$18.00	\$18.00
	"	Vu Chu		2 Gift Cards	\$20.00	\$20.00
	5/23/2022	Alfredo Luevano	Recognized for assistance an employee with a laptop replacement when theirs was deemed inoperable. Alfredo made sure that the	3 Gift Cards	\$30.00	\$30.00

			PERFORMANCE RECOGNITION PROGRAM			
			QUARTERLY UPDATE			
			Fiscal Year 2021-2022			
			Q4 January - June 2022			
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
			different software, and data, was transferred to the new laptop, and that it was up and running.			
4th Qtr.	6/14/2022	Jason Ludwig	Recognized for his outstanding support at a time when Construction Services was short staffed due to an employee's absence. His ability to take on additional duties all the while managing his daily job tasks, minimized potential delays and postponements of inspections.	3 Gift Cards	\$30.00	\$30.00
	6/14/2022	Jonathan Faulds	Recognized for his professionalism, swiftness, and customer service care in addressing a service request.	2 Gift Cards	\$20.00	\$20.00
	6/14/2022	Victor Zamora	Recognized for his input, and reviewing the multiple revisions of the landscape and pest control plan, as part of the Dam and Safety Program Guidelines being developed by the Dams and Storage group. Victor's assistance on this project helped with the overall improvements to the IRWD's Dam Safety Program.	2 Gift Cards	\$20.00	\$20.00
	6/14/2022	Devin McQuown	Recognized for their quick thinking after noticing an unfamiliar vehicle at a restricted area in the Michelson Facility. Both Devin and Linda directed the individuals to the Security Desk for assistance.	3 Gift Cards	\$30.00	\$30.00
	"	Linda Orozco		"	\$30.00	\$30.00
	6/15/2022	Ian Swift	Recognized for going above-and-beyond in his efforts and research to assist Fiona Sanchez and the District overall.	Payroll Check	\$250.00	\$243.62
	6/15/2022	Kyra Barbosa	Recognized for their efforts on the development of a banking and monthly reporting system to showcase the value of the NTS sites and their removal of (TDS) Total Dissolve Oxygen. This is an innovative approach to met water quality compliance and provide metrics that have never been reported on previously. Both Kyra and Sheryl demonstrated teamwork and collaboration.	3 Gift Cards	\$30.00	\$30.00
	"	Sheryl Parsons		"	\$30.00	\$30.00
	6/15/2022	Michelle Breiter	Recognized for their efforts in developing an Engineering Compliance Checklist for Construction projects. This is a new tool that will help all Engineering Managers navigate numerous and complex regulations to determine what permits and regulations apply to their specific projects.	3 Gift Cards	\$30.00	\$30.00
	"	Jacob Moeder		"	\$30.00	\$30.00
	6/15/2022	Ken Pfister	Recognized for sending out Districtwide notification on a fire outbreak at Santiago Canyon. Having had a Scientist collecting a sample in the area, Ken's notice could not have come at a better time. His awareness on Safety embodies one of IRWD's values.	3 Gift Cards	\$30.00	\$30.00
	6/16/2022	Cody Bill	Recognized for their teamwork and collaboration providing Engineering with critical information about existing facilities that will be used in the design and upgrade of these facilities. Additionally, the Construction team demonstrated safety and environmental stewardship by performing their work in a safe manner without jeopardizing the nearby habitat areas.	2 Gift Cards	\$20.00	\$20.00
	"	Gustavo Orozco		"	\$20.00	\$20.00
	"	Reynaldo Valencia		"	\$20.00	\$20.00
	"	Bryan Clinton		"	\$20.00	\$20.00
	"	Earl Doyle		"	\$20.00	\$20.00
	"	Nicholas Korneff		"	\$20.00	\$20.00
	6/17/2022	Cody Cariker	Recognized for his innovation as he has leveraged his Operation experience in providing valuable input on the Primary Disinfection Facility Sodium Hypochlorite Storage project. He orchestrated the testing along with the Water Operations department. The field test resulted in a better understanding of sample lines and the reason why staff is seeing water quality values. We gained a better understanding of the water quality issues resulting in a smoother transition to starting up the new improvements being constructed at the Primary Disinfection Facility.	2 Gift Cards	\$20.00	\$20.00
	6/22/2022	Claire Nguyen	Recognized for their efforts with the June Regulatory report. As a result, the data was ready for final validation, which allowed the reporting for June to be completed in a timely manner.	3 Gift Cards	\$30.00	\$30.00
	"	Somkit Rattan		"	\$30.00	\$30.00
	"	Kristina Reppert		"	\$30.00	\$30.00
	6/22/2022	Joseph McGehee	Recognized for his efforts in getting the Rattlesnake Reservoir picnic area ready for the Employee Appreciation Event. Joe did a site visit of the area to make sure that the Contractors left the area safe, and ready for the employees access.	2 Tickets /1 Gift Card	\$28.00	\$28.00


			PERFORMANCE RECOGNITION PROGRAM			
			QUARTERLY UPDATE			
			Fiscal Year 2021-2022			
			Q4 January - June 2022			
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
	6/27/2022	Frank Tedescucci	Recognized for their assistance with the Employee Appreciation Event. The Facilities team made sure the entire area was clean,	3 Gift Cards	\$30.00	\$30.00
4th Qtr.	"	Richard Brown	and setup on time, ready for the event's kickoff, while Securitas directed the parking.	"	\$30.00	\$30.00
	"	Mark Stone		"	\$30.00	\$30.00
	"	Damien McBride		"	\$30.00	\$30.00
	"	Daniel Jara		"	\$30.00	\$30.00
	"	Jay Eggers		"	\$30.00	\$30.00
	"	Jessee Hesck		"	\$30.00	\$30.00
	"	Shane Martin		"	\$30.00	\$30.00
	6/27/2022	Kevin Reideler	Recognized for their efforts and participation in the first IRWD Water Academy. The academy is designed to attract high school	3 Gift Cards	\$30.00	\$30.00
	"	Jerry Whittaker	students that may not be focused on college, but a unique skill set. The IRWD employees represented Water Operations from	"	\$30.00	\$30.00
	"	Matthew Shapiro	various departments. The students had the opportunity to hear first hand accounts from employees and their shared experiences.	"	\$30.00	\$30.00
	"	Matthew Daniel		"	\$30.00	\$30.00
	"	Gustavo Barreto		"	\$30.00	\$30.00
	"	Raymond Drenner		"	\$30.00	\$30.00
	6/27/2022	Gaspar Garza	Recognized for their support of the Alternatives Evaluation for Routing the Biosolids Heat Dyer Scrubber Waste Flow Stream. The	3 Gift Cards	\$30.00	\$30.00
	"	Pio Reynoso	Recycling Operations team coordinated with Engineering staff on when the Heat Dryer was operational thus allowing for the	"	\$30.00	\$30.00
	"	Agustin Nieto	sample collection, while the Regulatory Compliance team provided the thermometer to use for sampling.	"	\$30.00	\$30.00
	"	Raymond Drenner		"	\$30.00	\$30.00
	"	Michael Fites		"	\$30.00	\$30.00
	"	Franklin Soto		"	\$30.00	\$30.00
			<i>Fourth Quarter Totals</i>		\$2,206.00	\$2,194.52
			Exemplary Performance Awards - 185 Employees		\$173,750.00	\$152,168.37
			FISCAL YEAR TO DATE TOTAL		\$181,623.00	\$159,734.90

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July 5, 2022

Prepared by: O. Mendoza / J. Davis

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

MONTHLY INVESTMENT AND DEBT REVIEW

SUMMARY:

The following items are submitted for the Committee's review and consideration:

- The Investment Portfolio Summary Report as of June 24, 2022, as outlined in Exhibit "A";
- The U.S. Treasury Yield Curve as of June 24, 2022, as shown in Exhibit "B";
- The Summary of Fixed and Variable Debt as of June 24, 2022, as outlined in Exhibit "C"; and
- The Summary of Variable Rate Debt Rates as of June 24, 2022, as outlined in Exhibit "D".

BACKGROUND:

Investment Portfolio:

Due to the timing of the Committee meeting, the rate of return for June 2022 is not complete at this time. Preliminary calculations indicate a rate of return for the fixed income investment portfolio was 0.81%, which was a 0.09% increase from May's rate of 0.72%. Including real estate investments, the weighted average rate of return for IRWD's investment portfolio for June 2022 was 3.09%, which was a 0.05% increase from May's rate of 3.04%. The increases were due to a greater average balance in the fixed income portfolio at higher interest rates and re-investment of funds from the Local Agency Investment Fund (LAIF) to a higher yielding investment.

Debt Portfolio:

As of June 24, 2022, IRWD's weighted average all-in variable rate was 0.92%, which was a 0.02% decrease from May's rate of 0.94%. Including IRWD's weighted average fixed rate bond issues of 3.71% 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 3.09%, a 0.07% decrease from May's rate of 3.16%. The decrease was due to lower variable debt rates and the change in the negative cash accrual from \$264,883 to \$230,324 for the District's fixed payer swaps.

FISCAL IMPACTS:

Fiscal impacts are outlined above and included in the exhibits provided.

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.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit “A” – Investment Portfolio Summary as of June 24, 2022

Exhibit “B” – Yield Curve as of June 24, 2022

Exhibit “C” – Summary of Fixed and Variable Debt as of June 24, 2022

Exhibit “D” – Summary of Variable Rate Debt Rates as of June 24, 2022

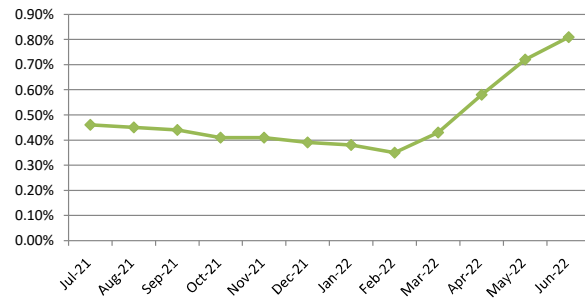
Exhibit "A"

Irvine Ranch Water District

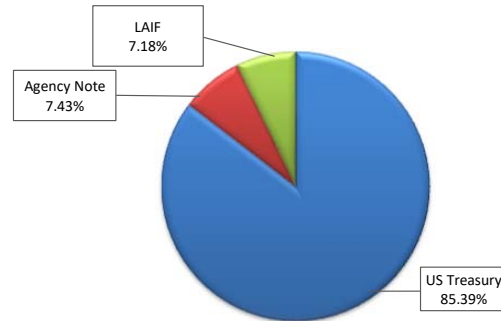
Investment Portfolio Summary

June 2022

Monthly Fixed Income Yield



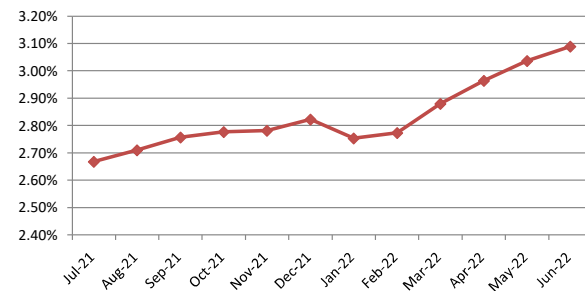
Portfolio Distribution



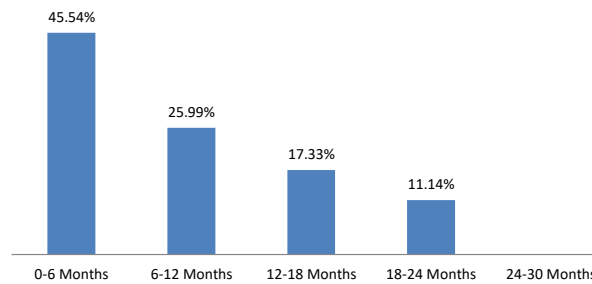
Investment Summary

Type	PAR	Book Value	Market Value
US Treasury	345,000,000	343,751,654	341,381,234
Agency Note	30,000,000	30,042,596	29,805,000
LAIF	29,000,000	29,000,000	28,673,853
Grand Total	404,000,000	402,794,249	399,860,087

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
US Treasury	345,000,000	85.40%
State of California Tsy.	29,000,000	7.18%
Fed Farm Credit Bank	15,000,000	3.71%
Fed Home Loan Bank	15,000,000	3.71%
Grand Total	404,000,000	100.00%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

06/24/22

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 6/24/2022	UNREALIZED ⁽²⁾ GAIN/(LOSS)
06/14/22			06/25/22		LAIF	State of California Tsy.	\$29,000,000		0.920%	\$29,000,000.00	\$29,000,000.00	28,673,852.60	(326,147.40)
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	10,000,000.00	9,993,800.00	(6,200.00)
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	5,000,000.00	4,996,900.00	(3,100.00)
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	5,000,000.00	4,996,900.00	(3,100.00)
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	5,000,000.00	5,003,400.00	3,400.00
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	5,000,011.51	5,003,800.00	3,788.49
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	9,999,733.67	9,985,400.00	(14,333.67)
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	5,000,194.52	4,987,450.00	(12,744.52)
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	5,014,030.07	5,008,700.00	(5,330.07)
01/13/22	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.312%	4,994,140.63	4,998,445.99	4,987,450.00	(10,995.99)
02/15/22	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.776%	4,982,617.19	4,994,617.51	4,987,450.00	(7,167.51)
02/15/22	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.769%	4,982,812.50	4,994,677.98	4,987,450.00	(7,227.98)
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	5,018,044.61	5,010,100.00	(7,944.61)
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	4,998,937.14	4,979,700.00	(19,237.14)
01/10/22	NA	NA	09/30/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.332%	4,992,578.13	4,997,431.98	4,979,700.00	(17,731.98)
02/28/22	NA	NA	09/30/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.742%	4,982,031.25	4,992,359.08	4,979,700.00	(12,659.08)
03/23/22	NA	NA	09/30/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.937%	9,957,812.50	9,979,900.20	9,959,400.00	(20,500.20)
06/14/22	NA	NA	10/15/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	1.375%	1.845%	9,983,984.38	9,986,197.92	9,983,984.38	(2,213.55)
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	10,003,247.73	9,944,500.00	(58,747.73)
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	9,995,723.16	9,944,500.00	(51,223.16)
04/11/22	NA	NA	10/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	1.235%	9,939,062.50	9,963,377.46	9,944,500.00	(18,877.46)
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	5,000,447.88	4,964,250.00	(36,197.88)
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	9,994,148.55	9,928,500.00	(65,648.55)
01/07/22	NA	NA	11/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.401%	4,987,695.31	4,994,280.39	4,964,250.00	(30,030.39)
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	10,067,837.63	10,003,100.00	(64,737.63)
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	9,995,487.10	9,909,800.00	(85,687.10)
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	4,999,486.11	4,944,350.00	(55,136.11)
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	9,982,944.35	9,888,700.00	(94,244.35)
02/28/22	NA	NA	01/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	1.070%	4,956,640.63	4,972,466.16	4,944,350.00	(28,116.16)
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	9,992,362.05	9,894,000.00	(98,362.05)
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	9,996,285.61	9,867,200.00	(129,085.61)
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	9,997,934.78	9,847,300.00	(150,634.78)
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	4,993,153.43	4,923,650.00	(69,503.43)
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	9,993,641.01	9,822,300.00	(171,341.01)
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	9,984,939.94	9,822,300.00	(162,639.94)
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	9,976,278.41	9,802,700.00	(173,578.41)
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	4,978,204.84	4,891,000.00	(87,204.84)
04/21/22	NA	NA	06/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	1.375%	2.107%	9,914,062.50	9,928,089.08	9,915,200.00	(12,889.08)
01/11/22	NA	NA	07/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.710%	4,954,882.81	4,968,513.62	4,881,250.00	(87,263.62)
02/28/22	NA	NA	07/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	1.408%	4,909,960.94	4,931,340.87	4,881,250.00	(50,090.87)
01/13/22	NA	NA	08/15/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.769%	9,898,437.50	9,928,081.82	9,753,900.00	(174,181.82)
02/15/22	NA	NA	08/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	1.473%	4,898,046.88	4,922,718.81	4,871,300.00	(51,418.81)
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	9,960,034.36	9,739,800.00	(220,234.36)
03/31/22	NA	NA	10/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	1.625%	2.155%	4,958,984.38	4,965,501.54	4,952,550.00	(12,951.54)
04/21/22	NA	NA	10/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	1.625%	2.380%	4,943,750.00	4,950,907.26	4,952,550.00	1,642.74
03/31/22	NA	NA	11/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.500%	2.210%	4,860,742.19	4,881,779.49	4,864,650.00	(17,129.49)
04/21/22	NA	NA	11/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.500%	2.462%	4,846,093.75	4,864,677.67	4,864,650.00	(27.67)
04/14/22	NA	NA	12/15/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	2.213%	4,829,687.50	4,851,465.16	4,833,400.00	(18,065.16)
03/22/22	NA	NA	01/31/24	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.875%	2.013%	4,896,484.38	4,911,859.49	4,875,000.00	(36,859.49)
03/22/22	NA	NA	02/29/24	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	1.500%	2.020%	4,950,781.25	4,957,792.67	4,921,100.00	(36,692.67)
03/10/22	NA	NA	03/08/24	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	1.875%	1.680%	10,038,080.00	10,032,177.34	9,897,100.00	(135,077.34)
04/21/22	NA	NA	04/30/24	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	2.000%	2.600%	9,882,421.88	9,893,703.02	9,908,600.00	14,896.98

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

06/24/22

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 6/24/2022	UNREALIZED ⁽²⁾ GAIN/(LOSS)
05/31/22	NA	NA	05/31/24	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	2.500%	2.560%	9,988,281.25	9,988,778.21	9,991,400.00	2,621.79
SUB-TOTAL							<u>\$404,000,000</u>			<u>\$402,718,252.67</u>	<u>\$402,794,249.18</u>	<u>\$399,860,086.98</u>	<u>(\$2,934,162.20)</u>
TOTAL INVESTMENTS							<u>\$404,000,000</u>			<u>\$402,718,252.67</u>	<u>\$402,794,249.18</u>	<u>\$399,860,086.98</u>	<u>(\$2,934,162.20)</u>
Petty Cash										3,400.00			
Ck Balance							Bank of America	ECR	0.19%	<u>2,203,481.78</u>			
										<u>\$404,925,134.45</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 This Investment Summary Report is in conformity with the 2022 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.	Outstanding Variable Rate Debt	\$237,300,000															
	Net Outstanding Variable Rate Debt (Less \$60 million fixed-payer swaps)	\$177,300,000															
	Investment Balance:	\$404,925,134															
	Investment to Variable Rate Debt Ratio:	228%															
	Portfolio - Average Number of Days To Maturity	246															
	<table><tr><td></td><td>Investment Portfolio</td><td>Real Estate⁽³⁾ Portfolio</td><td>Weighted Avg. Return</td></tr><tr><td>June</td><td>0.81%</td><td>12.41%</td><td>3.09%</td></tr><tr><td>May</td><td>0.72%</td><td>12.41%</td><td>3.04%</td></tr><tr><td>Change</td><td>0.09%</td><td></td><td>0.05%</td></tr></table>		Investment Portfolio	Real Estate ⁽³⁾ Portfolio	Weighted Avg. Return	June	0.81%	12.41%	3.09%	May	0.72%	12.41%	3.04%	Change	0.09%		0.05%
	Investment Portfolio	Real Estate ⁽³⁾ Portfolio	Weighted Avg. Return														
June	0.81%	12.41%	3.09%														
May	0.72%	12.41%	3.04%														
Change	0.09%		0.05%														

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

06/24/22

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Municipal Bonds	US Treasury
06/22	54,000,000	13.37%	29,000,000				25,000,000
07/22	15,000,000	3.71%		5,000,000			10,000,000
08/22	25,000,000	6.19%					25,000,000
09/22	30,000,000	7.43%		5,000,000			25,000,000
10/22	40,000,000	9.90%					40,000,000
11/22	20,000,000	4.95%					20,000,000
12/22	20,000,000	4.95%					20,000,000
1/23	20,000,000	4.95%					20,000,000
2/23	20,000,000	4.95%		10,000,000			10,000,000
3/23	15,000,000	3.71%					15,000,000
4/23	20,000,000	4.95%					20,000,000
5/23	10,000,000	2.48%					10,000,000
SUB-TOTAL	\$289,000,000	71.53%	\$29,000,000	\$20,000,000			\$240,000,000

13 Months - 3 YEARS							
06/01/2023 - 08/31/2023	\$40,000,000	9.90%					40,000,000
09/01/2023 - 11/30/2023	\$30,000,000	7.43%					30,000,000
12/01/2023 - 02/28/2024	\$15,000,000	3.71%					15,000,000
03/01/2024 - 05/31/2024	\$30,000,000	7.43%		10,000,000			20,000,000
6/01/2024 +							
TOTALS	\$404,000,000	100.00%	\$29,000,000	30,000,000	-		345,000,000

% OF PORTFOLIO

7.18%

7.43%

85.39%

Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
3/31/2022

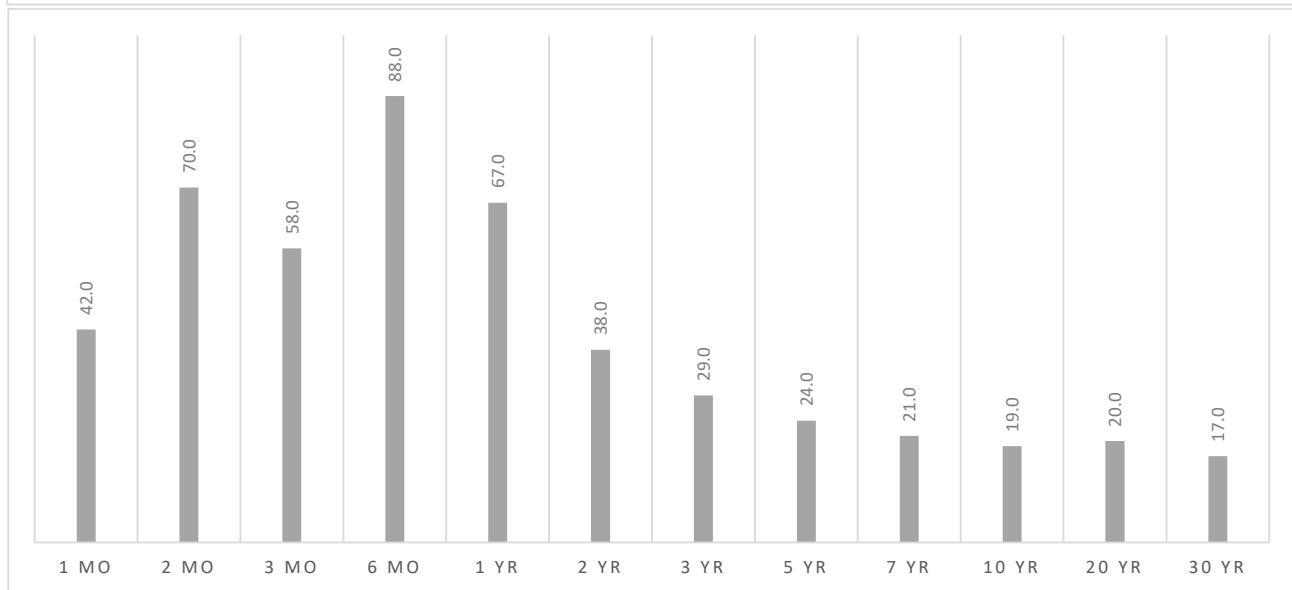
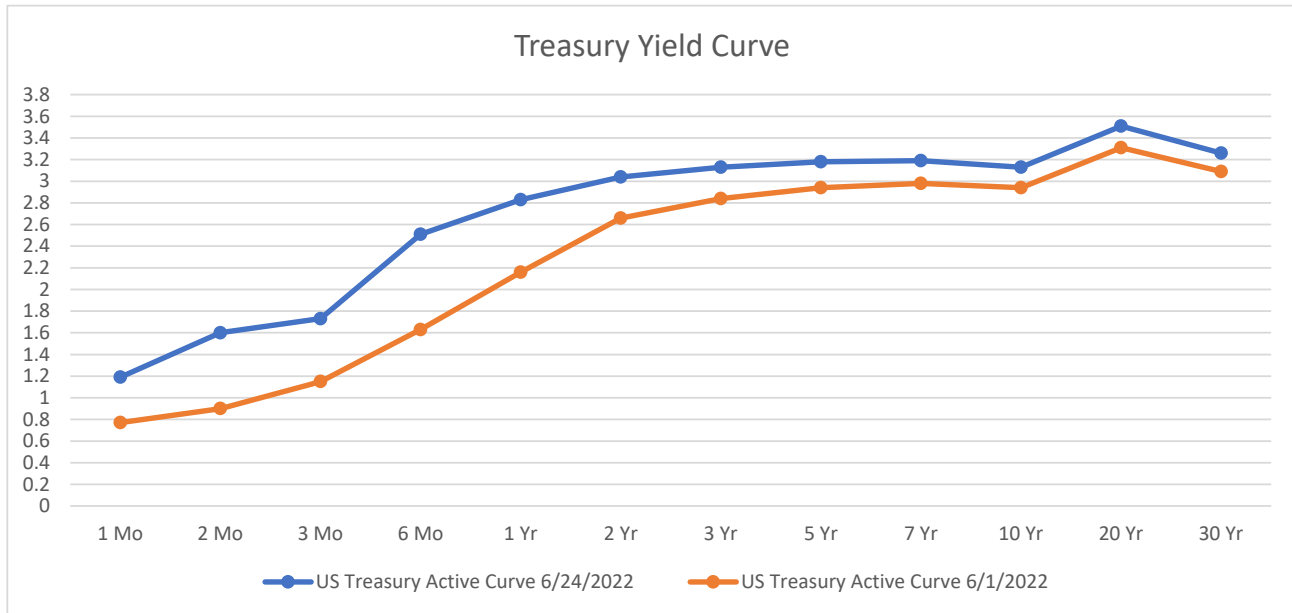
	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 6/30/2021	ANNUALIZED RATE OF RETURN QUARTER ENDED 3/31/2022
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 43,550,810	\$ 170,000,000	22.20%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	\$ 32,258,924	8.51%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,739,845	\$ 12,000,000	9.95%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,630,577	\$ 11,600,000	8.82%
Sand Canyon Professional Center - Medical Office	Jul-12	Medical Office	Fee Simple	\$ 8,648,594	\$ 11,900,000	9.64%
Sand Canyon Professional Center - General Office	Sep-20	Office Building	Fee Simple	\$ 25,985,968	\$ 33,250,000	-0.44%
Total - Income Properties				\$ 98,555,794	\$ 271,008,924	12.41%

Jun-22

PURCHASES⁽¹⁾

(1) There may be additional investment purchases based on the pending maturities for the month.

Exhibit "B"

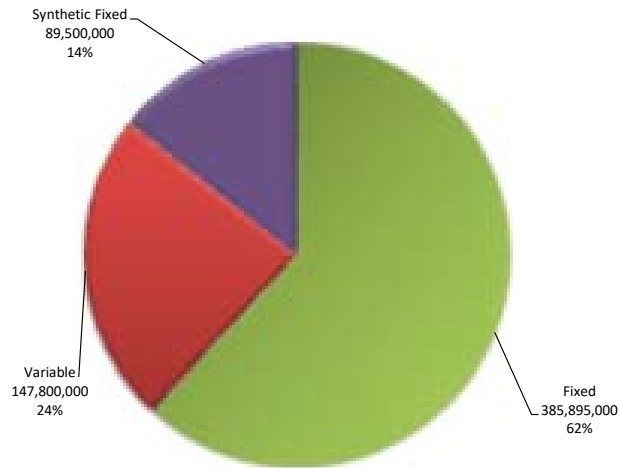


Tenor	US Treasury Active Curve 6/24/2022	US Treasury Active Curve 6/1/2022	Change
1 Mo	1.19	0.77	42.0
2 Mo	1.6	0.9	70.0
3 Mo	1.73	1.15	58.0
6 Mo	2.51	1.63	88.0
1 Yr	2.83	2.16	67.0
2 Yr	3.04	2.66	38.0
3 Yr	3.13	2.84	29.0
5 Yr	3.18	2.94	24.0
7 Yr	3.19	2.98	21.0
10 Yr	3.13	2.94	19.0
20 Yr	3.51	3.31	20.0
30 Yr	3.26	3.09	17.0

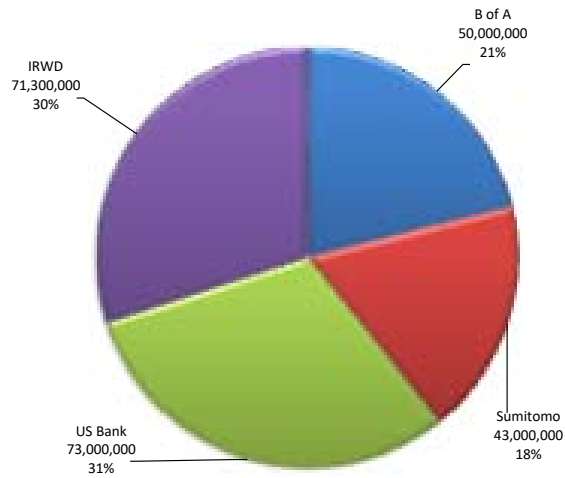
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Exhibit "C"
Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
June 2022

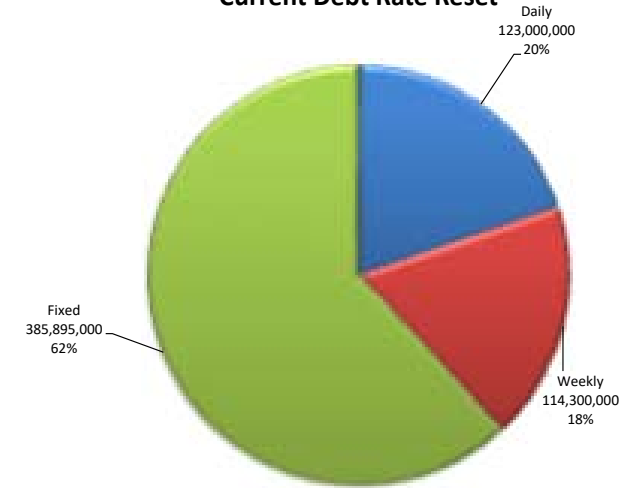
Current Debt Mix By Type



Letters of Credit / Support



Current Debt Rate Reset



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	\$23,000,000	3.69%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	\$43,000,000	6.90%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	\$42,780,000	6.86%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	\$28,520,000	4.58%	IRWD	Goldman	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	\$50,000,000	8.02%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	\$50,000,000	8.02%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	\$109,650,000	17.59%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	\$175,000,000	28.08%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	\$101,245,000	16.25%	N/A	N/A	Fixed	Fixed
Total			\$623,195,000	100.00%				

June-22

LOC Banks		Breakdown Between Variable & Fixed Rate Mode	
		Daily Issues	123,000,000 20%
SUMITOMO	43,000,000	Weekly Issues	43,000,000 7%
BANK OF AMERICA	50,000,000	ITN Issues	71,300,000 11%
US BANK	73,000,000	Sub-Total	<u>237,300,000</u>
	<u>166,000,000</u>		
		Fixed Rate Issues	\$385,895,000 62%
		Sub-Total - Fixed	<u>385,895,000</u>
		TOTAL DEBT	
		FIXED & VAR.	<u>623,195,000</u> 100%

Exhibit "D"

SUMMARY OF DEBT RATES Jun-22

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	23,000,000	43,000,000	50,000,000
LOC Bank	BOFA	(SIFMA + 6)	(SIFMA + 6)	US BANK	Sumitomo	US BANK
Reset		Wednesday	Wednesday		Wednesday	
6/1/2022	0.45%	0.85%	0.85%	0.43%	0.72%	0.50%
6/2/2022	0.40%	0.74%	0.74%	0.40%	0.60%	0.45%
6/3/2022	0.39%	0.74%	0.74%	0.35%	0.60%	0.42%
6/4/2022	0.39%	0.74%	0.74%	0.35%	0.60%	0.42%
6/5/2022	0.39%	0.74%	0.74%	0.35%	0.60%	0.42%
6/6/2022	0.33%	0.74%	0.74%	0.33%	0.60%	0.40%
6/7/2022	0.32%	0.74%	0.74%	0.31%	0.60%	0.35%
6/8/2022	0.28%	0.74%	0.74%	0.30%	0.60%	0.33%
6/9/2022	0.28%	0.68%	0.68%	0.30%	0.53%	0.30%
6/10/2022	0.30%	0.68%	0.68%	0.28%	0.53%	0.30%
6/11/2022	0.30%	0.68%	0.68%	0.28%	0.53%	0.30%
6/12/2022	0.30%	0.68%	0.68%	0.28%	0.53%	0.30%
6/13/2022	0.39%	0.68%	0.68%	0.46%	0.53%	0.43%
6/14/2022	0.46%	0.68%	0.68%	0.49%	0.53%	0.58%
6/15/2022	0.45%	0.68%	0.68%	0.69%	0.53%	0.65%
6/16/2022	0.50%	1.03%	1.03%	0.69%	0.87%	0.74%
6/17/2022	0.55%	1.03%	1.03%	0.64%	0.87%	0.65%
6/18/2022	0.55%	1.03%	1.03%	0.64%	0.87%	0.65%
6/19/2022	0.55%	1.03%	1.03%	0.64%	0.87%	0.65%
6/20/2022	0.55%	1.03%	1.03%	0.64%	0.87%	0.65%
6/21/2022	0.61%	1.03%	1.03%	0.57%	0.87%	0.65%
6/22/2022	0.62%	1.03%	1.03%	0.55%	0.87%	0.65%
6/23/2022	0.55%	1.04%	1.04%	0.55%	0.84%	0.63%
6/24/2022	0.53%	1.04%	1.04%	0.53%	0.84%	0.60%
Avg Interest Rates	0.44%	0.84%	0.84%	0.46%	0.68%	0.50%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%	0.07%
LOC Fee	0.28%			0.30%	0.32%	0.30%
All-In Rate	0.82%	0.96%	0.96%	0.86%	1.07%	0.87%
Par Amount	92,780,000		28,520,000	66,000,000		50,000,000

Interest Rate Mode	Percent of Total Variable Rate Debt	Par Outstanding	Weighted All-In Average Rate	Base Rate Average
Daily	51.83%	123,000,000	0.85%	0.47%
Weekly	48.17%	114,300,000	1.00%	0.78%
	100.00%	\$ 237,300,000	0.92%	0.62%
Fixed				
COPS 2016	28.41%	109,650,000	2.90%	
BABS 2010	45.35%	175,000,000	4.44%	(1)
SERIES 2016	26.24%	101,245,000	3.32%	
	100.00%	\$ 385,895,000	3.71%	
All-In Debt Rate Including \$60 Million Notional Amount of Swaps				3.09%

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

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July 5, 2022
Prepared and
Submitted by: C. Clary
Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

IRWD BUSINESS EXPENSE AND MEETING COMPENSATION AND REPRESENTATION POLICY REVISIONS

SUMMARY:

IRWD's current Business Expense Reimbursement, Travel, Meeting Compensation and Representation policy was last updated in August 2014. In 2014, changes to the policy were made to incorporate the provisions of California Assembly Bill 1234, which provided for certain reforms associated with expense reimbursements of Board members. Since 2014, staff has noted gaps and required clarifications needed to improve the understanding and compliance with this policy. Staff recommends updating the existing policy primarily for clarifying language, minor edits and formatting changes, and other updates as described below.

BACKGROUND:

Staff is recommending the following changes, in addition to other minor edits and clarifications as noted in Exhibit "A":

1. Deleting reference to Committee members as they have the same requirements as Board members;
2. Clarifying that only the President or his designee need to approve Board member expense reports which must be submitted within 90 days after expenses were paid or incurred;
3. Clarifying language that only Executive Directors, Directors, or the General Manager need to preapprove projected expense requests for travel or business activities and reimbursements for their department representatives;
4. Clarifying language that District Representatives who receive a monthly mileage allowance will be reimbursed for mileage only when the meeting location is 60 miles (one way) or more from their regular work location;
5. Clarifying language that Board members will not be reimbursed for mileage to Committee meetings within Orange County, including Standing Committee meetings where they represent the District;
6. Clarifying language that highway and bridge tolls are allowable expenses when incurred while conducting District business and the law requires receipts/toll road statements supporting the expenditure;
7. Clarifying language that Representatives should decline both liability and collision insurance naming IRWD as a named insured;
8. Adjusting travel related maximum meal expenditures permitted for both for the "no receipt" and "receipt" methods as well as total expenses allowed per day to allow for reasonable cost increases since the previous policy update;

9. Adjusting to allow for a combination of meal expenditures up to a maximum under the “receipt method” up to a maximum;
10. Clarifying language that gratuities must be reasonable and should not exceed 20% of the total bill;
11. Clarifying language that lodging for a conference or meeting is permissible if the meeting or conference requiring an overnight stay is more than 50 miles from the Representative’s residence. An exception may be made if the meeting starts prior to 8:00 a.m. or ends after 8:00 p.m.;
12. Clarifying language for any representative when travelling internationally with a District-owned device requiring access to District meetings/emails, to notify the IT Director of their travel plans. IT will purchase a one-time appropriate plan for the District-owned device based on a discussion of data plan needs. Usage will be monitored by IT and usage over and above the initial data plan purchase must be approved General Manager or his designee;
13. Clarification that advanced Board approval is not required for compensated Board attendance at meetings specified by this policy; and
14. Clarification that if a Board member is paid a per diem meeting rate by an outside agency, then the Board member is not eligible to be compensated for attendance at the same meeting by the District.

The proposed expense policy is provided as Exhibit “A”. A redline of the changes proposed to the District’s expense policy is provided as Exhibit “B”. Legal Counsel has reviewed the updated policy and confirmed compliance with existing laws and legislation.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

That the Board approve the proposed revisions, subject to non-substantive changes, to the District’s Policy Regarding Business Expense Reimbursement, Travel, Meeting Compensation, and Representation.

LIST OF EXHIBITS:

- Exhibit “A” –Proposed Business Expense Reimbursement, Travel, Meeting Compensation, and Representation Policy (dated July 5, 2022)
Exhibit “B” – Redline of Proposed Business Expense Reimbursement, Travel, Meeting Compensation, and Representation Policy (dated July 5, 2022)

IRVINE RANCH WATER DISTRICT

POLICY REGARDING BUSINESS EXPENSE REIMBURSEMENT,
TRAVEL, MEETING COMPENSATION AND REPRESENTATION

I. BUSINESS EXPENSE REIMBURSEMENT

SECTION 1 – General

The District will authorize Board member and employee attendance at conferences, seminars, meetings, and related travel and will reimburse business expenses in accordance with the Accountable Plan requirements of the IRS publication for Travel, Gift, and Car Expenses and in accordance with District policies. Travel and business expenses will only be approved if necessary to further the accomplishment of District goals and objectives.

This policy applies to all District Employees, Board members, and others authorized to represent the District through travel or business activities. At all times, District Representatives serve the public and must do so within the ethical and business performance standards expected of a public agency. (See Personnel Policies and Procedures Manual, Policy No. 48 – Business Conduct Standards.) Prudent judgment and full compliance with District policies is required. Failure to use discretion or comply with this policy in the incurring of business expenses may result in the loss of discretionary travel/expense privileges for staff and other disciplinary actions stipulated in IRWD's policies and in applicable laws and regulations.

Expense reimbursements covered under separate policies include, but are not limited to, the following:

1. Expenses related to ongoing, formal training reimbursed under Personnel Policy No. 23, Education and Training.
2. Association memberships that are paid directly by the District on behalf of individual employees or Board members.
3. Credit card usage. See the District Procurement Procedures. Appropriate usage of District credit cards for business-related expenses is covered by these procedures.
4. Petty cash, which is used only by non-exempt employees, as described in the District Procurement Procedures.

All payments or reimbursements of travel and other business expenses under this policy are subject to the inclusion of sufficient departmental funds in the current fiscal year's operating or capital budget. Non-compliance with this policy or falsification of reports or documentary evidence may result in disciplinary action, including termination and/or criminal prosecution.

For Board members, the determination of whether an attended conference, meeting or other activity qualifies for expense reimbursement shall be made under Article I of this Policy, separately from the determination of whether an attended conference, meeting or other activity qualifies the Board member to receive compensation under Article II. An attended conference, meeting or other activity may qualify for expense reimbursement regardless of whether or not it qualifies for compensation.

SECTION 2 – Definitions

The following terms are used in this policy:

- a. Accountable Plan (IRS Publication for Travel, Gift and Car Expenses) –
 - Expenses must have a business connection.
 - Expenses must be adequately documented and include evidence such as receipts, canceled checks or bills to support expenses and must be submitted within a reasonable period of time (60 days in accordance with IRWD policy).
 - Any excess reimbursement must be returned within a reasonable period of time (60 days as per IRWD policy and 90 days for Board members).
- b. Board Member –
A member of the District Board of Directors.
- c. District –
Irvine Ranch Water District.
- d. Employee –
Any full-time, part-time, regular, or temporary staff employed by the District.
- e. Expense Report Reviewer –
The Supervisor/Manager of the Representative, who approves the Representative expenses.
- f. Incidentals –
Any minor, miscellaneous expenses incurred during travel including, but not limited to non-meal gratuities (bell person and housekeeping) and snacks.
- g. Representative –
Any Employee, Board member, or other authorized person incurring business expenses while conducting District business.
- h. Travel –
Transportation, mileage, toll road charges, lodging, meals and incidentals associated with attending a seminar, conference, or meeting requiring an overnight stay.
- i. Travel Liaison –
The person or persons selected within each District department to process expense authorizations prior to travel, arrange travel accommodations, and process expense reports following travel in conformance with District policies and procedures.

SECTION 3 – Responsibilities

Accounts Payable shall reimburse Representatives for out-of-pocket expenses upon receipt of an approved and verified expense report form provided by the District.

Board members shall be familiar with and in compliance with this policy, ensure all travel and other reimbursable expenses are reasonable, and promote economic means of travel. The Board President or his/her designee can approve or deny travel or other business activities and reimbursements for Board members.

The **District Executive Director of Finance and Administration** shall be familiar with this policy and enforce its provisions.

Expense Report Reviewers shall review and approve (as appropriate) expenses incurred following travel, ensuring conformance with District policies and procedures. In addition, the Reviewer shall notify the Executive Director of Finance and Administration of all non-compliant incurred expenses.

The **General Manager, Executive Directors, and Department Directors** shall be familiar with this policy; ensure all travel and other reimbursable expenses are reasonable; coordinate multiple Representative participation at conferences; and promote economic means of travel. The Representative's Executive Director, Department Director or the General Manager should approve or deny projected expense requests for travel or business activities and reimbursements for their department Representatives prior to travel.

Representatives shall be familiar with and in compliance with this policy; obtain prior authorization for travel; and submit documentary evidence for expenses incurred on a timely basis.

Travel Liaisons shall be familiar with and in compliance with this policy, promote economic and reasonable means of travel, and shall inform the Executive Director of Finance and Administration of any requested exceptions for travel-related expenses.

SECTION 4 – Seminars/Conferences/Meetings – Approval

Employee attendance at seminars, conferences, meetings, or other activities must be approved by his/her Director, Executive Director, or General Manager in advance using forms provided by the District.

For Board members, the determination of whether an attended conference, meeting or other activity shall qualify the Board member to receive expense reimbursement shall be made under Article I of this Policy, separately from the determination of whether an attended conference, meeting or other activity shall qualify the Board member to receive compensation under Article II. An attended conference, meeting or other activity may qualify for expense reimbursement regardless of whether or not it qualifies for compensation.

SECTION 5 – Seminars/Conferences/Meetings – Business Purpose

There must be a business reason for attendance at conferences and meetings. Such reasons would include, but are not limited to, making presentations, attendance at meetings, committees or sessions dealing with issues related to District business, or participation as an officer of the association. No travel is permitted out of the country without prior Board approval.

Association involvement as an officer or committee member, which requires the use of District staff time, must be approved by the Executive Director or General Manager prior to a commitment being made.

Seminars must be selected based on value to the District. Benefits would include improved efficiency and effectiveness, as well as meeting new regulatory standards. In addition to the costs estimated on the District's authorization form for conferences and seminars, the cost of an Employee's work time for travel to, from and during the seminar must be considered. Free, local seminars attended during work time must also be authorized in advance.

Preference will be given to seminars that are provided within the Southern California region. Attendance at seminars, conferences, or meetings in "destination resort" areas outside California or areas outside the continental United States is discouraged.

On occasion, Representatives may elect to extend their stay at travel destinations or travel with family members. All expenses including, but not limited to, airfare, meals, extended car rental or lodging, related to such extended or family travel must be paid by the Representative.

SECTION 6 – Transportation

The most economical mode and class of transportation reasonably consistent with travel and scheduling requirements must be used.

The District will not reimburse mileage for use of a personally owned vehicle used for travel in lieu of air travel if it exceeds the cost of coach class or equivalent airfare. Where both travel and rental car reimbursements are utilized, the combined total can't exceed the cost of coach class or similar economy airfare.

Mileage reimbursement for the use of personally owned vehicles shall be the rate set per Board policy which is equivalent to the current Internal Revenue Service (IRS) rate for standard mileage rates.

Mileage for commuting is considered a personal expense pursuant to IRS Accountable Plan requirements and will not be reimbursed. Commuting is travel between a Representative's *residence* and any of the Representative's *regular work location(s)*. There may be multiple regular work locations. Pursuant to IRS requirements and guidance documents, facilities including the District's headquarters, the Operations Center/San Joaquin Marsh, Baker Water Treatment Plant, and the Los Alisos Water Reclamation Plant shall be considered regular work locations. Commuting excludes travel between one work location and another. Different commuting expense rules may apply where an employee is assigned to a District-owned house to

be used as a residence. District Representatives who receive a monthly auto allowance will be reimbursed for mileage only when the meeting location is 50 miles (one way) or more from their regular work location. In this instance, the representative has the option to use a District provided vehicle, including reimbursement for the use of gas. Board members will not be reimbursed for mileage to committee meetings located at a District facility or other locations within Orange County, including committee meetings where they represent the District. Particular facts may require interpretation by the Executive Director of Finance and Administration, using Accountable Plan requirements.

Personally owned vehicles used in the conduct of District business must be insured for property and liability damage in an amount not less than the minimum limits required by the Compulsory Financial Responsibility Law.

Reasonable vehicle parking will be allowed when District, rental, or personally owned vehicles are used for District business. Highway, bridge and road tolls are allowable expenses when incurred while conducting District business and require receipts/toll road statements supporting the expenditure.

When traveling by air or utilizing rental vehicles, the District's Travel Liaisons will generally arrange air travel and car rentals. Travelers should only use rental cars for ground transportation as a last resort or when it is less expensive than other forms of transportation such as trains, buses, taxis, rideshare services (e.g., Uber, Lyft) or shuttles. Discretion must be used in selecting rental car size. They should be the smallest size that provides adequate safety and comfort for the time they are in use. To accommodate a group of travelers, a larger vehicle may be rented in lieu of renting separate vehicles. Gas used for a rental car while traveling for business is an allowable expense.

Representatives should decline both liability and collision insurance on rental cars naming IRWD as a named insured because the Representative and the District are already sufficiently insured through existing District insurance policies. Any accident or damage to a rental vehicle should be reported to the car rental company within 24 hours and to the District Risk Management department within one working day following the accident. Only Representatives are allowed to operate rental cars. Reimbursement for use of chauffeur-driven limousines is not allowed.

All air travel must be at coach class, or a similar economy airline level. First class travel will only be allowed on an exception basis and must be approved in advance by the General Manager or if for the General Manager, by the Board president or his/her designee. Air transportation should be arranged as early as possible to take advantage of reduced fares for early reservations. Consideration should be given to alternative departure/arrival airports, dates, flight times and stopovers to minimize airfares. The total cost of the alternatives (e.g., ground transportation, employee work times, lodging) should also be considered in selecting an alternative. Internet booking services should be consulted to help in finding the optimum alternative. Government and group rates offered by a provider of transportation services shall be used when available. The District expense report approver may approve travel flexibility features such as additional leg room and ticket exchange provisions.

For mileage incurred in the use of a personally owned vehicle, Google Maps or similar verification of the distance traveled shall be submitted and shall serve as the receipt. Reimbursement for toll expenses require receipts or toll road statements supporting the expenditure. For transportation expenses customarily incurred without a receipt, including valet gratuities, a maximum of \$25.00 per day shall be reimbursed for all such expenses that are described in the expense report but are not accompanied by a receipt.

SECTION 7 – Food and Lodging

Expenditures for food and lodging will be moderate and reasonable.

Meals While Traveling:

Meal expenses are allowed while Representatives are traveling. District Representatives will be reimbursed for actual meal expenses, including all taxes and gratuities, up to the amounts indicated below. Gratuities must be reasonable and should not exceed 20% of the total bill. Under the no-receipt method, expenses will be reimbursed on a meal-by-meal basis, not a daily basis. Under the receipt method, the maximum amounts for daily meal expenses can be combined to pay for a more expensive single meal (up to \$60 in a day). If meal expenses exceed the amounts allowed as set forth below, the Representative will be reimbursed the allowance amount, with the remainder being paid by the Representative. In the event the Representative provides a detailed receipt adequately justifying the meal(s), this will be considered by the Executive Director of Finance and Administration or General Manager if the Executive Director of Finance and Administration incurs the expense and full reimbursement may be allowed. If meal expenses are less than the amount set forth below, the actual expense amount will be reimbursed. All meal expenses must be documented in detail in accordance with this policy. Documentation includes names of attendees, business relationship to District, business purpose of meal, name of restaurant, date of expenditure and amount requested for reimbursement. If multiple employees participate in a meal and the meals are included on a single check, then the most senior ranking individual will pay for the meal and include it on his/her expense report.

Representatives must provide receipts for all expenses in order to be reimbursed.

Representatives of the District may be reimbursed for meals under either of two methods:

The “No Receipt Method”

When no receipts are provided, the maximum per person per meal/expense reimbursements are as follows:

Breakfast	\$15.00
Lunch	\$20.00
Dinner	\$25.00
Incidentals	\$10.00

During travel, these amounts may be aggregated to allow a total per day maximum of \$60 (excluding incidentals). For instance, multiple meal expenses may be combined to allow for a more expensive single meal. In no event will a Representative be reimbursed more than \$60 per

travel day (excluding incidentals) under the “No Receipt Method”. Board members are not entitled to reimbursement for meals under the “No Receipt Method”, unless noted that a detailed receipt was lost.

The “Receipt Method”

When receipts are provided, the maximum per person per meal/expense reimbursements are as follows:

Breakfast	\$25.00
Lunch	\$30.00
Dinner	\$50.00
Incidentals	\$15.00

Under this method, the maximum amounts for multiple meal expense can be combined to pay for a more expensive single meal up to a maximum of \$30 for breakfast, \$35 for lunch or \$60 for dinner. In no event will a Representative be reimbursed more than \$105 per travel day (excluding Incidentals) under the “Receipt Method”. In the case of a missing receipt, the Employee Representative will be reimbursed the maximum per meal amount allowed under the *No-Receipt Method* for that meal.

Receipts must be an original, detailed receipt including all items purchased for actual costs. Restaurant bill stubs do not provide sufficient detail and are not acceptable for reimbursement under this method. If detailed receipts are not available, the Employee Representative can still be reimbursed at lower amounts under the “No Receipt Method.” Credit card receipts may be accepted for the Representative, if itemized, detailed, meal receipts are not provided by the restaurant.

Non-Travel Business Meals:

Non-travel business meals will only be reimbursed if taken in conjunction with a District business meeting and expenditures are reasonable. Meals for Representative guests will be reimbursed only if they have a legitimate business relationship with the District. Conflict of interest policies and applicable statutes must be considered when providing meals for or receiving meals from non-Representatives. If meals are included in the cost of a conference or seminar, Representatives will not be reimbursed for meals eaten outside the conference or seminar in-lieu of the meal provided. This will be considered for reimbursement by the Expense Report Reviewer if there is a valid business purpose. The District will not reimburse for alcoholic beverages consumed by Representatives or their guests under any circumstances. If multiple employees participate in a meal and the meals are included on a single check, then the most senior ranking individual will pay for the meal and include it on his/her expense report.

Lodging:

Generally, lodging for a conference or meeting is permissible if the meeting or conference requiring an overnight stay is more than 50 miles from the Representative's residence. Exceptions may be made when the meeting starts prior to 8:00 am or ends after 8:00 pm. When traveling to a conference, the conference-sponsored hotel's group rate published by the conference or activity sponsor shall be used if available at the time of booking. Some conferences require early booking to take advantage of reduced rates. If lodging cannot be arranged at the conference-sponsored hotel's maximum group rate, then the next most reasonably priced lodging must be used. Other lodging accommodations may also be arranged if the cost is less than the conference-sponsored hotel. Government and group rates offered by a provider of lodging shall be used when available.

SECTION 8 – Reimbursement Processing

Requests for reimbursement will be submitted within a reasonable period of time (60 days after they were paid or incurred), except for the Board where requests for reimbursement must be submitted for approval within 90 days after they were incurred.

Requests for reimbursement will be submitted on forms provided by the District and must be accompanied by receipts or documentation evidencing each expense, except as otherwise specified herein for certain expenses. All expense reports, in order to be in accordance with the IRS' Accountable Plan requirements, must include detailed original receipts and must state the date, type of expense, District business purpose, those in attendance and their affiliations, and amounts expended.

Reimbursements to Representatives for meals, lodging and other actual and necessary expenses allowed under this Policy, but excluding conference registration fees, airfare(s) and transportation expenses shall not exceed \$600 per day. However, in the event the Representative provides a reasonable written explanation adequately justifying why his/her daily expenses exceeded the allowable amount, it is within the Executive Director of Finance and Administration's discretion to authorize reimbursement in excess of the daily maximum. This maximum of \$600 per day shall apply *in addition to* all other specific limits, requirements and guidelines of this Policy, including but not limited to the maximum meal reimbursement rates set forth in Section 8 above.

Expenditures, which are improper or otherwise not adequately documented, will not be reimbursed. All credit card expenditures must also be documented in accordance with the District's Credit Card Procedure. Alcoholic beverages and other non-essential expenses including, but not limited to, in-room movies, service bar, etc. will not be reimbursed.

Employee expense reports must be submitted to the Expense Report Reviewer within 60 days (90 days for Board members) after expenses were paid or incurred. Any delinquent expenses will not be reimbursed unless justified in writing and approved by the General Manager at his/her sole discretion or for Board members, by the full Board.

Any Representative traveling for non-District related reasons who requires international access with a District owned device to remotely attend District related meetings or monitor District emails while they are away, is required to notify the Director of Information Services of their travel plans. The Director or his/her designee will purchase a one-time appropriate plan based on the data plan needs. Usage will be monitored by Information Services and reimbursement for usage over and above the initial data plan must be approved by the General Manager or his designee. Use of wi-fi for data is strongly encouraged where available.

All Board member expense reports must be submitted to the Expense Report Reviewer within 90 days after expenses were paid or incurred. Any delinquent requests for reimbursement will be submitted to the full Board for approval.

All Board member expense reports will be reviewed for proper documentation and compliance with this policy by the Executive Director of Finance and Administration prior to submittal for approval by the Board President or his/her alternate if the President is unavailable. A summary of the General Manager, Board member expense reports shall be submitted to the District's Finance and Personnel Committee each quarter for review. A summary of all Executive Director and Director expense reports shall be submitted to the District Finance and Personnel Committee on an annual basis for review.

In accordance with Government Code Section 53065.5, the District will disclose any expense reimbursement paid by the District of at least one hundred dollars (\$100) per day for each individual charge for services or product received. This disclosure item will be reported to the Board on a monthly basis. Charges made using the District credit card may be excluded.

II. BOARD MEMBER MEETING COMPENSATION

SECTION 1 – General

As Representatives of the District, Board members shall be familiar with and in compliance with this policy regarding business expense reimbursement and meeting compensation. Each member of the Board of Directors is encouraged to participate in those outside activities and organizations that, in the judgment of the Board, further the interests of the District.

Article I, Section 1- General, Section 2 - Definitions and Section 3 – Responsibilities shall apply to this Article II.

SECTION 2 – Board Member Meeting Compensation

Board members will be compensated at the rate determined by the Board of Directors and consistent with applicable law for attendance at meetings of the Board of Directors and for each day's service rendered as a member of the Board, including travel days to and from any approved conference, meeting or other event where service or representation is rendered as a member of the Board. pursuant to Water Code Section 20201, the District's Ordinance 1989-1, the District's Resolution regarding rate of pay for days of service and this Policy. Board approved compensation will be made pursuant to the Water Code Section 20202, and individual Board members will not be compensated for more than a total of ten days in any calendar month.

Board members are required to make a brief report on meetings attended at the expense of the District at the next regularly scheduled meeting of the Board pursuant to Government Code Section 53232.3(d).

SECTION 3 – Meetings Specified By This Policy

A. Board members will receive compensation for attending the following meetings without the need for further authorization:

1. Board meetings.
2. Committee meetings of which they are members (including designated alternate members attending in members' absence).
3. Board meetings of nonprofit organizations created by or supported with funds or other contributions from the District (unless held concurrently with meetings of the District's Board) of which they may or may not be Board members.
4. Service club meetings where a Board member is making a presentation or attending on behalf of the District.
5. Events hosted by a recognized business and/or industry association related to District business.
6. Meetings a Board member has with other elected officials or their employees.
7. Meetings of the governing body of another agency, where a matter directly affecting the interests of the District is on the agenda and the Board member is not a Board member, employee or official compensated by the other agency.
8. Meetings with District staff.
9. Meetings with vendors/contractors.
10. Conferences such as ACWA, CASA, WaterReuse, CSDA, and Urban Water Institute.
11. Meetings with property owners on matters in which the property owner is seeking District approval or other consideration or on matters otherwise affecting the interests of the District.
12. Meetings of working coalitions of public and/or private entities in which the District is an active participant, stakeholder or interested party.
13. Meetings or conferences pertaining to the water and wastewater utility industry, where Board members may be asked to give presentation or otherwise represent the District at such events.

B. Board members will not receive compensation or receive expense reimbursement for the following:

1. Nonprofit organization meetings or events other than those included in A above.
2. District-sponsored employee events including, but not limited to, the Annual Holiday Breakfast, Holiday Luncheon, Employee Picnic or retirement events.
3. Ceremonial or social events other than listed in A.5 above (e.g., private party, or political fundraiser).

4. Service club meetings other than those included in A.4 above.
5. Parades, festivals, holiday events, retirement dinners or funerals.
6. Meetings of partisan political organizations.

If a Board member is paid a per diem meeting rate by another outside agency, then the Board member is not eligible to be compensated for attendance at the same meeting by the District. If expense reimbursement is also requested for any reimbursable event, all requirements for such reimbursement under Article I of this Policy shall apply.

SECTION 4 – Processing of Compensation Requests

Requests for compensation shall be submitted on compensation reporting forms, separate from and in addition to any expense reimbursement reporting forms submitted under Section 8 of Article I. All Board member compensation reports must be submitted to the Expense Report Reviewer within 90 days after the activity to be compensated. Any delinquent requests for compensation will be submitted to the full Board for approval.

All Board member compensation reports will be reviewed for compliance with this policy by the Executive Director of Finance and Administration and the General Manager prior to submittal for payment. All Board member compensation reports shall be submitted to the District's Finance and Personnel Committee quarterly for review.

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IRVINE RANCH WATER DISTRICT

POLICY REGARDING BUSINESS EXPENSE REIMBURSEMENT,
TRAVEL, MEETING COMPENSATION AND REPRESENTATION

I. BUSINESS EXPENSE REIMBURSEMENT

SECTION 1 – General

The District will authorize Board member and employee attendance at conferences, seminars, meetings, and related travel and will reimburse business expenses in accordance with the Accountable Plan requirements of the IRS publication for Travel, ~~Entertainment~~, Gift, and Car Expenses and in accordance with District policies. Travel and business expenses will only be approved ~~as they are~~if necessary to further the accomplishment of District goals and objectives.

This policy applies to all District Employees, Board ~~Members~~, ~~Committee members~~, and others authorized to represent the District through travel or business activities. At all times, District Representatives serve the public and must do so within the ethical and business performance standards expected of a public agency. (See Personnel Policies and Procedures Manual, Policy No. 48 – Business Conduct Standards.) Prudent judgment and full compliance with District policies is required. Failure to use discretion or comply with this policy in the incurring of business expenses may result in the loss of discretionary travel/expense privileges ~~up to and including termination, except for Board and Committee Members~~for staff and other disciplinary actions stipulated in IRWD's policies and in applicable laws and regulations.

Expense reimbursements covered under separate policies include, but are not limited to, the following:

1. Expenses related to ongoing, formal training reimbursed under Personnel Policy No. 23, Education and Training. ~~See policy.~~
2. Association memberships that are paid directly by the District on behalf of individual employees or ~~officers~~Board members.
3. Credit card usage. See the District Procurement Procedures. Appropriate usage of District credit cards for business-related expenses is covered by these procedures.
4. Petty cash, which is used only by non-exempt employees. ~~See, as described in~~ the District Procurement Procedures.

All payments or reimbursements of travel and other business expenses under this policy are subject to the inclusion of sufficient departmental funds in the current fiscal year's operating or capital budget. Non-compliance with this policy or falsification of reports or documentary evidence may result in disciplinary action, including termination and/or criminal prosecution.

For Board members, the determination of whether an attended conference, meeting or other activity ~~shall qualify the Board Member to receive~~qualifies for expense reimbursement shall be made under Article I of this Policy, separately from the determination of whether an attended conference, meeting or other activity ~~shall qualify~~qualifies the Board member to receive compensation under Article II. An attended conference, meeting or other activity may qualify for expense reimbursement regardless of whether or not it qualifies for compensation.

SECTION 2 – Definitions

As the following terms are used in this policy, ~~the following terms shall have the meanings so indicated:~~

- a. Accountable Plan (IRS Publication for Travel, ~~Entertainment~~, Gift and Car Expenses) –
- Expenses must have a business connection.
 - Expenses must be adequately documented and include evidence such as receipts, canceled checks or bills to support expenses and must be submitted within a reasonable period of time (60 days in accordance with IRWD policy).
 - Any excess reimbursement must be returned within a reasonable period of time (60 days ~~in accordance with~~ as per IRWD policy and 90 days for Board members).
- ~~b. — Approval by the Board or Approval by the Full Board —
— Board approval at a regularly scheduled Board meeting with a quorum present and acting.~~
- b. Board Member –
A member of the District Board of Directors, ~~whether such member is acting as a member of the Board of Directors or as a Committee Member.~~
- ~~b. — Committee Member —
Any member of a standing or ad hoc Committee established by an action of the Board or Board President to act in an advisory capacity.~~
- c. District –
Irvine Ranch Water District.
- d. Employee –
Any full-time, part-time, regular, or temporary ~~or contracted~~ staff employed by the District.
- e. Expense Report Reviewer –
~~The District Executive Director of Finance and Administration, or the person designated by the District Executive Director of Finance and Administration, who performs a review of all projected expenses prior to travel in conformance with District policies and procedures.~~
The Supervisor/Manager of the Representative, who approves the Representative expenses.
- f. Incidentals –
Any minor, miscellaneous expenses incurred during travel including, but not limited to, ~~local bus fare, toll road charges, telephone calls,~~ non-meal gratuities (bell person and housekeeping) and snacks.

g. Representative –

Any Employee, Board ~~Member, Committee~~ member, or other authorized person incurring business expenses while conducting District business.

~~e.b.~~ Travel –

Transportation, mileage, toll road charges, lodging, meals and incidentals associated with attending a seminar, conference, or meeting requiring an overnight stay.

h. Travel Liaison –

The person or persons selected within each District department to process expense authorizations prior to travel, arrange travel accommodations, and process expense reports following travel in conformance with District policies and procedures.

SECTION -3 – Responsibilities

Accounts Payable shall reimburse ~~travelers~~Representatives for out-of-pocket expenses upon receipt of an approved and verified expense report form provided by the District.

Board ~~Member and Committee members~~ shall be familiar with and in compliance with this policy, ensure all travel and other reimbursable expenses are reasonable, ~~coordinate multiple Representative participation at conferences~~ and promote economic means of travel. The Board President or his/her designee can approve or deny ~~requests for~~ travel or other business activities and reimbursements for Board ~~and Committee~~ members.

The *District Executive Director of Finance and Administration* shall be familiar with ~~and in compliance with~~ this policy; ~~and~~ enforce its provisions; ~~and approve or deny projected expenses requests by staff (excluding the General Manager or Board) prior to travel.~~

Expense Report Reviewers shall ~~perform a review of all projected expenses prior to travel and~~ approve (as well as appropriate) expenses incurred following travel, ~~checking for~~ensuring conformance with District policies and procedures. In addition, the Reviewer shall notify the Executive Director of Finance and Administration of all non-compliant ~~projected and/or~~ incurred expenses.

The *General Manager, Executive Directors, and Department Directors* shall be familiar with ~~and in compliance with~~ this policy; ensure all travel and other reimbursable expenses are reasonable; coordinate multiple Representative participation at conferences; and promote economic means of travel. The Representative's Executive Director, Department Director or the General Manager ~~can approve or deny projected expense requests for department Representatives prior to travel.~~ Executive and Department Directors canshould approve or deny projected expense requests for travel or business activities and reimbursements for their department Representatives prior to travel.

Representatives shall be familiar with and in compliance with this policy; obtain prior authorization for travel; and submit documentary evidence for expenses incurred on a timely basis.

Travel Liaisons shall be familiar with and in compliance with this policy; promote economic and reasonable means of travel; and inform the Executive Director of Finance and Administration of any ~~unreconciled~~requested exceptions for travel-related expenses ~~regarding travel matters~~.

SECTION 4 – ~~Travel Liaison~~

~~The Travel Liaison is encouraged to arrange all travel, lodging accommodations and seminar/conference registrations in accordance with District policies and procedures.~~

~~SECTION 5~~ – Seminars/Conferences/Meetings – Approval

Employee attendance at seminars, conferences, meetings, or other activities must be approved by his/her Director, Executive Director, or General Manager in advance using forms provided by the District.

For Board members, the determination of whether an attended conference, meeting or other activity shall qualify the Board member to receive expense reimbursement shall be made under Article I of this Policy, separately from the determination of whether an attended conference, meeting or other activity shall qualify the Board member to receive compensation under Article II. An attended conference, meeting or other activity may qualify for expense reimbursement regardless of whether or not it qualifies for compensation.

SECTION ~~6~~5 – Seminars/Conferences/Meetings – Business Purpose

There must be a business reason for attendance at conferences and meetings. Such reasons would include, but are not limited to, ~~presentation of technical findings~~making presentations, attendance at meetings, committees or ~~technical~~ sessions dealing with issues related to District business, or participation as an officer of the association. No travel is permitted out of the country without prior Board approval.

~~On occasion, District Representatives are requested to be a presenter at a seminar, conference or meeting. One presenter should provide multiple District presentations, if possible.~~ Association involvement as an officer or committee member, which requires the use of District staff time, must be approved by the Executive Director or General Manager prior to a commitment being made.

Seminars must be selected based on value to the District. Benefits would include improved efficiency and effectiveness, as well as meeting new regulatory standards. In addition to the costs estimated on the District's authorization form for conferences and seminars, the cost of an Employee's work time for travel to, from and during the seminar must be considered. Free, local seminars attended during work time must also be authorized in advance.

Preference will be given to seminars that are provided within the Southern California region. Attendance at seminars, conferences, or meetings in “destination resort” areas outside California or areas outside the continental United States is discouraged.

On occasion, Representatives may elect to extend their stay at travel destinations or travel with family members. All expenses including, but not limited to, airfare, meals, extended car rental or lodging, related to such extended or family travel must be paid by the Representative.

SECTION ~~7-6~~ – Transportation

The most economical mode and class of transportation reasonably consistent with travel and scheduling requirements ~~will be used. Mileage reimbursement for use of personally owned vehicles shall be the rate set by the Board, which is equivalent to the current Internal Revenue Service (IRS) rate for travel deductions must be used.~~

~~In no case shall the amount paid for~~The District will not reimburse mileage ~~reimbursement~~ for use of a personally owned vehicle used for travel in lieu of air travel ~~exceed~~if it exceeds the cost of coach class or equivalent airfare. Where both travel and rental car reimbursements are utilized, the combined total can’t exceed the cost of coach class or similar economy airfare.

Mileage reimbursement for the use of personally owned vehicles shall be the rate set per Board policy which is equivalent to the current Internal Revenue Service (IRS) rate for standard mileage rates.

Mileage for commuting is considered a personal expense pursuant to IRS Accountable Plan requirements and will not be reimbursed. Commuting is travel between a Representative’s *residence* and any of the Representative’s *regular work location(s)*. There may be multiple regular work locations. Pursuant to IRS requirements and guidance documents, facilities including the District’s headquarters, the Operations Center/San Joaquin Marsh, Baker Water Treatment Plant, and the Los Alisos Water Reclamation Plant shall be considered regular work locations. Commuting excludes travel between one work location and another. Different commuting expense rules may apply where an employee is assigned to a District-owned house to be used as a residence. District Representatives who receive a monthly auto allowance will be reimbursed for mileage only when the meeting location is 50 miles (one way) or more from their regular work location. In this instance, the representative has the option to use a District provided vehicle, including reimbursement for the use of gas. Board members will not be reimbursed for mileage to committee meetings located at a District facility or other locations within Orange County, including ~~Standing and Ad Hoc committee~~ meetings where they represent the District. Particular facts may require interpretation by the Executive Director of Finance and Administration, using Accountable Plan requirements.

Personally owned vehicles used in the conduct of District business must be insured for property and liability damage in an amount not less than the minimum limits required by the ~~California~~Compulsory Financial Responsibility ~~Act~~Law.

Reasonable vehicle parking will be allowed when District, rental, or personally owned vehicles are used for District business. Highway, bridge and bridgeroad tolls are allowable expenses

when incurred while conducting District business and require receipts/toll road statements supporting the expenditure.

When traveling by air or utilizing rental vehicles, the District's Travel Liaisons will generally arrange air travel and car rentals. Travelers should only use rental cars for ground transportation as a last resort or when it is less expensive than other forms of transportation such as trains, buses, taxis, rideshare services (e.g., Uber, Lyft) or shuttles. Discretion must be used in selecting rental car size. They should be the smallest size that provides adequate safety and comfort for the time they are in use. To accommodate a group of travelers, a larger vehicle may be rented in lieu of renting separate vehicles. Gas used for a rental car while traveling for business is an allowable expense.

Representatives should decline both liability and collision insurance on rental cars, namining IRWD as a named insured because the Representative and the District are already sufficiently insured through existing District insurance policies. Any accident or damage to a rental vehicle should be reported to the car rental company within 24 hours and to the District Risk Management department within one working day following the accident. Only Representatives are allowed to operate rental cars. Reimbursement for use of chauffer-driven limousines is not allowed ~~while conducting District business.~~

All air travel must be at coach class, or a similar economy airline level. First class travel will only be allowed on an exception basis and must be approved in advance by the General Manager ~~or if for the General Manager, by the Board president or his/her designee.~~ Air transportation should be arranged as early as possible to take advantage of reduced fares for early reservations. Consideration should be given to alternative departure/arrival airports, dates, flight times and stopovers to minimize airfares. The total cost of the alternatives (e.g., ground transportation, employee work times, lodging) should also be considered in selecting an alternative. Internet booking services ~~can~~should be consulted to help in finding the optimum alternative. Government and group rates offered by a provider of transportation services shall be used when available. The District expense report approver may approve travel flexibility features such as additional leg room and ticket exchange provisions.

~~Receipts are required for all transportation expenses, except as follows:~~ For mileage incurred in the use of a personally owned vehicle, ~~a MapQuest~~Google Maps or similar verification of the distance traveled shall be submitted and shall serve as the receipt. Reimbursement for toll expenses require receipts or toll road statements supporting the expenditure. For transportation expenses customarily incurred without a receipt, including valet gratuities, ~~toll road charges, and for incidental business related mileage incurred in connection with attendance at a non-local activity,~~ a maximum of \$25.00 per day shall be reimbursed for all such expenses that are described in the expense report but are not accompanied by a receipt ~~or MapQuest or similar verification.~~

SECTION ~~8~~7 – Food and Lodging

Expenditures for food and lodging will be moderate and reasonable.

Meals While Traveling:

Meal expenses are allowed while Representatives are traveling. ~~Expenses for other meals, not associated with travel, but with appropriate business purpose, are also allowed.~~

District Representatives will be reimbursed for actual meal expenses, including all taxes and gratuities, up to the amounts indicated below. ~~Expenses~~Gratuities must be reasonable and should not exceed 20% of the total bill. Under the no-receipt method, expenses will be reimbursed on a meal-by-meal basis, not a daily basis. Under the receipt method, the maximum amounts for daily meal expenses can be combined to pay for a more expensive single meal (up to \$60 in a day). If meal expenses exceed the amounts allowed as set forth below, the Representative will be reimbursed the allowance amount, with the remainder being paid by the Representative. In the event the Representative provides a detailed receipt adequately justifying the meal(s), this will be considered by the Executive Director of Finance and Administration or General Manager if the Executive Director of Finance and Administration incurs the expense and full reimbursement may be allowed. If meal expenses are less than the amount set forth below, the actual expense amount will be reimbursed. All meal expenses must be documented in detail in accordance with this policy. Documentation includes names of attendees, business relationship to District, business purpose of meal, name of restaurant, date of expenditure and amount requested for reimbursement. If multiple employees participate in a meal and the meals are included on a single check, then the most senior ranking individual will pay for the meal and include it on his/her expense report.

Representatives must provide receipts for all expenses in order to be reimbursed.

Representatives of the District may be reimbursed for meals under either of two methods:

~~Method 1~~—The “No Receipt Method”

When no receipts are provided, the maximum per person per meal/expense reimbursements are as follows:

Breakfast	\$ 40 <u>15</u> .00
Lunch	\$ 15 <u>20</u> .00
Dinner	\$ 20 <u>25</u> .00
Incidentals	\$ 6 <u>10</u> .00

During travel, these amounts may be aggregated to allow a total per day maximum of \$~~45~~60 (excluding incidentals). For instance, multiple meal expenses may be combined to allow for a more expensive single meal. In no event will a Representative be reimbursed more than \$~~45~~60 per travel day (excluding incidentals) under the “No Receipt Method”. Board members are not entitled to reimbursement for meals under the “No Receipt Method”, unless noted that a detailed receipt was lost.

~~Method 2~~—The “Receipt Method”

When receipts are provided, the maximum per person per meal/expense reimbursements are as follows:

Breakfast	\$20 <u>25</u> .00
Lunch	\$25 <u>30</u> .00
Dinner	\$40 <u>50</u> .00
Incidentals	\$10 <u>15</u> .00

Under this method, the maximum amounts for multiple meal expense ~~cannot~~can be combined to pay for a more expensive single meal. ~~This method is applied strictly on an individual meal basis, up to a maximum of \$30 for breakfast, \$35 for lunch or \$60 for dinner.~~ In no event will a Representative be reimbursed more than ~~\$85~~105 per travel day (excluding Incidentals) under the "Receipt Method". In the case of a missing receipt, the Employee Representative will be reimbursed the maximum per meal amount allowed under the No-Receipt Method ~~4~~ for that meal.

Receipts must be an original, detailed receipt including all items purchased for actual costs. Restaurant bill stubs do not provide sufficient detail and are not acceptable for reimbursement under this method. If detailed receipts are not available, the Employee Representative can still be reimbursed at lower amounts under the "No Receipt Method." Credit card receipts may be accepted for the ~~Employee or Board Member~~ Representative, ~~subject to the Executive Director of Finance and Administration approval,~~ if itemized, detailed, meal receipts are not provided by the restaurant.

Non-Travel Business Meals:

Non-travel business meals will only be reimbursed if taken in conjunction with a District business meeting and expenditures are reasonable. Meals for Representative guests will be reimbursed only if they have a legitimate business relationship with the District. Conflict of interest policies and applicable statutes must be considered when providing meals for or receiving meals from non-Representatives. If meals are included in the cost of a conference or seminar, Representatives will not be reimbursed for meals eaten outside the conference or seminar in-lieu of the meal provided. This will be considered for reimbursement by the ~~Executive Director of Finance and Administration~~Expense Report Reviewer if there is a valid business purpose. The District will not reimburse for alcoholic beverages consumed by Representatives or their guests under any circumstances. If multiple employees participate in a meal and the meals are included on a single check, then the most senior ranking individual will pay for the meal and include it on his/her expense report.

Lodging:

Generally, lodging for a conference or meeting is permissible if the meeting or conference requiring an overnight stay is more than 50 miles from the Representative's residence. Exceptions may be made when the meeting starts prior to 8:00 am or ends after 8:00 pm. When ~~travel is~~traveling to a conference, the conference-sponsored hotel's ~~maximum~~ group rate published by the conference or activity sponsor shall be used if available at the time of booking. Some conferences require early booking to take advantage of reduced rates. If lodging cannot be arranged at the conference-sponsored hotel's maximum group rate, then the next most reasonably priced lodging must be used. Other lodging accommodations may also be arranged if

the cost is less than the conference-sponsored hotel. Government and group rates offered by a provider of lodging shall be used when available.

SECTION ~~9~~8 – Reimbursement Processing

Requests for reimbursement will be submitted within a reasonable period of time (60 days after they were paid or incurred)~~), except for the Board where requests for reimbursement must be submitted for approval within 90 days after they were incurred.~~

Requests for reimbursement will be submitted on forms provided by the District, and must be accompanied by receipts or documentation evidencing each expense, except as otherwise specified herein for certain ~~transportation~~ expenses. All expense reports, in order to be in accordance with the IRS' Accountable Plan requirements, must include detailed original receipts and must state the date, type of expense, District business purpose, those in attendance and their affiliations, and amounts expended.

Reimbursements to Representatives for meals, lodging and other actual and necessary expenses allowed under this Policy, but excluding conference registration fees ~~and~~, airfare(s), ~~and transportation expenses~~ shall not exceed \$~~500~~600 per day. However, in the event the Representative provides a reasonable written explanation adequately justifying why his/her daily expenses exceeded the allowable amount, it is within the Executive Director of Finance and Administration's discretion to authorize reimbursement in excess of the daily maximum. This maximum of \$~~500~~600 per day shall apply *in addition to* all other specific limits, requirements and guidelines of this Policy, including but not limited to the maximum meal reimbursement rates set forth in Section 8 above.

Expenditures, which are improper or otherwise not adequately documented, will not be reimbursed. All credit card expenditures must also be documented in accordance with the District's Credit Card Procedure. Alcoholic beverages and other non-essential expenses including, but not limited to, in-room movies, service bar, etc. will not be reimbursed.

Employee expense reports must be submitted to the Expense Report Reviewer within 60 days (90 days for Board members) after expenses were paid or incurred. Any delinquent expenses will not be reimbursed unless justified in writing and approved by the General Manager at his/her sole discretion or for Board members, by the full Board.

Any Representative traveling for non-District related reasons who requires international access with a District owned device to remotely attend District related meetings or monitor District emails while they are away, is required to notify the Director of Information Services of their travel plans. The Director or his/her designee will purchase a one-time appropriate plan based on the data plan needs. Usage will be monitored by Information Services and reimbursement for usage over and above the initial data plan must be approved by the General Manager or his designee. Use of wi-fi for data is strongly encouraged where available.

All Board ~~Member and Committee~~-member expense reports must be submitted to the Expense Report Reviewer within ~~60~~90 days after expenses were paid or incurred. Any delinquent requests for reimbursement will be submitted to the full Board for approval.

All Board ~~and Committee~~ member expense reports will be reviewed for proper documentation and compliance with this policy by the ~~Expense Report Reviewer~~Executive Director of Finance and Administration prior to submittal for approval by ~~two other~~the Board ~~Members. Committee Member expense reports must be approved by two Board Members.~~President or his/her alternate if the President is unavailable. A summary of the General Manager, Board ~~and Committee~~ member expense reports shall be submitted to the District's Finance and Personnel Committee each quarter for review. A summary of all Executive Director and Director expense reports shall be submitted to the District Finance and Personnel Committee on an annual basis for review.

In accordance with Government Code Section 53065.5-, the District will disclose any expense reimbursement paid by the District of at least one hundred dollars (\$100) per day for each individual charge for services or product received. This disclosure item will be reported to the Board on a monthly basis. Charges made using the District credit card may be excluded.

II. BOARD MEMBER MEETING COMPENSATION

SECTION 1 – General

As Representatives of the District, Board members shall be familiar with and in compliance with this policy regarding business expense reimbursement and meeting compensation. Each member of the Board of Directors is encouraged to participate in those outside activities and organizations that, in the judgment of the Board, further the interests of the District.

Article I, Section 1- General, Section 2 - Definitions and Section 3 – Responsibilities shall apply to this Article II.

SECTION 2 – Board Member Meeting Compensation

Board members will be compensated at the rate determined by the Board of Directors and consistent with applicable law for attendance at meetings of the Board of Directors and for each day's service rendered as a member of the Board ~~by request of the Board~~, including travel days to and from any approved conference, meeting or other event where service or representation is rendered as a member of the Board ~~by request of the Board. For purposes of this Section and Water Code Section 20201, "by request of the Board" shall mean (a) for meetings and other services listed in A, below, authorization by adoption of this Policy; and (b) for meetings and other services listed in B, below, advance authorization from the Board at a regularly scheduled Board meeting or as otherwise authorized by Board resolution, or, if permitted under Section 3 below, advance authorization by the President or Vice President (if the President is unavailable) with ratification at a subsequent regularly scheduled Board meeting.~~ pursuant to Water Code Section 20201, the District's Ordinance 1989-1, the District's Resolution regarding rate of pay for days of service and this Policy. Board approved compensation will be made pursuant to the Water Code Section 20202, and individual Board members will not be compensated for more than a total of ten days in any calendar month. ~~Changes in compensation for Board Members will be implemented in compliance with IRWD Ordinance No. 1989-1.~~

Board members are required to make a brief report on meetings attended at the expense of the District at the next regularly scheduled meeting of the Board pursuant to Government Code Section 53232.3(d).

SECTION 3 – Meetings Specified By This Policy ~~As “Requested By The~~

~~A. — Board”.~~ ~~No further authorization to receive compensation for the following is required.~~

~~B.A. Board Members shall~~ members will receive compensation for attending ~~Board the~~
following meetings- without the need for further authorization:
~~Committee Members shall receive compensation for attending~~

1. Board meetings.

~~1.2.~~ 2. Committee meetings of which they are members (including designated alternate members attending in members’ absence).

~~2.3. Board Members shall receive compensation for attendance as members of the board of directors at~~ Board meetings of nonprofit organizations created by or supported with funds or other contributions from the District (unless held concurrently with meetings of the District’s Board ~~)-) of which they may or may not be Board members.~~

~~B. — Meetings and Other Activities Requiring Advance Approval of Compensation By The Board. Compensation for the following requires advance approval by the Board, except as permitted in Section 3 of this article~~

~~1. Nonprofit organization board meetings where the Board member is not a member of the organization’s board of directors, if the nonprofit organization is one created by or supported with funds or other contributions from the District.~~

~~3.4.~~ 4. Service club meetings where a Board member is making a presentation or attending on behalf of the District.

~~2. Social or ceremonial events pre-authorized by the Board.~~

5. Events hosted by a recognized business and/or industry association related to District business.

6. Meetings a Board member has with other elected officials or their employees.

7. Meetings of the governing body of another agency, where a matter directly affecting the interests of the District is on the agenda and the Board member is not a Board member, employee or official compensated by the other agency.

8. Meetings with District staff.

9. Meetings with vendors/contractors.

10. Conferences such as ACWA, CASA, WasteReuse, CSDA, and Urban Water Institute.

11. Meetings with property owners on matters in which the property owner is seeking District approval or other consideration or on matters otherwise affecting the interests of the District.

12. Meetings of working coalitions of public and/or private entities in which the District is an active participant, stakeholder or interested party.

13. C.—Meetings or conferences pertaining to the water and ~~Other Activities Not Compensated By The~~wastewater utility industry, where Board— members may be asked to give presentation or otherwise represent the District at such events.

~~C.B.~~ Board members will not be compensatedreceive compensation or receive expense reimbursement for the following:

1. Nonprofit organization meetings or events other than those included in ~~A3 or B1~~A above.
- ~~2.—Nonprofit organization events.~~
- ~~3.~~2.District-sponsored employee events including, but not limited to, the Annual Holiday Breakfast, Holiday Luncheon, Employee Picnic or retirement events.
- ~~4.—Purely social or ceremonial events not authorized by the Board.~~
3. Ceremonial or social events other than listed in A.5 above (e.g., private party, or political fundraiser).
- ~~5.~~4.Service club meetings other than those included in ~~B2~~A.4 above.
- ~~6.~~5.Parades, festivals, holiday events, retirement dinners or funerals.
- ~~7.~~6.7.—Meetings of partisan political organizations.

SECTION 3 —~~Authorization in Advance; Exceptions~~

If a Board member is paid a per diem meeting rate by another outside agency, then the Board Members may from time~~member is not eligible to time receive requests or elect to attend meetings or conferences pertaining to be compensated for attendance at the water and wastewater utility industry, and may be asked to, or desire to, give presentations or otherwise representsame meeting by the District at such events. Any Board Member wishing to attend such events and represent the District shall request and receive advance authorization of compensation from the full Board of Directors.~~ If expense reimbursement is also requested for ~~suchany reimbursable~~ event, all requirements for such reimbursement under Article I of this Policy shall apply. ~~In the event there is not sufficient time to submit a request for compensation to act as District Representative to the Board, the Board President or Vice President (if the President is unavailable) has the authority to approve such a request in advance; this approval would then be subsequently submitted for ratification at a subsequent regularly scheduled Board meeting.~~

SECTION 4 – Processing of Compensation Requests

Requests for compensation shall be submitted on compensation reporting forms, separate from and in addition to any expense reimbursement reporting forms submitted under Section 8 of Article I. All Board ~~Member and Committee~~ member compensation reports must be submitted to the Expense Report Reviewer within ~~60~~90 days after the activity to be compensated. Any delinquent requests for compensation will be submitted to the full Board for approval.

All Board ~~Member and Committee~~ member compensation reports will be reviewed for compliance with this policy by the ~~Expense Report Reviewer~~Executive Director of Finance and Administration and the General Manager prior to submittal for ~~approval by two other Board~~


~~Members. Compensation reports must be approved by two Board Members.~~payment. All Board
~~Member and Committee Member~~member compensation reports shall be submitted to the
District's Finance and Personnel Committee ~~each~~ quarterly for review.

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July 5, 2022

Prepared by: D. Cotton

Submitted by: C. Clary

Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

UTILITY BILL PRINTING, MAILING, AND ELECTRONIC BILL PRESENTMENT
SERVICES CONTRACT

SUMMARY:

IRWD's contract for utility bill printing, mailing, and electronic presentment services with Infosend, Inc. was originally awarded in August 2017 based on the evaluation of six proposals from qualified candidates. The original contract was for three years with automatic 24-month renewal extensions unless terminated. Staff recommends that the Board approve an additional two-year renewal period for utility bill printing, mailing, and electronic bill presentment services with Infosend effective August 16, 2022, in the approximate amount of \$632,000 per year for a total of \$1,264,000 (based on the current number of bills, printed notifications, correspondence and postage rates) covering from August 16, 2022 through August 15, 2024.

BACKGROUND:

The District's contract for utility bill printing, mailing, and electronic bill presentment services with Infosend, originally awarded in August 2017, expired August 15, 2020. In May 2022, staff conducted an evaluation of the cost and services provided by Infosend and comparative vendors. Based on positive customer feedback, exceptional performance over the last five years, enhanced technology, cybersecurity options, and extensive Paymentus integration requirements, staff recommends a two-year contract extension. Infosend has provided customers with on-time and flexible bill delivery options. Its flexible and customizable bill messaging options allowed the District to communicate the "*We'll Help You Through This*" campaign during the Coronavirus pandemic and will be utilized to communicate future campaigns to educate customers about billing, payment options, conservation, State and Federally funded assistance programs, and delinquency information. Extending the Infosend contract will maintain continuity and customer support.

Responsibilities of the District's bill print provider include the ability to send customers a secure link to access the payment processor portal and usage history, send a PDF image of the monthly electronic bill (eBill), United States Postal Service (USPS) bill presentment, pre-printed newsletters, ad-hoc messaging on bills and envelopes, and in IRWD's newsletter. From August 2017 through December 1, 2021, there were no price increases in contract fees (other than pass-through increases for postage). Effective December 1, 2021, due to the increases in the cost of labor and materials, the vendor increased prices 9.5% or approximately \$0.07 per printed bill. This equates to a price increase of less than 2 % per year since the inception of the contract. Estimated costs to print bills, correspondences, and notifications are approximately \$220,000. Estimated costs for pass-through postage costs to mail bills, correspondence and notifications are approximately \$412,000 (based on current and future estimated USPS postage rates).

FISCAL IMPACTS:

Funds for utility bill printing, mailing, and electronic bill presentment services for FY 2021-22 and FY 2022-23 are included in the approved FY 2021-23 Operating Budgets.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

That the Board approve a two-year renewal period effective August 16, 2022 through August 15, 2024 with Infosend, Inc. for utility bill printing, mailing, and electronic bill presentment services, totaling approximately \$1,264,000.

LIST OF EXHIBITS:

Exhibit “A” – Infosend, Inc. Service Agreement
Exhibit “B” – Utility Bill Printing Fee Schedule



InfoSend Service Agreement

This Agreement entered into as of **August 15, 2017** in Anaheim, California, by and between **InfoSend, Inc.** having its main office at 4240 E. La Palma Ave, Anaheim, California 92807 and **Irvine Ranch Water District**, "Client" having its main office at: 15600 Sand Canyon Avenue, Irvine, CA 92618. InfoSend's primary phone number is (714) 993-2690.

Section 1. Term of Agreement

The "Initial Term" of this Agreement shall be a period of thirty-six (36) months. Subsequent twenty-four (24) month "Renewal Periods" Term shall automatically commence upon the expiration of any term (Initial Term or Renewal Period) unless either party shall:

- Execute a mutually agreeable Agreement Amendment prior to the expiration of the current term that documents a different mutually agreeable renewal period length.
- Give written notice of non-renewal at least 60 days prior to the end of the current term. The party giving non-renewal notice can indicate if it prefers for the contract to be terminated at the end of the current term or for it to continue on a month-to-month basis if mutually agreeable to the other party. This notice must be sent in writing via certified mail, FedEx, UPS, all with delivery signature requested to cancel the automatic renewal of the Agreement for Renewal Period should a mutually agreeable Agreement Amendment not be signed before the end of the current term.

This Agreement automatically terminates any prior contracts, terms or agreements previously executed between InfoSend and Client to cover the same services contained in this Agreement, unless specifically referenced herein.

Section 2. InfoSend Services

Subject to the terms and conditions of this Agreement, InfoSend will provide to Client, and Client will purchase from InfoSend, the services listed in Exhibit A ("Scope of Primary Services") to this Agreement for the pricing set forth in Exhibit B ("InfoSend Fees"). In the event Client requires other consulting, installation, development and/or customization services, InfoSend shall perform and Client shall purchase such services in accordance with the provisions of Exhibit C ("Professional Services") of this Agreement.

Section 3. Termination

This Agreement and any future amendments to the Agreement may be terminated for cause as follows:

- (a) If either party breaches any material term or condition of this Agreement, other than for Client's failure to pay and other than a failure to perform due to the causes described in Section 8, "Force Majeure," and fails either to substantially cure breach within thirty (30) days after receiving written notice specifying the breach, or, for those breaches which cannot reasonably be cured within thirty (30) days, to promptly commence curing such breach and thereafter proceed with all due diligence to substantially cure such breach, then the party not in breach may, by giving written notice to the breaching party, terminate this Agreement in its entirety, or as it pertains to a particular Product, Deliverable, Service or Professional Service, as of a date specified in such notice of termination. All of the obligations of the parties contained in this Agreement, except for Client's obligation to pay fees, shall be deemed to have been performed in an acceptable manner unless the party not in breach provides the breaching party with written notice as stated above within sixty (60) days of the event giving rise to the breach.
- (b) If Client fails to pay when due any payables owed hereunder within thirty (30) days of receiving written notice of such failure to pay thereof, InfoSend may, at InfoSend's option, terminate this Agreement in its entirety or only as it pertains to a particular Product, Deliverable, Service or Professional Service, by giving written notice to Client, as of a date specified in such termination notice.
- (c) In the event that either party hereto becomes or is declared insolvent or bankrupt, is the subject of any proceedings related to its liquidation, insolvency or for the appointment of a receiver or similar officer for it,

A handwritten signature in blue ink, appearing to be "Pa", written over a horizontal line.

makes an assignment for the benefit of all or substantially all of its creditors, or enters into an agreement for the composition, extension or readjustment of all or substantially all of its obligations, then the other party hereto may, by giving written notice thereof to such party, terminate this Agreement as of the date specified in such notice of termination.

Upon termination of this Agreement or any portion hereof for any reason, all rights granted to Client under this Agreement with respect to terminated Products, Deliverables, Services and Professional Services, will cease and Client will promptly pay to InfoSend any and all charges due, including but not limited to payables that are due pursuant to this Agreement, the Discontinuance Fee set forth in Section 4 below and accrued finance charges; however, Client shall not be responsible for paying the Discontinuance Fee if this Agreement is terminated by InfoSend other than as a result of Client's breach of its obligations hereunder or is terminated by Client pursuant to Paragraph 3(a).

Section 4. Discontinuance Fee

The parties have mutually agreed upon the Fees for the Services to be provided hereunder based upon certain assumed volumes, and the Term of this Agreement. Because of the difficulty in ascertaining InfoSend's actual damages for Client's termination without cause or a termination of the Agreement due to a breach by Client prior to the expiration of the then-current Term, Client agrees that, prior to the effective date of such termination and in addition to all other payables then due and owing to InfoSend, Client will pay to InfoSend the following discontinuance fee:

The discontinuance fee is equal to two (2) months of the Client's average monthly billing for the previous 6 months of Service (excluding any postage charges and professional services fees that were invoiced in that time period).

Client shall not be required to pay the Discontinuance Fee if InfoSend terminates the Agreement pursuant to Section 3, Paragraph (a).

Section 5. Confidentiality of Information

All information and data relating to Client's business submitted by Client to InfoSend under this Agreement shall be treated as confidential by InfoSend and shall not, unless otherwise required by law, be disclosed to any third party by InfoSend without Client's written consent. InfoSend shall promptly notify Client should InfoSend be served with a summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, requests for admission, or other discovery request or court order from any third party regarding this Agreement and/or the Services performed under this Agreement.

InfoSend takes great care in both data security and human resource security. InfoSend has a Human Resources policy that requires all new employees to pass a background check performed by an outside company. All new employees must pass a drug-screening test as well. These practices will remain in place for the duration of the Agreement.

Section 6. Limitation of Liability and Indemnification

InfoSend will not be responsible for actions or omissions resulting from receiving data and/or following instructions received from Client. No damages shall be assessed against InfoSend when any delay or breach on InfoSend's part is caused by failure of Client to perform Client's responsibilities or any other reason beyond the control of InfoSend.

InfoSend is a service provider, as such; Client acknowledges that data processing involves the risk of human and machine errors that InfoSend shall not be liable for any errors, omissions, delays or losses, except for damages or losses caused by the negligence or willful misconduct of InfoSend. InfoSend shall defend, hold harmless and indemnify Client from all claims, damages and losses, including reasonable attorney's fees, caused by the negligence or willful misconduct of InfoSend. In no event shall InfoSend be liable for indirect, special or consequential damages even if InfoSend has been advised of the possibility of such potential claim, loss or damage. The foregoing limitation of liability and exclusion of certain damages shall apply regardless of the success or effectiveness of other remedies. Notwithstanding anything to the contrary contained herein, InfoSend shall not be responsible for delays in receipt of Client information or processing Client information because of causes

beyond its reasonable control, including, without limitation, failures or limitations on the availability of third party telecommunications or other transmission facilities and Clients' failure to properly enter and/or transmit information.

Section 7. Invoicing and Payment

InfoSend will issue ^{monthly pc} ~~weekly~~ invoices. Invoice terms are NET ^{30 pc} ~~10~~. Should Client dispute any invoiced charges it must do so in a reasonable time frame. Disputes must be made within 3 months of the invoice date. Past due invoices are subject to a 1.5% per month finance charge.

Client acknowledges that past due invoices must be paid in a timely fashion to avoid service interruptions. The recurring nature of InfoSend's services result in a rapid rise in the Client's account balance if Client's accounts payable process is delayed. This is especially true if InfoSend is invoicing client for postage charges. It is therefore necessary for InfoSend to put service on hold if past due account balances are not paid in a timely manner. The Past Due Accounts Receivable notes and procedures are outlined below:

- InfoSend is at significant risk of financial loss if clients default on their past due debt. InfoSend's Accounts Receivable staff must therefore constantly monitor past due account balances and evaluate the risk of a client defaulting on debt if courtesy emails and finance charges do not reduce this risk. InfoSend reserves the right to reduce this risk by notifying Client's staff in writing that it must pay at least the portion of the account balance that is past due within five (5) days to avoid InfoSend's services being put on hold.
- Should a hold be instated it will immediately be removed once payment is received.
- Additionally, unpaid balances can result in cancellation of the agreement as per Section 3(b).


Section 8. Force Majeure

Neither party will be liable for any failure or delay in performing an obligation under this Agreement that is due to causes beyond its reasonable control, including, but not limited to, fire, explosion, epidemics, earthquake, lightning, failures or fluctuations in electrical power or telecommunications equipment, accidents, floods, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or the public enemy, fuel or energy shortages, acts or omissions of any common carrier, strikes, labor disputes, regulatory restrictions, restraining orders or decrees of any court, changes in law or regulation or other acts of government authority, transportation stoppages or slowdowns or the inability to produce parts or materials. These causes will not excuse Client from paying accrued payables due to InfoSend through any available lawful means acceptable to InfoSend.

Section 9. Miscellaneous

The substantive laws of the state of California shall govern this Agreement. It constitutes the entire Agreement between the parties with respect to the subject matter hereof. No representations and agreements modifying or supplementing the terms of this Agreement will be valid unless in writing, signed by persons authorized to sign agreements on behalf of both parties. This Agreement is not intended to, and shall not be construed to, create or confer any right in or upon any person or entity not a party to it.

Irvine Ranch Water District

Name: Paul Cook
Title: General manager
Signature: 
Date: August 17, 2017

InfoSend, Inc.

Name: Russ Rezai
Title: President
Signature: 
Date: August 15, 2017

Exhibit A - Scope of InfoSend Primary Services

Client will select one or more of InfoSend's Primary Services from the list below by checking the box next to the Primary Service name. Any Primary Services not selected prior to the execution of this Agreement can be added at a later date via an Agreement Amendment. Optional Service Features can be turned on or off at any time without incurring a termination fee when turned off.

<input checked="" type="checkbox"/>	Data Processing, Printing and Mailing Service ("DPPM Service"): During the term of this Agreement, InfoSend will provide data processing, printing and mailing services. The Service consists of processing data, printing documents, mail preparation, applying postage (where applicable) and sending via the United States Postal Service. Document types include but are not limited to bills, postcards and letters.
<input checked="" type="checkbox"/>	InfoSend will provide eBusiness services (the "eBusiness Services"). During the term of this Agreement InfoSend can provide eBusiness Services. These services can include presenting bills online and/or accepting payment transaction information to facilitate ACH and/or credit card payments.

Section 1. Scope of DPPM Service:

Data Transfer and Processing

- Client to transmit data to InfoSend in an agreed upon format. Should Client make changes to data file format after initial setup is complete it agrees to pay for the professional services required to accommodate the new file format. See Exhibit C – Professional Services for information on initial setup and ongoing programming changes.
- A File Transfer Report will be emailed to the Client representatives who have opted-in to this email. A copy of this report is also available to download from the InfoSend website.
- Client will have access to an online Job Tracking application that shows the progress of each file as it is processed and becomes a batch of documents to be printed and mailed. Client can see both the original input file name and the InfoSend-assigned "Job Code".
- InfoSend will process the mailing addresses and perform the following functions:
 - Apply CASS-certified address validation
 - Comply with USPS requirements to obtain pre-sort automation rates
 - InfoSend will stay current with all USPS regulations required to mail presorted first class mail
- InfoSend will provide proofs of the final print-ready PDF files to Client to be reviewed and approved before printing begins (if requested).

Document Printing and Mailing

- Batches are printed by InfoSend using a high-speed production process onto the agreed upon forms.
- Printed documents are put through a quality control process and then released to the mailing department to be inserted into outgoing envelope. The return envelope and any applicable inserts are included as well.
- After a batch of mail is completed in InfoSend's system it will be marked as such in the online Job Tracker and a Process Confirmation Report will be emailed to the Client representatives who have opted-in to this email. A copy of this report is also available to download from the InfoSend website.

Exhibit B - InfoSend Fees

Section 1. Price Escalations to InfoSend Fees

InfoSend Fees can be adjusted once every twelve (12) months to account for increases in the cost of materials, labor, and other overhead costs. InfoSend reserves the right to increase InfoSend Fees on a yearly basis (starting with the first anniversary of the Agreement date). The Client will be notified, in writing, at least 30 days prior to such price increase. InfoSend fees will not be increased without the prior written consent of Client. An amendment to this Agreement will not be required if the Fees are changed, unless the terms or conditions of the Agreement have changed. Postage fees can change at any time per USPS regulations and do not require an Agreement amendment.

Section 2. DPPM Fees:

Client understands that print and mail production costs vary based on volume. The following InfoSend Fees are based on the estimated monthly volumes listed below. Should Client's actual continuous volume be less than 70% of the volume estimates Client has provided to InfoSend (listed below) then InfoSend reserves the right to invalidate the Fees listed in this Agreement. Should this rare situation arise then InfoSend will notify Client immediately and negotiate with Client in good faith to pass on any increased production costs to Client. If this circumstance arises and InfoSend invalidates the Fees listed in this Agreement, Client reserves the right to terminate this Agreement with no additional obligation or cost to InfoSend.

Sales tax is not included. Any applicable sales tax will be collected per government regulations.

Example Summary Service Fees for 2 Page Utility Bill – Custom Envelope Package

Summary of fee for a typical 2 page (2 physical sheets) bill including data processing, forms, printing, fold/insert, custom envelopes, Pipelines insert (physical and eInsert) mail preparation, delivery to USPS, account management, reports, and Web tools is **\$0.202** per bill package.

Item	Unit fee	Units	total
Processing	\$0.0145	2	\$0.029
Print 1 st page	\$0.025	1	\$0.025
Print 2 nd page	\$0.005	1	\$0.005
Forms	\$0.012	2	\$0.024
Bill page inserting	\$0.015	2	\$0.03
Archive	\$0.006	1	\$0.006
eInsert	\$0.002	1	\$0.002
Newsletter	\$0.047	1	\$0.047
Custom #10	\$0.018	1	\$0.018
Custom #9	\$0.016	1	<u>\$0.016</u>

\$0.202

Example Summary Service Fees for 2 Page Utility Bill – Standard Envelope Package

Summary of fee for a typical 2 page (2 physical sheets) bill including data processing, forms, printing, fold/insert, InfoSend standard envelopes, Pipelines insert (physical and eInsert) mail preparation, delivery to USPS, account management, reports, and Web tools is **\$0.194** per bill package.

Item	Unit fee	Units	total
Processing	\$0.0145	2	\$0.029
Print 1 st page	\$0.025	1	\$0.025
Print 2 nd page	\$0.005	1	\$0.005
Forms	\$0.012	2	\$0.024
Bill page inserting	\$0.015	2	\$0.03
Archive	\$0.006	1	\$0.006
eInsert	\$0.002	1	\$0.002
Newsletter	\$0.047	1	\$0.047

Custom #10	\$0.018	1	\$0.014
Custom #9	\$0.016	1	<u>\$0.012</u>
			\$0.194

5. Cost Proposal for Task 1 (Monthly Printing Services)

Display proposed cost per piece and pricing methodology on one page

Printing Services	Per Item	Options Below:
	Bills, Correspondence & Notices Data Processing & Document Composition Price is per page produced, no cost for production of backer image, where applicable.	\$0.0145
	Bills, Correspondence & Notices Printing Approximately 64,000 mail pieces per month, the exact number of sheets produced is unknown but estimated to be 102,400 sheets per month. Price is per physical sheet of paper produced, no cost to print the backer image.	
	<div>Per 1st Sheet</div> <div>Per Additional Sheet</div>	<div>\$0.025</div> <div>\$0.005</div>
	13 Months of Print Image Archive Per bill PDF. This is normally considered an optional service so the details (and additional retention options) are listed on the optional services page.	\$0.006
	Example Summary Printing Service Fees for 1 Page Utility Bill or other Notice (Excluding Materials & Postage) A utility bill or notice with 1 physical sheet of paper (with duplex printing) & 13 months of PDF archiving costs: \$0.0145 (processing) + \$0.025 (1 st Page Printing) + \$0.006 (13 Month Archive)	\$0.0455 for 1 Page Bill or Notice
	Example Summary Printing Service Fees for 2 Page Utility Bill (Excluding Materials & Postage) A utility bill with 2 physical sheets of paper (with duplex printing) & 13 months of PDF archiving costs: \$0.0145 (processing) x 2 + \$0.025 (1 st Page Printing) + \$0.005 (2 nd Page Printing) + \$0.006 (13 Month Archive)	\$0.065 for 2 Page Utility Bill

6. Cost Proposal for Task 2 (Monthly Mailing Services)

Display proposed costs per piece and pricing methodology on one page.

Mailing Services	Per Item	Options Below:
	Bills, Correspondence & Notices Mailing Mailing services required for folding, inserting, presorting, mailing via USPS. Price is per sheet mailed.	\$0.015
	Multiple Page Mail Piece Surcharge – Handwork This surcharge is assessed per mail piece (not per page). This surcharge only applies to multiple page bills that have too many pages to be inserted into the #10 envelope.	\$0.20
	Postage (for all job types) You will be invoiced for the exact postage used.	Pass Through
	Electronic Address Updates – NCOALink or ACS Per reported update. This is only charged if there is a change of address filed by the customer for the address you provided.	\$0.20 per hit
	Example Summary Mailing Service Fees for 1 Page Utility Bill or Notice (Excluding Materials & Postage) A utility bill with 1 physical sheet of paper \$0.015 (Mailing) x 1	\$0.015 for 1 Page Bill or Notice
	Example Summary Mailing Service Fees for 2 Page Utility Bill (Excluding Materials & Postage) A utility bill with 2 physical sheets of paper \$0.015 (Mailing Service) x 2	\$0.03 for 2 Page Utility Bill
	Example Summary Mailing Service Fees for 20 Page “House Holded” Utility Bill (Excluding Materials & Postage) A utility bill with 20 physical sheets of paper \$0.015 (Mailing Service) x 20 + \$0.20 (Multiple Mail Piece Handwork Surcharge)	\$0.50 for 20 Page Utility Bill

7. Cost Proposal for Task 3 (Electronic Bill Presentment Services)

Display proposed costs per piece and pricing methodology on one page.

eBill Loading and Storage Fee

Fee to load eBill PDFs in the eBusiness system and store for 13 months. \$0.023 each



8. Cost Proposal for Task 4 (Electronic Payment Services)

Display proposed costs per piece and pricing methodology on one page.

Payment Initiation & PCI Compliance Fee \$0.055 Each

Per payment initiated to one of InfoSend's preferred payment partners. This is for all payment initiations for ACH, credit card, auto pay, same day or scheduled payments made through the system. Processing costs will be covered under separate contract directly with processor.

9. Cost Proposal for Task 5 (Optional Newsletter Printing)

Display proposed costs per piece pricing methodology on one page.

Pipelines Newsletter Marketing Insert –

8.5" x 11", printed 4/4 on matte stock \$0.047 Each



10. Cost Proposal for Task 6 (Optional Special Direct Mail Services)

Display proposed costs per piece pricing methodology on one page.

We're sorry but there is no possible way to price optional special direct mail jobs up front. Pricing is provided upon request.

Direct mail has a myriad of different options such as paper stock, size of printed piece, type of postage used, etc. It cannot be priced up front unless IRWD provides some specific examples of direct mail job specifications and volumes.



Exhibit J – Pricing Detail

Bid Sheets for Utility Bill Printing, Mailing, and Electronic Bill Presentment Services for a Three Year Contract with Two Optional One Year Renewals

Company Name InfoSend Inc.

Year 1 of 3	BID PRICE
See assumptions document for detailed breakdown of quantities used to calculate totals	
Task 1 Perform printing services required for bill, correspondence, notice printing includes custom envelopes & PDF archiving of the printed pages for 13 months	\$94,556.16
Task 2 Perform mailing services required for folding, inserting, presorting, mailing excludes postage	\$18,432.00
Task 3 Perform electronic bill presentment services	\$15,180.00
Lump Sum Total Bid for Tasks 1-3 Year 1 of 3	\$128,168.16
Optional Task 4 – Perform electronic payment services	\$25,410.00
Optional Task 5 – Perform printing of monthly newsletter	\$30,456.00
Optional Task 6 – Perform Special Direct Mail Services There is no possible way to price this without specifications	Need specs
Lump Sum Total Bid for Optional Tasks 4-6 Year 1 of 3	\$55,866.00

Year 2 of 3	BID PRICE
Task 1 Perform printing services required for bill, correspondence, notice printing	\$94,556.16
Task 2 Perform mailing services required for folding, inserting, presorting, mailing	\$18,432.00
Task 3 Perform electronic bill presentment services	\$15,180.00
Lump Sum Total Bid for Tasks 1-3 Year 1 of 3	\$128,168.16
Optional Task 4 – Perform electronic payment services	\$25,410.00
Optional Task 5 – Perform printing of monthly newsletter	\$30,456.00
Optional Task 6 – Perform Special Direct Mail Services	Need specs
Lump Sum Total Bid for Optional Tasks 4-6 Year 1 of 3	\$55,866.00

InfoSend, Inc.

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Year 3 of 3

BID PRICE

Task 1 Perform printing services required for bill, correspondence, notice printing	<u>\$94,556.16</u>
Task 2 Perform mailing services required for folding, inserting, presorting, mailing	<u>\$18,432.00</u>
Task 3 Perform electronic bill presentment services	<u>\$15,180.00</u>
Lump Sum Total Bid for Tasks 1-3 Year 1 of 3	<u>\$128,168.16</u>
Optional Task 4 – Perform electronic payment services	<u>\$25,410.00</u>
Optional Task 5 – Perform printing of monthly newsletter	<u>\$30,456.00</u>
Optional Task 6 – Perform Special Direct Mail Services	<u>Need specs</u>
Lump Sum Total Bid for Optional Tasks 4-6 Year 1 of 3	<u>\$55,866.00</u>
Lump Sum Total Bid for Combined Years 1 through 3 Tasks 1 -3	<u>\$384,504.48</u>
Lump Sum Total Bid for Combined Years 1 through 3 Optional Tasks 4 - 6	<u>\$167,598.00</u>

Bid Submitted by:

Company: InfoSend, Inc.
(Print)

Name: Russ Rezai
(Print)

Name: 
(Signature)

Title: President
(Print)

Date: 4/28/2017

Pricing: Data Processing, Print & Mail Service Set-up Fee

The setup fee is waived.

Pricing: Data Processing, Print & Mail Service & Material Fees

Please note that the below pricing is not contingent on IRWD using InfoSend's Electronic Bill Presentment and Payment service. Either service can be purchased independently of the other. While we would be ecstatic to win the contract for both services we are totally comfortable with providing one or the other and we can provide archived bill images to a third party if needed via a secure API.

InfoSend's Fees – Turnkey Data Processing, Print & Mail Service:			
The individual prices shown in the table below apply only to the turnkey Data Processing Print & Mail service for the following document types. Other types of document printing and or mailing can be quoted later, if needed.			
Primary Services	Turnkey Data Processing Print & Mail service	Per Item	Options Below:
	<p>Price is per physical page. Includes processing of your unique data, CASS address validation, presorting, printing, and mail insertion. Finished mail pieces are delivered to the USPS within the same) business day. If samples (proofs) are requested then the mailing will be completed within one day of sample approval. File upload deadline for same-day mailing is 10:00AM local time at the production facility designated for your account. If samples are required then they must be approved by 12:00PM for the file to be mailed by the same day.</p> <p>Excludes materials, sales tax (where applicable), and postage. A postage deposit will be required prior to go live.</p> <p>For the quoted prices to apply InfoSend must have the right to combine data files sent by your organization with other files you have sent, when possible. Higher pricing applies if files must be printed separately.</p> <p><i>Pricing assumes the use of materials options listed in the below section.</i></p>	Bills, Correspondence & Notices Data Processing & Document Composition Price is per page produced, no cost for production of backer image, where applicable.	\$0.0145
		Bills, Correspondence & Notices Printing Approximately 64,000 mail pieces per month, the exact number of sheets produced is unknown but estimated to be 102,400 sheets per month. Price is per physical sheet of paper produced, no cost to print the backer image.	Per 1 st Sheet \$0.025 Per Additional Sheet \$0.005
		Bills, Correspondence & Notices Mailing Mailing services required for folding, inserting, presorting, mailing via USPS. Price is per sheet mailed.	\$0.015
		Multiple Page Mail Piece Surcharge – Handwork This surcharge is assessed per mail piece (not per page). This surcharge only applies to multiple page bills that have too many pages to be inserted into the #10 envelope.	\$0.20
		Postage (for all job types) You will be invoiced for the exact postage used.	Pass Through
		Electronic Address Updates – NCOALink or ACS Per reported update.	\$0.20
		Pipelines Newsletter Marketing Insert – 8.5 x 11, printed 4/4 on matte stock	\$0.047
		13 Months of Print Image Archive Per bill PDF. This is normally considered an optional service so the details (and additional retention options) are listed on the optional services page.	\$0.006
		Example Summary Service Fees for 2 Page Utility Bill (Excluding Materials & Postage) A utility bill with 2 physical sheets of paper (with duplex printing) & 13 months of PDF archiving costs: \$0.0145 (processing) x 2 + \$0.025 (1 st Page Printing) + \$0.005 (2 nd Page Printing) + \$0.015 (Mailing) x 2 + \$0.006 (13 Month Archive)	\$0.095

Material Component Fees – Data Processing Print & Mail Service			
Materials	Statement, Invoice, or Letter Paper Stock		
	All Documents: white paper stock with or without perforation. Paper is 8.5x11" and 24lb. Price includes all inventory costs.	Per Sheet	\$0.012
	InfoSend Standard Window Envelopes		
	Standard Window Envelopes	Per Standard Envelope	Options Below:
	These envelopes include security tint printed on the inside of the paper stock and clear film that prevent the contents of the envelope from being viewed.	#10 InfoSend Standard Double Window Outgoing Envelope	\$0.014
	These envelopes include security tint printed on the inside of the paper stock and clear film that prevent the contents of the envelope from being viewed. These envelopes also use sustainably logged paper (SFI).	#9 InfoSend Standard Single Window Return Envelope	\$0.012
		Flat Single Window Envelope – only used for multiple page statements that do not fit in the #10 envelope.	\$0.08
	Other Envelopes		
	IRWD Custom #10 Envelope printed 1/0 – order quantity of 50,000	Per Envelope	\$0.018
	Tustin Custom #10 Envelope printed 1/0 – order quantity of 50,000	Per Envelope	\$0.018
	IRWD Custom #10 Envelope printed 1/0 Version 2 – order quantity of 500,000	Per Envelope	\$0.018
	IRWD Custom #10 Envelope printed 2/0 (urgent) – order quantity of 50,000	Per Envelope	\$0.018
	IRWD Custom #9 Envelope printed 1/0 - order quantity of 500,000	Per Envelope	\$0.016
	IRWD Custom Flat Envelope, 9" x 12", printed 1/0 – order quantity of 25,000	Per Flat Envelope	\$0.11



Pricing: Turnkey Data Processing Print & Mail Service Optional Services

Optional Services

Drop-Shipped Inserts & Inserting of InfoSend-Printed Inserts Clients can print and fold inserts and ship them to InfoSend to be mailed with the statements. If folding is required add \$0.01 to the fee. InfoSend-printed inserts are quoted upon request. No additional service cost to use selective inserting to selectively include inserts with certain bill types as long as at least 3,000 customers are targeted (set-up costs can apply in some situations for advanced selective inserting criteria). Cost includes all inventory costs.	Per Insert	\$0.006
Enhanced Transactional Image Quality The baseline print image quality for transactional documents such as statements and invoices is 600 x 600 DPI. Work produced from the Anaheim facility can be printed at an enhanced image quality at an additional cost. This option uses high definition pigment ink & variable drop sizes to achieve a perceived 1200 x 1200 DPI image quality.	Per Sheet	\$0.01
Print Image Archive Each bill is stored as a PDF and indexed in a database. Search by account number or other key fields. You are charged one up-front fee per document to process it, index it, and store it for a set number of months. The PDFs are accessed using a browser-based application that is accessed by logging in to the InfoSend website. Third party applications can also access the PDFs via a lightweight API with no cost increase to the unit fees. Setup fees may apply depending on your configuration needs. <i>This service includes outbound mail tracking at no additional cost. You can view USPS-provided mail tracking data from the same interface that you use to view PDFs of the printed bills. Only available with mail sent using 1st Class Postage, and not available in some cases with postcard mailings.</i>	Per PDF (No Set-up Fee)	\$0.006 - For 13 Months of Retention \$0.010 - For 18 Months of Retention \$0.013 - For 24 Months of Retention
Electronic Inserts PDF copies of your physical inserts can be included in the Print Image Archive at an additional cost. This will let your team see exactly which inserts were delivered with each mail piece. This will also allow you to include the inserts in the eBill PDFs that are presented and/or emailed to customers if you use an InfoSend eBusiness service that delivers eBills to your customers or if you use a third-party application that pulls the PDFs from InfoSend's Print Image Archive API to present to your customers.	Per Insert (No Set-up Fee)	\$0.002
FinalDoc Transfer Option1: Each completed InfoSend batch is indexed and transferred to you via FTP or SFTP to store on your own network. InfoSend will transmit each batch as one PDF file, and can provide an optional companion XML index file that provides a breakdown of the PDF's contents. All individual documents from the batch will be included in the file. Option 2: InfoSend is able to transfer individual PDF files for each document in the batch (it is not possible to just receive a subset of the documents), provide a customer file-naming scheme, or provide a custom index file. Additional Professional Service Fees may be required depending on the customizations requested.	Per Document Option 1: Option 2:	 \$0.007 \$0.012
Professional Services Per hour and performed only upon request. For customizations made to document processing program or document format after go-live. Work is only started after receiving your approval of a formal quote. Please note that when you send billing files in PDF format and control your own document design there are no professional services charges when you modify the document template on your end.	Per Hour	\$150.00

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Pricing: Electronic Bill Presentment (EBP) or Electronic Bill Presentment & Payment (EBPP)

Please note that the below pricing is not contingent on IRWD using InfoSend's Data Processing, Print and Mail service. Either service can be purchased independently of the other. While we would be ecstatic to win the contract for both services we are totally comfortable with providing one or the other.

InfoSend's Fees – Initial Set-up Costs			
Implementation, professional services, and optional fees.			
Professional Services Fees	Electronic Bill Presentment (EBP) or Electronic Bill Presentment & Payment (EBPP) Initial Set-up Cost: Waived		
	One-time implementation fee. The above pricing includes: <ul style="list-style-type: none"> ▪ Branding of the portal with customized logo and banner, configuration of email templates ▪ InfoSend standard reports. A custom payment-posting file costs an additional \$750. ▪ Payment integration to one of InfoSend's existing preferred payment partners. Integration to a new bank/payment processor is not included and raises costs significantly (when available). <p>Please note: Clients must sign off on requirements documents (Statement of Work, project plan, etc.) before programming and system configuration can begin. Quoted implementation timeline begins upon approval of the SOW. Client can be charged additional fees and/or have the project go-live date delayed if requirements are changed after they have been finalized and signed off.</p>		
	Professional Services Fee Per hour and performed upon request. For customizations made to your Online BillPay configuration after go-live. Work is only started after receiving approval of a formal quote.	Per Hour	\$150.00

InfoSend's Monthly Transaction Fees – EBP or EBPP			
This pricing is based on an estimated number of eBills that are created and sent out each month equal to 55,000 Documents Per Month.			
Monthly Fees	eBill Loading and Storage Fee Fee to load eBill PDFs in the eBusiness system and store for 13 months.	Per eBill	\$0.023
	Optional Electronic Inserts - eInserts PDF copies of your physical inserts can be included in eBills at an additional cost. This will allow you to include the inserts in the eBill PDFs that are presented to your customers via the Online BillPay portal or emailed to the customer if you are not a healthcare organization and elect to let your customers decide whether they want their eBill PDFs attached to the new bill notification email.	Per Insert	\$0.0025
	Payment Initiation & PCI Compliance Fee (only applies for EBPP with payments) Per payment initiated to one of InfoSend's preferred payment partners. This is for all payment initiations for ACH, credit card, auto pay, same day or scheduled payments made through the system. Processing costs will be covered under separate contract directly with processor.	Per Payment	\$0.055
	Monthly Support Fee Per month fee to support the Online BillPay service.	Per Month	WAIVED

Please see the below table to understand how InfoSend came up with the annual totals. This worksheet has been provided on the CD as well. When comparing annual totals for each vendor who submitted a bid you will need to check to see if the same assumptions were made on what to include in the annual totals. For example, InfoSend included 13 months of print image archiving in the printing total (Task 1) because this seemed like a core requirement to IRWD. But some vendors may have excluded it. We would be happy to later re-adjust the annual totals with specific IRWD-provided line items and quantities to use, if requested.

IRWD Assumptions Document				
Printing & Mailing Year 1				
	Quantity	Unit Price	Extended Monthly	Extended Annually
Bills, Correspondence & Notices Data Processing & Document Composition	102,400	\$ 0.0145	\$ 1,484.80	\$ 17,817.60
Bills, Correspondence & Notices Printing: First Pages	64,000	\$ 0.0250	\$ 1,600.00	\$ 19,200.00
Bills, Correspondence & Notices Printing: Additional Pages	38,400	\$ 0.0050	\$ 192.00	\$ 2,304.00
Bills, Correspondence & Notices Mailing	102,400	\$ 0.0150	\$ 1,536.00	\$ 18,432.00
13 Months of Print Image Archive	64,000	\$ 0.0060	\$ 384.00	\$ 4,608.00
Bills, Correspondence & Notices 8.5" x 11" Paper Stock	102,400	\$ 0.0120	\$ 1,228.80	\$ 14,745.60
IRWD Custom #10 Envelope	102,400	\$ 0.0180	\$ 1,843.20	\$ 22,118.40
IRWD Custom #9 Envelope (assuming 30% AutoPay suppression)	71,680	\$ 0.0160	\$ 1,146.88	\$ 13,762.56
			Printing Total (Task 1)	\$ 94,556.16
			Mailing Total (Task 2)	\$ 18,432.00
			Grand Total	\$ 112,988.16
Electronic Bill Presentment (Task 3) Year 1	55,000	\$ 0.0230	\$ 1,265.00	\$ 15,180.00
Electronic Bill Presentment (Task 4) Year 1 (assuming 70% of eBill customers make payment)	38,500	\$ 0.0550	\$ 2,117.50	\$ 25,410.00
Printing of Monthly Newsletter (Task 5)	54,000	\$ 0.0470	\$ 2,538.00	\$ 30,456.00

Pricing Notes

Change requests and bill redesigns are handled utilizing InfoSend's Client Application Change Management process (detailed in Exhibit I). Additional costs vary based on total scope, however the Professional Services rate is defined in the pricing detail. New bill designs are determined according to the client application and billing workflow needs. However, InfoSend does provide notice when new application or printing technology becomes available that could enhance client bill designs. Please note that when clients export batches in PDF format for InfoSend to process the ongoing professional services costs are dramatically reduced as the vast majority of changes are handled on the client's end.

InfoSend's pricing includes environmentally friendly SFI® (Sustainable Forestry Initiative) Certified paper envelopes for all clients that use standard envelopes, InfoSend's standard double window #10 and single window #9 envelopes are sustainably produced and are provided at no additional cost to clients. The Sustainable Forestry Initiative ensures materials are sourced from sustainably managed forests. Please visit www.sfiprogram.com for more information.

InfoSend does not impose fees to accept and implement upgrades to IRWD's customer information and billing system.

InfoSend does not impose charges for monthly updates or software upgrades to our portal or software.

InfoSend, Inc.

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Section 2.1. Custom Forms/Envelopes

If Client has selected the Printing and Mailing Service and at any time requests that InfoSend Fees include the cost of custom Client-specific materials (either in this Agreement or since its execution), then Client understands and accepts that these materials will be purchased in bulk to achieve the lowest possible per-unit cost. Client agrees to purchase any remaining supplies of requested custom materials (normally forms or envelopes) if Client stops using InfoSend's Service for any reason. Client agrees to purchase the remaining supply of custom forms/envelopes upon Client's request to change the custom forms/envelopes before the supply has been depleted.

Section 2.2. USPS Postage Rates

Postage rates are determined by the United States Postal Service. All postage rate changes are determined directly by USPS and are independent of any InfoSend service or materials fees. In no event shall any change in the postage rates affect the InfoSend service or materials fees. The Client will be invoiced the amount of excess for overweight and foreign mail.

Section 2.3. Postage Deposit

InfoSend purchases the postage needed to mail Client documents on the day of mailing. The postage charges are later invoiced to Client based on the Client's payment terms. InfoSend requires Client to submit a postage deposit prior to the first mailing to facilitate the payment terms. This amount will remain in deposit for the duration of the Agreement. Upon Agreement expiration or termination Client must pay in full any outstanding invoices from InfoSend for payables created under this Agreement; the postage deposit will be refunded within fifteen (15) days of the date that the last open invoice is paid.

The postage deposit is subject to an annual review and may be adjusted to account for changes to Client average mailing volume or changes to USPS postage rates. There will be no more than one adjustment requested per year, if at all.

The postage deposit amount is calculated by multiplying the estimated number mail pieces per month by the current 5-Digit pre-sorted first class postage rate. The postage deposit amount due for your account is:

54,000 mail pieces per month x \$0.376 = \$20,304.

Exhibit C – Professional Services

Section 1. Price Escalations to InfoSend Professional Services Fees

InfoSend Professional Services Fees can be adjusted once every twelve (12) months to account for increases to the cost of providing these services. InfoSend reserves the right to increase Professional Services Fees on a yearly basis, starting with the first anniversary of the Agreement date, if needed. The Client will be notified, in writing, at least 30 days prior to such price increase. InfoSend fees will not be increased without the prior written consent of Client. An amendment to this Agreement will not be required if the Professional Services Fees are changed with Client's prior written consent, unless the terms or conditions of the Agreement have changed.

Section 2. Definition of Professional Services

InfoSend Professional Services are the technical services that are required to perform the initial setup of the InfoSend Primary Services defined in Exhibit A and the technical services required to make changes to these Primary Services after the initial setup is complete. Once any Primary Service is live and operational Professional Services will not be required unless Client requests a change or makes changes to its data file format or business rules which necessitates a change to InfoSend's system configuration or programming. Examples of InfoSend Professional Services:

- Project requirements gathering and analysis hours
- Project management and/or consulting hours
- Software development and system configuration hours related to the processing of Client's data
- Software development and system configuration hours related to document design, web portal setup, business rule configuration, or any other applicable technical services
- Application testing and deployment hours

Section 3. Professional Services Fee and Process for Approval and Payment of Fee

The current Professional Services Fee is \$175.00 per hour.

Anytime a project will incur billable Professional Services hours Client will be informed before work begins. Professional services shall not be performed without Client's prior written consent. InfoSend and Client will execute a Statement of Work for project that Client wants InfoSend to undertake. The payment terms for the project depend on the size and scope of the project. The Statement of Work can include payment terms that are different than the terms listed in this Agreement for InfoSend Fees, otherwise these terms will apply and the project fees will be invoiced upon project completion. Small projects that incur less than five (5) hours of Professional Services can be initiated without a Statement of Work if Client accepts and executes a Programming Quote for this work.

All projects that will take more than five (5) hours of Professional Services work will require both parties execute a formal Statement of Work. Depending on the nature of the work required InfoSend will provide one of the following quotation methods:

- Fixed Quote – a fixed project cost will be set. InfoSend may elect to waive this cost in some circumstances. Client understands and accepts that it must accept the terms and conditions of the Statement of Work for the project and that changes made to the project requirements, data file structure, etc. after the Statement of Work and any amendments to it have been finalized will require Client to pay for these changes on a Time and Materials basis. Client will be notified immediately if this scenario happens and given an option to keep the original project specifications to keep the fixed quote in place.
- Time and Materials quote – should it not be possible to provide a fixed quote due to the nature of a Client's requested project then InfoSend will provide an estimated number of hours to complete the project and bill the hours on a Time and Materials basis. The Statement of Work will include the terms and conditions for these project types and Client will be invoiced weekly for the hours spent on the project.

Section 4. Initial Setup Cost: InfoSend Primary Services

The Initial Setup cost for the InfoSend Primary Services selected in Exhibit A are listed below. These costs have been provided using a Fixed Quote process, explained in Section 3 above. Client understands and agrees to these terms and to the project-specific terms and conditions that will be provided in the Statement of Work that will be created to capture Client's specific requirements and data types.

Data Processing and Document Creation Initial Setup Fee This applies to the following services, unless client provides pre-rendered PDF files: DPPM Service, Online BillPay (EBPP) Service	
Project Fixed Initial Setup Cost:	\$WAIVED
Project Summary: This project will be completed to process Client's input data files and create the output to be used for the print or online delivery channel.	
Project Details: A requirements gathering process will be initiated to build the Statement of Work required to begin programming and system configuration. During the requirements gathering process the InfoSend and the Client will discuss: <ul style="list-style-type: none">• Client's custom data (if applicable). When custom data is provided by the Client a "field mapping" or "field description" document is required before project implementation can begin. This document is an absolute requirement; programming cannot be based on assumptions and all fields must be defined before programming can begin.• Document design. Client must sign-off on a document design "mockup" before programming can begin. The mockup is a visual representation of how the document will look after Client's custom data is processed by InfoSend's system.	
Project Schedule: Project is estimated to take 8-12 weeks to complete. The Statement of Work will contain all client deliverables and responsibilities. Both parties agree to dedicate adequate resources to the project to complete it in the shortest amount of time possible. Should Client make changes to the data file after programming has begun it must pay Professional Services Fees, on a Time and Materials basis, to cover the programming changes required to accept the new data. Should the document design be changed after the final mockup is accepted and signed off on by the Client then Professional Services Fees will apply, on a Time and Materials basis, to cover the cost of making these changes. Changes to the Client data file, document design, or other key specifics collected and finalized during the requirements gathering process will impact the project completion date. Changes made after the Client has executed the Statement of Work and any follow up documents can cause delays to the project completion.	



December 14, 2021

ATTN: Accounts Payable
IRVINE RANCH WATER DISTRICT
P.O. Box 57000
Irvine, CA 92619-7000

Dear Valued Client,

This letter is a detailed explanation of the rate increase emailed to you on November 1, by Russ Rezai.

Our goal at InfoSend is to provide cost saving services to our clients in an accurate, reliable and timely manner- with a personal touch. We place a high value on each and every client and work hard to provide your organization with our services at the lowest possible cost.

Due to the increase in the cost of labor and materials we will be implementing a CPI price increase of 9.5% at this time. This is the change in CPI from 2018 to 2021, InfoSend's fees were held firm during that time period but we can no longer afford to keep your original fees intact due to extraordinarily high cost increases.

Effective December 1, 2021 your new rates will be reflected on the invoice as below:

\$0.0159 Statements Data Processing
\$0.0274 Enhanced Quality Printing Service - First Pages [IRL, IRM, IRN, IRX Files]
\$0.0055 Enhance Quality Printing Service - Additional Pages [IRL, IRM, IRN, IRX Files]
\$0.0383 Enhanced Quality Printing Service - First Pages [IRI, IRW Files]
\$0.0164 Enhance Quality Printing Service - Additional Pages [IRI, IRW Files]
\$0.0164 Mailing Service
\$0.0131 8.5 x 11 Forms
\$0.0153 ENV-INF-#10-RSR Outgoing Envelope
\$0.0876 9 x 12 Large Flat Envelope
\$0.0131 Standard #9 Return Envelope
\$0.2190 Multiple Page Mailpiece Surcharge
\$0.2190 Address Update
\$0.0142 Print Image Archiving (60 Months Retention)
\$0.0619 Inline Inserts

On behalf of the InfoSend Team, I would like to thank you for your valued business. We look forward to continuing to make your billing process as efficient as possible.

Please feel free to contact me with any questions or concerns regarding your new fee schedule.

Sincerely,

Lena Arrizon
Accounts Receivable Manager
lena.a@infosend.com
InfoSend, Inc.

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July 5, 2022

Prepared by: J. Muncy

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE:

FY 2022-23 OPERATING BUDGET
VENDOR EXPENDITURE COMMITMENTS GREATER THAN \$200,000

SUMMARY:

Each year, based on the Board-approved District operating budget, staff initiates or renews commitments with vendors for certain products and services included in the approved budget. Staff has provided a list of those vendors with expected commitments totaling \$200,000 or greater in fiscal year (FY) 2022-23 for the Committee's review. The list of vendor commitments excludes contracts or agreements approved by separate Board action. Consistent with provisions included in the District's Policy Regarding Authorization of Expenditures, staff recommends the Board approve the attached list of vendor expenditure commitments greater than \$200,000 for FY 2022-23.

BACKGROUND:

On a biennial basis, the Board approves the fiscal year operating budget for the District for the upcoming year. Included in the operating budget are expenditures for line items such as chemicals, fuel, hauling of biosolids, and other products and services which result in commitments greater than \$200,000. These expenditures often utilize cooperative agreements for best pricing when available or have been previously competitively bid and, in some cases, are for specialized products (e.g., certain chemicals) provided by a single supplier.

These commitments are structured as open purchase orders and typically consist of multiple individual transactions during the fiscal year with the cumulative total of the purchase order exceeding \$200,000. The approval structure allows staff to order goods and services on a regular and efficient basis during the fiscal year. These commitments are made based on a not-to-exceed amount and can be cancelled at any time.

A list of the planned vendor commitments exceeding \$200,000 for FY 2022-23 is provided as Exhibit "A". The list includes vendor names, descriptions of the products or service being provided, the basis for pricing (e.g., cooperative agreement, single source, etc.), and estimated annual expense. Excluded from this list are contracts in excess of \$200,000, which have been approved by separate Board action and are within their approved contract period, as well as recurring utility bills.

The cumulative planned expenditure amount for the listed vendors for FY 2022-23 is \$7,572,500, representing approximately 4.03% of total planned expenditures in the approved operating budget. Consistent with provisions included in the District's Policy Regarding Authorization of Expenditures, staff recommends the Board approve the list of vendor commitments greater than \$200,000 for FY 2022-23.

FISCAL IMPACTS:

Total planned expenditures for FY 2022-23 for vendor commitments greater than \$200,000 (excluding contracts/agreements approved by separate Board action) are \$7,572,500, representing approximately 4.03% of total planned expenditures in the approved FY 2022-23 operating budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

That the Board approve the list of vendor commitments greater than \$200,000 based on approved FY 2022-23 operating budget expenditures.

LIST OF EXHIBITS:

Exhibit "A" – FY 2022-23 Operating Budget Vendor Commitments Greater than \$200,000

FY 2022/23 Operating Budget - Vendor Commitments Greater than \$200,000

Supplier	Service	Requester	Type	PO Amount
Biomagic Inc.	FY 22/23 Open PO for odor control chemical deliveries to various locations determined by IRWD	B. Joseph	Single Source	\$200,000
Brenntag Pacific Inc	FY 22/23 Open PO for citric acid 50% deliveries at BWTP	K. Reideler	Single Source	\$287,500
California Barricade Rental, Inc.	FY 22/23 Open PO to provide IRWD traffic control services for Departments 420, 425, 430 & 570	K. Pfister G. Barreto D. Crowe B. Joseph	Competitive Bid	\$270,000
Chem Tech International Inc	FY 22/23 Open PO to deliver Sodium Hypochlorite 12.5% mini-bulk deliveries to DATS	B. Clinton	Single Source	\$400,000
Culligan Of Santa Ana	FY 22/23 Open PO for resin exchange services at BWTP	K. Reideler	Single Source	\$345,000
Drake Traffic Control Services Inc	FY 22/23 Open PO to provide IRWD traffic control services for Departments 420, 425, 430 & 570	K. Pfister G. Barreto D. Crowe B. Joseph	Competitive Bid	\$270,000
Hill Brothers Chemical	FY 22/23 Open PO for the delivery of odor control product (Oxy-Can) to various locations determined by IRWD	B. Joseph	Single Source	\$350,000
Merrimac Petroleum, Inc.	FY 22/23 Open PO for gasoline and diesel motor fuel	J. Sciabica	Cooperative Agreement (Huntington Beach)	\$700,000
Olin Corporation	FY 22/23 Open PO for bulk Sodium Hypochlorite 12.5% deliveries at BWTP	K. Reideler	Cooperative Agreement (SOCWA)	\$300,000
Olin Corporation	FY 22/23 Open PO to supply bulk Sodium Hypochlorite 12.5% for DATS, PTP, & and other locations determined by IRWD	D. Paulson	Cooperative Agreement (SOCWA)	\$250,000
Olin Corporation	FY 22/23 Open PO to supply MWRP with Sodium Hypochlorite 12.5% for effluent disinfection, MBR, and odor scrubber	A. Nieto	Cooperative Agreement (SOCWA)	\$700,000
Polydyne Inc	FY 22/23 Open PO to supply MWRP Biosolids with emulsion polymer for MWRP Biosolids dewatering	A. Nieto	Cooperative Agreement (SOCWA)	\$600,000
Polydyne Inc	FY 22/23 Open PO to supply MWRP Biosolids with emulsion polymer for solids thickening	A. Nieto	Cooperative Agreement (SOCWA)	\$250,000
Synagro-Wwt Inc.	FY 22/23 Open PO to provide Class A Pellets for MWRP Biosolids hauling	P. Reynoso	Cooperative Agreement (SOCWA)	\$250,000
Synagro-Wwt, Inc.	FY 22/23 Open PO to provide Class B Pellets for MWRP Biosolids hauling	A. Nieto	Cooperative Agreement (SOCWA)	\$1,500,000
Traffic Management, Inc	FY 22/23 Open PO to provide IRWD traffic control services for Departments 420, 425, 430 & 570	K. Pfister G. Barreto D. Crowe B. Joseph	Competitive Bid	\$270,000
Water Treatment Chemicals Inc	FY 22/23 Open PO to provide bulk Sumaclear 1000 Aluminum Chlorohydrate 50% deliveries to BWTP	K. Reideler	Single Source	\$300,000
Zebron Contracting	FY 22/23 Open PO for manhole structure rehabilitation at various locations determined by IRWD	B. Joseph	Competitive Bid	\$330,000
				\$7,572,500

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