

AGENDA  
IRVINE RANCH WATER DISTRICT  
WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE  
MONDAY, JANUARY 15, 2018

CALL TO ORDER    11:30 a.m., Committee Room, Second Floor, District Office  
15600 Sand Canyon Avenue, Irvine, California

ATTENDANCE    Committee Chair: Mary Aileen Matheis    \_\_\_\_\_  
Member: Steve LaMar    \_\_\_\_\_

<u>ALSO PRESENT</u>	Paul Cook	_____	Cheryl Clary	_____
	Beth Beeman	_____	Patrick Sheilds	_____
	Mark Tettemer	_____	Christine Compton	_____
	Fiona Sanchez	_____	Amy McNulty	_____
	Paul Weghorst	_____	Kellie Welch	_____
	Ray Bennett	_____	Jo Ann Corey	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

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**COMMUNICATIONS**

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

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**INFORMATION**

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| <ol style="list-style-type: none"><li>5.    <u>2018 LEGISLATIVE AND REGULATORY UPDATE – COMPTON/COOK</u><br/><br/>Recommendation: Receive and file.</li><li>6.    <u>SMART WATER INFRASTRUCTURE MANAGEMENT METERING PILOT STUDY RESULTS – BAQUERIZO/MCNULTY/SANCHEZ/WEGHORST</u><br/><br/>Recommendation: Receive and file.</li></ol> |  |
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## ACTION

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7. PUBLIC OUTREACH CONSULTANT SELECTION FOR THE SYPHON RESERVOIR IMPROVEMENT PROJECT – BEEMAN/WEGHORST

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with Fiona Hutton & Associates to develop and implement a public outreach program for the proposed Syphon Reservoir Improvement Project for a not-to-exceed amount of \$1,029,070.

8. VARIANCE NO. 6 TO SYNERGY COMPANIES AGREEMENT FOR WATER-ENERGY GRANT-RELATED CUSTOMER PROGRAMS – MCNULTY/SANCHEZ/WEGHORST

Recommendation: That the Board authorize the General Manager to execute Variance No. 6 to the Agreement for Non-Consultant Services Between IRWD and Synergy Companies in the amount of \$30,000, to be reimbursed through the California Department of Water Resources Water-Energy Grant.

9. PROPOSED REVISIONS TO THE IRWD WATER CONSERVATION POLICY PRINCIPLES – COMPTON/COOK

Recommendation: That the Board approve the proposed Water Use Efficiency and Conservation Policy Principles papers to supersede the Water Conservation Policy Principles and Recognition of Local Agency Investments in Water Conservation Policy Principles papers.

10. REVOCATION OF UNNAMED SPRING WATER RIGHT – LAO/LEWIS/SANCHEZ/WEGHORST

Recommendation: That the Board authorize the General Manager to sign a Request for Revocation of Water Right form for Water Right License 4413 and submit it to the State Water Resources Control Board.

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## OTHER BUSINESS

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11. A. Directors' Comments

B. Adjourn

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Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the 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.

January 15, 2018

Prepared and

submitted by: C. Compton

Approved by: Paul A. Cook



## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### 2018 LEGISLATIVE AND REGULATORY UPDATE

#### SUMMARY:

This report provides an update on California's 2017-2018 legislative session and IRWD's legislative and regulatory priorities. As legislation and regulations develop, staff will provide updates and recommendations to the Water Resources Policy and Communications Committee and the Board, as appropriate. Staff recommends that the Board receive and file this update.

#### BACKGROUND:

The 2017-18 Legislature reconvened on January 3, 2018, for the second year of the two-year session. As with the second year of any session, pending legislative business remaining from 2017 will be taken up quickly in order to meet legislative deadlines. The bills remaining at the close of the 2017 legislative year will need to meet the January 12 policy committee deadline if they are still in their house of origin. Other upcoming legislative deadlines of note are:

- January 10: Last day for the Governor to submit a budget proposal to the Legislature.
- January 31: Last day for bills introduced in 2017 to be passed out of their house of origin.
- February 16: Last day for bills to be introduced.

A copy of the 2018 Legislative Matrix is attached as Exhibit "A". Exhibit "B" is the 2018 Legislative Update Report Links to Bill and Regulatory Texts, which contains links to the bills and regulations discussed below, unless a separate exhibit is noted.

#### State Budget Update:

##### *November Revenue Numbers:*

On December 11, 2017, State Controller Betty Yee released her monthly report on the State's finances. She announced that the State took in \$8.31 billion during the month of November. This was \$449.8 million higher than the projections contained in the FY 2017-2018 Budget Act.

Additionally, the Controller reported:

"For the first five months of the 2017-18 fiscal year, total revenues of \$40.96 billion are outpacing budget projections by 2.5 percent, with retail sales and use taxes and corporation tax beating expectations.

Sales tax receipts of \$3.30 billion for November were \$538.1 million higher than anticipated in the budget. For the fiscal year, sales tax receipts of \$10.16 billion are \$733.4 million above budget estimates.



Corporation taxes for November came in at negative \$18.9 million as refunds outpaced receipts. That is not unusual, as there also was a negative for corporation taxes last November and the Department of Finance estimated negatives for the month in both years. However, this year's shortfall was better than expected, leading total corporation tax receipts for the month to beat budget estimates by \$89.2 million, or 83 percent. For the fiscal year to date, total corporation tax receipts of \$1.79 billion are \$233.1 million above assumptions in the 2017-18 Budget Act."

The State's outstanding loan balance was \$20.15 billion, which was \$294.4 million less than budget estimates.

*Fiscal Year 2018-2019 State Budget:*

On January 10, 2018, Governor Brown unveiled his proposed budget for Fiscal Year 2018-2019. Given the potential impact of the State's finances and the Fiscal Year 2018-19 Budget on IRWD, staff will review the proposed budget and provide the Committee with an oral update on the proposed budget.

2018 State Legislative Update:

*"Making Water Conservation a California Way of Life":*

Since the beginning of last year, staff has worked with various stakeholders and the Association of California Water Agencies (ACWA) on long-term water use efficiency and drought planning legislation. As reported to the Board, at the end of session there remained two active bills on "Making Water Conservation a California Way of Life"— AB 1668 (Friedman, D-Glendale) and SB 606 (Hertzberg, D-Van Nuys/Skinner, D-Oakland). SB 606 and AB 1668 are two-year bills. SB 606 is currently located on the Assembly Third Reading File and AB 1668 is in the Senate Rules Committee.

Over the legislation recess, staff continued to meet with various stakeholders and participated in author-sponsored listening sessions on the bills in order to seek amendments requested by the water community that would improve the proposals currently before the Legislature and ensure they can be implemented consistent with the intent of the authors and the Administration. While the specific amendments to be made are not known, staff has received confirmation that some amendments will be forthcoming on SB 606 and AB 1668. Staff will provide an update on the ongoing discussions taking place on the legislation.

*Water Tax:*

In 2017, Senator Bill Monning (D-Santa Cruz) authored SB 623. SB 623 would have established the Safe and Affordable Drinking Water Fund in the State Treasury and would have provided that the moneys in the fund be continuously appropriated to the State Water Resources Control Board for grants, loans, contracts, or services to assist those without access to safe and affordable drinking water consistent with a fund implementation plan to be adopted annually by the State

Board. On August 21, the bill was amended to include a fee on fertilizer, a fee on milk and a water tax.

The water tax included in the bill would require public water agencies to collect a monthly tax for the State based on the largest potable meter size serving their properties at the following rates:

- \$0.95 for meters less than or equal to 1”;
- \$4.00 for meters less than or equal to 2”;
- \$6.00 for meters less than or equal to 4”;
- \$10.00 for meters greater than “4; and
- Customers without a meter would be taxed at a rate of \$0.95.

While the bill was not passed in 2017, it remains a two-year bill that will be considered by the Legislature in 2018. IRWD has continued to engage on SB 623 and will advocate against any water tax inconsistent with the Board-adopted policy on a public good charge/statewide user fee. Additionally, as was the case in 2017, staff will continue to work with ACWA and the District’s other industry partners to oppose a water tax. Given the importance of this issue to IRWD, staff will be available to provide an update on any new developments.

#### *Regional Small System Water Authority Legislation:*

In addition to the discussions taking place on a water tax to address water quality issues within disadvantaged communities, the water community has continued to think about other ways to address the challenges facing many communities in the state. The Eastern Municipal Water District (EMWD) has put forth a proposal that would address the management and governance challenges facing water systems within disadvantaged communities. EMWD argues that:

“As of October 9, 2017, there are 325 public water systems, consisting primarily of public water agencies, private non-regulated water companies and mutual water companies in the State of California that are chronically serving contaminated water and are operationally deficient in violation of public health regulations. The majority of those systems are small, serving a population of less than 1,000 people, with deficiencies ranging from natural contaminants, man-made contaminants and failing infrastructure. The systems lack the financial, managerial and technical resources to adequately serve their communities.”

As a result, EMWD proposes to create a new category of water agency—a Small System Water Authority with unique powers to absorb, improve and competently operate currently non-compliant public water systems with either contiguous or non-contiguous boundaries. Small System Water Authorities would consolidate failing small water systems that are voluntarily donated to the authority to provide technical, managerial and financial capabilities to ensure the provision of safe, clean, affordable and accessible water and local governance. Attached as Exhibit “C” is a summary of EMWD’s proposal.

2018 State Regulatory Update:

*AB 401 Implementation- Study of Low Income Rate Assistance:*

AB 401 (Dodd, 2015) requires the State Board Water Resources Control Board (State Board) to develop and provide the Legislature a plan for a statewide Low-Income Rate Assistance Program (LIRA) by February 1, 2018. As a result, the State Board held a series of public meetings in 2017 seeking input on various scenarios, which would provide low-income rate assistance to up to 34 percent of Californians. The State Board's effort is based on the following philosophy:

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

Originally, State Board staff indicated that AB 401 Implementation Plan was expected to include the following:

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

Recently, State Board staff indicated that despite the report being due per statute on February 1, 2018, the report has been delayed indefinitely until the State Board believes it has a more well developed plan to present to the Legislature. State Board staff will continue to hold stakeholder meetings to discuss options for funding a statewide LIRA Program. There has been some indication from State Board staff that the report may shift from recommending a single funding

mechanism and LIRA Program format to a report that outlines several different options providing the benefits and drawbacks of each.

*California Water Plan- Update 2018:*

The Department of Water Resources is currently working on the 2018 update to the California Water Plan. The Californian Water Plan is the State's strategic plan for managing and developing water resources. The 2018 Update seeks to "ever-green" the plan by identifying specific outcomes and metrics to track performance, prioritize near-term State actions and investments, recommend financing methods having more stable revenues, and inform water deliberations and decisions. More specifically, current versions of the 2018 Update focus on the following areas and visions:

- Public Health and Safety Vision – All Californian are protected from health and safety threats and emergencies;
- Health Economic Vision – California has a healthy economy and all Californians have opportunities for economic prosperity;
- Ecosystem Vitality Vision – Ecosystems in the state are thriving; and
- Opportunities for Enriching Experiences Vision – All Californians have opportunities for enriching experiences.

On December 7, 2017, DWR released the next working draft of the 2018 Update. On January 9, 2018, DWR held a webathon to review the working draft and accept comments on it to inform the Public Review Draft, which is expected to be released in February 2018. Staff will be available to provide an overview of the 2018 Update and provide the Committee with an update on any new developments.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – IRWD Legislative Matrix

Exhibit "B" – 2018 Legislative Update Report Links to Bill Texts

Exhibit "C" – Eastern Municipal Water District's Regional Small Systems Authority Proposal

**EXHIBIT "A"**  
**IRWD 2018 LEGISLATIVE MATRIX**  
**Updated 01/08/2018**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 18</u></b> Garcia E (D)	Clean Water, Climate, and Coastal Protection Act		Enacts the California Clean Water, Climate, Coastal Protection and Outdoor Access For All Act, which would authorize the issuance of bonds to finance a clean water, climate, and coastal protection and outdoor access for all program. Provides for the submission of these provisions to the voters at the statewide direct primary election.	08/31/2017 - In SENATE. Joint Rule 62(a) suspended.;08/31/2017 - From SENATE Committee on NATURAL RESOURCES AND WATER: Do pass to Committee on GOVERNANCE AND FINANCE.;08/31/2017 - From SENATE Committee on GOVERNANCE AND FINANCE: Do pass to Committee on APPROPRIATIONS.
<b><u>AB 52</u></b> Cooper (D)	Public Employee: Orientation And Informational Programs		Requires the public employers regulated by specified acts to provide all employees an orientation and to permit an exclusive representative to participate.	04/19/2017 - In ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY: Not heard.
<b><u>AB 151</u></b> Burke (D)	California Global Warming Solutions Act		Amends the Global Warming Solutions Act. Requires the Air Resources Board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan. Requires the state board to report to the Legislature on the need for increased education, career technical education, job training, and workforce development in ensuring that statewide greenhouse gas emissions are reduced by a specified level.	08/24/2017 - In ASSEMBLY. From third reading. To Inactive File.
<b><u>AB 161</u></b> Levine (D)	Department of Finance: Infrastructure Investment		Authorizes the Department of Finance to identify infrastructure projects in the state for which the department will guarantee a rate of return on investment for an investment made in that infrastructure project by the Public Employees' Retirement System.	08/21/2017 - In SENATE Committee on APPROPRIATIONS: Not heard.
<b><u>AB 166</u></b> Salas (D)	Building Homes and Jobs Act: Recording Fee		Authorizes a property owner to request a refund based on hardship of a fee if he or she files a claim with the county recorder, in the county in which the fee was collected. Authorizes county recorders to issue a refund of this fee. Requires the county recorder to deduct any amount issued for a refund from the amount to be remitted to	01/04/2018 - In ASSEMBLY. Ordered returned to SENATE. *****To SENATE.

**IRWD 2018 LEGISLATIVE MATRIX**  
**Updated 01/08/2018**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			the Department of Housing and Community Development and to annually report to the department on the number of hardship refunds granted pursuant to these provisions.	
<b><u>AB 176</u></b> Salas (D)	Water Project: Friant-Kern Canal		Appropriates a specified sum from the General Fund for the Reverse Flow Pump-back Facilities on the Friant-Kern Canal Restoration Project. Makes legislative findings and declarations as to the necessity of a special statute for the Friant-Kern Canal.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 196</u></b> Bigelow (R)	Greenhouse Gas Reduction Fund: Water Supply		Amends the Global Warming Solutions Act, which creates the Greenhouse Gas Reduction Fund and authorizes specified investments, including water use and supply. Authorizes the use of the moneys in the fund for electric pump efficiency, water and wastewater systems, pump and pump motor efficiency improvements, and drinking water transmission and distribution systems' water loss if the investment furthers the regulatory purposes of the act and is consistent with law.	09/01/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 241</u></b> Dababneh (D)	Personal Information: Privacy: State and Local Breach		Relates to state and local breaches of privacy. Requires a state or local agency, if it was the source of a computer breach of information, to provide appropriate identity theft prevention and mitigation services at no cost to a person whose personal information, including social security number, driver license or identification card number.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 305</u></b> Arambula (D)	School Accountability Report Card: Drinking Water		Amends the Classroom Instructional Improvement and Accountability Act to require a specified school accountability report card to include an assessment of the drinking water access points at each school site. Requires the State Department of Education to compile the assessments and transmit them to the State Water Resources Control Board.	02/13/2017 - To ASSEMBLY Committees on EDUCATION and ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.

**IRWD 2018 LEGISLATIVE MATRIX**  
Updated 01/08/2018

Bill No. Author	Title	IRWD Position	Summary/Effects	Status
<b>AB 408</b> Chen (R)	Eminent Domain: Final Offer of Compensation		Provides that if a court finds, that the offer of the plaintiff was a certain percentage of the compensation awarded in the eminent domain proceeding, then the court would be required to include the defendant's litigation costs in the costs allowed.	03/20/2017 - From ASSEMBLY Committee on JUDICIARY without further action pursuant to JR 62(a).
<b>AB 429</b> Grayson (D)	State Water Policy: Water Rights: Use/Transferability		Makes nonsubstantive changes to existing law concerning water policy, water use, rights and transferability of those rights.	02/13/2017 - INTRODUCED.
<b>AB 472</b> Frazier (D)	Employer Liability: Small and Micro Business		Prohibits the state OSHA division from commencing any enforcement action for any nonserious violation, as defined, against any employer where the employer is a small business or microbusiness, as defined. Requires written notification to the employer and providing the employer a certain number of days to correct the violation. Authorizes the division to assess a reasonable fee to cover its costs.	09/12/2017 - Withdrawn from SENATE Committee on NATURAL RESOURCES AND WATER.;09/12/2017 - Re-referred to SENATE Committee on RULES.
<b>AB 554</b> Cunningham (R)	Desalination: Statewide Goal		Relates to desalination projects and opportunities for state assistance and funding. Establishes a goal to desalinate a specified acre-feet of drinking water per year.	06/20/2017 - In ASSEMBLY. Coauthors revised.
<b>AB 567</b> Quirk-Silva (D)	School Facilities: Drinking Water Fountains		Requires a school district to ensure that every drinking water fountain at each school under its jurisdiction is equipped with both a water fountain and a spigot, or a combination water fountain and spigot, for filling water bottles.	03/14/2017 - From ASSEMBLY Committee on EDUCATION with author's amendments.;03/14/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on EDUCATION.
<b>AB 577</b> Caballero (D)	Disadvantaged Communities		Amends existing law which defines a disadvantaged community as a community with an annual median household income that is less than a certain percentage of the statewide annual median household income for various purposes, that include, but are not limited to, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Expands the definition of disadvantaged community.	03/09/2017 - From ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS with author's amendments.;03/09/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.

**IRWD 2018 LEGISLATIVE MATRIX**  
Updated 01/08/2018

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 594</u></b> Irwin (D)	Water Supply Planning: Photovoltaic Energy Facility		Amends existing law which requires a city or county that determines that a project is subject to the California Environmental Quality Act to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment.	02/27/2017 - To ASSEMBLY Committees on WATER, PARKS AND WILDLIFE and LOCAL GOVERNMENT.
<b><u>AB 664</u></b> Steinorth (R)	Political Reform Act: Campaign Expenditure		Prohibits the payment of financial or material compensation from campaign funds held by a controlled committee of an elected officer or candidate for elective office, in exchange for services rendered, to any vendor that is majority-owned or controlled by any spouse or domestic partner, parent, grandparent, sibling, child, or grandchild of that officer or candidate.	01/03/2018 - From ASSEMBLY Committee on ELECTIONS AND REDISTRICTING with author's amendments.;01/03/2018 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on ELECTIONS AND REDISTRICTING.
<b><u>AB 672</u></b> Jones-Sawyer (D)	Utility Services		Authorizes a civil action for damages against a person who intentionally and knowingly commits, authorizes, solicits, aids, abets, or attempts, among other things, the diversion of utility services.	01/04/2018 - From ASSEMBLY Committee on JUDICIARY without further action pursuant to JR 62(a).
<b><u>AB 732</u></b> Frazier (D)	Levee Maintenance		Extends indefinitely the operation of the authorization to advance funds to reimburse local agencies under a program for the maintenance or improvement of project or nonproject levees. Postpones the operation of certain related provisions.	09/01/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 791</u></b> Frazier (D)	Sacramento-San Joaquin Delta: Conveyance Facility		Relates to the State Water Project and federal Central Valley Project. Require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 792</u></b> Frazier (D)	Sacramento-San Joaquin Delta: Stewardship Council		Increases the membership of the council to 13 members, including 11 voting members and 2 nonvoting members, as specified. Imposes new duties upon local officials to appoint new members to the council. Imposes a state-mandated local program.	01/03/2018 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;01/03/2018 - In



**IRWD 2018 LEGISLATIVE MATRIX**  
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				ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
<b><u>AB 793</u></b> Frazier (D)	Sacramento-San Joaquin Delta: Financing		States that the maintenance and repair of the Sacramento-San Joaquin Delta are eligible for the same forms of financing as other water collection and treatment infrastructure and would specify the maintenance and repair activities that are eligible are limited to certain cleanup and abatement-related restoration and conservation activities.	03/27/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/27/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
<b><u>AB 869</u></b> Rubio (D)	Sustainable Water Use: Recycled Water		Requires long-term standards for urban water conservation and water use to include a credit for recycled water. Prohibits an urban retailer water supplier from being required to reduce the amount of recycled water it produces, sells, or distributes for beneficial potable or nonpotable uses during a period when water conservation measures are in effect.	08/24/2017 - From SENATE Committee on NATURAL RESOURCES AND WATER with author's amendments.;08/24/2017 - In SENATE. Read second time and amended. Re-referred to Committee on NATURAL RESOURCES AND WATER.
<b><u>AB 884</u></b> Levine (D)	Dams and Reservoirs: Inspections		Requires the Department of Water Resources to make annual physical inspections of dams and reservoirs at state expense for the purpose of determining their safety.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 898</u></b> Frazier (D)	Property Taxation: Revenue Allocations: Fire District		Requires the auditor of the County of Contra Costa to allocate certain ad valorem property tax revenues to the East Contra Costa Fire Protection District that would otherwise be allocated to the county's Education Revenue Augmentation Fund.	04/04/2017 - From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.;04/04/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
<b><u>AB 947</u></b> Gallagher (R)	Fish and Wildlife: Streambed Alteration Agreements		Relates to streambed alteration agreements of the Department of Fish and Wildlife. Defines river and stream for purposes of provisions requiring certain notification.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Not heard.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 968</u></b> Rubio (D)	Retail Water Use: Water Efficiency		Requires the Urban Stakeholder Committee to submit a report to the Legislature recommending for potential adjustments to water efficiency targets and commercial, industrial, and institutional performance measures. Requires the Department of Water Resources to recommend appropriate water efficiency measures for various segments of the commercial, industrial, and institutional water use sector. requires each urban retail water supplier to develop a water efficiency target. Revises definitions.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 975</u></b> Friedman (D)	Natural Resources: Wild and Scenic Rivers		Specifies that certain rivers that possess scenic, recreational, fishery, wildlife, historical, cultural, geological, or other similar values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state.	06/05/2017 - In ASSEMBLY. To Inactive File.
<b><u>AB 1000</u></b> Friedman (D)	Water Conveyance: Unused Facility Capacity		Prohibits a transferor of water from using a water conveyance facility that has unused capacity to transfer water from a groundwater basin underlying desert lands that is in the vicinity of specified federal lands or state lands to outside of the groundwater basin unless the State Lands Commission, in consultation with the Department of Fish and Wildlife, finds that the transfer of the water will not adversely affect the natural or cultural resources of those federal and state lands.	09/01/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 1030</u></b> Ting (D)	Energy Storage Systems		Establishes energy policy goals of the state with respect to energy storage. Requires the Public Utility Commission to undertake specified actions with respect to customer- and load-sited energy storage systems in order to achieve those energy policy goals, including a rebate program dedicated to energy storage that carves out a portion of funding for low-income customers and disadvantaged communities.	05/24/2017 - From ASSEMBLY Committee on UTILITIES AND ENERGY without further action pursuant to JR 62(a).
<b><u>AB 1041</u></b> Levine (D)	Bay Area Toll Authority: Conflict of Interest		Amends existing law relating to the Metropolitan Transportation Commission. Prohibits a representative appointed to the Oversight	01/03/2018 - From ASSEMBLY Committee on TRANSPORTATION

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**Updated 01/08/2018**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			Committee from being affiliated, in any manner, with the Metropolitan Transportation Commission.	with author's amendments.;01/03/2018 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on TRANSPORTATION.
<b><u>AB 1050</u></b> Allen T (R)	Endangered Species Act: Delta Smelt		Requires the Fish and Game Commission to remove the Delta smelt from the endangered species list.	03/28/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/28/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
<b><u>AB 1089</u></b> Mullin (D)	Local Elective Offices: Contribution Limitations		Prohibits a person from making to a candidate for local elective office any a contribution totaling more than a certain amount. Authorizes a county, city, special district, or school district to impose a different limitation.	06/20/2017 - In ASSEMBLY. Coauthors revised.
<b><u>AB 1235</u></b> Daly (D)	Santa Ana River Conservancy Program		appropriates a specified sum from the General Fund to the conservancy to be expended for the purposes of the the Santa Ana River Conservancy Program.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 1271</u></b> Gallagher (R)	Dams and Reservoirs		Amends the existing law which requires the Department of Water Resources supervise the maintenance and operation of dams and reservoirs as necessary to safeguard life and property. Requires the department to order the owner to take action to remove the resultant danger to life and property. Provides for continuously appropriate the moneys in the fund to the department for the administration of the dam safety program.	03/21/2017 - From ASSEMBLY Committee on WATER, PARKS AND WILDLIFE with author's amendments.;03/21/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.
<b><u>AB 1323</u></b> Weber (D)	Sustainable Water Use and Demand Reduction		Requires the Department of Water Resources to convene a stakeholder workgroup. Requires the workgroup to develop, evaluate, and recommend proposals for establishing new water use targets for urban water suppliers and report to the Governor and the Legislature. Requires all expenses to be the responsibility of the nonstate agency stakeholders.	08/21/2017 - In SENATE Committee on APPROPRIATIONS: To Suspense File.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 1333</u></b> Dababneh (D)	Political Reform Act: Local Government Agency Notices		Requires every local government agency to prominently post on its Internet Web site a notice of any upcoming election in which voters will vote on a tax measure or proposed bond issuance of the agency. Requires every local government agency that publishes an electronic newsletter to include the notice in the electronic newsletter.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 1342</u></b> Flora (R)	Greenhouse Gas Reduction Fund: Appropriations		Appropriates from the fund to the Department of Forestry and Fire Protection for healthy forest programs that reduce greenhouse gas emissions caused by uncontrolled wildfires. Appropriates from the fund to the Department Resources Recycling and Recovery for instate organic waste recycling projects that reduce greenhouse gas emissions.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 1369</u></b> Gray (D)	Water Quality and Storage		Requires the Department of Water Resources to increase statewide water storage capacity by a certain percent by a specified year. Provides for the appropriation of moneys from the Greenhouse Gas Reduction Fund. Requires all groundwater basins designated as high- or medium-priority basins by the department that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan.	03/27/2017 - To ASSEMBLY Committees on WATER, PARKS AND WILDLIFE and NATURAL RESOURCES.
<b><u>AB 1420</u></b> Aguiar-Curry (D)	Water Rights: Small Irrigation Use		Requires State Water Resources Control Board to give priority to adopting general conditions that permit a registrant to store water for small irrigation use during times of high streamflow in exchange for the registrant reducing diversions during periods of low streamflow. Exempts an entity from the requirement to enter into a lake or streambed alteration agreement with the department under specified circumstances.	09/01/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 1427</u></b> Eggman (D)	Water: Underground Storage		Revises the declaration to additionally provide that certain uses of storage water while underground constitute beneficial use. Provides that the forfeiture periods of a water right do not apply to water	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			being beneficially used or being held in storage for later beneficial use.	
<b><u>AB 1490</u></b> Gray (D)	State Water Resources Control Board: School Water		Requires the State Water Resources Control Board to prepare and submit to the Legislature a report evaluating potential adverse impacts resulting from the implementation of the Bay-Delta Water Quality Control Plan on the quality and supply of drinking water provided to schools in disadvantaged communities, in the state, including a summary describing any measures that may be implemented to address any adverse impacts identified in the report. Relates to school financial assistance.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>AB 1524</u></b> Brough (R)	Political Reform Act: Mass Mailing Prohibitions		Amends the Political Reform Act of 1974 which prohibits the sending of a mass mailing by either a candidate or an agency. States violation of the act's provisions is punishable as a misdemeanor.	03/16/2017 - To ASSEMBLY Committee on ELECTIONS AND REDISTRICTING.
<b><u>AB 1529</u></b> Thurmond (D)	Cross Connection or Backflow Prevention Inspectors		Requires valid and current certifications for cross connection inspection or backflow prevention device inspection, testing, and maintenance that meet specified requirements for competency to be considered approved certification tests, until the Water Resources Control Board promulgates specified regulations or by a specified date. Prohibits a water supplier from refusing to recognize certifications tests that meet standards set by regulations of the board.	09/15/2017 - In SENATE. Read third time. Failed to pass SENATE.;09/15/2017 - In SENATE. Motion to reconsider.;09/15/2017 - In SENATE. Reconsideration granted.;09/15/2017 - In SENATE. From third reading. To Inactive File.
<b><u>AB 1548</u></b> Fong (R)	Occupational Safety and Health: Penalties		Expands the application of an existing law which authorizes certain entities to apply for a refund of civil penalties assessed against them if specified conditions are met and which requires moneys in a certain fund to be expended to assist schools in establishing effective occupational injury and illness prevention programs.	03/16/2017 - To ASSEMBLY Committee on LABOR AND EMPLOYMENT.
<b><u>AB 1605</u></b> Caballero (D)	Maximum Contaminant Levels: Replacement Water		Deems a person that causes or permits, or threatens to cause or permit, any waste to be discharged that contributes to the exceedance of the maximum contaminant level for nitrate in	04/27/2017 - From ASSEMBLY Committee on JUDICIARY with author's amendments.;04/27/2017 - In

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			drinking water to not have caused pollution or a nuisance or to not be liable for negligence or trespass, if the person or entity takes certain actions relating to replacement water until the maximum contaminant level for nitrate is no longer exceeded.	ASSEMBLY. Read second time and amended. Re-referred to Committee on JUDICIARY.
<b><u>AB 1654</u></b> Rubio (D)	Water Conservation		States the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.	07/19/2017 - Re-referred to SENATE Committee on RULES.
<b><u>AB 1667</u></b> Friedman (D)	Water Management Planning		Requires the State Water Resources Control Board to adopt long-term standards for urban water conservation and water use on or before the specified date. Requires the board to adopt performance measures for commercial, industrial, and institutional water use on or before that date. Require an urban water supplier to calculate a water use target beginning the calendar year after the board adopts long-term standards for urban water conservation and water use. Relates to submission of specified information.	07/11/2017 - In SENATE Committee on NATURAL RESOURCES AND WATER: Heard, remains in Committee.
<b><u>AB 1668</u></b> Friedman (D)	Water Management Planning		Requires the State Water Resources Control Board to adopt long term standards for the efficient use of water and performance measures for certain water uses. Requires the department to conduct necessary studies. Establishes a specified number of gallons as a standard for indoor residential water use effective until a specified date. Requires use of available data to identify small water suppliers and rural communities that may be at risk of drought and water shortage no later than a specific date.	09/15/2017 - From SENATE Committee on APPROPRIATIONS: Do pass to Committee on RULES.
<b><u>AB 1669</u></b> Friedman (D)	Urban Water Conservation Standards and Use Reporting		Requires the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use by a specified date. Provides for the adoption of interim standards. Requires the board, before adopting an emergency regulation, to provide a certain number of days for the public to review and comment on the regulation and requires the board to hold a public hearing.	05/26/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>AB 1673</u></b> Aguiar-Curry (D)	The California Water Plan		Makes technical, nonsubstantive changes to existing law which requires the Department of Water Resources to update every five years, the plan for the orderly and coordinated control, protection, conservation, development and use of the water resources of the state.	02/17/2017 - INTRODUCED.
<b><u>AB 1740</u></b> Daly (D)	Fire Insurance: Valuation of Loss		Deletes the provisions regarding the actual cash value of the claim of total loss to the structure and instead requires that the actual cash value of the claim, for either a total or partial loss to the structure or its contents, be the amount it would cost the insured to repair, rebuild, or replace the thing lost or injured less a fair and reasonable deduction for physical depreciation based upon its condition at the time of the injury or the policy limit, whichever is less.	01/03/2018 - INTRODUCED.
<b><u>AB 1745</u></b> Ting (D)	Vehicles: Clean Cars 2040 Act		Requires all new passenger vehicles to be zero emissions vehicles after January 1, 2040. States that zero emissions vehicles cannot produce exhaust emissions of any criteria pollutant or greenhouse gas under any operational mode or condition. Exempts large commercial vehicles (larger than 10,000 pounds) and does not apply to vehicles owned by people moving into California from other states.	01/03/2018 - INTRODUCED.
<b><u>AB 1748</u></b> Steinorth (R)	Property Taxation: Base Year Value Transfer		Requires, subject to specified procedures, the base year value of property that is eligible for the homeowner's exemption of any person, regardless of age or disability, to be transferred to any replacement dwelling, regardless of the value of the replacement property or whether the replacement property is located within the same county.	01/03/2018 - INTRODUCED.
<b><u>AB 1750</u></b> McCarty (D)	Elected Officials: Sexual Harassment Settlements		Expresses the intent of the Legislature to enact legislation that would require an elected official to reimburse a public entity that pays any compromise or settlement of a claim or action involving conduct that constitutes sexual harassment, if an investigation	01/03/2018 - INTRODUCED.

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<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			reveals evidence supporting the claim of sexual harassment against the elected official.	
<b><u>AB 1770</u></b> Steinorth (R)	Local Government: Investments		Revises the maximum 5-year maturity requirement regarding investment in securities by a local agency to instead require that the securities have a maximum remaining security of 5 years or less. Eliminates the requirement that the securities issuer be rated A or its equivalent or better for the issuer's debts as provided by an NRSRO.	01/04/2018 - INTRODUCED.
<b><u>ACA 20</u></b> Steinorth (R)	Property taxation: base year value: transfer		Allows the base year value of property eligible for the homeowner's exemption of any person aged 55 years or older who is severely disabled to be transferred to any replacement dwelling regardless of its value or whether it is located within the same county.	01/03/2018 - INTRODUCED.
<b><u>SB 24</u></b> Portantino (D)	Political Reform Act of 1974: Economic Interest		Amends the Political Reform Act which requires certain disclosures to include a statement indicating the fair market value of investments or interests in real property and the aggregate value of income received from each reportable source. Revises the dollar amounts associated with these ranges.	08/31/2017 - In ASSEMBLY. To Inactive File.
<b><u>SB 49</u></b> de Leon (D)	Environmental and Workers' Defense Act		Relates to the California Environmental, Public Health, and Workers Defense Act of 2017. Relates to clean air, drinking water, discharge of pollutants into the atmosphere and waters, and endangered species. Requires specified agencies to take prescribed actions to maintain and enforce standards pertaining to air, water, and protected species. Prohibits a state agency from amending rules to be less stringent in protection of workers' rights and workers' safety than established by federal law.	09/12/2017 - From ASSEMBLY Committee on RULES with author's amendments.;09/12/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on RULES.
<b><u>SB 62</u></b> Jackson (D)	Affordable Senior Housing Act		Establishes the Affordable Senior Housing Program for the purpose of guiding and serving as a catalyst for the development of affordable senior housing and supportive care campuses. Requires the director of GO-Biz to undertake various actions in	09/01/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.



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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
			implementing the program, including establishing and implementing a process for identifying and convening public and private stakeholders and assisting participants in identifying locations and funding sources, obtaining permits, and other matters.	
<b><u>SB 72</u></b> Mitchell (D)	Budget Act of 2017		Makes appropriations for the support of state government for the 2017-18 fiscal year.	05/26/2017 - From SENATE Committee on BUDGET AND FISCAL REVIEW with author's amendments.;05/26/2017 - In SENATE. Read second time and amended. Re-referred to Committee on BUDGET AND FISCAL REVIEW.
<b><u>SB 146</u></b> Wilk (R)	Water Resources: Permit To Appropriate		Amends an existing law which prohibits the taking or possession of a fully protected fish, except as provided, and designates the unarmored threespine stickleback as a fully protected fish. Prohibits the issuance of a new permit to appropriate water from any river source or stream that has, or is reasonably suspected to have, a population of unarmored threespine stickleback.	04/25/2017 - In SENATE Committee on NATURAL RESOURCES AND WATER: Not heard.
<b><u>SB 210</u></b> Leyva (D)	Heavy Duty Vehicle Inspection and Maintenance Program		Authorizes the State Air Resources Board to develop and implement a Heavy-Duty Vehicle Inspection and Maintenance Program for nongasoline heavy-duty on road motor vehicles. Authorizes the state board to assess a fee and penalty as part of the program. Creates the Truck Emission Check Fund and the Diesel Emission System Inspection and Smoke Test Account in the fund, with all the moneys deposited in each fund to be available upon appropriation.	08/28/2017 - In ASSEMBLY. Suspend Assembly Rule 96.;08/28/2017 - Re-referred to ASSEMBLY Committee on RULES.
<b><u>SB 224</u></b> Jackson (D)	Personal Rights: Sexual Harassment		Amends existing law which establishes liability for sexual harassment when the plaintiff proves specified elements and existing law which states that a relationship may exist between a plaintiff and certain persons. Includes an investor, elected official, lobbyist, director, and producer among those listed persons who may be liable to a plaintiff for sexual harassment.	01/03/2018 - From SENATE Committee on RULES with author's amendments.;01/03/2018 - In SENATE. Read second time and amended. Re-referred to Committee on

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Bill No. Author	Title	IRWD Position	Summary/Effects	Status
				RULES.;01/03/2018 - Re-referred to SENATE Committee on JUDICIARY.
<b>SB 423</b> Cannella (R)	Indemnity: Design Professionals		Amends an existing law which provides, with respect to certain contracts and amendments to contracts with a public agency for design professional services, that all provisions, clauses, covenants, and agreements contained in, collateral to, or affecting these contracts or amendments that purport to require the professional to defend the agency under an indemnity agreement are unenforceable, except for certain cases. Makes such provisions applicable to all design professional services.	03/29/2017 - Re-referred to SENATE Committee on JUDICIARY.
<b>SB 454</b> Moorlach (R)	Public Employees' Health Benefits		Relates to the Public Employees' Medical and Hospital Care Act. Provides that, for state employees who are first employed and become members of the retirement system on or after a specified date, the employer contribution for annuitants shall be limited to a certain percent of the weighted average of the health benefit plan premiums for an active employee enrolled for self-alone. Makes other changes concerning employer contributions and prefunding of retiree health care.	04/24/2017 - In SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Failed passage.;04/24/2017 - In SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Reconsideration granted.
<b>SB 473</b> Hertzberg (D)	California Endangered Species Act		Amends the California Endangered Species Act which prohibits the taking of an endangered or threatened species. Provides that the accidental take of candidate, threatened, or endangered species resulting from acts that occur on a farm or a ranch in the course of otherwise lawful routine and ongoing agricultural activities is not prohibited by the act.	09/08/2017 - In ASSEMBLY. To Inactive File.
<b>SB 606</b> Skinner (D)	Water Management Planning		Requires an urban retail water supplier to calculate an urban water use objective and its actual urban water use by specified dates and requires a report. Imposes civil liability for a violation of an order or regulation issued pursuant to certain provisions. Authorizes the State Water Resources Control Board to issue a regulation or information order requiring a wholesale water supplier, urban retail	09/13/2017 - Withdrawn from ASSEMBLY Committee on RULES.;09/13/2017 - In ASSEMBLY. Ordered to third reading.;09/13/2017 - In ASSEMBLY. Suspend Assembly Rule 96.

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**Updated 01/08/2018**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			water supplier, or distributor of a public water supply to provide a monthly report of certain information.	
<b><u>SB 623</u></b> Monning (D)	Water Quality: Safe and Affordable Drinking Water Fund		Establishes the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the state board. requires the state board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with projects relating to safe and affordable drinking water.	09/01/2017 - Re-referred to ASSEMBLY Committee on RULES.
<b><u>SB 638</u></b> Leyva (D)	Heavy Duty Motor Vehicles		Requires the State Air Resource Board to adopt regulations that require owners or operators of heavy duty motor vehicles used for commercial purposes to perform regular inspections of their vehicles for compliance with emission standards of the State board. Requires a fleet of these vehicles to comply with the State boards emission standards in order for any vehicle of the fleet to be registered.	03/02/2017 - To SENATE Committees on TRANSPORTATION AND HOUSING and ENVIRONMENTAL QUALITY.
<b><u>SB 686</u></b> Wilk (R)	Public Contracts: Claims Resolution		Requires a public entity to conduct a meet and confer conference within a specific period for the settlement of disputes.	03/09/2017 - To SENATE Committee on JUDICIARY.
<b><u>SB 700</u></b> Wiener (D)	Energy Storage Initiative		Requires the Public Utilities Commission and the governing boards of local publicly owned electric utilities to establish an Energy Storage Initiative to provide rebates to customers of electrical corporations for the installation of energy storage systems consistent with certain requirements. Requires the PUC to ensure an orderly transition of the funding for energy storage systems from the self-generation incentive program to the Energy Storage Initiative to minimize disruption.	07/05/2017 - From ASSEMBLY Committee on UTILITIES AND ENERGY with author's amendments.;07/05/2017 - In ASSEMBLY. Read second time and amended. Re-referred to Committee on UTILITIES AND ENERGY.
<b><u>SB 740</u></b> Wiener (D)	Onsite Treated Water		Requires the State Water Resources Control Board to adopt regulations for a comprehensive risk-based standards for local jurisdictions permitting programs for onsite recycling of water in multifamily residential, commercial, and mixed-use buildings for	05/25/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.

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**Updated 01/08/2018**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
			nonpotable use. Requires the regulations to address specified issues and practices relating to the management, monitoring, and treatment of recycled water for nonpotable use.	
<b><u>SB 748</u></b> Glazer (D)	Public Contracts		Amends an existing law which requires a state agency or department to follow specified rules regarding the negotiation of fees and execution of contracts for professional consulting services of a private architectural, engineering, land surveying, environmental, or construction project management firm. Requires certain negotiations to begin within a specified time period.	03/09/2017 - To SENATE Committee on GOVERNMENTAL ORGANIZATION.
<b><u>SB 771</u></b> de Leon (D)	California Environmental Quality Act		Relates to The California Environmental Quality Act. Establishes a continuing education requirement for employees of public agencies who have primary responsibility to administer the act.	09/13/2017 - In ASSEMBLY. To Inactive File.
<b><u>SB 778</u></b> Hertzberg (D)	Safe Drinking Water Fund		Requires the State Water Resources Control Board to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after a certain date. Requires the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.	09/01/2017 - In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
<b><u>SB 780</u></b> Wiener (D)	Water Conservation in Landscaping Act		Requires the Department of Water Resources to establish guidelines for designing landscapes consistent with the watershed approach to landscaping. Requires funding to provide preference for projects that comply with the guidelines. Requires the Department to promote this approach by providing education, and training for persons who plan, develop, or implement landscaping projects. Authorizes the promotion of application of compost to assist with projects that follow these guidelines.	05/25/2017 - In SENATE Committee on APPROPRIATIONS: Held in committee.

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**Updated 01/08/2018**

<b>Bill No. Author</b>	<b>Title</b>	<b>IRWD Position</b>	<b>Summary/Effects</b>	<b>Status</b>
<b><u>SB 831</u></b> Wieckowski (D)	Land use: accessory dwelling units		Relates to accessory dwelling units in single-family and multi-family residential zones. Deletes the requirement that the area be zoned to allow single-family and multi-family use. Specifies that if a local agency does not act on an application for an accessory dwelling unit within 120 days, then the application shall be deemed approved.	01/04/2018 - INTRODUCED.
<b><u>SCA 4</u></b> Hertzberg (D)	Water Conservation		Declares the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California's future.	02/16/2017 - To SENATE Committee on RULES.
<b><u>HR 23</u></b> Valadao (R)	Gaining Responsibility on Water Act		Amends the Gaining Responsibility on Water Act of 2017, provides drought relief in the State of California.	07/18/2017 - In SENATE. Read second time.;07/18/2017 - To SENATE Committee on ENERGY AND NATURAL RESOURCES.
<b><u>HR 434</u></b> Denham (R)	Water Project Financing Program Pilot Project		Authorizes a pilot project for an innovative water project financing program.	02/07/2017 - In HOUSE Committee on NATURAL RESOURCES: Referred to Subcommittee on WATER, POWER AND OCEANS.
<b><u>HR 448</u></b> Huffman (D)	Conservation Subsidies Water Conservation Exclusion		Amends the Internal Revenue Code of 1986, expands the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures and storm water management measures.	01/11/2017 - INTRODUCED.;01/11/2017 - To HOUSE Committee on WAYS AND MEANS.

## Exhibit “B”

### 2018 Legislative Update Report: Links to Bill & Regulatory Texts (as of January 8, 2018)

Bill Number/Version Date	Link to Bill Text
AB 1668 (Friedman) as amended	<a href="http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1668">http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1668</a>
SB 606 (Hertzberg/Skinner), as amended	<a href="http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB606">http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB606</a>
SB 623 (Monning), as amended	<a href="http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB623">http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB623</a>
California Water Plan- 2018 Update Working Draft	<a href="http://www.water.ca.gov/waterplan/docs/cwpu2018/sc/dec2017/01_Update2018_Working-Draft_Dec2017.pdf">http://www.water.ca.gov/waterplan/docs/cwpu2018/sc/dec2017/01_Update2018_Working-Draft_Dec2017.pdf</a>



# Governance and Service Delivery: A Solution to Providing Safe Drinking Water to Communities Served by Chronically Non- compliant Systems

Sacramento Briefings  
January 2018

# What is the Problem We're Trying to Solve?

## Problem and Root Causes

- Approximately 329 systems in the State of California chronically serve contaminated water or cannot provide reliable water service due to unsound infrastructure/operations
- Deficiencies vary: natural contaminants, man-made contaminants, failing infrastructure
- Majority are *very small* systems and small rate bases resulting in inefficient use of rate revenue
- Inability of system owners, managers and operators to implement complex solutions, repair infrastructure, or secure external funding
- Disadvantaged communities – ratepayer affordability





# Case Study - Eastern Municipal Water District and County Water Company of Riverside

## County Water Company of Riverside

Private Water Company

140 Customers

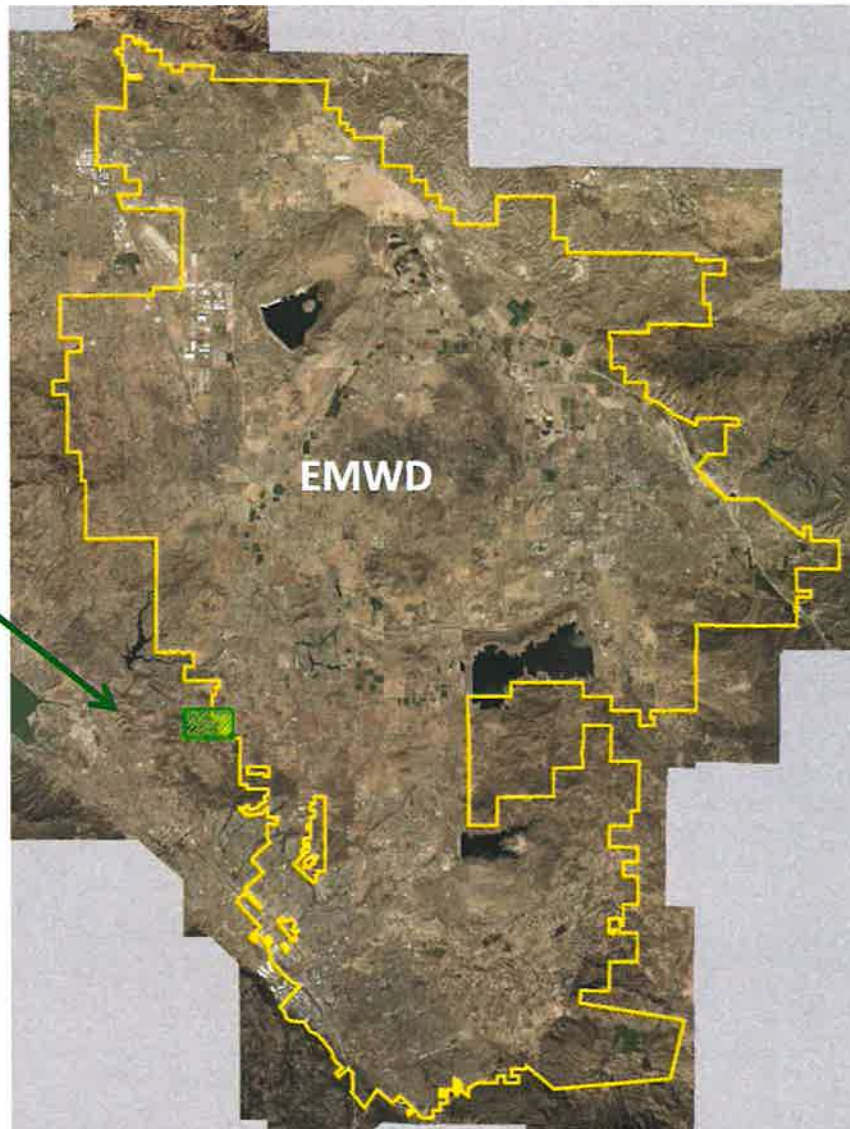
1,032 acres

Two contract employees

Disadvantaged Community

Facilities:

- Substandard 50,000 gallon tank
- Failing, branched distribution system – no isolation capacity
- Inadequate fire flow and only one hydrant
- Single source of supply (well) with frequent outages
- Chronic well water contamination - Notices of Violation
  - Nitrate levels ranging ~ 60 – 75 mg/l (MCL = 45 mg/l)
  - Bacterial contamination



# County Water Company (CWC) Dissolution

## Solution:

- Two larger public agencies able to consolidate system
- Immediately installed temporary potable water supply line
- CWC stipulated to be put into Receivership
- Assets transferred to public agencies
- Constructed \$5.8 million in system improvements with SWRCB grants
- Passed SB 1130 (Roth) in 2014 to address liability



*Consolidations with Larger Public Agencies  
and Investor Owned Utilities can be  
Effective Options*

# What are the Statistical Dimensions of the Statewide Challenge?

Non-compliant systems (Population)*	Number of Systems	Percent
10,000 or greater	12	3%
1,000 to 9,999	46	14%
100 to 999	150	46%
Under 100	<u>121</u>	37%
Total =	329	

**83% of the  
non-compliant  
systems serve  
less than  
1,000 people  
(~ 400 services)**

\* SWRCB State Drinking Water Data Base, November 20, 2017 database

*These non-compliant community water systems cross all sectors including public agencies and schools (~40%) and privately owned or mutual water companies (~60%)*



# What are the Common Issues and Challenges with These Non-compliant Systems?

- Limited technical, financial and managerial capabilities
- High per-customer administrative overhead
- Small “orphan” systems - geographically dispersed
- Voluntary Consolidation, regionalization and mutual aid can be too complex
  - No logical larger host agency or IOU
- Efficacy of public financial subsidies for ultra-small mutual/private/public systems
  - Disincentive to maintain, invest or consolidate

Water Systems in California with Contaminant Exceedances



*Reforming the service delivery and governance model is prerequisite to defining long-term supplemental funding needs*

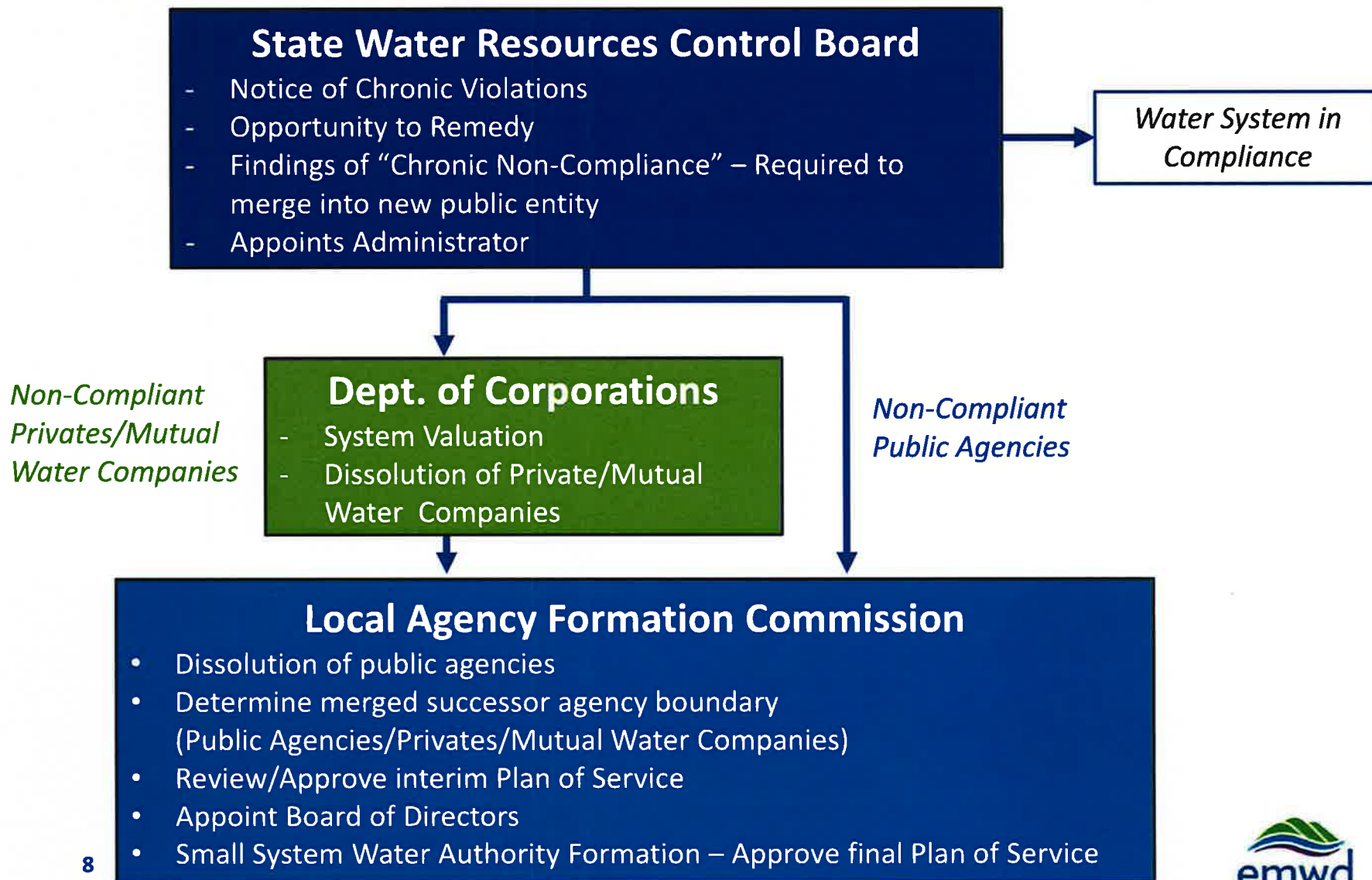
# New Tool: “Small System Water Authority”

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- New type of public water entity enabled by legislation:
  - Multiple non-contiguous systems merged under one newly created public entity
  - Entity is independent special district formed at county or sub-county level
  - Representative appointed/elected governance
  - Statutorily provided enhanced internal and external financial capabilities



# Small System Water Authority - Formation



# Small System Water Authority - Financial Tools and Enhancements

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## Internal Agency Sources

- Rates and charges with much larger rate base
- Levies and assessments, such as special benefit assessments
- General Obligation (G.O.) taxing authority
- Standby charges
- Tax-exempt Municipal debt supported by State credit guaranty

## External Agency Funding

- Preferential/High Priority state grants from Water Bonds
- SRF No/Low-Interest Loans
- SRF Principal Forgiveness grants
- Start-up and Formation Funding:
  - Drinking Water SRF Set-Aside
  - Short-term state Safe Drinking Water Account (Environmental Protection/SWRCB) augmentation
  - LAFCO supplemental budget augmentation (up to 4 years)

# Small System Water Authority Post-formation Activities

## Post-formation Process

- Implementation of Plan of Service
  - Board elections
- Net value compensation, as appropriate, to former Private/Mutual Owners
- State Board/Treasurer/LAFCO oversees independent review of start-up operations
- Report on fiscal and operational health of new entities submitted to legislature
  - Two years after approval of final Plan of Service and formation
- Recommendations for needed supplemental funding/sources

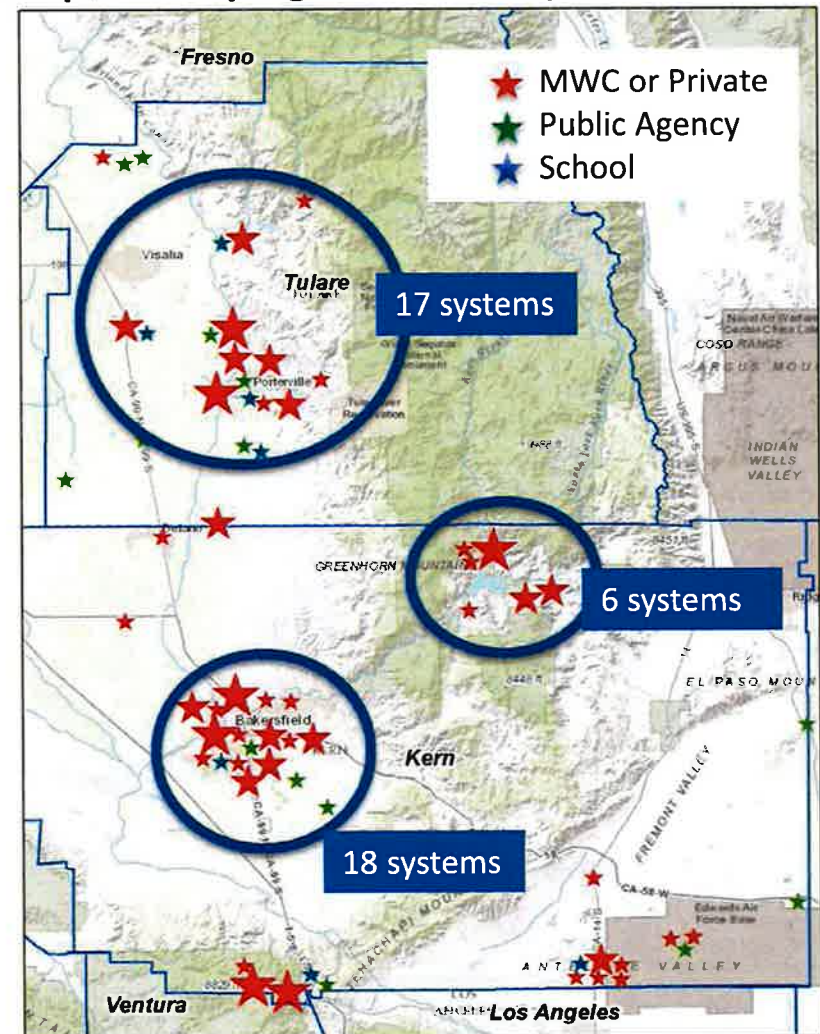




# Small System Water Authority - Summary

- Merger of like entities into viable public water agency
- Participatory public governance
- Substantial reduction in number of small systems
- Merger provides economies of scale – frees-up operating rate revenue
- Establishes staff with technical and managerial expertise
- New internal and external financial resources
- New tool in addition to existing consolidation options

## Example Grouping of Non-compliant Systems



Larger stars denote proportionately larger populations of small systems noted as "Out of Compliance" on State Water Board database.



## Contact Information

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January 15, 2018

Prepared by: J. Baquerizo / A. McNulty

Submitted by: F. Sanchez / P. Weghorst

Approved by: Paul A. Cook



## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### SMART WATER INFRASTRUCTURE MANAGEMENT METERING PILOT STUDY RESULTS

#### SUMMARY:

Since 2015, staff has been testing Smart Water Infrastructure Management (SWiM) metering technology that has the potential to facilitate cost effective reductions in water use by IRWD customers. A two-phase pilot study was performed that provided groups of IRWD customers with hourly water use data that was collected using the technology and made available through an online portal. The pilot study provided information associated with customer engagement, equipment functionality, data communications, and water savings. At the Committee meeting, staff will present the findings of the SWiM metering pilot study.

#### BACKGROUND:

IRWD has evaluated several types of Advanced Meter Infrastructure (AMI) technology which have the potential to provide improvements in customer service, water conservation, meter reading accuracy and system leak detection. To ensure accurate data transmission, the deployment of AMI technology can require the installation of communication towers, antennas, centralized data collectors, meter replacements (or upgrades) and meter box/lid modifications. AMI system benefits are realized through the use of software applications that facilitate the analysis and viewing of water use data.

Some retail water agencies have implemented AMI systems within selected areas or throughout their entire service areas. In 2010, IRWD contemplated the deployment of AMI technology throughout its service area. Estimated costs for an AMI pilot study ranged from \$1.1 million to \$1.8 million and full deployment costs were estimated in excess of \$40 million.

In 2015, staff identified that SWiM metering technology offered a less expensive alternative to AMI technology that would provide customers with real time access to water use data and that could result in significant water use reductions. To test the SWiM metering technology, staff implemented a pilot study with the assistance of Alexander's Contract Services (ACS), which is IRWD's current meter reading service provider. ACS provided the SWiM meters and software to support the pilot study. A description of the SWiM metering technology and the implementation of the pilot study are provided below.

#### SWiM Metering Technology:

SWiM meters use the cellular network provided by Verizon Wireless to transmit water usage data. SWiM meter registers are compatible with the majority of the meters installed at the homes of IRWD's customers and are configurable to log data every five minutes for a one month period, or hourly for a 21-month period. Data is stored on a private network, and retrieved by

ACS and published to an online portal. Customers can view their water use data and choose email notification options for daily use, continuous flows or if a spike in usage occurs.

### SWiM Meter Pilot Study:

Staff implemented a pilot study that tested SWiM metering technology in two phases. The study provided the opportunity to test SWiM equipment and data communication applications. The pilot test also allowed staff to assess customer engagement and the impact on water use among two distinct customer groups. The first phase was implemented with customers that had chronic usage in the *Wasteful* billing tier. The second phase targeted customers with chronic usage in the *Inefficient* billing tier. The cost for the SWiM meter pilot study was \$48,800. An overview of each phase of the pilot study and the key findings are provided below. At the Committee meeting, staff will provide additional details related to the pilot study findings.

### Phase One:

Phase one of the pilot study occurred between November 2015 and September 2016 and included the following activities:

- Development of an automated process for updating IRWD's Customer Care and Billing System to reflect SWiM meter installations and removals;
- Testing of SWiM metering equipment and data communications;
- Providing hourly usage data to participating residential customers and staff via the online portal;
- Assessment of customer engagement with the water use data provided through the portal; and
- An evaluation of the impact of customer participation on water use.

Each SWiM meter was relocated to another customer's residence once a participant's water use decreased or if the participant was unresponsive to numerous outreach attempts and did not use the portal. A total of 180 customer homes with chronic *Wasteful* tier usage had SWiM meters installed during phase one of the Pilot Study.

The results of the phase one pilot study were as follows:

- Several areas of the District were identified as having poor cellular signal strength that negatively impacted data transmission;
- Of 180 homes, 24 participants viewed water use data on the portal, many of which required one-on-one staff assistance;
- *Wasteful* tier usage, for 21 of the 24 customers who used the portal, decreased by an average of 13 centum cubic feet (ccf) per month in the six months following the SWiM meter installation; and
- Statewide and local drought messaging and corresponding staff assistance may have resulted in water use reductions by pilot study participants that are not attributable to the SWiM technology.

Phase Two:

Phase two of the pilot study occurred between October 2016 and September 2017. This phase of the study targeted 100 residential customers with chronic (consistently over six months) over-allocation water use within the *Inefficient* billing tier and with no use in the *Wasteful* tier. Phase two activities included:

- Evaluating customer response to various outreach efforts;
- Assessment of customer engagement with the water use data provided through the portal; and
- Evaluation of the impact of customer participation on water use.

The results of Phase Two of the pilot study were as follows:

- Outreach efforts resulted in 31 customers signing into the portal to view water use data;
- Customer survey responses indicated support for this type of real-time data being made easily assessable to customers; and
- Water savings during the fall months for customers who were chronically in the *Inefficient* tier averaged up to 3 ccf or an average of 12% of the customer's monthly allocation.

Next Steps:

The results of the pilot study described above are positive, but may not be statistically significant. Further evaluation of AMI-type technologies that provide real-time water use data are needed to evaluate the cost effectiveness of the technologies. Implementation of a larger scale study to evaluate benefits associated with implementation of AMI-type technologies using a larger residential customer population and other customer types would be an appropriate next step. To prepare for a larger scale study, staff will seek grant funding opportunities to further test and evaluate AMI-type technologies.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

None.



January 15, 2018

Prepared by: Beth Beeman

Submitted by: Paul Weghorst

Approved by: Paul A. Cook 

## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### PUBLIC OUTREACH CONSULTANT SELECTION FOR THE SYPHON RESERVOIR IMPROVEMENT PROJECT

#### SUMMARY:

On September 25, 2017, the Board approved the preparation of an Environmental Impact Report (EIR) for the proposed Syphon Reservoir Improvement Project. In parallel with the development of the EIR, a comprehensive community outreach program will be developed and implemented. The outreach program will share information about the proposed project with interested stakeholders, present technical information to target audiences, proactively contact community business leaders and interest groups, and solicit and address comments and questions from stakeholders. After completing a comprehensive consultant evaluation process, staff recommends that the Board retain Fiona Hutton and Associates (FHA) to develop and implement a public outreach program for the Syphon Reservoir Improvement Project for an amount not-to-exceed \$1,029,070.

#### BACKGROUND:

A critical element to the successful development of the Syphon Reservoir Improvement Project is an effective public outreach program. This program must facilitate multiple opportunities to communicate project-related impacts and to receive input from the community and stakeholders. Translating technical information into messages for use with the community and stakeholders improves the ability to communicate a clear understanding of a project's features, impacts, and benefits. To support the public outreach process for the Syphon Reservoir Improvement Project, staff proposes to develop and implement a comprehensive community outreach program using consultant services.

#### Community Outreach Consultant Selection:

To prepare for the community outreach efforts associated with the Syphon Reservoir Improvement Project, an RFQ for outreach services was issued on October 11, 2017, to five public outreach firms: Alliance Outreach, Fiona Hutton & Associates (FHA), Idea Hall, Katz & Associates and Westbound Communications. Based on a review of the RFQ response packages, interviews were conducted with the top three firms. The information obtained from the interviews in combination with content of the Statements of Qualifications submitted by the three firms was evaluated and used to prepare the consultant selection matrix that is provided as Exhibit "A".

Staff recommends the selection of FHA for the development and implementation of a community outreach program for the proposed project. Key strengths of FHA are as follows:

- A project management team that is skilled in developing compelling outreach campaigns dealing with CEQA processes, community impacts and stakeholder engagement;

- Skill at breaking down complicated issues to simple but effective messages that can be shared across multiple platforms to inform target audiences;
- Understanding of California water issues; and
- Experience working with key water-related clients such as the Association of California Water Agencies, Los Angeles County Department of Public Works, California Department of Water Resources, the Metropolitan Water District of Southern California, Southern California Public Power Authority, California State Water Contractors, and others.

For this project, FHA has also partnered with Brenda Deeley, a seasoned public outreach professional who has an in-depth understanding of Irvine and Orange County and over 20 years of experience leading public outreach programs for high-profile public projects. Ms. Deeley's experience includes 15 years with Porter Novelli where she led public information campaigns for San Diego International Airport and Hoag Hospital in Irvine. She was also the senior public relations consultant for the public outreach program for Orange County Water District's Groundwater Replenishment System Project.

Scope of Work for the Community Outreach Consultant:

In close coordination with IRWD, FHA will develop and implement a comprehensive community outreach program as described in the scope of work provided in Exhibit "B". The scope of work includes four phases designed to align with the preparation of the EIR. The following table provides the total not-to-exceed costs for the four phases that will be billed by FHA on a time-and-material basis:

**Proposed Syphon Reservoir Improvement Project  
Communications and Outreach Budget**

Discovery and Planning	February – September 2018	\$243,335
Notice of Preparation and Scoping Meetings	October 1 – November 2018	\$99,900
Draft EIR Preparation, Release and Public Comment Period	December 2018 – August 2019	\$596,110
Final EIR Report Outreach and Public Hearing Phase	September 2019 – October 2019	\$89,725
<b>Total</b>		<b>\$1,029,070</b>

Exhibit "C" provides additional background information for FHA.

FISCAL IMPACTS:

The Syphon Reservoir Improvement Project (Project 03808) is included in the FY 2017-18 Capital Budget. The cost of the proposed Syphon Reservoir Improvement Project community outreach program is included in the funding for this project.

ENVIRONMENTAL COMPLIANCE:

None.

RECOMMENDATION:

That the Board authorize the General Manager to execute a Professional Services Agreement with Fiona Hutton & Associates to develop and implement a public outreach program for the proposed Syphon Reservoir Improvement Project for a not-to-exceed amount of \$1,029,070.

LIST OF EXHIBITS:

- Exhibit "A" – Public Outreach Consultant Selection Matrix for the Syphon Reservoir Improvement Project
- Exhibit "B" – FHA Scope of Work, Schedule and Cost Estimate for the Outreach Program for the Syphon Reservoir Improvement Project
- Exhibit "C" – Background information on FHA



# EXHIBIT "A"

Syphon Reservoir Improvement Project Public Outreach Services RFQ Evaluation Matrix				
Experience/Knowledge	Weights	Fiona Hutton & Associates	Katz & Associates	Westbound Communications
Overall Team/Local Team	20%	1	3	2
Construction/EIR Outreach Experience	15%	2	1	3
Local Area Knowledge	20%	1	3	2
RFQ Application Impression	15%	1	2	3
Knowledge/Understanding of IRWD	15%	2	1	3
Water/Government Agency Experience	15%	2	1	3
<b>Score</b>	100%	1.45	1.95	2.6
<b>Ranking</b>		<b>1</b>	<b>2</b>	<b>3</b>



December 11, 2017

TO: Beth Beeman  
Director of Public Affairs, IRWD

FROM: Fiona Hutton  
President, Fiona Hutton & Associates

RE: Syphon Reservoir Improvement Project Public Outreach Services –  
Scope & Budget

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**Fiona Hutton & Associates**

Fiona Hutton & Associates (FHA) is an independent, woman-owned, full-service public affairs and communications agency based in Southern California. For the purposes of this project, we have partnered with public outreach strategist Brenda Deeley, a 20-year Irvine resident and Irvine Ranch Water District (IRWD) customer.

FHA combines unparalleled experience in California water policies and projects with a deep understanding of the playing field and players that are central to success in Orange County. FHA's unique background makes us an ideal partner to lead outreach around IRWD's planned reservoir improvement project. Brenda Deeley also brings many years of strategic communications and outreach experience for complex water and infrastructure projects.

The FHA team offers IRWD:

- Irvine/Orange County expertise and relationships
- Unparalleled experience in water and infrastructure
- Boots on the ground philosophy and presence
- Experienced CEQA process navigators
- Integrated communications program architects
- Crisis and reputation management expertise

**Overview**

FHA recognizes the intricacies of advancing a significant improvement and expansion of the Syphon Reservoir in a residential area with nearby schools and potential community impacts – compounded with heightened concerns and sensitivities after the Oroville Dam incident and continuing public scrutiny. The FHA team understands the success of the project will require tailored communications and public outreach to neighbors, local stakeholders and regional opinion leaders as the project progresses.



### **Phased Scope, Budget and Tentative Timeline**

FHA envisions a four-phase public outreach program based on the current project timeline:

1. Discovery and Planning (February – September 2018)
2. Notice of Preparation and Scoping Meetings (October – November 2018)
3. Draft Environmental Impact Report Preparation, Release and Public Comment Period (December 2018 – August 2019)
4. Final Environmental Impact Report Outreach and Public Hearing (September – October 2019)

Throughout all phases of the public outreach, the FHA team will keep its pulse on the community and work to minimize misinformation, take a proactive position to educate stakeholders on the benefits of the project and maintain IRWD's strong reputation within the community. Deliverables in each of the phases below are designed to be transparent with clear expectations for the FHA scope of work.

FHA has aimed to capture most tasks in the proposed scope of work, though ultimately the scope will be refined when the communications and outreach strategy is finalized and the plan is developed based on findings from the research.

With a deep bench of public agency and municipal clients, our agency is committed to being good stewards of public resources and will strive to be cost-effective and efficient. We will tap existing IRWD resources where available and appropriate.

### **SCOPE OF WORK**

#### **1. Discovery and Planning Phase**

A significant amount of prep work that will set the course for the public outreach program is front-loaded in the Discovery and Planning phase.

#### **STRATEGIC COUNSEL**

We will begin our engagement with a one-day immersion meeting with key IRWD/project team members and stakeholders to align on the goals, challenges and primary objectives for the public outreach effort. This meeting will help define our approach for our research effort, which is essential to informing the public outreach strategy and communications plan. FHA will collaborate with FM3 on primary research (focus groups, stakeholder interviews/ascertainments and potential survey) to learn what information about the need and benefits of the project resonates with residents/customers and deepens their understanding of it. The audit and research will inform the development of our key messages that will be developed out of this process.

## EXHIBIT "B"



### OUTREACH

FHA will lead a stakeholder mapping session with staff to help narrow in on our target outreach audiences. FHA also will begin our stakeholder outreach effort by reaching out to a small group of key stakeholders that we want to engage prior to the release of the NOP and scoping meeting.

### CREATIVE CONTENT

FHA will develop collateral materials (e.g., fact sheets, web content) that will be needed for the scoping meetings. The materials will be consistent with our messaging and cover key issues such as dam safety, supply needs and project benefits.

### MEDIA RELATIONS

As part of our outreach planning process, FHA will develop a year-long editorial/content calendar to ensure that the cadence of our communication and outreach efforts align with key project milestones, local events and public engagement opportunities.

FHA will prepare materials for media outreach will be prepared (e.g., press release, talking points, FAQs) and in preparation for public presentations and media briefings, the project team will participate in a full-day media and speakers training session led by FHA.

ACTIVITY	BUDGET
<b>STRATEGIC COUNSEL</b> <ul style="list-style-type: none"><li>• Project Management &amp; Strategy</li><li>• Immersion Meeting &amp; Background Research</li><li>• Qualitative Research</li><li>• Quantitative Research</li><li>• Communications Plan Development</li><li>• Message Development</li><li>• Tough Q&amp;A</li><li>• Monthly Activity Report</li></ul>	Fees: \$133,925
<b>OUTREACH</b> <ul style="list-style-type: none"><li>• Stakeholder Mapping/Audience Identification</li><li>• Stakeholder Database</li><li>• Build Outreach Calendar</li><li>• Targeted Stakeholder Outreach</li></ul>	Fees: \$61,060
<b>CREATIVE/COLLATERAL</b> <ul style="list-style-type: none"><li>• Fact Sheet (5) - Dam Safety, Project Need &amp; Benefits, etc.</li><li>• Web Content</li></ul>	Fees: \$22,625 Expenses: \$10,000

# EXHIBIT "B"



<b>MEDIA RELATIONS</b> <ul style="list-style-type: none"> <li>• Develop Media List</li> <li>• Talking Points</li> <li>• Media Training (One Session)</li> <li>• Editorial Calendar</li> <li>• Syphon Scoping Press Release</li> </ul>	Fees: \$15,725
<b>TOTAL FOR DISCOVERY/PLANNING PHASE</b>	<b>\$243,335</b>

## 2. Notice of Preparation and Scoping Meetings Phase

During this phase, the FHA team will expand our stakeholder outreach and support/staff two public scoping meetings. Activities will include staffing for one-on-one stakeholder briefings, creation of a speakers' bureau to ensure face-to-face communication with homeowners' associations, community and business organizations, schools and other groups.

and development of collateral materials (e.g., multimedia presentation, social media content, updating frequently asked questions and a direct mail piece). Materials will be translated into Korean, Chinese, Farsi and Spanish, as needed.

ACTIVITY	BUDGET
<b>STRATEGIC COUNSEL</b> <ul style="list-style-type: none"> <li>• Project Management &amp; Strategy</li> <li>• Monthly Activity Report</li> <li>• Scoping Meetings (Strategy &amp; Attendance - Two Meetings)</li> </ul>	Fees: \$41,500
<b>OUTREACH</b> <ul style="list-style-type: none"> <li>• Stakeholder Outreach</li> <li>• Outreach Calendar Updates</li> </ul>	Fees: \$13,450
<b>CREATIVE/COLLATERAL</b> <ul style="list-style-type: none"> <li>• Frequently Asked Questions</li> <li>• Multimedia Presentation</li> <li>• Social Content</li> <li>• Informational direct-mail</li> <li>• Translations (Korean, Chinese, Spanish, Farsi)</li> </ul>	Fees: \$24,500 Expenses: \$11,750
<b>MEDIA RELATIONS</b> <ul style="list-style-type: none"> <li>• Media Outreach</li> <li>• Op-Ed or Bylined Article (One)</li> <li>• Media Monitoring</li> </ul>	Fees: \$8,700
<b>TOTAL FOR NOP/SCOPING PHASE</b>	<b>\$99,900</b>



### **3. Draft Environmental Impact Report Preparation, Release and Public Comment Period Phase**

Post-scoping hearing, during the preparation of the Draft EIR, FHA is planning a robust education and outreach program including both online/offline content and efforts (social content, direct mail, dedicated webpage, video series, speakers' bureau) to continue to educate stakeholders about the benefits of the project and answer questions.

#### **STRATEGIC COUNSEL**

Additional services in this phase include: maintain outreach calendar, update stakeholder database, monthly activity reports, ongoing strategic counsel and project management.

#### **OUTREACH**

Sustained public outreach will be underway during this phase to inform project neighbors, customers and other stakeholders about the planned project and to encourage participation during DEIR public comment period. A speakers' bureau program will ensure face-to-face communication with scheduled presentations to homeowners' associations, community and business organizations, schools and other groups.

#### **CREATIVE CONTENT**

Collateral materials, website and social media content will be updated to incorporate findings from the environmental review. FHA will produce a series of three short videos to educate and engage with stakeholders on the project.

#### **PAID MEDIA**

Videos and other content will be distributed and amplified through a targeted paid social and traditional media advertising program that will be launched during this phase. Additionally, traditional offline ads will be placed in local publications to ensure all target audiences receive key information.

#### **MEDIA RELATIONS**

In addition to the preparation of a press release relating to the release of the DEIR and comment period, FHA will conduct outreach to media and will coordinate with other influencers to amplify communications in a cost-effective manner and reach a broader audience.

## EXHIBIT "B"



ACTIVITY	BUDGET
<b>STRATEGIC COUNSEL</b> <ul style="list-style-type: none"> <li>• Project Management &amp; Strategy</li> <li>• Monthly Activity Report</li> </ul>	Fees: \$143,050
<b>OUTREACH</b> <ul style="list-style-type: none"> <li>• Stakeholder Outreach</li> <li>• Outreach Calendar Updates</li> <li>• Public Meeting Staffing/Attendance (Two Meetings)</li> </ul>	Fees: \$134,925
<b>CREATIVE/COLLATERAL</b> <ul style="list-style-type: none"> <li>• Fact Sheet - DEIR</li> <li>• Frequently Asked Questions Update</li> <li>• Multimedia Presentation - Update</li> <li>• Hearing Posters/Collateral</li> <li>• Social Content</li> <li>• Video Series (3 Videos)</li> <li>• Web Content - Update</li> <li>• Translation (Korean, Chinese, Spanish, Farsi)</li> <li>• Informational Direct Mail</li> </ul>	Fees: \$99,675 Expenses: \$71,000
<b>PAID MEDIA ADVERTISING</b> <ul style="list-style-type: none"> <li>• Digital</li> <li>• Print (2)</li> </ul>	Fees: \$37,750 Expenses: \$32,000
<b>MEDIA RELATIONS</b> <ul style="list-style-type: none"> <li>• Media Strategy</li> <li>• Media Briefings</li> <li>• Press Release (5)</li> <li>• Talking Points</li> <li>• Op-Eds or Bylined Articles (4)</li> <li>• Media Training (One Session)</li> <li>• Media Monitoring</li> </ul>	Fees: \$77,710
<b>TOTAL FOR DRAFT EIR PREP RELEASE/COMMENT PERIOD</b>	<b>\$596,110</b>

## EXHIBIT "B"



### 4. Final Environmental Impact Report Outreach and Public Hearing Phase

The last phase of public outreach is tied to the Final EIR and leads up to the public hearing when the IRWD Board will consider adoption of the FEIR.

Collateral materials, website and social content will be updated to reflect the FEIR. Media and influencer outreach will be conducted to share the final document and address community questions.

ACTIVITY	BUDGET
<b>STRATEGIC COUNSEL</b> <ul style="list-style-type: none"> <li>Project Management &amp; Strategy</li> <li>Monthly Activity Report</li> </ul>	Fees: \$21,250
<b>OUTREACH</b> <ul style="list-style-type: none"> <li>Stakeholder Outreach</li> </ul>	Fees: \$13,500
<b>CREATIVE/COLLATERAL</b> <ul style="list-style-type: none"> <li>Fact sheet - Update</li> <li>Frequently Asked Questions - Update</li> <li>Multimedia Presentation - Update Social Content</li> <li>Web Content - Update</li> <li>Informational Direct-Mail</li> </ul>	Fees: \$35,250 Expenses: \$10,000
<b>MEDIA RELATIONS</b> <ul style="list-style-type: none"> <li>Media Strategy</li> <li>Media Monitoring</li> </ul>	Fees: \$9,725
<b>TOTAL FOR PHASE 4</b>	<b>\$89,725</b>

### PROJECT BUDGET

<u>PHASE</u>	<u>Budget</u>
Discovery and Planning	\$243,335
NOP and Scoping	\$99,900
Draft EIR Release and Comment Period	\$596,110
Final EIR Release	\$89,725
<b>Total</b>	<b>\$1,029,070</b>





## **RFQ RESPONSE**

### **SYPHON RESERVOIR IMPROVEMENT PROJECT PUBLIC OUTREACH SERVICES**

OCTOBER 2017



# Introduction

October 23, 2017

Ms. Beth Beeman  
Irvine Ranch Water District  
15600 Sand Canyon Avenue  
Irvine, CA 92618

Dear Beth,

Thank you for the opportunity to present Fiona Hutton & Associates' expertise in communications and public affairs and our qualifications for approaching your public outreach objectives regarding the Proposed Syphon Reservoir Improvement Project. We're excited at the prospect of rolling up our sleeves and doing what we do best: mobilizing a solid team that is uniquely qualified to execute a robust and fully-integrated communications campaign to reach your target audiences skillfully and quickly.

We certainly recognize the intricacies of advancing a significant improvement and expansion of the Syphon Reservoir in a residential area with nearby schools and potential community impacts – compounded with heightened concerns and sensitivities after the Oroville Dam incident and continuing public scrutiny. Our team understands the success of the project will require tailored communications and public outreach to neighbors, local stakeholders and regional opinion leaders as the project progresses.


And, we understand that IRWD is looking for "fresh and innovative" ideas for communicating with the public – new concepts and diverse platforms. Our team will need to define a strong narrative for the project and the water district, develop compelling creative and content, utilize digital and social channels, and implement a targeted outreach program that reaches Irvine's diverse communities.

It's also crucial to build a team that understands the intricacies of water in California, the technical aspects of this construction project and the CEQA process itself. With decades of experience in water policy and public agency clients, FHA knows the key players and understands the complex challenges that surround large-scale infrastructure projects. In addition to our experience in natural resources, FHA has partnered with communications strategist Brenda Deeley, who has an in-depth understanding of Irvine and Orange County and brings 20 years of experience leading public outreach programs for high-profile public projects.

Together, we are prepared to work as a partner with you, developing a nimble and integrated public outreach campaign that will guide the district through the reservoir improvement process while protecting and enhancing IRWD's regional reputation.

We look forward to the opportunity to collaborating with you and your team. Thank you.

Sincerely,



Fiona Hutton  
President



## Why FHA?

FHA combines unparalleled experience in California water policies and projects with a deep understanding of the playing field and players that are central to success in Orange County. Our unique background makes us an ideal partner to lead outreach around IRWD's planned reservoir improvement project. Here's what we bring to the table:

- **Southern California and Orange County Expertise and Relationships** - FHA has mounted advocacy and outreach campaigns in Southern California for 16 years, building extensive relationships with key stakeholders and developing a keen understanding of regional issues and nuances, making us the ideal team to understand and effectively communicate with IRWD's target audiences.
- **Unparalleled Experience in Water and Infrastructure Projects** - FHA is one of the state's premier water policy agencies, boasting decades of experience on issues including controversial multi-billion dollar infrastructure development, complex water quality regulatory matters and hyper-local supply projects.
- **Boots on the Ground Philosophy and Presence** - We understand the need for face time during the crucial planning and rollout of public outreach campaigns and have a dedicated team member living in Irvine and working from Orange County available and deployable for IRWD's planned and unplanned needs.
- **Proven Stakeholder Mobilization** - We come with an extensive network of stakeholders and opinion leaders in Southern California and Orange County and a proven track record of mobilizing target audiences around major infrastructure projects, building the support and air cover you need to move from project approval to opening day.
- **Experienced CEQA Process Navigators** - FHA's clients are regularly moving through the complex CEQA process and our team is experienced and ready to help you navigate unexpected roadblocks and mid-process communications needs from scoping hearings through final approval of environmental documents.
- **Integrated Communications Programs** - FHA is a full-service public affairs firm capable of mounting an integrated communications program incorporating creative, content, digital/social channels, media relations and outreach, all under one roof to ensure message consistency and efficiency.
- **Crisis and Reputation Management Expertise** - Working on some of the state's most controversial issues, FHA has a keen understanding of your needs should crisis situations arise and a proven ability to protect and restore your reputation throughout the process.
- **Experts at Becoming Experts** - We come with a strong bench of senior professionals who are skilled at distilling complex and technical processes down into easily digestible narratives that move your target audiences.



## About FHA

Fiona Hutton & Associates, incorporated in 2001, is an independent, women-owned, full-service public affairs and communications agency based in Southern California.

FHA's client portfolio includes a diverse group of interests and industries, all engaged on high-profile and often controversial issues - water, environment/natural resources, coastal development, health care, energy, manufacturing, land use, transportation and local government.



FHA is a team of experts who become entrenched in your project, parachuting in with messaging, creative, digital planning, content development, earned media, community outreach and coalition building expertise. We have the know-how to craft compelling campaigns for the most complicated of issues dealing with CEQA hurdles, community impacts, stakeholder engagement and project processes, among others. No firm compares to FHA when it comes to breaking down complicated issues to simple, but effective, messages that can be shared across multiple platforms to influence key stakeholders and inform target audiences.

Our driving philosophy is to promote strong ideas and strategies, to be relentless in our implementation, to drive for the highest quality product and ultimately to win for our clients. Our team of experts is nimble and versatile, accustomed to meeting tight deadlines and dedicated to thorough front-end planning with our clients - ensuring the highest quality product is delivered on time and on budget.





## Your Team

### FIONA HUTTON PRESIDENT

As president of Fiona Hutton & Associates, Fiona leads a team of top-level communications strategists, who specialize in the areas of water, environmental, natural resources, infrastructure, local government and energy.

Fiona has designed and implemented successful advocacy and outreach campaigns for public agencies throughout California, including ACWA, Southern California Water Committee, Los Angeles County Department of Public Works, California Department of Water Resources, MWD of Southern California, Southern California Public Power Authority, Los Angeles County Metropolitan Transportation Authority, and many others.

- High-Level Political Strategy
- CEPA/NEPA Expertise
- Effective Message Development
- Issues and Reputation Management
- Strong Statewide & Regional Stakeholder Connections

### ANN NEWTON SENIOR VICE PRESIDENT

For more than 10 years, Ann Newton has been designing smart, effective communications strategies for a broad spectrum of public agency, trade association, nonprofit and political clients. She combines her extensive knowledge of the California's water policies and politics with the ability to navigate the local regulatory and political environment to produce and execute effective communications, media relations and advocacy campaigns.

Ann has successfully managed public outreach programs for the State Water Contractors, Southern California Water Committee, Desert Water Agency, and Santa Ynez Water Conservation District.

- Proven Ability to Implement Integrated Communications Programs
- Coalition Building and Stakeholder Outreach
- Wide Network of Local, Regional and Statewide Opinion Leaders
- Extensive Water and Infrastructure Expertise
- CEQA/NEPA Expertise; Hearing and Public Comment Protocols



## Your Team

### BRENDA DEELEY SENIOR COUNSELOR

Brenda Deeley brings 20 years of experience leading strategic public outreach programs for complex and potentially controversial public projects. Brenda's experience communicating to Irvine residents includes community relations during the renovation and grand-opening of Hoag Hospital Irvine and public relations for Pavilion Park, the first of the Great Park Neighborhoods.

During Brenda's 15-year tenure with Porter Novelli, she led public information campaigns for San Diego International Airport. Projects Brenda spearheaded include public outreach for the Airport Master Plan Environmental Impact Report and construction outreach for a \$900 million terminal expansion and \$326 million Rental Car Center.

Brenda was also the senior PR consultant for the Orange County Water District and Orange County Sanitation District's Groundwater Replenishment System public outreach program.

Her work on behalf of Orange County Water District, Hoag Hospital Irvine and San Diego International Airport has earned her regional and national recognition, including the public relations industry's highest honor - the Silver Anvil.

- Deep Knowledge of Orange County Politics and Players
- Extensive Experience Managing Outreach for Local Water and Infrastructure Projects
- Irvine Resident with Finger on the Pulse of Local Issues

### DANIEL SIMONS SENIOR VICE PRESIDENT

Daniel Simons is FHA's creative and digital guru. Daniel brings more than 13 years of experience to the firm and has designed and led successful creative and digital public affairs campaigns at the national, regional and local levels. He spent more than 10 years managing outreach campaigns for high-profile infrastructure projects in California, utilizing social media channels and new media tactics to move the ball forward for his clients and secure support for controversial developments throughout the state.

Daniel is dedicated to helping our clients navigate the evolving communications and public affairs landscape, leveraging both traditional and digital strategies, tools and technologies associated with modern political campaigns, and developing content and creative that breaks through the noise to reach, educate and motivate the target audiences.

- Digital and Social Media Expert and Native
- Creative Content Creator
- Experienced Practitioner Able to Solve Highly Controversial Issues
- Large-Scale Infrastructure Projects



## Your Team

### DAGNY AKEYSON ACCOUNT SUPERVISOR

Dagny Akeyson is FHA's media maven, with an insider's view of Southern California's politics and players. Dagny grew up in Orange County and remains a SoCal native, providing her unique insights into the communities and leaders that drive the region. Clients have included Santa Margarita Water District, Moulton Niguel Water District, Jurupa Community Services District, City of Mission Viejo, Mammoth Lakes Water Conservation District and others.

Her keen understanding of the local media landscape, combined with in-depth knowledge of local and regional issues, offers clients the ability to stay ahead of the news cycle and communicate with target audiences through the right publications at the right time. Dagny is a proven spokesperson, able to deliver your message through the media in a way that engenders support with local communities and helps to put out fires in times of crisis.

- Seasoned Leader of Earned Media Outreach
- Strong Writing Skills
- Clear Understanding of Public Agencies; Regional Planning and Local Government
- Deep Knowledge of Orange County Issues and Players
- Proven Spokesperson and Trusted Local Media Confidant

### MACKENZIE MENIA SENIOR ACCOUNT EXECUTIVE

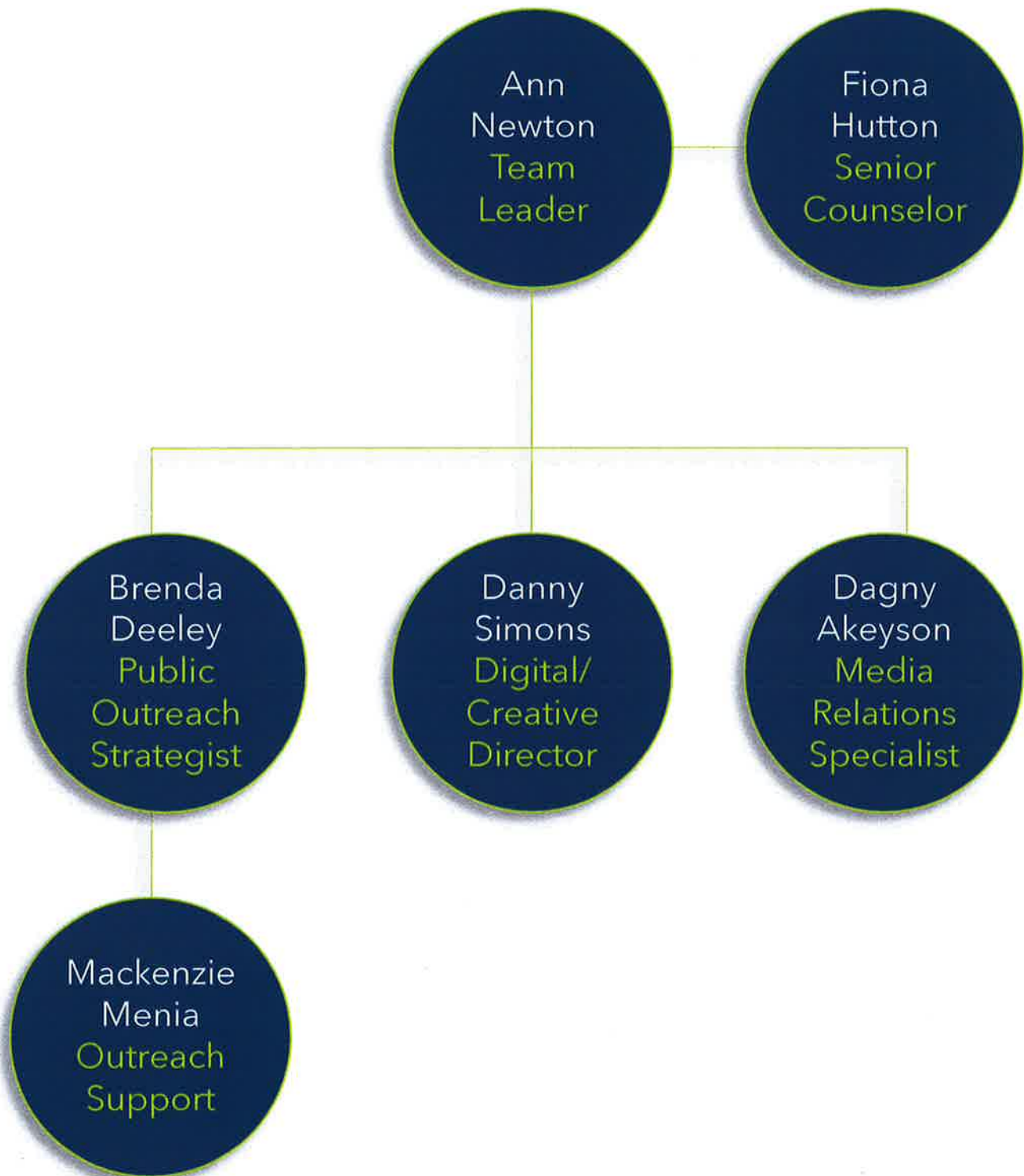
Mackenzie Menia thoroughly and flawlessly implements strategic communications plans, stakeholder engagement and public information programs. Her professional and educational background – a blend of politics, public affairs and corporate public relations, all based in Southern California – equips her to fully execute on your communication needs.

Mackenzie is adept at driving stakeholder outreach and engagement, identifying key players, producing materials that drive dialogues, managing stakeholder activation and serving as the point person during multi-pronged engagement campaigns. She dives into each communication issue or challenge, quickly becoming a subject matter expert, and assists in outreach to audiences and stakeholders using a variety of methods and channels.

- Team Coordinator
- Ability to Drive Action among Key Audiences
- Holds the Reins on Outreach Campaigns
- Experienced Mobilizer of Stakeholders and Communities



## Team Organization







## Case Study: SCWC – WaterNext Campaign

### CHALLENGE

California WaterFix – the proposed \$15 billion twin-tunnels water infrastructure project – lost its audience of allies after nearly a decade of involvement and support. Stakeholders were unmotivated and unengaged. The need for a flexible, reliable and sustainable water supply to serve 25 million Californians was no longer top-of-mind. Plus, the project faced a host of obstacles: a lame duck governor who spearheaded the project, ballot measures, **potential** legislative and legal threats, an uncertain federal policy landscape, competing priorities for dollars and **attention**, as well as shifting perceptions about water delivery in light of recent heavy rains and snow, not to mention the official end of the drought. Opponents were the loudest voices on WaterFix, and they set out to have the program defeated or severely curtailed.

### STRATEGY

To make an apathetic audience of supporters stop and take notice, FHA created an integrated, distinctive and dynamic communications and outreach program to serve as the Southern California's rally cry in support of California WaterFix. The campaign, called WaterNext, was designed to break through the clutter of typical advocacy messaging to elevate the conversation, speaking to hearts and minds to generate interest and foster a better understanding of the project's benefits to California in the years ahead. FHA developed out-of-the-box creative content and maximized social, owned and earned channels to reach target audiences, creating an echo chamber of support that was further strengthened by outreach to activate key influencers and decisionmakers.

### RESULTS

FHA generated heightened awareness and understanding of California WaterFix that translated to renewed and strengthened support in Southern California. The WaterNext campaign has been lauded for playing a critical role in delivering votes of support by water agencies across the region, including an essential vote by the Metropolitan Water District of Southern California. As support among key stakeholders and decision-makers has grown louder, opposition messages that once dominated have become background noise. WaterNext messaging and content continues to drive engagement and progress for the project and is broadly shared across social, owned and earned channels.





# Case Study: Metro Gold Line Construction Authority

## CHALLENGE

The Metro Gold Line Foothill Extension Construction Authority is building one of the region's largest transit projects – a \$2 billion extension of light rail linking Los Angeles, San Gabriel Valley and Inland Empire. The Construction Authority needed to ensure the public, regional stakeholders and elected officials were fully informed through design and construction. Ultimately, the Construction Authority would need to garner additional public funding, driving a mandate to aggressively tout success and effectively manage any emerging issues.

## STRATEGY

FHA provided strategic communications, media relations, crisis management and event planning services to the public agency, designed to increase visibility, highlight key milestones, proactively update the community, celebrate completion of high profile structures and architectural components, feature new technology, sustainability elements and operational advancements, demonstrate prudent use of taxpayer funds, and prep for any potential construction related incidents.

## RESULTS

FHA successfully implemented a creative and effective news bureau function for an organization that wanted to break the mold of a traditional public agency, incorporating innovative architectural design and a commitment to bringing the project in on time and under budget. High-profile coverage was achieved in regional and national outlets, successful ribbon-cutting events were planned and managed, commemorative books were published, industry awards were received, and a comprehensive crisis communications plan was placed at the ready. And, necessary funding for the next phase of construction was secured with the recent passage of Measure M in Los Angeles County.

### Slate LA's Transit Revolution



Metro Gold Line Foothill Extension Construction Authority  
**Gold Line Bridge**  
Project Completion Ceremony  
December 15, 2012 • 10 a.m.

Location:  
Entrance to the Bridge  
400 S. W.  
Arcadia Blvd  
Arcadia, CA 91707



Open to all ages and  
free admission.  
Check for Public Works  
Department for more info  
2012-10-15

[www.goldlineconstruction.org](http://www.goldlineconstruction.org)

Please join us to mark the completion of the  
Gold Line Bridge, the first element of the Metro  
Gold Line Foothill Extension from Pasadena to Arcadia  
to be completed.

The December 15th ceremony will commemorate  
completion of work by Skanska USA and transfer of  
the bridge to the next team, who will incorporate the  
bridge as part of its ongoing construction of the  
11.4 mile Foothill Extension light rail project.

#### SPONSORING THE DISCOVERY AND RESEARCH

Please plan to join the Construction Authority  
at this ceremony, to see how the state and  
nation who helped design and build the Gold  
Line Bridge and enjoy a unique opportunity to  
view the bridge up close in a way that will not  
be possible in the future.



### Gold Line Bridge in Arcadia is a massive piece of art

### Los Angeles 6 Quirky Facts about the Gold Line Bridge



C-10





# Case Study: Orange County Water District and Sanitation District

## CHALLENGE

With increased demand and decreased availability of imported water from traditional sources such as the Colorado River and Northern California, water supplies are becoming even more limited and expensive. To increase water independence, the Orange County Water District and Orange County Sanitation District developed an innovative solution to water shortages – purify sewer water to drinking water standards. The Groundwater Replenishment System would create a drought-proof supply of water for Orange County. Similar projects in other areas of the state had met intense opposition and were labeled as “toilet-to-tap” projects.

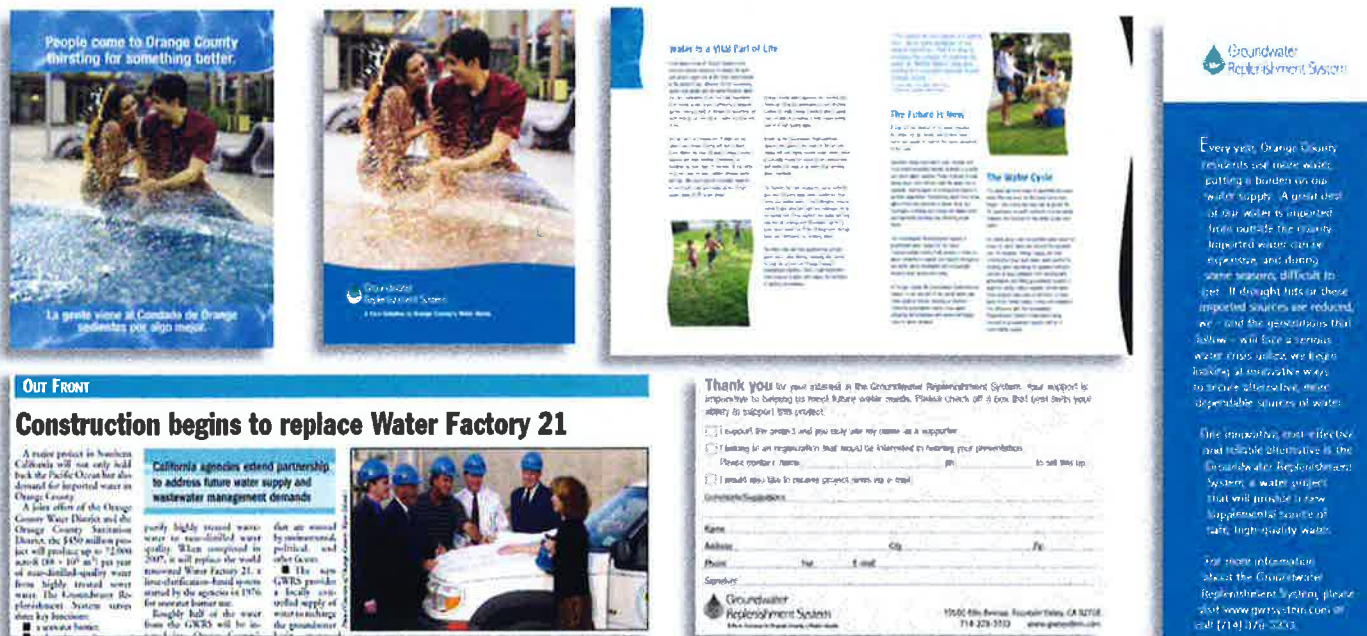
## STRATEGY

Research indicated that many people have difficulty overcoming the “yuck factor” of drinking purified sewer water. However, research also found that the more people know about the project, the more likely they are to support it. They had to be reassured that the water is safe. In addition, focus group participants and survey respondents did not consider water a top-of-mind issue.

The strategy was to communicate the need for new water supplies to justify the project and use a wide array of tools to convey both the need and safety messages. Tactics included multicultural outreach to inform and build support from Latino, Asian and African American organizations and community leaders; government outreach to local, state and federal elected officials; a layered media approach for widespread communication, both paid and earned media; and community relations to inform residents through a speakers bureau, open houses for neighbors, newsletters, website, white papers and endorsement cards.

## RESULTS

Polling prior to the project coming online showed that 77 percent of respondents favored the project. Because of the successful public outreach program, the project never faced organized opposition. The public outreach program received the highest honors from the Public Relations Society of America, WaterReuse Association, American Water Works Association and Association of California Water Agencies.





# Case Study: Hoag Hospital Irvine

## CHALLENGE

When Hoag took over a closed hospital in Irvine, rather than simply re-open the hospital, Hoag opted to keep it closed and renovate it over an 18-month period to bring state-of-the-art medical technology to the Irvine community. This meant Irvine would continue to be without a hospital and emergency department during the closure. The public outreach program needed to introduce the Hoag brand to the Irvine community and reassure residents that during the closure there would be accessible emergent care nearby at Kaiser Irvine.

## STRATEGY

Irvine schools are among the best in the nation and people pay a premium to buy homes in this highly desired family community. The Hoag brand fit the upscale Irvine community perfectly. Our strategy was to emphasize Hoag's position as the preeminent health care provider in Orange County with key stakeholder groups and influencers through cost-effective and one-on-one direct communications. The public outreach program was inclusive of the community's diverse cultures. The message was simple: Hoag is worth the wait.

## RESULTS

Hoag did not receive any phone calls, letters, e-mails, editorials or ongoing protests from people opposed to the temporary hospital closure. The program reached more than 70,000 residents directly and generated 451 media placements, all positive and containing Hoag's key messages. More than 6,500 people attended the community open house - 5,500 more than expected. The public outreach program earned multiple awards including PRWeek Awards Honorable Mention, Public Relations Society of America, Orange County chapter PROTOS Award and Healthcare Marketing and Public Relations Association of Southern California Golden Advocate Award.



**Los Angeles Times**  
**Irvine's Hoag Hospital works  
to bridge cultural barriers**

**ORANGE COUNTY  
REGISTER**  
**Long-awaited Hoag  
hospital opens in Irvine**







# Case Study: Desert Water Agency

## CHALLENGE

Faced with historic drought, Governor Jerry Brown issued a mandate to reduce water use statewide. As residents and businesses in the Palm Springs area were among the highest per capita water users in California, Desert Water Agency was faced with the need to reduce water use by more than 30 percent within the year. To achieve such a dramatic reduction in water use and increase participation in conservation programs, DWA needed to change consumer behavior nearly overnight and make customers more aware of how they use water in their everyday lives.

## STRATEGY

FHA launched an aggressive public education and outreach campaign calling on customers to hold themselves and their neighbors accountable for using water wisely, making inefficient water use socially unacceptable. By covering the town with campaign materials in restaurants, residential yards, home and garden retail stores, hotel rooms, mailboxes and more, the community outreach effort targeted customers when and where they made decisions about their water use. The FHA team dreamed up innovative ways to get the message across and break through the static in an environment where drought message fatigue was quickly setting in. Program elements included campaign brand and message development, graphic design, video production, paid and earned media placements and direct customer outreach.

## RESULTS

The campaign successfully increased water awareness and encouraged customers to make dramatic changes to their water use. Water use in DWA's service area dropped by more than 30 percent during the course of the campaign. Additional key milestones were also achieved as participation in DWA's conservation rebate programs dramatically increased – the agency saw a 400 percent increase in the average annual number of smart irrigation controllers installed.





# Case Study: State Water Contractors

## CHALLENGE

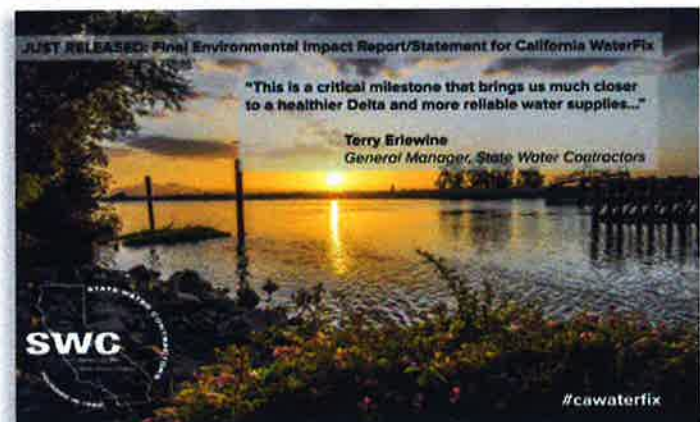
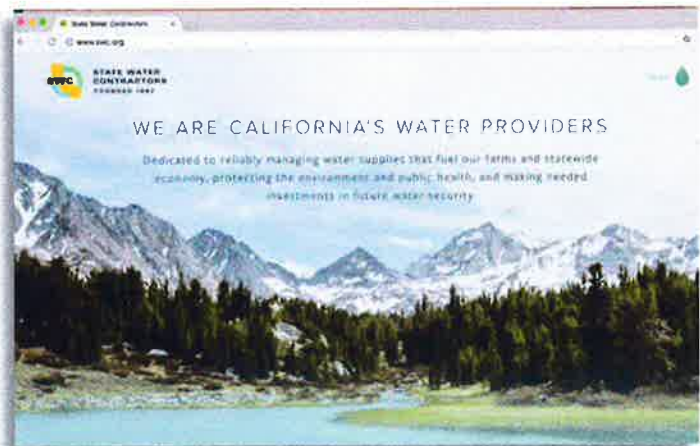
The State Water Contractors (SWC) was relatively unknown among California media and stakeholders, despite its significant role providing water for 25 million Californians, farms and businesses. As the organization and its member water agencies faced mounting regulatory, legal and public policy challenges, they needed to elevate their profile, reframe the debate on complex water issues and lay the groundwork for solutions.

## STRATEGY

FHA developed and implemented ongoing strategic communications to increase SWC's visibility, educate and engage stakeholders, the media and opinion leaders in critical water issues. By establishing a brand and presence for the organization, FHA positioned SWC to drive a narrative in support of key policy and organizational objectives. The multi-year communications program has included aggressive media outreach, public education and advocacy, rapid response, social media and creation and deployment of compelling communications materials. FHA managed a robust media outreach program throughout years of high-stakes litigation and, since 2008, we have used evolving communications tools, messaging and outreach to support "California WaterFix" - Governor Jerry Brown's multi-billion dollar plan that will construct a major new water conveyance system to safeguard water supplies that serve 25 million Californians.

## RESULTS

FHA's results-focused communications program helped advance SWC's policy priorities, turned the dialogue on controversial issues and established the organization as an authoritative voice in the water sector amongst fellow public agencies, the media and other stakeholders.







## References



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A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			6806166P161	1/1/2017	1/1/2018	COVERED SINGLE LIMIT (EA ACCIDENT) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? (Mandatory in WA) If yes, describe under DESCRIPTION OF OPERATIONS page
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DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

With regard to the above-referenced Commercial General Liability insurance policy, Irvine Ranch Water District is included as additional insured as respects operations of the Named Insured, but only as their interest may appear.

### CERTIFICATE HOLDER

### CANCELLATION

Holder's Nature of Interest: Additional Insured  Irvine Ranch Water District  15600 Sand Canyon Ave Irvine, CA 92618	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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<b>INSURED</b> FIONA HUTTON & ASSOCIATES INC INC 12711 VENTURA BLVD STE 170 STUDIO CITY CA 91604		<b>INSURER(S) AFFORDING COVERAGE</b> <table border="1"> <tr> <th>INSURER</th> <th>NAME</th> <th>NAICS</th> </tr> <tr> <td>INSURER A</td> <td>Hartford Accident &amp; Indemnity Co</td> <td>22387</td> </tr> <tr> <td>INSURER B</td> <td></td> <td></td> </tr> <tr> <td>INSURER C</td> <td></td> <td></td> </tr> <tr> <td>INSURER D</td> <td></td> <td></td> </tr> <tr> <td>INSURER E</td> <td></td> <td></td> </tr> <tr> <td>INSURER F</td> <td></td> <td></td> </tr> </table>		INSURER	NAME	NAICS	INSURER A	Hartford Accident & Indemnity Co	22387	INSURER B			INSURER C			INSURER D			INSURER E			INSURER F		
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	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Per occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/PROP AGG
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Per occurrence) BODILY INJURY (Per person) BODILY INJURY (Per occurrence) PROPERTY DAMAGE (Per occurrence)
	<b>UMBRELLA LIAB</b> <b>EXCESS LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION						EACH OCCURRENCE AGGREGATE
A	<b>EMPLOYER'S COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/NUMBER EXCLUDED? (Mandatory in NH) Y/N If yes, describe under DESCRIPTION OF OPERATIONS below			76 WEG 01452	01/01/2017	01/01/2018	<input checked="" type="checkbox"/> PER EMPLOYEE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations.

### CERTIFICATE HOLDER

### CANCELLATION

The Irvine Ranch Water District  
 15600 SAND CANYON AVE  
 IRVINE, CA 92618

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Susan J. Castaneda*

January 15, 2018

Prepared by: A. McNulty

Submitted by: F. Sanchez/P. Weghorst

Approved by: Paul A. Cook 

## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### VARIANCE NO. 6 TO SYNERGY COMPANIES AGREEMENT FOR WATER-ENERGY GRANT-RELATED CUSTOMER PROGRAMS

#### SUMMARY:

In October 2015, IRWD was awarded a Water-Energy Grant from the California Department of Water Resources (DWR). The grant provided funding for a program that offered customers the opportunity to upgrade their homes with efficient water and energy fixtures. IRWD entered into an agreement with Synergy Companies to install indoor water efficient fixtures for the program. A Memorandum of Understanding (MOU) with Moulton Niguel Water District governed the installation of outdoor water efficient devices through the use of a contractor. The MOU expired on December 31, 2017, eliminating the outdoor portion of the program and leaving \$30,000 in unused grant funding. To fully allocate the remaining DWR funds and to continue providing funding for the indoor portion of program, staff recommends the Board authorize the General Manager to execute Variance No. 6 to the District's agreement with Synergy Companies in the amount of \$30,000. IRWD's expenditures through the Synergy Companies agreement will be reimbursed to IRWD by DWR from grant funds.

#### BACKGROUND:

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

The DWR grant reimbursed IRWD for the cost of installing toilets, showerheads, faucet aerators, and providing landscape assessments and smart irrigation timers to customers. Funding for the energy efficient devices is provided by SCE and SoCalGas. All indoor devices are installed under IRWD's agreement with Synergy Companies. IRWD, SCE and SoCalGas maintain separate contracts with Synergy Companies for the installation of utility-specific devices under the program. Services for the outdoor portion of the program are provided by Valley Soils, Inc. The grant funding was allocated between the two contractors based on the estimated participation rates and the associated costs.

The outdoor installation service provided by Valley Soils has been managed through an MOU with Moulton Niguel Water District that was approved by the IRWD Board in January 2017. The MOU was effective for one year, and ended on December 31, 2017 with a projected remaining balance of \$30,000 in unspent DWR grant funds. Staff is proposing to reallocate the remaining grant funds from the outdoor portion of the program to the indoor portion of the program that is managed by Synergy Companies.

Variances to Synergy Company Agreement:

Funding for the One-Stop Shop Program has been allocated between the indoor and outdoor portions of the program to keep pace with program participation rates and the need to complete the program within a one-year period. The allocation of funds to Synergy Companies for the installation of indoor devices has occurred through the execution of the following variances to the original \$80,000 agreement:

- Variance No. 1 opened the program to single-family customers and included changes to the agreement to accommodate requirements of DWR without increasing costs;
- Variance No. 2 increased the Synergy Companies budget for the indoor program by \$500,000 bringing the total indoor program budget to \$580,000;
- Variance No. 3 clarified water fixture flow rates without modifying the program budget;
- Variance No. 4 increased the indoor program funding by \$950,000 bringing the total indoor program budget to \$1,530,000; and
- Variance No. 5 increased indoor program funding by \$169,000 bringing the total indoor program budget to \$1,699,000.

Variance No. 6 with Synergy Companies has been prepared to reallocate the remaining \$30,000 in DWR grant funds from the outdoor portion of the program to the indoor portion of the program which will bring the total indoor budget to \$1,729,000. Program funding is reimbursable through the DWR Water-Energy Grant. Staff recommends the Board authorize the General Manager to execute Variance No. 6 with Synergy Companies.

FISCAL IMPACTS:

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

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

That the Board authorize the General Manager to execute Variance No. 6 to the Agreement for Non-Consultant Services Between IRWD and Synergy Companies in the amount of \$30,000, to be reimbursed through the California Department of Water Resources Water-Energy Grant.

LIST OF EXHIBITS:

Exhibit "A" – Agreement for Non-Consultant Services Between IRWD and Synergy Companies  
Exhibit "B" – Non-Consultant Services Variance No. 6 to the IRWD Agreement with Synergy  
Companies

## EXHIBIT "A"

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

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

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

Certificate(s) of Insurance, Endorsements and Payment Bond

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**EXECUTED AS OF THE DATE FIRST STATED ABOVE.**

**IRVINE RANCH WATER DISTRICT**

Approved as to form:

Name: Paul Cook

Title: General Manager

Signature: 

**Contractor:**

Name of Firm: Synergy Companies

Federal I.D. No.: 87-0389611

State I.D. No.: C2420016

Type of Business Entity (check one):

☐ Individual/Sole Proprietor

☐ Partnership

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

☐ Limited Liability Company

☐ Other (please specify: \_\_\_\_\_)

Name of Firm's Authorized Representative: Steve Shallenberger

Title: President

Signature: 

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

Name of Firm's Authorized Representative: David Shallenberger

Title: Legal Counsel

Signature: 

**EXHIBIT 1**  
**SCOPE OF SERVICES**

**1. Representatives.**

a. The District Representative for this Agreement is:

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

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

b. The Contractor Representative for this Agreement is:

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

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

**2. Scope of Services.**

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

Manufactured Homes Direct Install Program

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

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

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

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

#### Single-Family One-Stop Shop Program

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

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

#### Multi-Family One-Stop Shop Program

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

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

#### Payment

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

#### **3. Time of Performance.**

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

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



## EXHIBIT 2

### FEE SCHEDULE

1. **Contractor's Compensation.** The parties agree that the total of all fees paid to the Contractor for the performance of all services set forth in Exhibit 1, including normal revisions (hereafter the "Services"), and for all authorized reimbursable expenses, must not exceed the total sum of ~~\$1,699,000~~ \$1,729,000.

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

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

4. **Payments to Contractor.**

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

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

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

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

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

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

## SCHEDULE OF CHARGES FOR SERVICES FOR IRVINE RANCH WATER DISTRICT

### PRICE PER INSTALLATION

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

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

### High Efficiency Clothes Washers Qualified Products List

BRAND	MODEL	BRAND	MODEL
Amana	NFW5800D*+	Crosley	CFWH4084G**
Electrolux	EFLS517****	Electrolux	EFLS617****
Electrolux	EFLW317****	Electrolux	EFLW417****
Electrolux	EIFLS55IHW	Frigidaire	FFFS5115***
Frigidaire	FFFW5000QW	Frigidaire	FFFW5100**
Ge	GFW400S*K***	Ge	GFW450S*K***
Ge	GFW490R*K***	Ge	GFWH1200H***
Ge	GFWN1100H***	Ge	GFWN1300J***
Ge	GFWN1600J***	Ge	GFWR2700H***
Ge	GFWR2705H***	Ge	GFWR4800F***
Ge	GFWR4805F***	Ge	GFWS1600H***
Ge	GFWS1605H***	Ge	GFWS1700H***
Ge	GFWS1705H***	Ge	GFWS2600F***
Ge	GTW810S*J***	Ge	GTW860S*J***
Huebsch	YFNE5BJP113+	Huebsch	YFNE5RSP113+
Huebsch	YTEE5ASP173+	Huebsch	YTEE5ASP283+
Huebsch	YTGE5ASP093+	Huebsch	YTGE5ASP113+
Huebsch	ZFNE9BSP113+	Ipso	BFNE6BJP113+
Ipso	BTEE6ASP173+	Ipso	BTEE6ASP283+
Ipso	BTGE6ASP093+	Ipso	BTGE6ASP113+
Kenmore	3142#	Kenmore	3142#41#
Kenmore	3146#	Kenmore	3146#41#
Kenmore	3155#	Kenmore	4100#
Kenmore	4107#	Kenmore	4107####
Kenmore	4116#	Kenmore	4116####
Kenmore	4126#	Kenmore	4130#
Kenmore	4138#	Kenmore	4138####
Kenmore	4139#	Kenmore	4148#
Kenmore	4148####	Kenmore	4158#
Kenmore	4158####	Kenmore	4168#
Kenmore	417.4112	Kenmore	4196#
Kenmore	4198#	Kenmore	4198####
Lg	WM3050C*	Lg	WM3075C*
Lg	WM3085C*	Lg	WM3170C*
Lg	WM3175C*	Lg	WM3180C*
Lg	WM3270C*	Lg	WM3270H*A
Lg	WM3275C*	Lg	WM3370H*A
Lg	WM3475H*A	Lg	WM3570H*A
Lg	WM3575C*	Lg	WM3650H**
Lg	WM3670H*A	Lg	WM3770H*A
Lg	WM3997H**	Lg	WM4270H*A
Lg	WM4370H*A	Lg	WM5000H*A
Lg	WM5005H*A	Lg	WM8000H**
Lg	WM8100H*A	Lg	WM8500H**
Lg	WM9000H*A	Lg	WM9500H*A
Lg	WT1150C*	Lg	WT1301C*
Lg	WT1501C*	Lg	WT1701C*

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

## EXHIBIT 3

### INSURANCE REQUIREMENTS

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

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

A. Employer's Liability Insurance shall be for not less than:

\$1,000,000 Each Accident  
\$1,000,000 Each Disease – Policy Limit  
\$1,000,000 Each Disease – Each Employee

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

## EXHIBIT 4

### SUPPLEMENTARY CALIFORNIA PUBLIC WORKS REQUIREMENTS

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

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

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

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

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

The name, State of California license number, and location of place of business of each subcontractor who will perform work or labor or render service to the bidder in or about the construction of the Work, or improvements, in an amount in excess of 1/2 of 1 percent (0.5%) of the bidder's total Bid, and the portion of the Work which will be done by each subcontractor shall be set forth in the bid. CONTRACTOR agrees that except to the extent that subcontractors were set forth in its bid, that all work in excess of one-half of one percent shall be performed by CONTRACTOR. It is agreed and acknowledged that should CONTRACTOR fail to conform hereto or with any of the requirements of Section 4100 through and inclusive of Section 4114 of the Public Contract Code, Contractor shall be subject to the requirements and penalties of Section 4106 of the Public Contract Code.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4.01 *Utilities* (applicable if the contract with IRWD is made pursuant to an invitation for bids and includes removal, relocation or protection of main or trunkline utility facilities – Government Code Section 4215)

CONTRACTOR shall be compensated by IRWD for the costs of locating, repairing damage not due to the failure of CONTRACTOR to exercise reasonable care, and removing, relocating, protecting, or temporarily maintaining main or trunk line utility facilities not indicated with reasonable accuracy in the plans and specifications, and for equipment in the project necessarily idled during such work. Alternatively IRWD may change the project grade or alignment to avoid such removal, relocation or protection or make arrangements with the owner of the utility for such work to be done at no cost to CONTRACTOR. No forfeiture due to delay shall be made because of any delays in the completion of the Work due to the failure of IRWD or the owner of a utility to provide for removal or relocation of main or trunk line facilities not indicated in the plans or specifications with reasonable accuracy.

IRWD is not responsible for removal, relocation or temporary maintenance of (i) main or trunk line utilities or other structures which are in the position shown on the plans, or (ii) service connections, and CONTRACTOR shall bear all expenses incidental thereto. Such work shall be done in a manner satisfactory to the owner of the utility or service connection, it being understood that the owner has the option of doing such work with their own forces or permitting the work to be done by CONTRACTOR. It shall be the responsibility of CONTRACTOR to investigate to find out whether or not this cost is required to be borne by the owner of the utility.

4.02 *Excavation Plans for Worker Protection* (applicable if the public work portion is over \$25,000, and involves excavation of any trench five (5) feet or more in depth – Labor Code Section 6705)

CONTRACTOR shall submit to IRWD for acceptance, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of any trench or trenches five (5) feet or more in depth. The plan shall be prepared specifically for the work by a registered civil or structural engineer who is licensed by the State of California. The plan shall be in an original format, not a reproduced copy, and shall include the engineer's original signature and seal. As a part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the CAL OSHA Construction Safety Orders, or stating that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping, or other provisions of the safety orders.

All shoring submittals shall include surcharge loads from adjacent embankments, construction loads and spoil bank. The submittal shall indicate the minimum horizontal distance from the top of trench to the edge of all surcharge loads for all cases of shoring and side slopes.

The detailed plan showing the design of shoring, etc., which CONTRACTOR is required to submit to IRWD for acceptance in advance of excavation, will not be accepted if the plan

is based on subsurface conditions which are more favorable than those revealed by the investigations made by IRWD or the Engineer/Architect or their consultants; nor will the plan be accepted if it is based on soils related design criteria that are less restrictive than the criteria set forth in the report on the investigations of subsurface conditions.

Nothing contained in this paragraph shall be construed as relieving CONTRACTOR of the full responsibility for providing shoring, bracing, sloping, or other provisions which are adequate for worker protection.

**4.03 Differing Physical Conditions.** (applicable if the public work portion involves excavation more than four (4) feet in depth – Public Contract Code Section 7104)

CONTRACTOR shall promptly notify IRWD of the following work site conditions (hereinafter called differing physical conditions), in writing, upon their discovery and before they are disturbed: (1) any material that CONTRACTOR believes may be material that is a hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions differing from those indicated by information about the site made available to bidders prior to the deadline for submitting bids; (3) unknown physical conditions of any unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character being performed.

IRWD will promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in CONTRACTOR's cost of, or the time required for, performance of any part of the work, shall issue a change order under the procedures described in the Contract.

In the event that a dispute arises between IRWD and CONTRACTOR whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in CONTRACTOR's cost of, or time required for, performance of any part of the work, CONTRACTOR shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all work to be performed under the Contract. CONTRACTOR shall retain any and all rights provided either by the Contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

CONTRACTOR shall not be required to resume work in connection with a condition involving hazardous waste until after IRWD has obtained any required permits related thereto and delivered to CONTRACTOR written notice specifying any special conditions under which such work may be resumed safely.

**SECTION 5. Materials.** The requirements of this Section apply to the public work portion of the Contract, pursuant to Public Contract Code §3400.



5.01 *Substitutions.* Whenever materials or equipment are specified or described in the Plans or specifications by using the name of a proprietary item or the name of a particular supplier, the naming of the item is intended to establish the type, function and quality required. Unless the name is followed by words indicating that no substitution is permitted, the name shall be deemed to be followed by the words “or approved equivalent” and materials or equipment of other suppliers may be accepted by IRWD if sufficient information is submitted by CONTRACTOR to allow IRWD to determine that the material or equipment proposed is equivalent to that named. Approval of proposed equivalent materials or equipment is at the sole discretion of IRWD. No substitute shall be ordered or installed without IRWD’s prior written acceptance.

CONTRACTOR assumes sole responsibility for verifying the proposed substitute items are in accordance with the requirements of the contract documents, and that the dimensions, arrangement, design and construction details and all other features of substitute items are suitable for their intended purpose.

In the event that a substitute item, and said difference was not expressly identified in CONTRACTOR’s request for the substitution, or the incorporation of the substitute into the work results in a change(s) to the work or in the function or general design of the project, which was not expressly identified in CONTRACTOR’s request for the substitution, IRWD may require the removal and replacement of the substitute at CONTRACTOR’s sole expense.

CONTRACTOR may submit data substantiating requests for substitutions of equivalent items at any time after notice of award. Under no circumstances shall CONTRACTOR be entitled to an increase in Contract Time as a result of the submission or review of a substitution request.

**SECTION 6. Claims.** The requirements of this Section apply to the public work portion of the Contract, pursuant to Public Contract Code §20104.

6.01 *Resolution of Construction Claims.* (applicable to a claim meeting the below-described criteria – Public Contract Code Section 20104)

This Section is intended as a summary of the provisions of Article 1.5 (commencing with Section 20104) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code (“Claims Resolution Statute”) and is subject to the actual provisions of the Claims Resolution Statute. This Section shall govern the resolution of any claim of \$375,000 or less which may be made by CONTRACTOR.

“Claim” is defined as CONTRACTOR’s demand for (i) a time extension, (ii) money or damages arising from the work, payment for which is not otherwise expressly provided for or CONTRACTOR is not otherwise entitled to, or (iii) an amount disputed by IRWD.

CONTRACTOR shall make all claims in writing and include the necessary substantiating documents. Any claim which is intended to invoke the procedures under the Claims Resolution Statute shall specify that the claim is being made pursuant to the Claims Resolution Statute. All claims by CONTRACTOR must be filed on or before the date of final payment.

IRWD shall respond in writing, within forty-five (45) days of receipt of a claim less than \$50,000 and within sixty (60) days of receipt of a claim over \$50,000 and less than \$375,000, or IRWD may request, in writing, within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims IRWD may have against CONTRACTOR. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of IRWD and CONTRACTOR. If IRWD requests additional documentation, IRWD’s written response to the claim shall be submitted to CONTRACTOR, (i) within fifteen (15) days after receipt of the additional documentation for a claim less than \$50,000 and within thirty (30) days after receipt of the additional documentation for a claim over \$50,000 and less than \$375,000, or (ii) within the same time period as used by CONTRACTOR in producing the additional documentation, whichever is greater.

If CONTRACTOR disputes IRWD’s written response, or IRWD fails to respond within the time prescribed, CONTRACTOR may, by giving written notice to IRWD within fifteen (15) days of receipt of IRWD’s response (or within fifteen (15) days of IRWD’s failure to respond), demand an informal conference to meet and confer for settlement of the issues in dispute. Upon such demand, IRWD shall schedule a “meet and confer” conference within thirty (30) days.

If after the “meet and confer” conference, any portion of the claim remains in dispute, CONTRACTOR may file a claim pursuant to Government Code Section 900 et seq. If a court action is thereafter filed to resolve the claim, the court must, within the time specified by law, submit the matter to nonbinding mediation unless waived by mutual stipulation of IRWD and CONTRACTOR. If after the mediation process, the matter remains in dispute, the case must then be submitted to judicial arbitration pursuant to the applicable law.

6.02 *Third Party Claims.* In accordance with Public Contract Code Section 9201, IRWD shall timely notify CONTRACTOR if IRWD receives any third-party claim relating to the Work. IRWD shall be entitled to recover from CONTRACTOR the reasonable costs incurred by IRWD in providing such notification.

**SECTION 7. Payment and Retention.** The requirements of this Section apply to construction contracts.

**7.01 *Progress Payments.***

The following is a summary of the provisions of Article 1.7 of Chapter 1 of Part 3 of Division 2 (commencing with Section 20104.50) of the Public Contract Code, regarding progress payments, and is subject to the actual provisions of that statute. For purposes of this Section, a "progress payment" includes all payments due CONTRACTOR, except that portion of the final payment designated under this Agreement as retention.

If IRWD fails to make any progress payment within thirty (30) days after receipt of an undisputed and properly submitted progress payment request from CONTRACTOR, IRWD shall pay interest to CONTRACTOR equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the Civil Code of Procedure.

Upon receipt of a progress payment request, IRWD shall (i) review each payment request as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request, and (ii) return to CONTRACTOR, as soon as practicable but not later than seven (7) days after receipt, any payment request determined not to be a proper payment request suitable for payment. A request returned pursuant to this paragraph shall be accompanied by a document setting forth in writing why the payment request is not proper. The number of days available to IRWD to make a payment without incurring interest shall be reduced by the number of days by which IRWD exceeds the seven (7) day return requirement.

**7.02 *Progress Payment Retention.*** (Applies if performance retention will apply.) IRWD shall retain five (5) percent of such estimated value as part security for fulfillment of the Contract by CONTRACTOR and shall pay to CONTRACTOR the balance of such estimated value after deducting all previous payments and all sums to be kept or retained under the terms of the Contract. Nothing herein shall require payment of a disputed amount or limit IRWD's ability to withhold an amount in respect of a disputed amount as provided for in Section 7107 of the Public Contract Code. The retention payment shall not be due and payable until the expiration of thirty-five (35) days from the date of IRWD's recording of a notice of completion of the work in the office of the County Recorder.

**7.03 *Substitution of Securities for Amounts Withheld.*** Pursuant to Section 22300 of the Public Contract Code, CONTRACTOR may substitute securities for any monies withheld by IRWD to ensure performance of the Work. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with IRWD or with a state or federally chartered bank in California as the escrow agent. Such securities shall be released to CONTRACTOR at the same time as amounts retained would be released upon satisfactory completion of the work, to the extent such

securities have not previously been utilized or are not then being held by IRWD or the escrow agent for purposes as provided in this Contract. Alternately, CONTRACTOR may request, and IRWD shall make, payment of retention earned directly to the escrow agent at the expense of CONTRACTOR.

If the securities are deposited with IRWD, IRWD shall determine their value. IRWD shall also be entitled in their discretion to sell, redeem, or otherwise convert them or portions thereof to cash in order to apply them to any of the purposes set forth in the Contract for which amounts may be withheld from CONTRACTOR and used. CONTRACTOR shall furnish such documents as are deemed necessary by IRWD to enable IRWD to make such sales, redemptions, or conversions. If the securities are deposited with an escrow agent, CONTRACTOR, escrow agent and IRWD shall execute IRWD's form entitled "Escrow Agreement for Security Deposits in Lieu of Retention."

**SECTION 8. Miscellaneous.** The requirements of this Section apply as specified.

8.01 *Audit.* (applicable if the contract exceeds \$10,000 – Government Code 8546.7)

Pursuant to Government Code Section 8546.7, this contract, and CONTRACTOR and IRWD as the contracting parties, are subject to the examination and audit of the California State Auditor, at the request of IRWD or as part of any audit of IRWD, for a period of three years after the final payment under the contract.

8.02 *Notice of Taxable Possessory Interest.*

The terms of this contract may result in the creation of a possessory interest. If such a possessory interest is vested in CONTRACTOR, CONTRACTOR may be subjected to the payment of property taxes levied on such interest.

8.03 *Antitrust Claims Assignment.* (applicable if contract is awarded by competitive bidding)

In entering into a public works contract or subcontract to supply goods, services, or materials pursuant to a public works contract, CONTRACTOR or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to CONTRACTOR, without further acknowledgment by the parties.

8.04 *License.*

CONTRACTOR shall possess a State of California license for the contracting class(es) applicable to the work.

8.05 *Delays.* (Applies if contract documents specify damages for failure to complete work by applicable contract times.)

No forfeiture due to delay shall be made because of any delays in the completion of the work due to unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR (including but not restricted to acts of God or of the public enemy, acts of the government, acts of IRWD, or acts of another contractor in the performance of a contract with IRWD, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays caused by the failure of IRWD, or the owner of a utility to provide for removal or relocation of main or trunk line facilities not indicated in the plans or specifications with reasonable accuracy). Any such delays shall not entitle CONTRACTOR to any additional compensation, and the sole remedy of CONTRACTOR shall be an extension of time obtained in accordance with the contract; the only exception shall be if the delay has been caused solely by acts for which IRWD is responsible and which delay is unreasonable under the circumstances involved, is not within the contemplation of the parties, and continues after CONTRACTOR's notice to IRWD of such acts.

#### 8.06 DRUG-FREE WORKPLACE CERTIFICATION

Certification of Compliance: By signing the Agreement For Non-Consultant Services Between Irvine Ranch Water District and Synergy Companies, dated August 10, 2015 ("Agreement"), Contractor, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 *et seq.*) and have or will provide a drug-free workplace by taking the following actions:

- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a)(1).
- b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
  - i) The dangers of drug abuse in the workplace,
  - ii) Contractor's policy of maintaining a drug-free workplace,
  - iii) Any available counseling, rehabilitation, and employee assistance programs, and
  - iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code Sections 8355(a)(3), that every

employee, contractor, and/or subcontractor who works under this Grant Agreement:

- i) Will receive a copy of Contractor's drug-free policy statement, and
- ii) Will agree to abide by terms of Contractor's condition of employment, contract or subcontract.

#### 8.07 Right to Inspection

The State of California shall have the right to inspect the work being performed under this Agreement and any subcontracts at any and all reasonable times during the term of the District's agreement with the State to obtain grant funding for the Services. This right shall extend to any subcontracts entered into pursuant to this Agreement.



# EXHIBIT "B"

## IRVINE RANCH WATER DISTRICT NON-CONSULTANT SERVICES VARIANCE

Project Title: DWR Water-Energy Grant 4600011091 File No.: \_\_\_\_\_  
Water-Energy Combined Customer Programs Date: January 15, 2018  
 \_\_\_\_\_ Variance No.: 6  
 Project No.: 6703 (DWR Grant) Project No. \_\_\_\_\_  
 Purchase Order No.: \_\_\_\_\_  
 Originator: ☒ IRWD ☐ ENGINEER/CONTRACTOR ☐ Other (Explain) \_\_\_\_\_

Description of Variance (*attach any back-up material*): Increase to agreement amount of \$30,000 to reallocate remaining grant funds from the outdoor portion of the program. Funding is provided by a grant from the Department of Water Resources (DWR).

### Engineering & Management Cost Impact:

Classification	Manhours	Billing Rate	Labor \$	Direct Costs	Subcon. \$	Total \$
Agreement Increase Amount for Program Continuation				\$30,000		\$30,000
Total \$ =						\$30,000

### Schedule Impact:

Task No.	Task Description	Original Schedule	Schedule Variance	New Schedule

### Required Approval Determination:

Total Original Contract	<u>\$80,000</u>	<input type="checkbox"/> General Manager: Single Variance less than or equal to \$30,000.  <input checked="" type="checkbox"/> Committee: Single Variance greater than \$30,000, and less than or equal to \$60,000.  <input type="checkbox"/> Board: Single Variance greater than \$60,000.  <input type="checkbox"/> Board: Cumulative total of Variances greater than \$60,000, or 30% of the original contract, whichever is higher.
Previous Variances	<u>\$ 1,619,000</u>	
This Variance	<u>\$ 30,000</u>	
Total Sum of Variances	<u>\$ 1,649,000</u>	
New Contract Amount	<u>\$ 1,729,000</u>	
Percentage of Total Variances to Original Contract	<u>2161</u> %	

ENGINEER/CONTRACTOR: Synergy Companies  
 Company Name

IRVINE RANCH WATER DISTRICT

Project Engineer/Manager \_\_\_\_\_ Date \_\_\_\_\_ Department Director \_\_\_\_\_ Date \_\_\_\_\_

Engineer's/Contractor's Management \_\_\_\_\_ Date \_\_\_\_\_ General Manager/Comm./Board \_\_\_\_\_ Date \_\_\_\_\_

**IRVINE RANCH WATER DISTRICT  
NON-CONSULTANT SERVICES VARIANCE REGISTER**

Project Title: DWR Water-Energy Grant 4600011091 Water-Energy Combined Customer Programs

Project No.: 6703 Project Manager: Amy McNulty

Variance No.	Description	Dates		Variance Amount
		Initiated	Approved	
1	Changes to Exhibit 1	10/20/16	10/25/16	\$0; extend eligibility to single-family homes
1	Changes to Exhibit 2	10/20/16	10/25/16	\$0; include pricing for installation and materials of showerheads and aerators
1	Changes to Exhibit 3, Section 9.C and 10.B	10/20/16	10/25/16	\$0; extend liability insurance coverage to State and make conforming change to auto liability coverage requirements
1	Changes to Exhibit 4, Section 8.06	10/20/16	10/25/16	\$0; add drug-free workplace certification
1	Changes to Exhibit 4, Section 8.07	10/20/16	10/25/16	\$0; add State right of inspection
2	Program Expansion to approximately 350 single-family homes	1/12/17	01/23/16	\$500,000
3	Changes to Exhibit 1	03/08/17	03/08/17	\$0; extend eligibility to 1.6 or greater gpf toilets
4	Program Expansion to include additional single-family customers and expand to include multi-family customers.	07/06/17	07/10/17	\$950,000;
4	Changes to Exhibit 1	07/06/17	07/10/17	\$0; extend eligibility to multi-family homes
4	Changes to Exhibit 2	07/06/17	07/10/17	\$0; addition of high efficiency clothes washers
5	Changes to Exhibit 2	12/05/17	12/11/17	\$169,000; increase to expend remaining grant funds on additional program participants
6	Changes to Exhibit 2	01/15/18		\$30,000; increase to reallocate remaining grant funds from outdoor portion of program

January 15, 2018

Prepared and

submitted by: C. Compton 

Approved by: Paul A. Cook 

## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### PROPOSED REVISIONS TO THE IRWD WATER CONSERVATION POLICY PRINCIPLES

#### SUMMARY:

Irvine Ranch Water District policy position papers are reviewed periodically to determine if the positions are still valid, need to be revised or if new papers should be written on different issues. Based on the discussions taking place in Sacramento and around the state regarding “Making Water Conservation a California Way of Life,” it is an appropriate time to review the District’s Water Conservation Policy Principles paper, which was last adopted by the Board in February 2009, and IRWD’s Recognition of Local Agency Investments in Water Conservation Policy Principles paper, which was last adopted by the Board in June 2005. After reviewing these two papers, staff recommends that the Board adopt the proposed Water Use Efficiency and Conservation Policy Principles paper to supersede the Water Conservation Policy Principles and Recognition of Local Agency Investments in Water Conservation Policy Principles papers.

#### BACKGROUND:

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

As California considers how to “Make Water Conservation a California Way of Life,” staff has engaged in policy discussions throughout the state over the past year on legislation to enact a framework and process for gaining greater water use efficiency within urban communities. Once the legislation is enacted and the guiding statutory framework is set for urban water use efficiency going forward, the policy debate will turn to how to implement the goals behind the Governor’s direction to “Make Water Conservation a California Way of Life.” Achieving greater water use efficiency within urban communities is an important aspect of sustainable and resilient water management in California, but implementation of “Make Water Conservation a California Way of Life” should not be done in a silo without consideration of other aspects of smart water management or without recognition of the complexities of implementation.

IRWD currently has two policy principles papers on water conservation. IRWD’s Water Conservation Policy Principles paper was adopted by the Board on February 20, 2009, and the District’s Recognition of Local Agency Investments in Water Conservation Policy Principles paper was adopted by the Board on June 3, 2005. Given the conversations that are and will continue to take place regarding implementation of “Make Water Conservation a California Way of Life,” staff is proposing a paper on “Water Use Efficiency and Conservation Policy Principles” to supersede these two older policy principles papers. A draft of the proposed paper

is attached as Exhibit “A”. A copy of the Water Conservation Policy Principles and Recognition of Local Agency Investments in Water Conservation Policy Principles papers, which are proposed to be superseded, are attached as Exhibits “B” and “C”, respectively.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

None.

RECOMMENDATION:

That the Board approve the proposed Water Use Efficiency and Conservation Policy Principles papers to supersede the Water Conservation Policy Principles and Recognition of Local Agency Investments in Water Conservation Policy Principles papers.

LIST OF EXHIBITS:

- Exhibit “A” – Proposed IRWD Water Use Efficiency and Conservation Policy Principles
- Exhibit “B” – IRWD’s Water Conservation Policy Principles Paper
- Exhibit “C” – IRWD’s Recognition of Local Agency Investment in Water Conservation Policy Principles Paper

**EXHIBIT “A”**  
**IRVINE RANCH WATER DISTRICT POLICY POSITION**  
**WATER USE EFFICIENCY AND CONSERVATION**

January 15, 2018

ISSUE SUMMARY:

Agencies responsible for managing water resources have an obligation to provide the resource in a safe and efficient manner. Management of any limited resource includes the practice of conservation and using the resource efficiently. Water supply management is no different. As a local agency responsible for water supply management, the Irvine Ranch Water District continues to promote new ways to conserve water and enhance urban water use efficiency, both locally and statewide, and continues to engage productively in statewide policy discussions on how to enhance urban water use efficiency while improving statewide and local drought resiliency.

BACKGROUND:

Irvine Ranch Water District has specified in its mission statement the objective to provide reliable, high-quality water to its customers. Implicit in the concept of reliability is the responsibility to develop an array of strategies to responsibly meet existing and future water demands. Although these strategies should include both supply augmentation and demand management, the ability to develop new cost-effective supplies— or simply maintain existing supplies— may be limited by physical, environmental, institutional, and legal factors. Consequently, it is imperative that water agencies optimize the use of existing water supplies. One way to accomplish this is through the development and implementation of water use efficiency and water conservation programs.

Fundamentally, water use efficiency and conservation programs should be customized to reflect local needs and water use practices. As a result, it should be expected that local water use efficiency and conservation programs will vary from agency to agency. Agencies may choose to focus their programs on some or all of the following areas: incentives, rate structures, landscape modifications, in-lieu programs or supplies that conserve or capture previously unused water, such as water banking or recycled water.

As California looks to improve sustainable management of its water resources and to enhance drought resiliency, Governor Brown has called upon the state to “Make Water Conservation a California Way of Life.” IRWD supports the sentiment in the Governor’s call to action, and supports efforts to enhance water use efficiency within California’s urban and agricultural communities. Toward that end, the District co-sponsored legislation in 2017 that would have implemented the goals of the Governor’s vision to “Make Water Conservation a California Way of Life.” While that legislation was not passed in 2017, there will likely be similar legislation passed in 2018 requiring urban retail water suppliers to take additional steps to enhance urban water use efficiency. The implementation of that legislation will begin upon its passage and continue for several years.

Despite agreement on the importance of water use efficiency and conservation, implementation of a statewide or regional water use efficiency and conservation framework requires thoughtful consideration of a variety of policies and factors. As a means of providing input into the discussions surrounding water use efficiency and conservation in California, and in order to guide the District’s advocacy efforts in this policy area, the following policy principles have been adopted by the IRWD Board of Directors.

POLICY PRINCIPLES:

- 1) **IRWD is committed to “Making Water Conservation a California Way of Life.”** IRWD has committed to *“Be a leader in the innovation and implementation of water use efficiency and conservation measures promoting the most efficient use of water on both a per capita and a per acre basis.”* The District will continue to promote thoughtful policies that enhance the ethic of water use efficiency throughout the state.
- 2) **An integrated and sustainable approach to California water resource management must recognize the role that water use efficiency and supply development play in ensuring an adequate and reliable water supply for California’s many diverse communities.** State policies and regulations related to water use efficiency and conservation should:
  - Recognize the complexities and factors effecting efficient water management;
  - Recognize the need for continued supply development;
  - Focus on the efficient use of potable water supplies;
  - Distinguish between water use efficiency and conservation;
  - Clearly define roles and responsibilities of state and local agencies; and
  - Avoid promoting a “conservation first” approach to water management.
- 3) **Water efficiency and conservation programs are most successful if they are locally designed, implemented and managed.** Maximum flexibility should be provided to local water agencies to develop water use efficiency and conservation programs in order to achieve state-established water use efficiency goals. To the extent practical, water use efficiency should be achieved by locally established and managed financial incentives and disincentives as contrasted with mandated or regulatory solutions.
- 4) **Water use efficiency and conservation programs should be cost effective and economically viable.** The economic value of water use efficiency and conservation is, at a minimum, the avoided cost of the most expensive water and should normally include other avoided costs that would have to be expended if the water was not conserved. (For example, indoor water conservation programs should consider benefits from reduced wastewater treatment costs.) Local agencies should not be required to undertake or implement water use efficiency and conservation actions which are not cost effective, economically viable, feasible or practicable.
- 5) **Local agencies should take steps to preserve fiscal stability and water affordability when implementing water use efficiency and conservation programs.** Retail water agencies should adopt rate structures that insulate revenues from decreases in water sales associated with conservation and provide customers with appropriate “signals” as to efficiency water use levels. State and regional policies should encourage, enhance and protect, but not mandate, the use of water-budget based rate structures.
- 6) **The benefits and consequences of statewide, regional and local water use efficiency and conservation policies should be understood prior to being implemented.** While greater water use efficiency is important to managing water resources, water use efficiency and conservation programs can have unintended consequences if not implemented thoughtfully. (For example, greater success in the area of water conservation hardens demand, which may impact a local agency’s ability to respond to a drought, or may have a negative impact on



recycled water supplies.) To avoid negative impacts, statewide water use efficiency policies and regulations should consider and account for both the benefits and consequences of enhanced water use efficiency and conservation.

- 7) **Statewide and regional policies should encourage and reward previous investments in beneficial water use efficiency strategies, including water recycling, water-budget based rate structures that create a nexus between those overusing water and those bearing the costs of overuse, and investments in distribution system integrity, among others.** Retail water agencies that have invested in conservation should be rewarded for making these investments. Agencies that have not invested in conservation should bear the burden of their inefficiencies through rationing or higher rates during times of shortage. With a system of equity in place, all water agencies will be more motivated to commit to encouraging conservation.
- 8) **Statewide and regional water use efficiency goals must incentivize and account for local investments in drought resilient supplies.** Water conservation and water use efficiency gains alone will not result in a resilient water supply that will allow local agencies to manage through severe shortage situations. Statewide and regional water use efficiency and conservation policies and programs should recognize past investments in, and incentivize the continued development of, drought resilient supplies. At a minimum, state policies and regulations should exclude drought resilient supplies from any mandatory reduction enacted during a water shortage emergency.
- 9) **Conservation strategies should include promoting both the expansion and efficient use of recycled water and potable reuse.** Water recycling and reuse is a form of water use efficiency and conservation. At a minimum statewide policies and regulations should exclude recycled water from any mandatory reduction enacted during a water shortage emergency, provide at least a 1.0 evapotranspiration adjustment factor for landscapes irrigated with recycled water, and provide a reasonable credit for potable reuse.
- 10) **State agencies should engage urban retail water suppliers during implementation and development of methodologies, and regulations related to “Making Water Conservation a California Way of Life.”** Implementation of urban water use objectives and commercial, industrial and institutional (CII) performance measures should:
  - Build upon accepted water use efficiency and industry standards;
  - Set outdoor water use standards based on the factors consider in the Model Water Efficient Landscape Ordinance adopted in 2015;
  - Set a reasonable water loss standard for potable distribution systems that accounts for differences between systems;
  - Establish cost effective and feasible CII performance measures allowing urban retail water suppliers to implement only those measures appropriate for their service areas;
  - Establish standardized variances for a variety of anomalous situations and streamline approval processes for their use;
  - Ensure provision of the accurate, comprehensive, and timely data needed by urban retail water suppliers to calculate urban water use objectives; and
  - Build on existing tools and reporting devices to keep reporting processes simple, to eliminate duplicative reporting of data, and minimize needless waste of resources.

## EXHIBIT "B"

### IRVINE RANCH WATER DISTRICT POLICY POSITION WATER CONSERVATION

February 20, 2009

#### Issue Summary:

Agencies responsible for managing water resources have an obligation to provide the resource in a safe and efficient manner. Management of any limited resource includes the practice of conservation. Irvine Ranch Water District has implemented an aggressive water conservation program that rewards customers for conserving, and continues to promote new ways to conserve water, both locally and state-wide.

#### Background:

Irvine Ranch Water District has specified in its mission statement the objective to provide reliable, high-quality water to its customers. Implicit in the concept of reliability is the responsibility to develop an array of strategies to responsibly meet existing and future water needs. Although these strategies should include both supply augmentation and demand management, the ability to develop new cost-effective supplies (or simply maintain existing supplies) is limited by physical, environmental, institutional, and legal factors. Consequently, it is imperative that water agencies optimize the use of their water supplies. One way to do this is through the development and implementation of water conservation programs.

Despite agreement on the importance of water conservation, there have been limited and inconsistent efforts to establish a coordinated approach to conservation across the layers of water agencies in both Southern and Northern California. Consequently, these programs have been unevenly applied, with a wide range in the level of participation across agencies. For example, not all agencies have signed the 1991 Memorandum of Understanding outlining best management practices (BMPs) for urban water conservation programs across the State. Even among MOU signatories, significant variation in implementation strategies and levels are common. Reasons for this variation include:

- Variations in the understanding of the need and benefits of water conservation programs ("Why should we conserve if supply is greater than demand?");
- Variation in the political will of the governing body to implement policies or programs that seek to modify behavior, either by incentives or disincentives;
- Concerns about protecting revenue streams from the sale of water (rate setting/structure issue);
- Variations in "the conservation ethic";
- Differing situations and approaches in determining the cost effectiveness of conservation programs;
- Level of understanding of the associated environmental benefits of conservation; and
- Lack of clear pricing signals from water wholesalers.

Although these may be good reasons, the resulting compliance variability has led some to suggest that legislative remedies mandating conservation efforts are necessary. Governor Schwarzenegger has called for a 20 percent reduction in statewide water demand by 2020, which has led to increased calls for regulatory approaches. While supportive of the intent of the legislature, IRWD believes “local control” should prevail and that water agencies answerable to their constituents should pursue their own methods of conservation. Additionally, IRWD believes that an aggressive effort by water agencies to coordinate, promote, and spread water conservation activities should be undertaken immediately. This approach should be economically based and provide “credit” to agencies for conservation activities that improve regional water supply reliability.

Policy Principles:

- IRWD has committed to: *“Be a leader in the innovation and implementation of conservation measures promoting the most efficient use of water on both a per capita and a per acre basis.”*
- Conservation programs should be economically viable:
  - The economic value of conservation is, at a minimum, the avoided cost of the most expensive water;
  - When multiple agencies are involved (e.g. wholesaler, retailer), avoided costs are cumulative thereby increasing the funds available for conservation;
  - Indoor water conservation should consider benefits from reduced wastewater treatment.
- To the extent practical, conservation should be achieved by locally managed financial incentives and disincentives as contrasted with mandated or regulatory solutions;
- Statewide policy approaches should:
  - Recognize that water efficiency programs are most successful if they are locally designed, implemented and managed;
  - Allow agencies flexibility and options for compliance in achieving statewide demand reduction goals;
  - Build upon accepted water use efficiency and industry standards;
  - Encourage and reward previous investments in beneficial water use efficiency and conservation strategies, including water recycling; aggressive rate structures that create a nexus between those overusing water and those bearing the costs of overuse; and investments in distribution system integrity, among others;
  - Build on existing tools and reporting devices to keep reporting processes simple and minimize replication and needless waste of resources.
- Conservation strategies should include promoting both the expanded and efficient use of recycled water;
- Conservation programs should include devices and techniques that minimize human intervention through automation, thereby helping to promote reliable, long term benefits;

- Conservation programs should be undertaken by the agency best suited to most effectively achieve the objectives;
- Retail water agencies should adopt rate structures that:
  - Insulate revenues from decreases in water sales associated with conservation,
  - Provide customers with appropriate “signals” on their water use efficiency.
- Wholesale water agencies should “incentivize” conservation through the development and implementation of a methodology for distributing available water during shortages that provides appropriate adjustments to agencies that aggressively pursue conservation; and
- Water agencies should discontinue conservation incentive programs that have achieved their objectives, and re-direct resources to new initiatives.

## EXHIBIT "C"

### IRVINE RANCH WATER DISTRICT POLICY POSITION RECOGNITION OF LOCAL AGENCY INVESTMENT IN WATER CONSERVATION

June 3, 2005

#### Issue Summary:

Water shortages from drought have a regional, even statewide, impact on water purveyors. When rationing measures are imposed, agencies that have implemented water conservation measures in the past should be rewarded for this investment. Agencies that have not promoted water conservation should feel the first impact from the rationing measures.

#### Background:

Droughts in Southern California are inevitable. That prospect should motivate federal, state and local agencies responsible for water supply management to optimize their water resources to the fullest extent possible. Conservation programs are one tool by which local agencies can promote the more efficient use of water while reducing the impact from droughts. Those conservation programs include devices, rate structures, landscape modifications, in-lieu programs, water banking, desalination and recycled water.

During a declared drought, retail water agencies can implement locally adopted plans to reduce the amount of water available to the customers, either through rationing or through rates measures. Wholesale agencies, under the current structure, typically treat retail agencies equally in that the rationing or rates measures are uniformly applied to all agencies. This is inequitable in that some agencies have already invested local funds into conservation while other agencies have not. The inequity is compounded because agencies that have achieved greater success in conservation through local investment have "hardened" their demands thus may not be able to achieve the requested/required cut-backs. Agencies that have invested locally in conservation should be rewarded for making these investments. Agencies that have not invested in conservation should bear the burden of their inefficiencies through rationing or higher rates. With a system of equity in place, all water agencies will be more motivated to make the commitment to encourage conservation.

As part of this discussion, there is a need to acknowledge regional funding programs such as Metropolitan Water District of Southern California's (MWD) Local Resources Program (LRP). Embedded in MWD's rate structure is a "stewardship" charge. This charge provides funds for conservation programs and local resources projects such as recycled water. Some may say that, by purchasing water from MWD, one is (indirectly) investing in regional conservation. While that is true to some extent, MWD's LRP funds and other conservation subsidies do not fully pay for conservation programs. Even when supplemented with Federal or State grants, there is often the need for local investment. To the extent local dollars are invested promoting greater conservation, that agency should receive credit for those efforts and the political will to "do the right thing."

Policy Principals:

- Not all agencies have committed equally to invest local funds toward conservation measures;
- During a drought, the current system to reduce water sales uniformly among sub-agencies is inequitable in that it does not acknowledge the investment by local agencies and does not properly “incentivize” agencies to invest in conservation;
- There is a need to develop a methodology for quantifying the efforts of local agencies that leads directly to conserved potable water;
- A methodology should be developed to adjust imported water allocations during a drought based on those efforts that reflect the additional investment and political will to implement conservation programs including recycled water.



January 15, 2018

Prepared by: R. Lao / L. Lewis

Submitted by: F. Sanchez / P. Weghorst

Approved by: Paul A. Cook 

## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### REVOCATION OF UNNAMED SPRING WATER RIGHT

#### SUMMARY:

IRWD has retained ownership of Water Right License 4413 since 2006 when IRWD consolidated with the Santiago County Water District (SCWD). The small amount of water associated with this right, located in the Cleveland National Forest, has never been used by IRWD. Staff with the assistance of consultants at Stetson Engineers has determined that the quality of the source water would require treatment and that cost of constructing new facilities to measure and make use of the water in compliance with new regulations is not cost effective. Staff recommends that the Board authorize the General Manager to sign a Request for Revocation of Water Right form for Water Right License 4413.

#### BACKGROUND:

IRWD currently retains ownership of Water Right License 4413 which is an unnamed right to the use of water that was transferred to IRWD as part of its consolidation with SCWD in 2006. The water source is a spring located within the Cleveland National Forest, approximately 1,600 feet south of the existing Read Reservoir. Historically, water from the point of diversion had been conveyed through a series of tunnels and pipes and discharged into a percolation area located near the Read Reservoir. Water was then re-diverted via a well into a regulating reservoir that provided service to connections within Silverado Canyon.

#### Water Right History:

License 4413 was issued in 1956, and has a face value of 28,800 gallons per day (32.3 acre-feet per year) based on a year-round diversion. The maximum use reported by SCWD in its Reports of Licensee was 59.6 acre-feet in 1970. In 1971, the State Water Resources Control Board conducted a field inspection that documented the condition and location of the point of diversion. Between 1986 and 1991, there was only intermittent use due to high bacteriological sampling and analysis results. Since 2000, no water use has been reported associated with the right because the water was determined by the State Department of Health Services (now the Division of Drinking Water) to be groundwater under the direct influence of surface water and subject to additional water treatment regulations. SCWD had ceased the use of the diversion and water from the well, and the associated facilities fell into disrepair.

#### Measurement Requirements:

Senate Bill 88, signed by Governor Brown on June 24, 2015, added new measurement and reporting requirements for a substantial number of water diverters. The measurement requirements apply to all water right holders who divert more than 10 acre-feet of water annually. In January 2016, the State Board adopted an emergency regulation to implement the new law, and the Office of Administrative Law approved the regulatory action in March 2016. The regulation requires that water right holders install metering devices or implement

measurement methods for reporting their water diversions by specific deadlines. These measurements are required to maintain ownership of Water Right License 4413.

Water Right Evaluation:

Stetson Engineers was contracted by IRWD to investigate the history and current condition of License 4413. Stetson conducted a site visit on September 14, 2017, to field check and identify whether any facilities exist at the point of diversion. The facilities found at the location were not as described in the 1971 State Board inspection report. A regulating reservoir near the well has been converted into a storage shed and there is no existing connection between the point of diversion at the source and the percolation area. The percolation area is overgrown and there is no longer a functioning point of re-diversion. Stetson Engineers' report on the status of the water right and associated facilities are provided as Exhibit "A". Measurement of any diversions in compliance with State Board regulations would require rehabilitation or replacement of all facilities associated with the water right.

In order to reestablish conveyance from the point of diversion to the discharge area and Read Reservoir, new facilities would be required to traverse a privately-owned parcel. The extracted water would also require treatment prior to introduction to the potable water distribution network. Furthermore, review of the historical reported use over time suggests that the flow of the spring is controlled by local runoff and not reliable. Staff has determined that the costs to convey and treat this water far exceeds other available potable water sources. Therefore, staff recommends that the Board authorize the General Manager to sign a Request for Revocation of Water Right form for Water Right License 4413 that is provided as Exhibit "B".

RECOMMENDATION:

That the Board authorize the General Manager to sign a Request for Revocation of Water Right form for Water Right License 4413 and submit it to the State Water Resources Control Board.

LIST OF EXHIBITS:

Exhibit "A"–The Status of Water Right Application 5911 (License 4413) on an Unnamed Spring in Silverado Canyon, Orange County, California Report: Stetson Engineering Inc.  
Exhibit "B"–SWRCB Request for Revocation of Water Right Form

Exhibit "A"

THE STATUS OF  
WATER RIGHT APPLICATION 5911 (LICENSE 4413)  
ON AN UNNAMED SPRING IN SILVERADO CANYON,  
ORANGE COUNTY, CALIFORNIA

PREPARED FOR:  
THE IRVINE RANCH WATER DISTRICT (IRWD)

OCTOBER 26, 2017



Northern California • Southern California • Arizona • Colorado • Oregon

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## **EXECUTIVE SUMMARY**

Ownership of water right License 4413 (Application 5911) was transferred to the Irvine Ranch Water District (IRWD) in 2006 as a result of consolidation with the Santiago County Water District (SCWD). Stetson Engineers reviewed the State Water Resources Control Board's (SWRCB) staff files regarding License 4413, and conducted a site visit to document the condition of the Point of Diversion (POD). The water source is a spring area located within Cleveland National Forest, approximately 1,500-1,700 feet south of the existing Read treated water reservoir. Water from the POD had historically been conveyed through a series of tunnels and pipes and discharged into a percolation area located near the Read reservoir. Water was then rediverted via a gallery well into a regulating reservoir that provided service to connections within Silverado Canyon.

License 4413 was issued in 1956, and has a face value of 28,800 gallons per day or 32.3 acre-feet per year (AFY) based on a year-around diversion from Jan 1 to Dec 31. The maximum use reported in the Reports of Licensee was 59.6 acre feet in 1970. A 1971 field inspection was conducted by the SWRCB that documented the condition of and location of the POD. However, since 2000 no use has been reported because the water was determined to be ground water under the direct influence of surface water. Since the treatment facilities did not exist, SCWD ceased rediverting the water from the gallery well, and the works fell into disrepair.

Stetson Engineers conducted a site visit on September 14, 2017 to field check and identify if any waterworks exist at the POD. While the waterworks that were found at the location were not as described in the inspection, it is likely that improvements and/or modifications had been made in the intervening years. The regulating reservoir near the gallery well has since been converted into a storage shed and there is no existing connection between the POD at the source and the percolation area. The percolation area is overgrown, and there no longer exists a functioning point of rediversion.

Based on previous reporting when the POD was operated, water would likely be available at the licensed capacity of 32.3 AFY during normal and above normal hydrologic conditions. Existing facilities at the POD include piping into a rock face below the spring area, which was capped off during our field inspection. Abandoned piping that at one time may have conveyed the water to the percolation area was visible downgradient of the POD. Newer irrigation piping, which extends from the POD down the canyon to the Earthroots Field School property line, was connected to a pipe protruding from the rock face at the spring. Therefore, it appears that water remains available from the POD and diversions have been occurring, but that the production capacity is unknown.

In order to reestablish conveyance from the POD to the discharge area and Read reservoir, conveyance facilities would be required to traverse a privately owned parcel which may not have an existing easement, and the extracted water would require treatment prior to introduction to the distribution network. The capital and operating and maintenance costs for these facilities are expected to be high. Stetson Engineers recommends that IRWD consider revocation of the License, transferring the right to the Earthroots Field School, or metering the POD in accordance with the SB88 emergency regulations and allowing exclusive use by Earthroots Field School under an agreement for non-potable use. No attempt was made to contact Earthroots Field School to determine how long water has been used or the amount of annual use.

Regardless of the decision made with respect to disposition of the water right, if IRWD owns the License on January 1, 2018, the water right is subject to the increased measurement and monitoring requirements associated with the SB88 emergency regulation. Compliance reporting is required with the next Report of Licensee, which must be submitted by April 1, 2018.

## **SUMMARY OF CONTENTS OF SWRCB FILES AND LICENSE TIMELINE**

A timeline of events pertaining to the water right is summarized in Figure 1. Application 5911 was accepted by the SWRCB on May 14, 1928 (Appendix A) and Permit 3408 was subsequently issued to Rome Miller on December 20, 1929 (Appendix B). The 1930 Progress Report By Permittee (Appendix C) stated that a small dam had been installed approximately 1,600 feet upstream in the canyon, and pipe had been placed. The Permittee stated that his intention was “to carry the pipe line up [to] the spring and to do further development work on the spring.” Water was to be developed and used to supply cabins that were under development in Silverado Canyon at the time. In 1932, an extension of time to complete the construction and to apply water to complete beneficial use was granted until 1936 (Appendix D).

The 1934 Progress Report By Permittee (Appendix E) was filed by the Shady Brook Water Company, who stated that they had constructed a 65,000 gallon reservoir and were constructing tunnels in the springs to increase the supply of water. The Shady Brook Water Company succeeded Mr. Miller in interest (Appendix F) and continued to develop the water under Permit 3408. Improvement of tunnels to increase water production continued as development proceeded, and extensions were granted for the completion of the work and the application of water to complete beneficial use until 1940, 1944, 1950, and 1954 (Appendix G).

An inspection was conducted on April 17, 1950 (Appendix H), describing the diversion as, *“about the locus of a group of seepage springs within an area about 50’ wide and 200’ long, in the bottom of a steep ravine in the southerly slope of Silverado Canyon. Three springs have*

*been developed and three more are to be developed in the near future. The flow of the developed springs is collected through short sections of 1" or 2" pipe, into 200' of three inch pipe that empties into a 70,000 gallon covered concrete reservoir."*

FIGURE 1

TIMELINE OF EVENTS FOR WATER RIGHT APPLICATION NO. 005911 (LICENSE NO. 4413)

<b>Date</b>	<b>Event</b>
May 14, 1928	Division of Water Rights accepts Application No. 5911 to appropriate water; project owner is Mr. Rome Miller
December 20, 1929	Permit No. 3408 issued for Application No. 5911
November 19, 1934	Ownership is transferred to Shady Brook Water Company based on request in letter
1940s & 1950s	Division of Water Rights grants several time extensions to Shady Brook Water Company
April 17, 1950	Inspection is made; recommended amount for license is 16,000 gpd
May 5, 1955	Inspection is made; recommended amount for license is 28,800 gpd
December 17, 1956	License No. 4413 is granted to Shady Brook Water Company for 28,800 gpd
March 30, 1966	Ownership is transferred to Santiago County Water District
June 1, 1971	Inspection conducted to support modifying license No. 4413
September 3, 1971	Santiago County Water District files petitions for (1) modify description of point of diversion; (2) add a point of redirection; and (3) change the place of use
November 12, 1971	Division of Water Rights grants order allowing change in point of diversion and place of use
July 2006	IRWD and SCWD complete consolidation of districts
July 15, 2008	License 4413 is assigned to Irvine Ranch Water District
June 29, 2016	Revocation request is filed with the SWRCB, but not accepted. The SWRCB required a signed revocation request by "someone who can make decisions on behalf of the district."
March 29, 2017*	Report of Licensee for 2016 filed with project status indicating "the project has been abandoned and I request revocation of my water right license"

\*eWRIMS database shows two reports of licensee for 2016, one dated 3/29/17 and one 07/06/2017, but they appear to contain identical information.

Another inspection by the SWRCB was conducted on May 5, 1955 (Appendix I), and the project was found to be complete as to construction, and beneficial use had been made of the full production of the source. Licensing was recommended at the maximum production of the spring, which occurred in the summer of 1954 at about 20 gallons per minute (28,800 gallons per day). The diversion system was described as:



*"The point of diversion as described is about the center of the cienega area which is about 50 feet wide by 200 feet long. There are three developments in the area; one near the thread of the canyon is a pit 3 feet wide by 4 feet long by 4 feet deep, with a 50-gallon metal drum sunk into the bottom, it is connected into the 3-inch feeder pipe by 6 feet of ¾ inch pipe; the second spring is about 50 feet southwest of the pit and is a bulkheaded tunnel into the toe of the left bank of the canyon and is about 3 feet wide by 3 feet high by 12 feet long, and is connected into the feeder pipe by 50 feet of 2 inch pipe; the third development is 25 feet east of the second point, and it is a bulkheaded tunnel 3 feet wide by 3 feet high by 25 feet long heading into the right bank. The 3-inch feeder pipe heads at the third point; it is a 3 inch steel tubing about 200 feet long, has a fall of about 30 feet, and delivers the water to a 70,000 gallon covered concrete reservoir."*

Following the inspection in 1955, License 4413 was granted to Shady Brook Water Company on October 23, 1956 (Appendix J). Reports of Licensee were filed by the Shady Brook Water Company from 1957-1962. In 1964, the Santiago County Water District acquired the Shady Brook Water Company, along with the right covered by the License. However, ownership of the License was not transferred to the SCWD until 1966 (Appendix K) because Reports of Licensee were submitted every 3 years at that time. The SWRCB changed the ownership in response to the submission of the Report of Licensee for 1963-1965.

The SWRCB conducted another inspection in June 1971 (Appendix L). At the time of the inspection, water was diverted at POD 1<sup>1</sup>, brought down to the mouth of the canyon, and allowed to percolate into the ground, where it was rediverted by a gallery well (POD 2) and pumped into the 70,000 gallon concrete reservoir for distribution and beneficial use. The inspector drew a hand sketch that shows a system of 3-inch piping from the source to a percolating area, the gallery well located near Silverado Canyon Road, and the 70,000 gallon storage reservoir that was used as a regulating tank. The pictures are not clear in the copies, but the photos appear to show bulkheaded tunnels and a pipe that drains from a buried pit (POD 1). The photos also show the 70,000 gal reservoir and the point of rediversion (POD 2), as they existed at the time.

Based on the June 1971 inspection, SCWD submitted a petition for correction of the description of the point of diversion (POD 1), a petition for the addition of a point of rediversion (POD 2), and a petition to change the place of use to include the entire service area of the SCWD

<sup>1</sup> POD 1 and POD 2 were first identified in the 1971 Inspection (Appendix L)

(Appendix M). The SWRCB approved the petitions in an Order dated November 12, 1971, and included an updated map of the PODs (Appendix N).

The SWRCB's report of licensee information indicates that use of the license occurred from 1957 through 1985, and from 1992 through 1999, at which time thereafter, use was reported as zero. Use was also reported as zero due to "intermittent high bacteriological samples during the period 1986 through 1991. During the periods that use was reported, total volume taken from the source ranged between 2.58 acre-feet per year (1992) and 59.6 acre-feet per year (1970).

The SWRCB files indicate that Department of Health Services (DHS) designated the supply as "groundwater under the direct influence of surface water" in 2000. Based on this designation, water used from this source would require treatment under the surface water treatment rule. The designation as a surface water source in 2000 would explain why no use was reported between 2000 and 2016. The available Reports of Licensee substantiate that use was discontinued until such time as an adequate treatment facility could be constructed. SCWD reported that the treatment facility was "in the design phase" in 2000. The historical reported use of the license is shown in Appendix O.

In July 2006, the consolidation of IRWD and SCWD was completed. A Report of Licensee for 2004-2006 was not submitted, and it appears that IRWD was not aware of the water right that accompanied the consolidation of the water districts. In response to a returned fee notice in 2008, the SWRCB changed the ownership of the license to IRWD (Appendix P), who has subsequently completed electronic filing of Reports of Licensee through present day.

Mr. Patrick Shields, IRWD Executive Director for Operations, submitted a request for revocation of water right to the SWRCB for License 4413 (Appendix Q) in June 2016. The SWRCB did not act on that request because they felt that Mr. Shields was not able to represent the owners of the water right. In July 2016, the SWRCB stated that they required a signed revocation request from the owners of the IRWD, or from someone who can make decisions on behalf of the district members (Appendix R). The 2016 Report of Licensee, filed in March of 2017, listed the project as abandoned and requested revocation of the water right. License 4413 remains in effect.

## **SEPTEMBER 14, 2017 SITE VISIT**

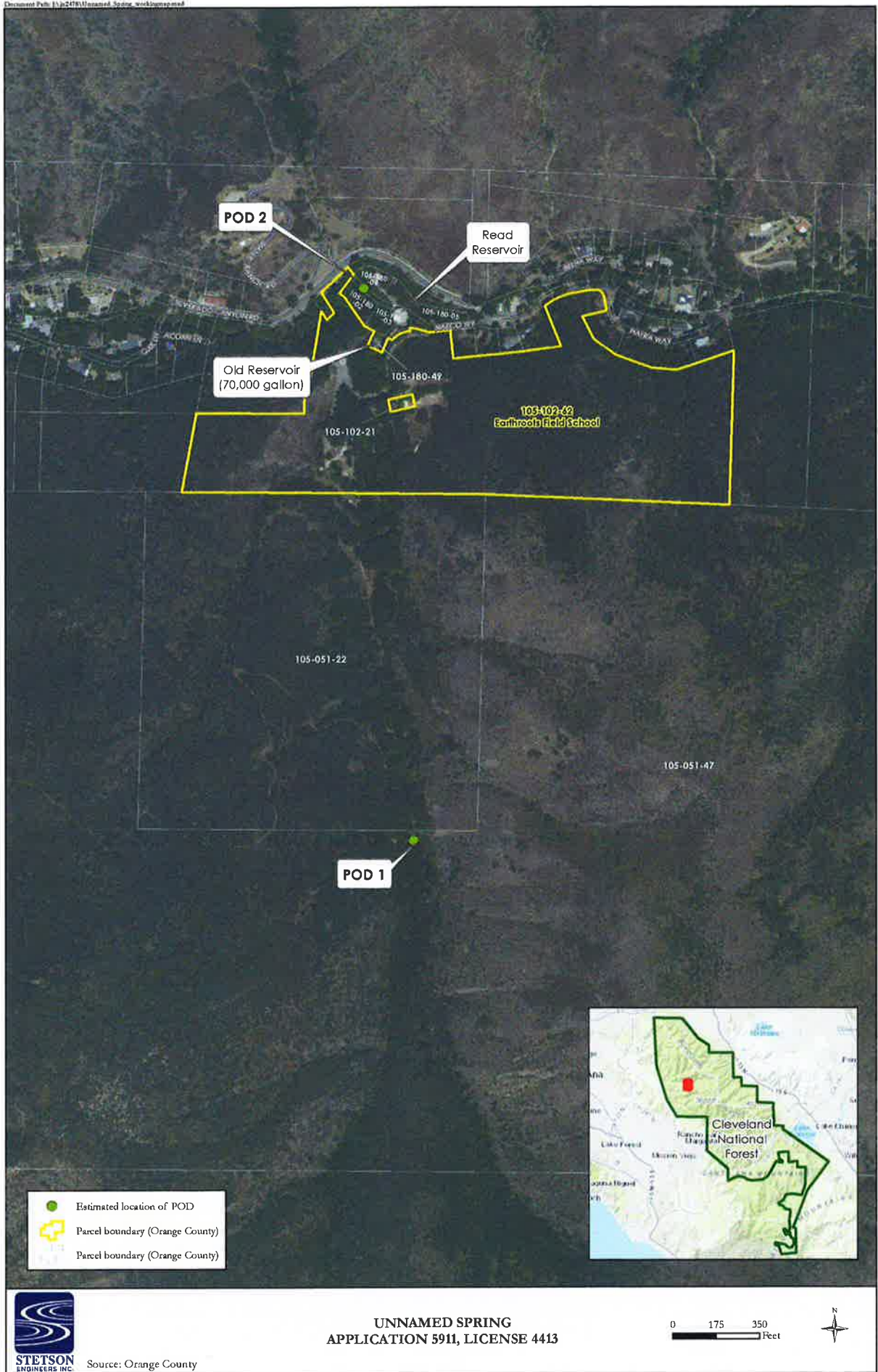
A site visit by Stetson Engineers was conducted on September 14, 2017 to field check and identify if any waterworks exist at the Point of Diversion (POD 1). As shown in Figure 2, the Point of Diversion (POD 1) is located within the boundary of Cleveland National Forest. A visual inspection of POD 2 (rediversion) was not conducted. The 70,000 gallon reservoir was

located, and its approximate location is indicated on Figure 2. A section of the reservoir wall has been removed, and a garage door installed, converting the reservoir into a storage area operated by IRWD in the vicinity of the Read Reservoir. The area immediately surrounding the old reservoir is heavily overgrown and abandoned 3-inch piping was visible.

During the search for POD 1, no bulkheaded tunnels were found, although some remains located in the ravine floor may have once been a tunnel. There was no water present along the ravine floor at the time of the visit. However, there were many abandoned pipes and pipe segments located in the ravine near the map location of POD 1. Some are old and fit the description of 1-3 inch steel pipe, and some are relatively new and constructed of either PVC or ½ inch irrigation tubing. A “cienega” area was not located, so the conditions in the area appear to have changed significantly from the 1955 inspection report. Located at approximately the map location for POD 1 was a rock face with 2-3 inch galvanized piping protruding from it and capped off (Appendix S). Above the rock face was a flat area with water pooled at the top, indicating the presence of a spring. There was also old, abandoned galvanized and steel piping in the area that indicates the area was once developed to produce water that was conveyed down the ravine. Piping was not located further up the ravine, which led to the conclusion that the area is likely POD 1.

One of the protruding pipes at POD 1 has been tapped into recently with a plastic ball valve connected to ½ inch irrigation tubing that then extends down the ravine, and into parcel 105-102-62, owned by Earthroots Field School (<http://earthrootsfieldschool.org>). No other applications, permits, or licenses exist within this area, as per the eWRIMS water right locator and mapping database. From Silverado Canyon Road, the Earthroots Field School property entrance is adjacent to the IRWD Read Reservoir, and the sign at the entrance is labeled “Big Oak Canyon”. The Earthroots Field School website states that it has recently acquired the parcel, and has a map of the parcel, which lies between POD 1 and the old 70,000 gallon reservoir.

At present, no connection could be verified between POD 1 and POD 2, and no water was visible in the ravine or drainages. There was surface water present in the vicinity of POD1 and also at the old 70,000 gallon reservoir, which may indicate at least some hydraulic connection remains. It is apparent that water can be produced from the remaining works at POD 1, since there is irrigation tubing connected to it, but 20 gpm cannot be produced in its current configuration, based on the capacity of the existing irrigation tubing. Whether an easement exists into the Earthroots Field School could not be determined, as the parcel map was not available on the Orange County Public Works website.



## **MEASUREMENT AND MONITORING REQUIREMENTS**

Senate Bill 88 (SB88), signed by Governor Brown on June 24, 2015, adds measurement and reporting requirements for a substantial number of water diverters. The measurement requirements of the regulation apply to all water right holders who divert more than 10 acre-feet of water annually. The annual reporting requirements in the regulation apply to all statement holders, as well as persons authorized to appropriate water under a permit, license, registration or certificate for livestock stockpond use. The SWRCB adopted an emergency regulation to implement the new law at its January 2016 meeting, and the Office of Administrative Law (OAL) approved the regulatory action in March 2016.

The emergency regulation modifies the reporting requirements applicable to all water rights. Annual Reports of Licensee shall be filed electronically by April 1, which is a change from previous years, where reports for all claims of right were due on July 1. Additionally, the emergency regulation requires that diverters who are authorized to divert greater than 10 acre-feet annually install and maintain a measuring device, or employ a measurement method capable of measuring the rate of diversion, rate of collection to storage, the rate of withdrawal or release from storage, and the total volume of water diverted or collected to storage.

License 4413 (Application 5911) authorizes the direct diversion of 28,000 gallons per day (32.3 AFY). Within the regulations, there are different requirements, based on the authorized annual diversions. In this case, the License is greater than 10 AFY, but less than 100 AFY. Table 1 below summarizes the measurement, data recordation, and reporting requirements for diversions between 10 AFY and 99 AFY, using a measurement device installed after January 1, 2016.

A measurement device capable of measuring within 15% accuracy must be installed no later than January 1, 2018, then calibrated every 5 years thereafter (or upon replacement). Data recordings must be taken at least weekly and maintained for 10 years. No later than April 1, 2018, the Report of Licensee must be filed electronically in eWRIMS. The electronic form will require a report of water measuring device, which are a series of additional questions and data entry on the electronic filing that will ultimately create a measurement ID for the device, and certifies that the device has been installed as per the regulations. If a request for revocation has been submitted but not finalized, and no diversions are taking place, a statement in the filing, along with the request for revocation attached should suffice. However, once a determination is made with respect to disposition of the license, this should be confirmed with the SWRCB.

**TABLE 1- SB88 MEASUREMENT REQUIREMENTS FOR DIVERSIONS BETWEEN 10 AND 99 ACRE-  
FEET ANNUALLY**

<b>PROVISION</b>	<b>REQUIREMENT</b>	<b>REFERENCE<sup>1</sup></b>
<b>Deadline for Installation and Certification</b>	Jan 1, 2018	§932(c)(1)
<b>Data Recording Parameters</b>	Date, time, and at least one of the following: total volume, flow rate, or water velocity	§933(b)(1)
<b>Frequency</b>	Weekly or more frequent	§933(b)(1)(A)
<b>Data Submittal</b>	With Report of Licensee	§933(b)(2)(A)
<b>Data Retention</b>	10 years	§933(b)(3)
<b>Required Accuracy</b>	1. Installed or replaced after Jan 1, 2016: ± 5% (Lab certification) ± 15% (Non-lab certification) <sup>2</sup>	§933(d)
<b>Initial Certification of Accuracy</b>	1. Installed or replaced after Jan 1, 2016: a. Lab certification prior to installation b. Non-Lab certification after installation by a qualified individual <sup>3</sup>	§933(e)
<b>Calibration</b>	Upon installation, then every 5 years	§933(h)
<b>Report of Water Measuring Device<sup>4</sup></b>	1. Initial report with the first water report filed after January 1, 2018. 2. Subsequent reports every 5 years or within 30 days of installation of a new or replacement device 3. Within 30 days of request from the board.	§937(a)
<b>Compliance</b>	Civil liability of up to \$500 per day	§938

Notes: 1. CA CCR Title 23 Div 3 Ch 2.7

2. Results of field testing shall be documented in a report approved by a “qualified individual”

3. A “qualified individual” for diversions <100 acre-feet annually means: a person trained and experienced in water measurement and reporting. This may include the diverter or the diverter’s agent.

4. Report of Water Measuring Device has been included in the electronic filing of the Report of Licensee, and must be completed at the time of submission.

## CONCLUSIONS AND RECOMMENDATIONS

There has been no reported use of the license since 2000, and the source of supply has been classified by DHS (currently Department of Drinking Water) as water under the direct influence of surface water. Based on the reported use of the license over time, there appears to be a correlation between quantity produced and hydrologic condition; suggesting that the flow of the spring is controlled by local runoff and lacks a significant regional source component. Use of the license was greatest during wet hydrologic conditions and least during drier conditions. Any future use of the spring would likely be seasonal based on hydrologic conditions. Statistical hydrological analysis using local rainfall gages in the area would be required to substantiate this observation.

Based on the current status of the diversion and conveyance facilities, historical use records, and classification of the source as surface water, IRWD should consider the following alternatives:

1. Revocation of License 4413
2. Transfer ownership to Earthroots Field School
3. Meter the POD in accordance with SB88 with an agreement for use by Earthroots Field School

Historical water use records that show non-use of the water right since 2000 subjects the right to forfeiture, although an exception may be made for the time required to develop a solution for treatment. Because the source does not appear to be connected to a regional aquifer, water would likely be available on a seasonal basis up to the licensed capacity of 32.3 AFY during normal and above normal hydrologic conditions. We did not investigate the cost to improve the diversion and conveyance facilities, install treatment, or provide a connection to the potable water system. The capital, operating, and maintenance costs for these facilities are expected to be high, due to the seasonal nature of the supply. Transferring the right to the Earthroots Field School is a possibility, considering their existing use of the source. A third option exists to place a meter and data logger on the POD, in accordance with the SB88 emergency regulation, allow diversions to Earthroots Field School to continue with an agreement for non-potable use. Retroactive filings can be made with estimates of diversion amounts for the period of time where the unmetered diversions were occurring. No attempt was made to contact Earthroots Field School to determine how long water has been used or the amount of annual use.

Regardless of the decision made with respect to disposition of the water right, if IRWD owns the License on January 1, 2018, the water right is subject to the increased measurement and monitoring requirements associated with the SB88 emergency regulation. Compliance reporting



is required with the next Report of Licensee, which must be submitted by April 1, 2018. If a request to revoke the License has been filed with the SWRCB, no diversions are taking place, but action has not been taken by the SWRCB, IRWD should state that on the Report of Licensee and attach the revocation documentation to the annual submittal.

## Exhibit "B"

Please indicate County where  
your project is located here:

Orange

SUBMIT FORM AND ATTACHMENTS  
BY EITHER EMAIL OR POSTAL MAIL  
[changerequest@waterboards.ca.gov](mailto:changerequest@waterboards.ca.gov)  
DIVISION OF WATER RIGHTS  
P.O. Box 2000, Sacramento, CA 95812-2000  
Tel: (916) 341-5300 Fax: (916) 341-5400  
<http://www.waterboards.ca.gov/waterrights>

### REQUEST FOR REVOCATION OF WATER RIGHT

This form may be used to request revocation of multiple water rights.  
Use additional signature pages and/or provide attachments if necessary.

☒ I hereby request that the State Water Resources Control Board, Division of Water Rights revoke the following appropriate water right(s):

Application ID: A005911  
License No. 004413

*Identify right(s) as license, permit, or certificate and list corresponding number(s)*

☐ I hereby request that the State Water Resources Control Board, Division of Water Rights **partially revoke**\* the following appropriate water right(s):

*Identify right(s) as license, permit, or certificate and list corresponding number(s)*

**\*For partial revocation requests**, include a description of the following: the purpose of use to be retained; the amount of water to be retained, either in rate (cubic feet per second or gallons per day) or quantity (acre-feet); the season of diversion to be retained; the point of diversion to be retained; and/or, the place of use to be retained. Purposes of use, rates, quantities, season of diversion time periods, points of diversion, and/or place of use areas not described below will be removed from the right.

**All Right Holders Must Sign This Form:** I (we) understand that, by requesting revocation, I (we) waive my (our) right to the hearing and notice requirements set forth in Water Code sections 1226.4, 1410 et seq., and 1675 et seq., as well as other provisions of the Water Code. I (we) understand that I (we) am (are) responsible for removing or modifying diversion works and impoundments, if applicable, to ensure that water subject to this revocation request is no longer diverted. Unauthorized diversion and use of water is considered a trespass and subject to enforcement action under Water Code section 1052 and 1831. It is my (our) responsibility to consult with the California Department of Fish and Wildlife, the Regional Water Quality Control Board and, if a jurisdictional size dam will be removed or breached, the Department of Water Resources, Division of Safety of Dams to ensure that removal of project facilities, if necessary, does not adversely affect a fishery or result in unregulated sediment discharge to a waterway.

Dated  at  Irvine.

Name

Signature

Mailing Address

Phone Number

Email Address

**REQUEST FOR REVOCATION OF WATER RIGHT  
PAGE FOR ADDITIONAL SIGNATURES**

Name

Signature

Mailing Address

Phone Number

Email Address

Name

Signature

Mailing Address

Phone Number

Email Address

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Mailing Address

Phone Number

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Name

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