

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

April 22, 2013

PLEDGE OF ALLEGIANCE

CALL TO ORDER

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

ROLL CALL

Directors Matheis, LaMar, Swan, Withers and President Reinhart

NOTICE

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

COMMUNICATIONS TO THE BOARD

1. A. Written:

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

2. ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

PRESENTATION

3. WATEREUSE CALIFORNIA AWARD TO A.G. KAWAMURA OF ORANGE COUNTY PRODUCE

Mark Tetterer, President of the Orange County Chapter of WaterReuse California, will present Mr. A.G. Kawamura from Orange County Produce with the WaterReuse California's "Recycled Water Agriculture Customer of the Year" award.

4. ORANGE COUNTY WATER DISTRICT PRESENTATION ON MID-BASIN INJECTION

Mike Markus of Orange County Water District will make a presentation on Phase I of the Demonstration Mid-Basin Injection Project, which consisted of drilling an injection well and two monitoring wells.

WORKSHOP	Next Resolution No. 2013-13
<p>5. <u>PROPOSED OPERATING BUDGET AND RATES AND CHARGES FOR FISCAL YEAR 2013-14</u></p> <p>Recommendation: That the Board adopt a Resolution approving the District's Operating Budget for FY 2013-14 and Determining Compliance with Article XIII B of the California Constitution (with rates and charges for FY 2013-14 to be adopted on June 24, 2013); and approve the Proposition 218 Notices subject to non-substantive modifications.</p>	<p>Reso No. 2013-</p>
CONSENT CALENDAR	Items 6-17
<p>6. <u>MINUTES OF REGULAR BOARD MEETING</u></p> <p>Recommendation: That the minutes of the April 8, 2013 Regular Board Meeting be approved as presented.</p> <p>7. <u>RATIFY/APPROVE BOARD OF DIRECTORS' ATTENDANCE AT MEETINGS AND EVENTS</u></p> <p>Recommendation: That the Board ratify/approve the meetings and events for Steven LaMar, Mary Aileen Matheis, Doug Reinhart, John Withers and Peer Swan.</p> <p>8. <u>MARCH 2013 TREASURY REPORTS</u></p> <p>Recommendation: That the Board receive and file the Treasurer's Investment Summary Report and the Monthly Interest Rate Swap Summary for March 2013; approve the March 2013 Summary of Payroll ACH payments in the total amount of \$1,387,083 and approve the March 2013 Accounts Payable Disbursement Summary of Warrants 337405 through 338135, workers' compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$11,144,831.</p> <p>9. <u>STRATEGIC MEASURES DASHBOARD</u></p> <p>Recommendation: That the Board receive and file the Strategic Measures Dashboard and information items.</p> <p>10. <u>BAKER RANCH PHASE 1A CAPITAL IMPROVEMENTS</u></p> <p>Recommendation: That the Board authorize the addition of projects 11661 (4000) and 31661 (4001) in the amounts of \$612,700 and \$304,700, respectively; and approve Expenditure Authorizations for projects 11661 (4000) and 31661 (4001) in the amounts of \$612,700 and \$304,700, respectively, for the Baker Ranch Phase 1A Capital improvements.</p>	

CONSENT CALENDAR – Continued	Next Resolution No. 2013-13	Items 6-17
11. <u>REIMBURSEMENT AGREEMENT BETWEEN IRWD AND THE CITY OF IRVINE FOR INSTALLATION AND ADJUSTMENT OF IRWD FACILITIES TO GRADE</u>	Recommendation: That the Board authorize the addition of projects 11674 (4270), 21674 (4271), and 31674 (4272) to the FY 2012-13 Capital Budget in the amount of \$365,200, \$199,100, and \$14,300, respectively; approve Expenditure Authorizations for projects 11674 (4270) and 21674 (4271) in the amount of \$365,200 and \$199,100 respectively; and authorize the General Manager to execute a Reimbursement Agreement with the City of Irvine for its Annual Slurry Seal and Pavement Rehabilitation project, bid No. 13-2927.	
12. <u>PLANNING AREA 51 HERITAGE FIELDS TRABUCO ROAD CAPITAL IMPROVEMENTS</u>	Recommendation: That the Board authorize the addition of projects 11660 (3977), 21660 (3980), and 31660 (3983) in the amounts of \$156,200, \$161,700, and \$480,700, respectively; approve Expenditure Authorizations for projects 11660 (3977), 21660 (3980), and 31660 (3983) in the amounts of \$156,200, \$161,700, and \$480,700, respectively; and authorize the General Manager to execute a Supplemental Reimbursement Agreement with Heritage Fields for Planning Area 51 Trabuco Road Capital facilities.	
13. <u>QUITCLAIM OF REAL PROPERTY IRVINE COMMUNITY DEVELOPMENT COMPANY LLC QUITCLAIM OF PUMP STATION AND RECYCLED WATER PIPELINE EASEMENT BEE CANYON PUMP STATION</u>	Recommendation: That the Board adopt a Resolution approving execution of the Quitclaim Deeds to Irvine Community Development Company LLC.	Reso No. 2013-
14. <u>QUITCLAIM OF REAL PROPERTY ANTHONY M. FILIPPONE AND ISABELLE D. MARQUAIS WATER PIPELINE EASEMENT PER OFFICIAL RECORDS 715/85 ORANGE PARK ACRES</u>	Recommendation: That the Board adopt a Resolution approving execution of the Quitclaim Deed to Anthony M. Filippone and Isabelle D. Marquais.	Reso No. 2013-
15. <u>QUITCLAIM OF SEWER EASEMENT AND AGREEMENT TRANSFERRING SEWER FACILITIES SERVING JAMES A. MUSICK JAIL FACILITY PROPERTY TO COUNTY OF ORANGE</u>	Recommendation: That the Board adopt a Resolution approving execution of the Quitclaim Deed to County of Orange.	Reso No. 2013-

CONSENT CALENDAR – Continued	Next Resolution No. 2013-13	Items 6-17
<p>16. <u>SANTIAGO CANYON AREA BOOSTER PUMP STATION PERMANENT GENERATORS CONTRACT CHANGE ORDER AND FINAL ACCEPTANCE</u></p>		
<p>Recommendation: That the Board authorize the General Manager to execute Contract Change Order No. 5 with Pacific Hydrotech Corporation in the credit amount of (\$201,978.26); accept construction of the Santiago Canyon Area Booster Pump Station Permanent Generators, project 11476 (1570); authorize the General Manager to file a Notice of Completion; and authorize the release of retention 35 days after filing of the Notice of Completion.</p>		
<p>17. <u>LAWRP BUILDING F ELECTRICAL FEEDER REPLACEMENT – CAPITAL BUDGET ADDITION, EXPENDITURE AUTHORIZATION, AND CONSTRUCTION AWARD</u></p>		
<p>Recommendation: That the Board authorize the addition of project 21152 in the amount of \$132,000 to the FY 2012-13 Capital Budget, approve an Expenditure Authorization in the amount of \$132,000, and authorize the General Manager to execute a construction contract with Johnson-Peltier in the amount of \$119,577 for the LAWRP Building F Electrical Feeder Replacement project, project 21152.</p>		
<p>ACTION CALENDAR</p>		
<p>18. <u>RECYCLED WATER SERVICE IN PORTOLA SPRINGS</u></p>		
<p>Recommendation: That the Board recommend that IRWD initially pay for the cost to install recycled water service at the Irvine Company's 58-acre avocado orchard in Portola Springs, that the Irvine Company repay IRWD in less than two years using the savings associated with converting to recycled water; and that the board authorize the General Manager to execute an agreement with the Irvine Company for the installation of recycled water service at its 58-acre avocado orchard in Portola Springs.</p>		
<p>19. <u>POSEIDON RESOURCES LETTER OF INTENT</u></p>		
<p>Recommendation: That the Board revoke the current non-binding letter of intent to purchase water from the project and that the District continues to negotiate with Poseidon Resources on water quality and other issues related to the proposed ocean desalination project and that the Board approve the revised policy position on desalination.</p>		

ACTION CALENDAR	
20. <u>SENATE BILL 658 (CORREA) UPDATE</u> Recommendation: That the Board have IRWD take a “Support in Concept” position on SB 658.	
OTHER BUSINESS	

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

21. A. General Manager’s Report

 B. Directors’ Comments

 C. Adjourn

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

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

April 22, 2013

Prepared by: Christopher Smithson 

Submitted by: Cheryl Clary 

Approved by: Paul Cook 

WORKSHOP

PROPOSED OPERATING BUDGET AND RATES AND CHARGES FOR FY 2013-14

SUMMARY:

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

There are no changes from the April 8, 2013 Board presentation.

In developing the Operating Budget for FY 2013-14, a number of factors were addressed:

- This is the first full year with the Wells 21 and 22 Desalter Project coming into operation. The Operating Budget also includes increases in the expenses for purchasing the electricity and chemicals required to operate this facility.
- The budget reflects a corresponding reduction in IRWD's purchase of water from the Municipal Water District of Orange County (MWD OC), from 11,400 acre-feet (AF) in the FY 2012-13 budget to 9,400 AF in the FY 2013-14 budget. (Note: The FY 2012-13 Operating Budget assumed the Wells 21 and 22 Desalter project would operate for nine months of that year.)
- This is the first full fiscal year of operations for the expanded Michelson Water Recycling Plant (MWRP).
- The budget reflects increases in labor costs to hire additional personnel to operate a full year of Wells 21 and 22 and MWRP.
- The budget reflects rate increases from outside agencies for the cost of water.

The goal of the District's budgeting process is to appropriately fund the resources required to provide excellent service to its customers as cost-efficiently as possible. Over the past two years, increases to the District's operating budget have been kept to a minimum by aggressively pursuing reductions in expenses to offset uncontrollable expenses, such as pass-through rate increases from outside agencies. With significant additional capital facilities coming online in FY 2013-14, the increases in the operating budget reflect additional expenses associated with operating those facilities.

Rate increases are necessary to fund anticipated shortfalls in both the water and sewer/recycled water systems. In the Irvine and Orange Park Acres Rate Areas, the proposed adjustment to the base commodity rate is \$0.03 per ccf, with a \$0.55 increase in the fixed water service charge. In the Los Alisos Rate Area, because of its dependence on imported water and the cost increases expected from the Metropolitan Water District of Southern California (MWD), the proposed adjustment to the base commodity rate is \$0.10 per ccf, with a \$0.25 increase on the fixed water service charge for most residential meter sizes. For the sewer/recycled system, there is no recommended increase to the current base commodity rate of \$1.11 per ccf. The proposed increase to the uniform sewer fixed charge is \$1.20 per month.

Based on the recommended increases, the Irvine Ranch Rate Area will result in an expected rate increase to the average residential customer of \$2.05 or 4.4% from \$46.18 to \$48.23 per month, the Los Alisos Rate Area will result in an overall rate increase to the average residential customer of \$2.45 or 4.0% from \$60.52 to \$62.97 per month, and the Orange Park Acres Rate Area will result in an expected rate increase to the average residential customer of \$1.09 or 2.1% from \$52.20 to \$53.29 per month. More detailed rate information is described on page 6 of Exhibit "A" attached.

BACKGROUND:

The Proposed Operating Budget is attached as Exhibit "A" and includes the following:

- Projected revenues and expenses, along with the resulting net position in each rate area by system; and
- Changes to current rates and charges necessary to meet each operating systems' revenue requirements;

The proposed Operating Budget has been organized into seven major functional areas, plus separate sections for proposed general plant purchases and labor changes. As noted above, the proposed budget represents an increase of \$6.0 million over the FY 2012-13 Operating Budget. Expenses for most health care related employee benefits are included in cost center 140 (Human Resources Department), as opposed to being allocated to individual departments in the previous fiscal year. In addition, staff has budgeted non-operating sources and uses of which the primary drivers are the real estate investments, interest on the debt portfolio, tax revenue, and the preliminary capital budget. Quarterly reporting in FY 2013-14 will include a review of actual versus budget results on non-operating revenue and expenses.

Page 6 of Exhibit "A" identifies the effects of the proposed rate increases on typical residential customers within the Irvine Ranch, Los Alisos, and Orange Park Acres Rate Areas. In the Orange Park Acres Rate Area, the increase in the water rates and fixed service charges for these customers is indexed to the changes in the Irvine Ranch Rate Area, as stipulated in the Acquisition and Annexation Agreement. The details of the tiered rate structure cost allocations were reviewed at the April 8, 2013 Board Workshop.

Attached as Exhibit "B" are the proposed Proposition 218 notices for the Irvine, Los Alisos and Orange Park Acres Rate Areas. Staff is recommending that the Board approve the proposed Proposition 218 notices subject to non-substantive changes, whereupon staff will proceed with the mailing of these notices to the District's customer and landowners.

Exhibit "C" is the proposed resolution approving the Operating Budget for FY 2013-14. Staff recommends its approval.

Proposed Schedule for the Operating Budget and Rates Adoption:

- | | |
|----------------|--|
| April 22, 2013 | Second Board Workshop to adopt the Proposed Operating Budget and Proposed Rates and Charges for FY 2013-14;
Approval of Proposition 218 Notices for Customers |
| May 6-10, 2013 | Mail the Proposition 218 Notices to Customers |
| June 21, 2013 | Tabulate Responses |
| June 24, 2013 | Board Meeting- Public hearing to review Proposition 210 responses and Adopt Rates and Charges for FY 2013-14 |

FISCAL IMPACTS:

Planned operating expenses in the FY 2013-14 Proposed Operating Budget reflect an increase of \$6.0 million from the adopted Operating Budget for FY 2012-13.

The proposed rate increases will result in an estimated increase in revenues of \$2.5 million and \$2.6 million, respectively, for water and sewer during FY 2013-14. The proposed rate increases will also result in a contribution to the enhancement and replacement funds of approximately \$3.8 million and \$14.4 million for water and sewer, respectively.

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on April 2, 2013. The Committee previously reviewed the Budget assumptions and certain personnel matters at its Finance and Personnel Committee meetings on March 8, 2013 and at a Special Finance and Personnel Committee meeting on March 20, 2013.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE APPROVING THE OPERATING BUDGET FOR FISCAL YEAR 2013-14 (WITH RATES AND CHARGES FOR FISCAL YEAR 2013-14 TO BE ADOPTED ON JUNE 24, 2013); AND APPROVE THE PROPOSITION 218 NOTICES SUBJECT TO NON-SUBSTANTIVE MODIFICATIONS.

RESOLUTION NO. 2013 –

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT,
ORANGE COUNTY, CALIFORNIA
APPROVING DISTRICT'S OPERATING BUDGET FOR
FISCAL YEAR 2013-14 AND DETERMINING COMPLIANCE WITH
ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

LIST OF EXHIBITS:

Exhibit "A" – Proposed Operating Budget Draft for Fiscal Year 2013-14

Exhibit "B" – Proposed Proposition 218 Notices

Exhibit "C" – Resolution

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



“PROPOSED”

April 22, 2013



OPERATING BUDGET

*Assumptions as of April 22, 2013
Fiscal Year 2013-14*

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

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

I. REVENUES

Growth Estimates:

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

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

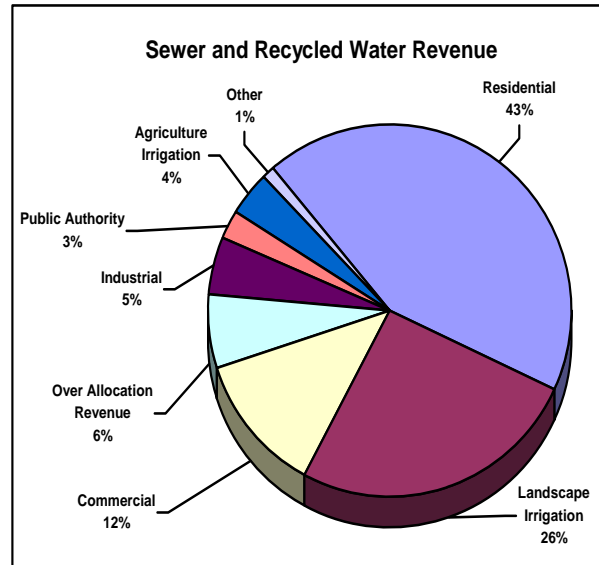
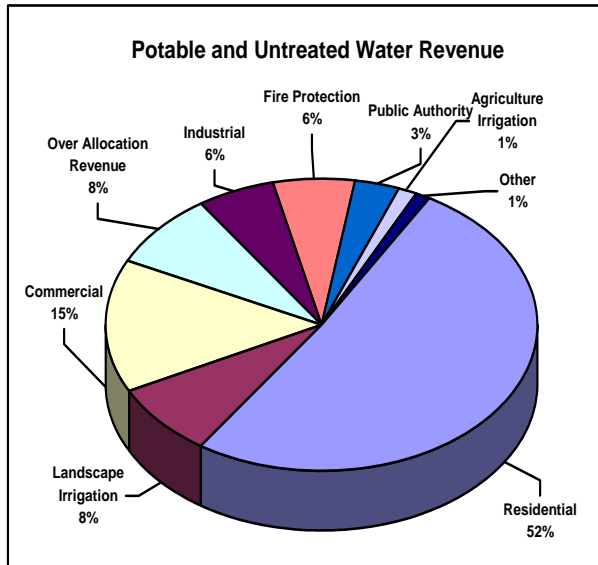


OPERATING BUDGET

*Assumptions as of April 22, 2013
Fiscal Year 2013-14*

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

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



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

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

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



OPERATING BUDGET

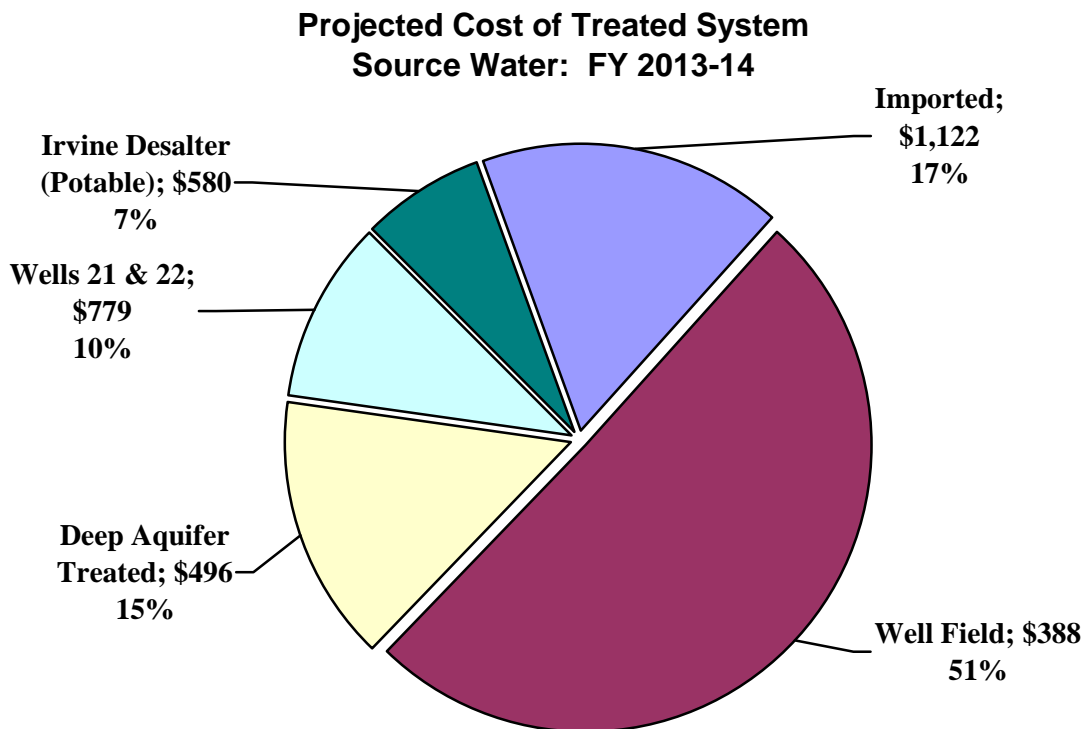
Assumptions as of April 22, 2013
Fiscal Year 2013-14

II. OPERATING EXPENSES

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

A. Treated Water

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



Groundwater Production

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

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



OPERATING BUDGET

Assumptions as of April 22, 2013 Fiscal Year 2013-14

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

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

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

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

Untreated Water

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

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

B. Sewer and Recycled Water

Sewer:

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

Recycled:

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



OPERATING BUDGET

Assumptions as of April 22, 2013 Fiscal Year 2013-14

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

C. Salaries and Benefits

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

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



OPERATING BUDGET

Assumptions as of April 22, 2013 Fiscal Year 2013-14

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

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

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

III. USE OF OTHER FUNDS

A. Over Allocation Revenue

Over Allocation Revenue is used to offset three primary expenses:

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

B. Enhancement Fund User Rate Component

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

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



OPERATING BUDGET

*Assumptions as of April 22, 2013
Fiscal Year 2013-14*

C. Replacement Fund User Rate Component

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

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

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

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

Consolidated Operating Budget for All Departments FY 2013-14

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

Consolidated Operating Budget for All Departments FY 2013-14

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

SOURCES AND USES OF FUNDS

CONSOLIDATED OPERATING BUDGET

Fiscal Year Ending June 30, 2014

In (000's)

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

SOURCES AND USES OF FUNDS

CONSOLIDATED WATER OPERATING BUDGET

Fiscal Year Ending June 30, 2014

In (000's)

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



NON-OPERATING

SUMMARY OF SOURCES AND USES

(,000s omitted)

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



Selected Comparison of Current and Proposed Residential Rates

Before Rate Adjustment:	Irvine Ranch		Los Alisos		Orange Park Acres
	Potable	Wastewater	Potable	Wastewater	Potable
Current Residential Rates:	Water	Sewer/ Recycled Water	Water	Sewer/ Recycled Water	Water
Commodity Rate	\$1.24	\$1.11	\$2.14	\$1.11	\$1.76
Residential Service	\$9.30	\$17.20	\$9.60	\$17.20	\$0.00
Operations	\$7.90	\$11.90	\$8.20	\$11.90	\$2.10
Enhancements	\$0.65	\$0.65	\$0.65	\$0.65	\$16.40
Replacements	\$0.75	\$4.65	\$0.75	\$4.65	\$0.65
Total Service Charge	<u>\$9.30</u>	<u>\$17.20</u>	<u>\$9.60</u>	<u>\$17.20</u>	<u>\$17.80</u>
Commodity (18 ccf)	<u>\$19.68</u>		<u>\$33.72</u>		<u>\$34.40</u>
Current Monthly	<u><u>\$46.18</u></u>		<u><u>\$60.52</u></u>		<u><u>\$52.20</u></u>
Proposed Residential Rate Adjustment:					
Base Commodity Rate	\$1.27	\$1.11	\$2.24 ⁽¹⁾	\$1.11	\$1.79
Operations	\$8.35	\$11.65	\$8.35 ⁽¹⁾	\$11.65	\$2.13
Enhancements	\$0.70	\$0.70	\$0.70	\$0.70	\$16.85
Replacements	\$0.80	\$6.05	\$0.80	\$6.05	\$0.70
Total Service Charge	<u>\$9.85</u>	<u>\$18.40</u>	<u>\$9.85</u>	<u>\$18.40</u>	<u>\$18.35</u>
Commodity	<u>\$19.98</u>		<u>\$34.72</u>		<u>\$34.94</u>
Proposed Monthly	\$48.23		\$62.97		\$53.29
Current Monthly	<u>\$46.18</u>		<u>\$60.52</u>		<u>\$52.20</u>
Difference	\$2.05		\$2.45		\$1.09
Change %	4.4%		4.0%		2.1%

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



REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

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



REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

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

COST OF WATER

BUDGETED COST OF WATER

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

Assumptions:

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

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

COST OF WATER

BUDGETED COST OF RECYCLED WATER

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

Assumptions:

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

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



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Program Description

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

The General Manager's office also:

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

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

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

Irvine Ranch Water District (IRWD) Groundwater Development Program:

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



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

IRWD Water Banking Program:

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

Baker Plant Water Treatment Plant:

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



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

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

Irvine Lake:

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

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

Biosolids Dewatering and Energy Recovery Facilities:

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

San Diego Creek Flood Protection for Michelson Water Recycling Plant:

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



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Wastewater Treatment, Disposal and Recycled Water Supply Optimization:

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

Sewer System Reliability Improvements:

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

Strategic Objective: Water Quality, Innovation

Salt Management Plan:

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

Research Business Plan:

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

Strategic Objective: Employee Satisfaction / Development, Cost Effectiveness

Safety Awareness Program:

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

Security Improvements:

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



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Employee Training:

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

Performance Management:

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

Succession Planning:

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

Pension and Health Benefits Study:

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

Strategic Objective: Cost Effectiveness, Water Policy

Enterprise Resource Planning Software Optimization:

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



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

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

Utility Billing Software Implementation:

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

Enterprise Asset Management System:

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

State and Federal Funding:

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

IRWD Long-Term Financing Strategy:

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

Debt and other Financial Instruments:

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

Real Estate Asset Development:

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

Strategic Objectives: Environmental Commitment, Innovation

Natural Treatment Systems (NTS):

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



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

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

Water Use Efficiency Programs:

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

Recycled Water Customer Development:

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

Development of a Solar Power Project:

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

Strategic Objectives: Communication, Customer Satisfaction, Water Policy

Government Relations/Legislation:

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



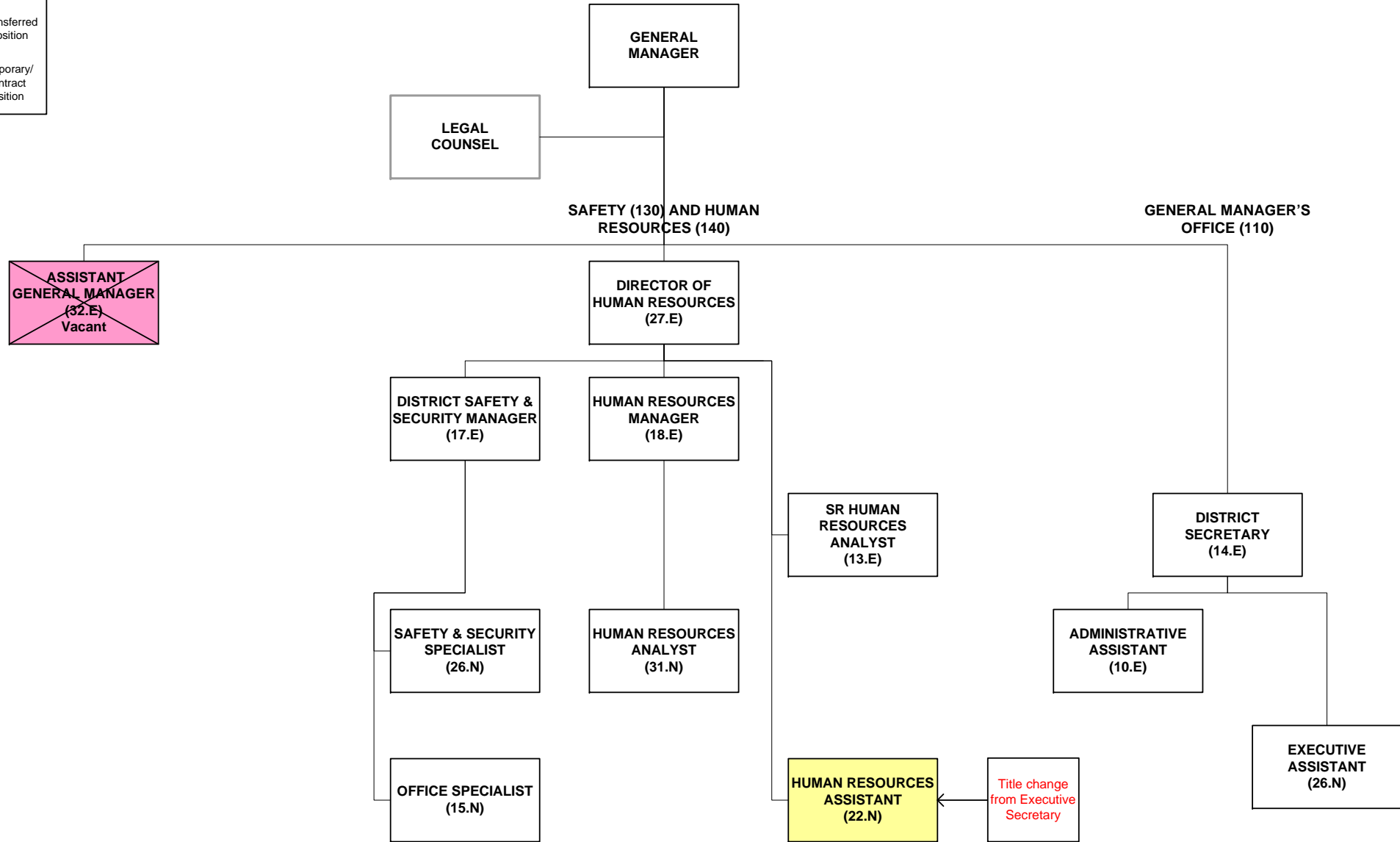
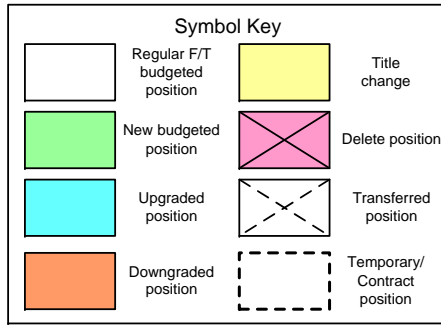
GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Enhanced Internal and External Communication and Education Programs:

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

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



Consolidated Operating Expense Budget for FY 2013-14

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



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

Program Description

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

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

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

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

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

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



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

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

Major Goals

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



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

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

Consolidated Operating Expense Budget for FY 2013-14

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



HUMAN RESOURCES

OPERATING BUDGET SUMMARY

Program Description

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

Major Goals

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

Consolidated Operating Expense Budget for FY 2013-14

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



FINANCE AND TREASURY

OPERATING BUDGET SUMMARY

Program Description

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

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

Major Goals

ACCOUNTING AND BUDGETING

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



FINANCE AND TREASURY

OPERATING BUDGET SUMMARY

FINANCE & ADMINISTRATION

LONG-TERM FINANCING STRATEGY

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

INVESTMENTS AND CASH MANAGEMENT

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

REAL ESTATE

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

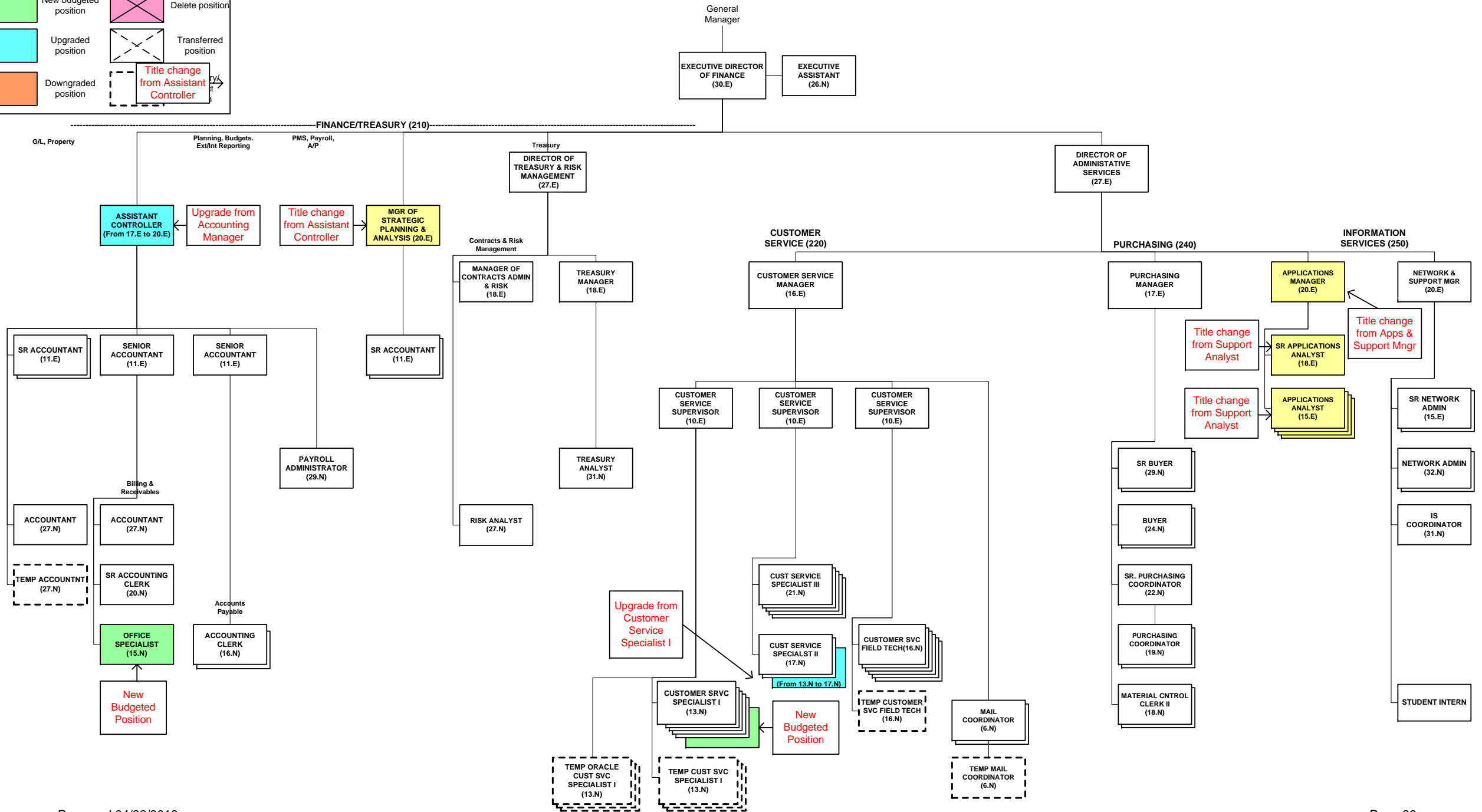
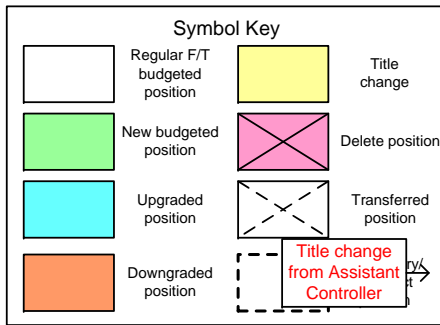
DEBT ISSUANCE AND ADMINISTRATION

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

INSURANCE

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

IRVINE RANCH WATER DISTRICT FINANCE AND ADMINISTRATION PROPOSED FISCAL YEAR 2013-14



Consolidated Operating Expense Budget for FY 2013-14

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



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

Program Description

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

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

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

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

Major Goals

CUSTOMER SERVICE

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



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

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

PURCHASING

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



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

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

INFORMATION SERVICES

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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



ENGINEERING

OPERATING BUDGET SUMMARY

Program Description

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

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

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

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

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

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



ENGINEERING

OPERATING BUDGET SUMMARY

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

Major Goals

PLANNING

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

ENGINEERING

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

Consolidated Operating Expense Budget for FY 2013-14

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



WATER QUALITY

OPERATING BUDGET SUMMARY

Program Description

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

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

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

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

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



WATER QUALITY

OPERATING BUDGET SUMMARY

Major Goals

WATER QUALITY ANALYSIS

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

REGULATORY COMPLIANCE

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



WATER QUALITY

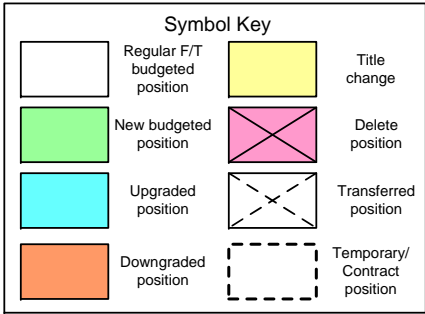
OPERATING BUDGET SUMMARY

WATER QUALITY PROJECTS

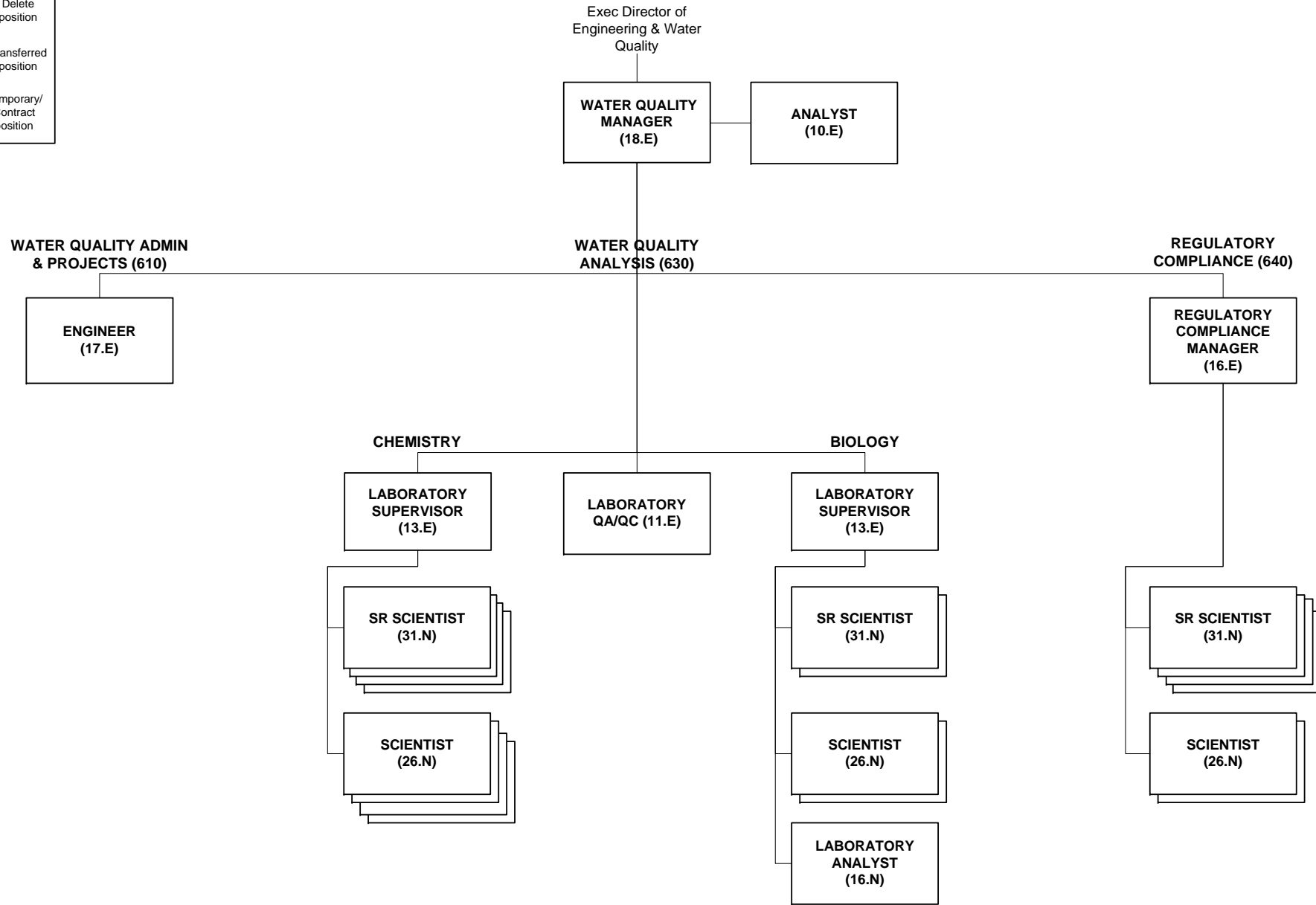
- Evaluate process control and water quality monitoring data to assess, correct or recommend performance improvement of the IRWD membrane treatment facilities, including IDP-SGU, IDP-PAP, IDP-PTP, DATS, CATS and the Wells 21/22 Desalter Plant
- Develop test protocols, standard operating protocols and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

WATER QUALITY ADMINISTRATION

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



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



Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred to Dept 610

Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred to Dept 610

Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred to Dept 630

Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred to Dept 640

Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred to Dept 640

Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred from Dept 461 and Dept 462

Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred from Dept 463

Consolidated Operating Expense Budget for FY 2013-14

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

*Amounts transferred from Dept 464 and Dept 466



WATER OPERATIONS

OPERATING BUDGET SUMMARY

Program Description

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

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

Major Goals

ADMINISTRATION

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

SYSTEM OPERATIONS

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



WATER OPERATIONS

OPERATING BUDGET SUMMARY

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

NATURAL TREATMENT SYSTEMS

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

CONSTRUCTION AND REPAIR SERVICES

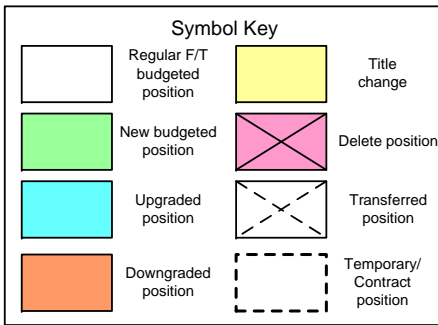
- Provide construction and repair services to internal and external customers in a safe, efficient, cost effective and environmentally sensitive manner
- Maintain a high level of customer satisfaction by responding to and repairing water leaks with minimum impact to customers
- Maintain a maximum of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

PREVENTIVE MAINTENANCE

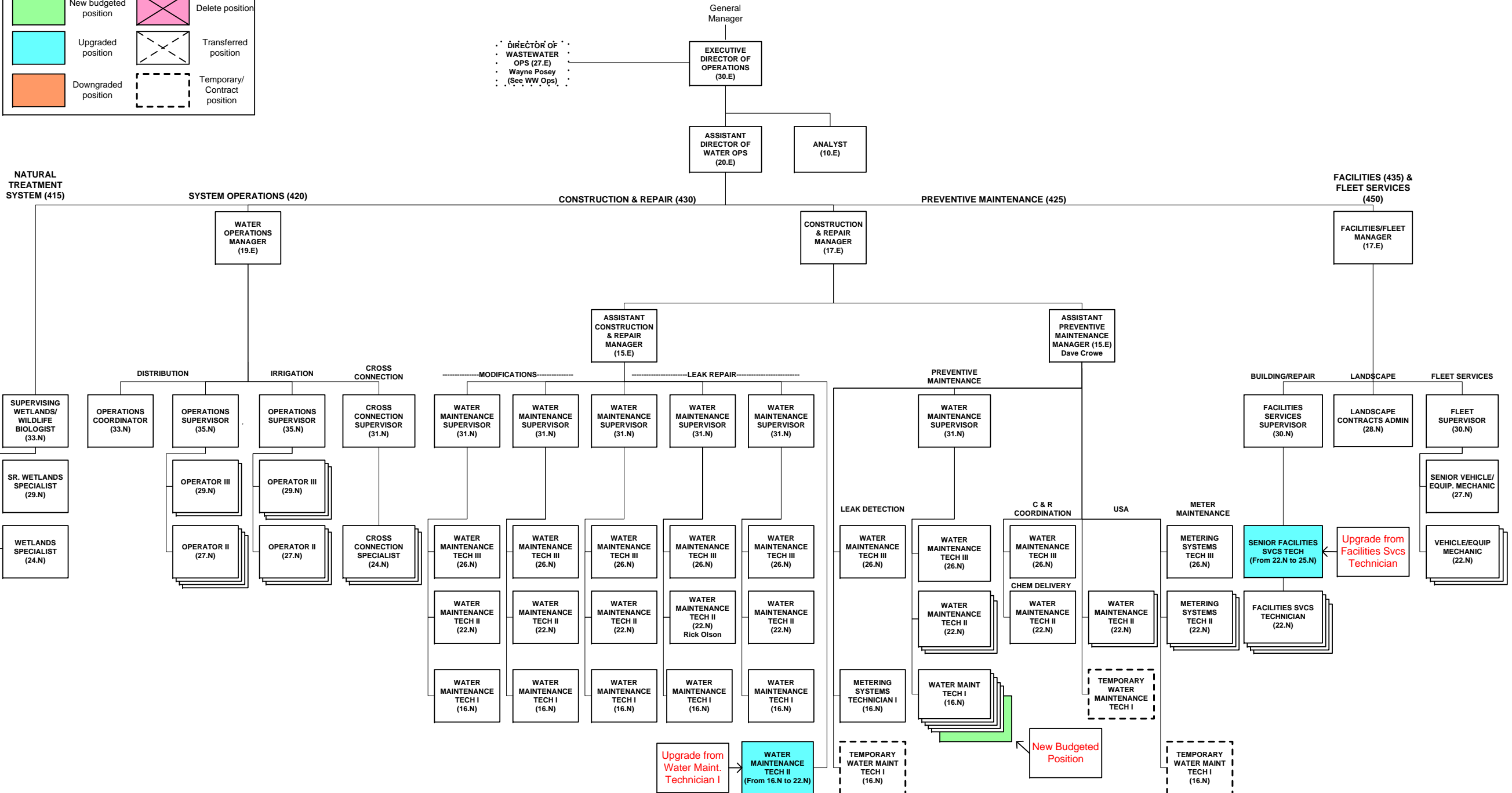
- Complete annual preventive maintenance programs on distribution pipelines and appurtenances throughout the District including valve exercising, cathodic protection test station reading, pressure reducing valve maintenance, hydrant flushing, bottom drain flushing, air/vac maintenance, meter maintenance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

FACILITIES AND FLEET MAINTENANCE

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



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



Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

Program Description

WASTEWATER OPERATIONS AND MAINTENANCE ADMINISTRATION (510)

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

ELECTRICAL SERVICES (520)

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

MECHANICAL SERVICES (540)

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

MWRP OPERATIONS (550)

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

COLLECTION SYSTEM (570)

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



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

LAWRP OPERATIONS (590)

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

Major Goals

SUPPORT SERVICES (510)

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

ELECTRICAL SERVICES (520)

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



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

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

MECHANICAL SERVICES (540)

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

MWRP OPERATIONS (550)

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



WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

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

COLLECTION SYSTEM (570)

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



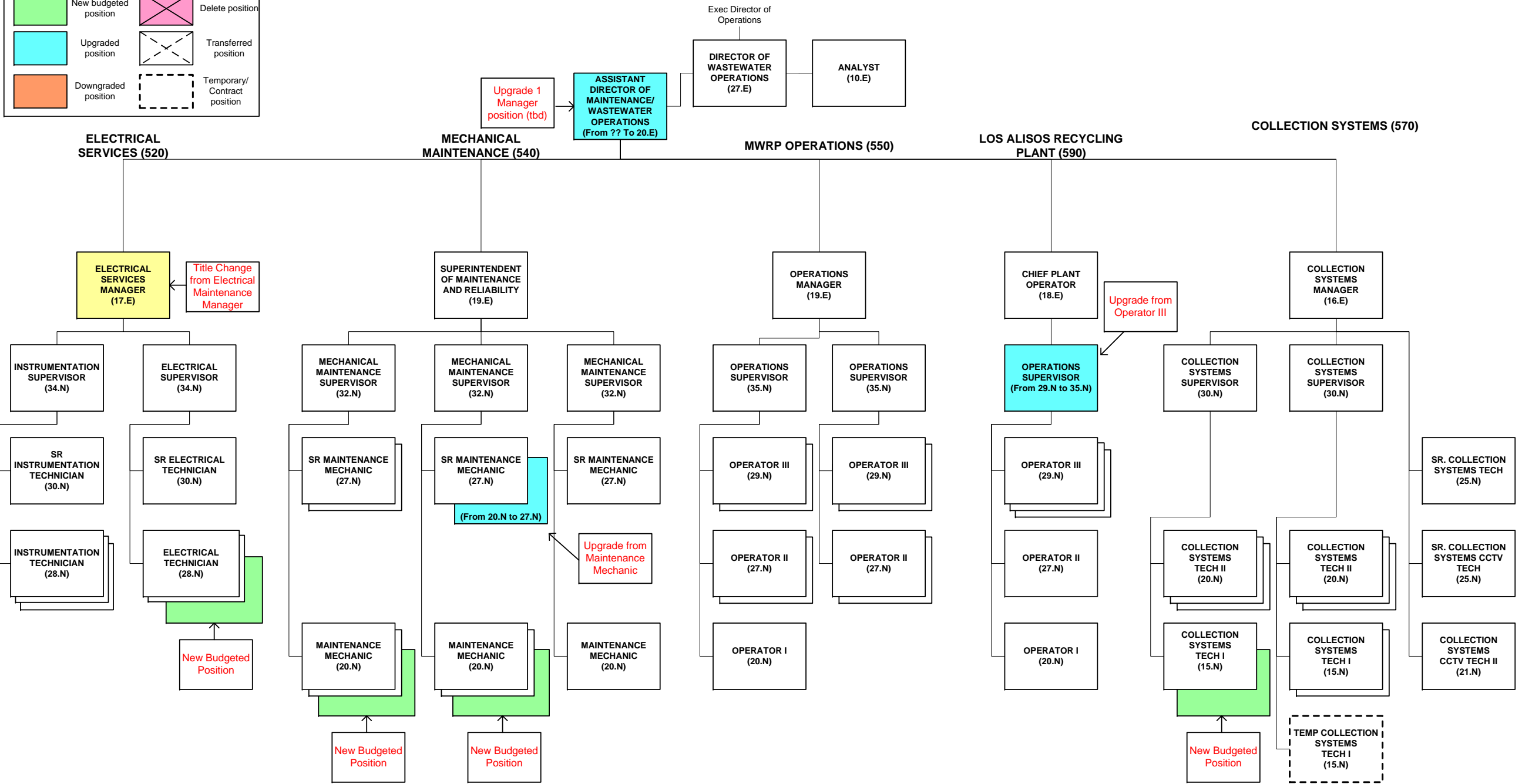
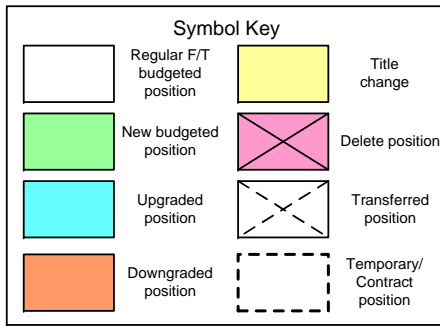
WASTEWATER OPERATIONS

OPERATING BUDGET SUMMARY

LAWRP OPERATIONS (590)

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

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



Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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

Consolidated Operating Expense Budget for FY 2013-14

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



WATER POLICY AND RESOURCES

OPERATING BUDGET SUMMARY

Program Description

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

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

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

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



WATER POLICY AND RESOURCES

OPERATING BUDGET SUMMARY

Strategic Initiatives for 2013-14

RECYCLED WATER

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

WATER USE EFFICIENCY

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



WATER POLICY AND RESOURCES

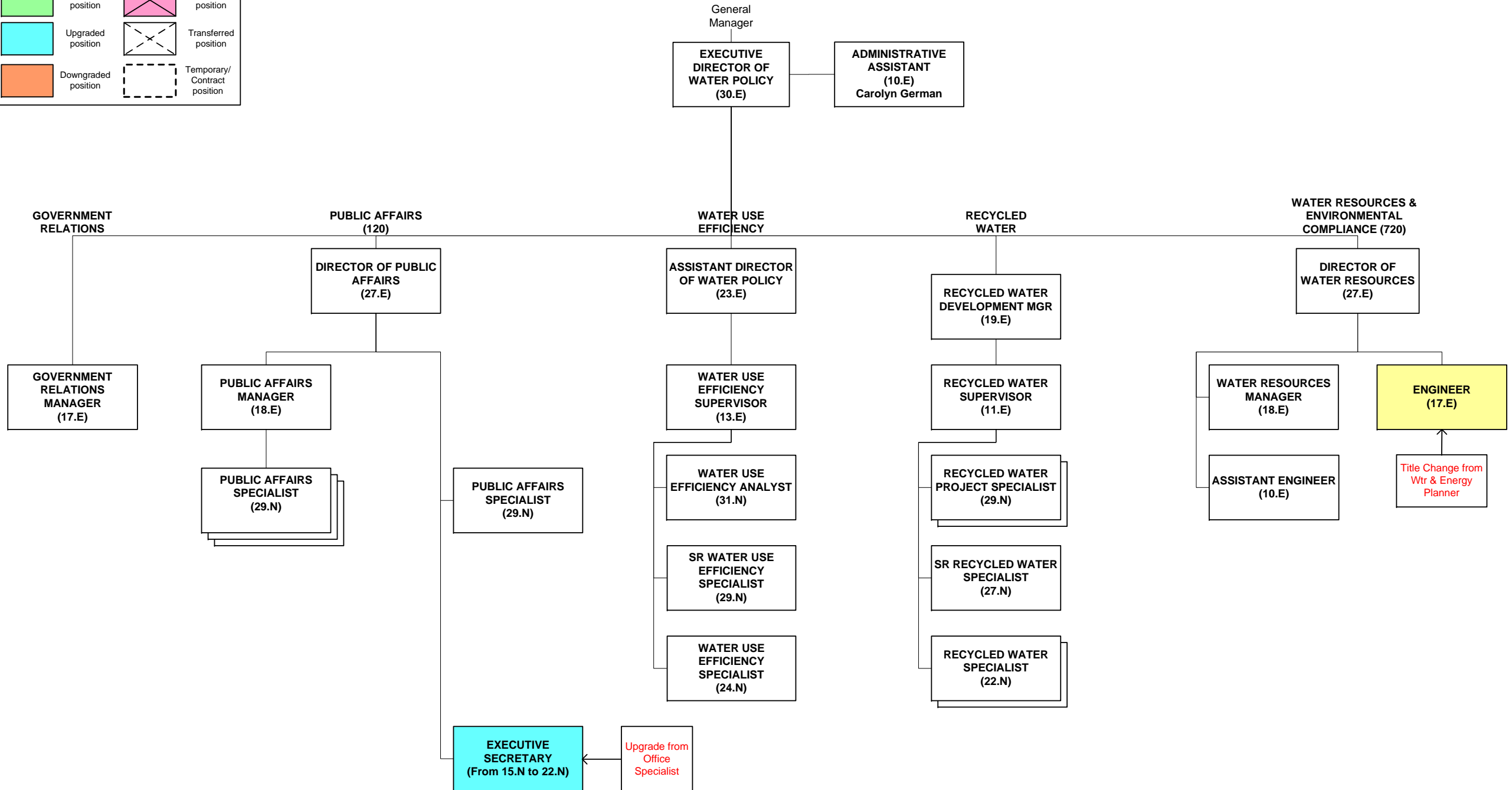
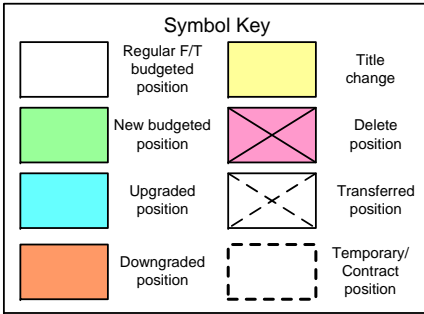
OPERATING BUDGET SUMMARY

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

GOVERNMENTAL RELATIONS

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

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



Consolidated Operating Expense Budget for FY 2013-14

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



PUBLIC AFFAIRS

OPERATING BUDGET SUMMARY

Program Description

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

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

Strategic Initiatives for 2013-14

ALWAYS WATER SMART PROGRAM

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

COMMUNITY OUTREACH AND MEDIA PROGRAMS

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

BUSINESS OUTREACH PROGRAM

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

EMPLOYEE COMMUNICATION PROGRAM

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

Consolidated Operating Expense Budget for FY 2013-14

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



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

Program Description

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

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

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

Strategic Initiatives for 2013-14

WATER RESOURCES

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



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

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

ENVIRONMENTAL COMPLIANCE

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

ENERGY PLANNING

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

Consolidated Operating Expense Budget for FY 2013-14

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



GENERAL PLANT

SUMMARY

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

Fiscal Year 2013-14

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

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

Fiscal Year 2012-13

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

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



GENERAL PLANT

ANALYSIS

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



CONSOLIDATED

GENERAL PLANT BUDGET

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



CONSOLIDATED

GENERAL PLANT BUDGET

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



CONSOLIDATED

GENERAL PLANT BUDGET

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

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

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

General Plant Description and Justification FY 2013-14 Operating Budget

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

General Plant Description and Justification FY 2013-14 Operating Budget

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

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

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

General Plant Description and Justification

FY 2013-14 Operating Budget

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

General Plant Description and Justification FY 2013-14 Operating Budget

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

General Plant Description and Justification FY 2013-14 Operating Budget

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

General Plant Description and Justification FY 2013-14 Operating Budget

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

General Plant Description and Justification

FY 2013-14 Operating Budget

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

General Plant Description and Justification

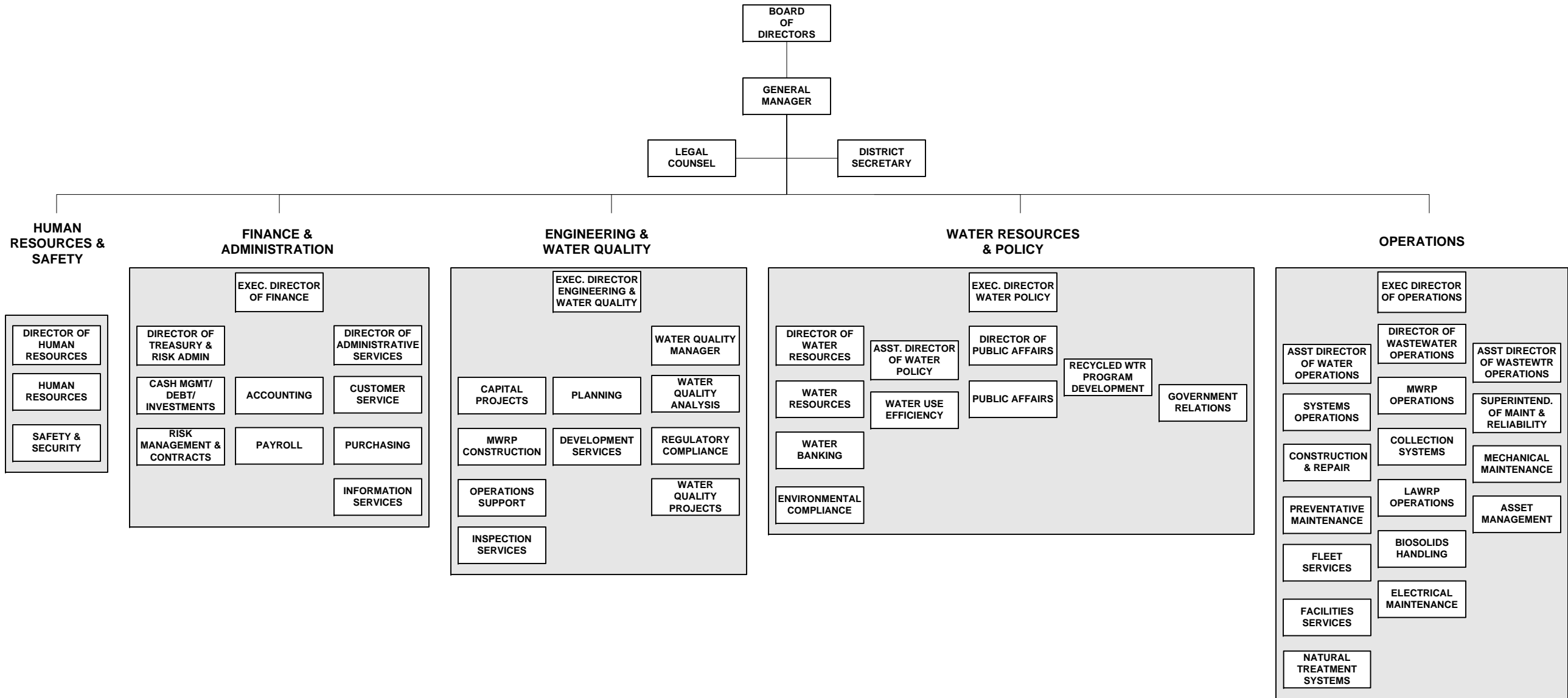
FY 2013-14 Operating Budget

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

General Plant Description and Justification FY 2013-14 Operating Budget

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

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





LABOR

THREE YEAR PERSONNEL COMPARISON

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



LABOR

SUMMARY OF SALARIES AND WAGES

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

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



BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS

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

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

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

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

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

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

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



LABOR

PROPOSED LABOR CHANGES

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

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

Public Affairs (120):

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

Human Resources (140):

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

Finance (210):

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

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

Customer Service (220):

Customer Service Specialist I (Salary Grade 13.N) ➡ Customer Service Specialist II (Salary Grade 17.N)

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



LABOR

PROPOSED LABOR CHANGES

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

Information Services (250):

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

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

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

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

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

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

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

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

Engineering (300):

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

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



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PROPOSED LABOR CHANGES

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

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

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

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

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

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

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

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

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

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

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

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

Preventive Maintenance (425):

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

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

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

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



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PROPOSED LABOR CHANGES

Facilities Services (435):

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

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

Wastewater Administration (510):

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

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

Electrical Services (520):

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

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

Mechanical Maintenance (540):

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

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



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PROPOSED LABOR CHANGES

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

Wastewater Operations (590):

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

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

Water Resources and Policy (720):

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

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

New Positions:

Finance (210):

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

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



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PROPOSED LABOR CHANGES

Customer Service (220):

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

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

Engineering (300):

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

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

Preventive Maintenance (425):

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

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

Electrical Services (520):

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

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



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PROPOSED LABOR CHANGES

Mechanical Maintenance (540):

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

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

Collection Systems (570):

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

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

Eliminated Positions:

Administration (110):

Assistant General Manager (Salary Grade 32.E)

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

IRVINE RANCH RATE AREA – RESIDENTIAL CUSTOMER



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

Background

Irvine Ranch Water District (IRWD) is a governmental agency that provides water and sewer services based on the actual cost of operation and maintenance. Each year, the IRWD Board of Directors adopts an annual operating budget that goes into effect on July 1. Part of that process is setting water and sewer rates. One of IRWD's critical business objectives is to keep costs, and therefore rates, as low as possible for all our customers. When compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest in the county.

Proposed Changes

IRWD is proposing a water rate increase of \$0.03 per ccf (one hundred cubic feet of water, or 748 gallons) to the base rate in the Irvine Ranch rate area, and **proposes no change to the existing low volume rate**. The \$0.03 increase would change the current base commodity charge for water from \$1.24 to \$1.27 per ccf, which is still one of the lowest water rates in Orange County. This change is largely due to an average 6% increase in the cost of imported water purchased from the Metropolitan Water District of Southern California (MWD) through our regional water wholesaler, the Municipal Water District of Orange County (MWDOC) and a 4% increase in the cost of groundwater from the Orange County Water District (OCWD).

The fixed water service charge is proposed to increase \$0.55 from \$9.30 to \$9.85 for the average size residential water meter. Of the proposed \$0.55 increase, \$0.10 is for planned increases to infrastructure replacement costs discussed below. The sewer rate is proposed to increase from \$17.20 to \$18.40 per month. **The total cost of all water and sewer rate increases would be an average of \$2.05 per month for the typical residential customer.**

Included in the monthly service charges to the average residential customer are \$1.50 per month for water infrastructure enhancements and replacements, and \$6.75 per month for sewer infrastructure enhancements and replacements. IRWD includes this funding source for capital enhancements and replacements as part of its long-term planning approach. By planning for the future and setting aside monies now to pay for the inevitable repair and the replacement of infrastructure such as pipes, pumping stations and treatment facilities, the District can avoid massive one-time increases to its customer rates and charges in the future.

How are Water Allocations Determined with an Allocation-Based Conservation Rate Structure?

IRWD customer bills are calculated using an allocation-based conservation rate structure uses property-specific water budgets and tiered pricing to provide customers with an economic incentive to encourage efficient water use. Under IRWD's allocation-based conservation rate structure, each customer receives a basic allocation of water that allows for a reasonable amount of water for the customer's needs. Water bills are calculated based upon how much water is used and whether customers stayed within their allocation. If a customer uses more water than their allocation, the water used that month is billed at increasingly higher tiers. Revenue generated by these higher billing tiers is applied to expenses associated with IRWD having to purchase additional imported water (the most expensive type of water for IRWD), urban runoff programs, and water conservation programs.

IRWD's water use allocations take into consideration both indoor and outdoor water use. Allocations are based on the number of residents in the home, the type of home (detached home, attached home or apartment), landscape square footage and actual daily weather and associated evapotranspiration (ET) data. ET is the amount of water that is lost by plants through evaporation and transpiration, and which needs to be replaced for the plants to remain healthy. Grass is the highest water-using plant in a landscape. Trees and shrubs use far less water than grass – but IRWD's allocation assumes that almost your entire landscape is covered with grass.

Your allocation will provide more than enough water to meet the demands of your landscaping. The base allocation formula assumes the following:

Attached home (i.e. condominium or townhouse): 3 people with 435 square feet of landscaping

Apartment: 2 people with no landscaping

Detached home (single family home): 4 people with 1300 square feet of landscaping

Variances are available to make adjustments to the allocation for more people living in the home, medical needs or other special circumstances.

An "Allocation-Based Conservation Rate Calculator" is available on the IRWD website (www.irwd.com) to show customers how staying within or exceeding your allocation will affect your monthly bill. Provide your account number from a recent bill and your bill can be recalculated using the new rates. Customers who use water wisely and within their allocation will be rewarded with some of the lowest rates in Orange County.

Proposed IRWD Residential Water and Sewer Rates*

Component	Current Rates	Proposed Rates
Water commodity charges (actual water consumption)		
Low Volume (0–40% of allocation)	\$0.91/ccf	\$0.91/ccf
Base Rate (41–100% of allocation)	\$1.24/ccf	\$1.27/ccf
Inefficient (101–150% of allocation)	\$2.76/ccf	\$2.86/ccf
Excessive (151–200% of allocation)	\$4.70/ccf	\$4.80/ccf
Wasteful (Over 200% of allocation)	\$9.84/ccf	\$9.84/ccf
Water service charge (fixed monthly charge based on meter size for the operation and maintenance of the water system)		
Residential detached/attached/apartments		
Up to a one-inch meter	\$9.30/meter	\$9.85/meter
1 ½" disc meter	\$21.90/meter	\$23.20/meter
2" disc meter	\$30.00/meter	\$31.75/meter
Master meter (shared meter) rates for residential apartments and condominiums, 5/8" or ¾" meter**	\$9.30/meter	\$9.85 /meter
Sewer service charge (Single family dwelling units)	\$17.20/month	\$18.40/month
Sewer service charge (Multi-family dwelling units, per unit)	\$12.90 to \$15.50/month	\$13.80 to \$16.60/month
Pumping surcharges by zone***	\$0.16 to \$0.42/ccf	\$0.16 to \$0.42/ccf
One-time setup fee for new accounts	\$15.00	\$17.00
Fees for Reconnection to the System in the event of Shutoff	\$70.00 - \$95.00	\$70.00 - \$95.00

* The proposed rates will become effective and operative for all bills sent starting on July 1, 2013.

**For meters one-inch and larger, IRWD applies a graduated schedule of charges on a per-meter basis, ranging from \$19.45 per month for a 1-inch meter to \$3,301.85 for a 16-inch, 18-inch or 20-inch propeller-type meter. The current amount for your meter size appears on your bill.

***A surcharge is added to the commodity rate of those users who reside at higher elevations and cause the District to incur additional pumping costs to supply their water. The surcharge is based on prevailing energy costs and varies depending upon the elevation of the area served. If you live in an area affected by a pumping surcharge, it is itemized on your monthly bill.

For the average residential customer using 18 ccf of water, the total proposed rates will translate into an increase of \$2.05 per month. Most customers in IRWD use less than 18 ccf per month.

AUTOMATIC PASS-THROUGH ADJUSTMENTS: In calculating the proposed rate increases, IRWD has used its best available information on projected increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid by IRWD to OCWD for pumping groundwater, and the cost for regional treatment of sewage paid by IRWD to the Orange County Sanitation District (OCSD). However, IRWD has no control over the amounts set by MWD, MWDOC, OCWD and OCSD (the "Regional Agencies"), and must pass those costs through to IRWD's customers. While not anticipated at this time, should any of the Regional Agencies adopt an additional increase (or decrease) in its charges ("Pass-Through Amount"), IRWD will automatically recalculate its rates to include the Pass-Through Amount. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of the adjustment, IRWD will provide its customers with the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

Any customers or property owners within the IRWD service area may file a written protest with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest and your original signature. Protest letters received by June 21 will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on June 24, 2013 at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, CA. Any customers or property owners may appear at the hearing to make comments regarding the proposed rates. Letters must be received prior to the conclusion of the June 24 public hearing.

IRVINE RANCH RATE AREA – COMMERCIAL CUSTOMER



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

Background

Irvine Ranch Water District (IRWD) is a governmental agency that provides water and sewer services based on the actual cost of operation and maintenance. Each year, the IRWD Board of Directors adopts an annual operating budget that goes into effect on July 1. Part of that process is setting water and sewer rates. One of IRWD's critical business objectives is to keep costs, and therefore rates, as low as possible for all our customers. When compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest in the county.

Proposed Changes

For commercial, industrial and institutional customers, IRWD is proposing a potable water rate increase of \$0.03 per ccf (one hundred cubic feet of water, or 748 gallons). This would change the current base commodity charge for potable water from \$1.24 to \$1.27 per ccf, which is still one of the lowest water rates in Orange County. This change is largely due to a melded of 6% increase in the cost of imported water purchased from the Metropolitan Water District of Southern California (MWD) through our regional water wholesaler, the Municipal Water District of Orange County (MWDOC) and a 4% increase in the cost of groundwater from the Orange County Water District (OCWD).

The base commodity rate for recycled water used for commercial and industrial purposes will remain unchanged at \$0.76 per ccf. The fixed monthly water service charge is proposed to increase from \$9.30 to \$9.85 for a 5/8" or 3/4" disc water meter. Of the proposed \$0.55 increase, \$0.10 is for planned increases to infrastructure replacement costs discussed below. See chart below and on reverse for the proposed fixed water service charge for other meter sizes.

The sewer service charge is proposed to increase from \$17.20 to \$18.40 per month for Non-Residential Class II customers whose water consumption is not in excess of 10 ccf per month, along with an increase in the sewer quantity charge from \$2.00/ccf to \$2.14/ccf of water used. For commercial, industrial and institutional users whose water consumption exceeds 10 ccf per month, the sewer service charge is proposed to increase from \$19.20 to \$20.54 per month, plus a combined quantity and commodity charge of \$2.242/ccf. No changes are proposed for private fire protection service or monthly fire hydrant charges.

Included in the monthly service charges to the average customer are \$1.50 per month for water infrastructure enhancements and replacements, and \$6.75 per month for sewer infrastructure enhancements and replacements. IRWD includes this funding source for capital enhancements and replacements as part of its long-term planning approach. By planning for the future and setting aside monies now to pay for the inevitable repair and the replacement of infrastructure such as pipes, pumping stations and treatment facilities, the District can avoid massive one-time increases to its customer rates and charges in the future.

The tiered rate allocation is a product of a base index for each customer that is established in the first six months of operation as a District customer. The index is a product of the customer usage and can be adjusted over time with operational changes that increase/decrease the usage.

Proposed IRWD Commercial, Industrial and Institutional Water and Sewer Rates*

Component	Current Rate	Proposed Rate
Potable water commodity charges (actual water consumption)		
Base Rate (0–100% of allocation)	\$1.24/ccf	\$1.27/ccf
Inefficient (100–110% of allocation)	\$2.76/ccf	\$2.86/ccf
Excessive (111–120% of allocation)	\$4.70/ccf	\$4.80/ccf
Wasteful (121+% of allocation)	\$9.84/ccf	\$9.84/ccf
Recycled water commodity charges (actual water consumption)		
Base Rate (0–100% of allocation)	\$0.76/ccf	\$0.76/ccf
Inefficient (100–110% of allocation)	\$1.67/ccf	\$1.67/ccf
Excessive (111–120% of allocation)	\$2.82/ccf	\$2.82/ccf
Wasteful (121+% of allocation)	\$5.91/ccf	\$5.91/ccf
Recycled water loan commodity charges (actual water consumption)		
Base Rate (0–100% of allocation)	\$1.24/ccf	\$1.27/ccf

Component	Current Rate	Proposed Rate
Inefficient (100–110% of allocation)	\$2.76/ccf	\$2.86/ccf
Excessive (111–120% of allocation)	\$4.70/ccf	\$4.80/ccf
Wasteful (121+% of allocation)	\$9.84/ccf	\$9.84/ccf
Water service charge (fixed monthly cost based on meter size)		
5/8" or 3/4" disc	\$9.30/meter	\$9.85/meter
1" disc	\$18.35/meter	\$19.45/meter
1 1/2" disc	\$50.85/meter	\$53.85/meter
2" disc	\$83.70/meter	\$88.65/meter
3" compound	\$199.55/meter	\$211.35/meter
4" compound	\$323.10/meter	\$342.20/meter
6" compound	\$518.70/meter	\$549.40/meter
8" compound	\$1,158.15/meter	\$1,226.65/meter
10" compound	\$1,285.30/meter	\$1,361.30/meter
14" compound	\$1,982.45/meter	\$2,099.70/meter
2" turbo	\$112.20/meter	\$118.85/meter
3" turbo	\$257.70/meter	\$272.95/meter
4" turbo	\$765.85/meter	\$811.15/meter
6" turbo	\$1,355.55/meter	\$1,435.70/meter
8" turbo	\$1,982.45/meter	\$2,099.70/meter
10" turbine	\$3,085.85/meter	\$3,268.35/meter
2" magnetic	\$199.55/meter	\$211.35/meter
4" magnetic	\$765.85/meter	\$811.15/meter
6" magnetic	\$1,355.55/meter	\$1,435.70/meter
8" magnetic	\$1,982.45/meter	\$2,099.70/meter
6" propeller	\$1,158.15/meter	\$1,226.65/meter
8" propeller	\$1,285.30/meter	\$1,361.30/meter
10" propeller	\$1,355.55/meter	\$1,435.70/meter
12" or 14" propeller	\$1,982.45/meter	\$2,099.70/meter
16", 18" or 20" propeller	\$3,117.50/meter	\$3,301.85/meter
Sewer service charge	\$17.20 to \$19.20/month	\$18.40/month
Sewer quantity charge	\$2.00/ccf of water used	\$2.11/ccf of water used
Industrial Waste charge	\$0.095/ccf	\$0.103/ccf
Private fire line service fee per diameter in.	\$13.60/month	\$13.60/month
Fire hydrant charge	\$23.70/month per hydrant	\$23.70/month per hydrant
Pumping surcharges by zone**	\$0.16 to \$0.42/ccf	\$0.16 to \$0.42/ccf
One-time setup fee for new accounts	\$15.00	\$17.00
Fees for Reconnection to the System in the event of Shutoff	\$70.00 - \$95.00	\$70.00 - \$95.00

* The proposed rates will become effective and operative for all bills sent starting on July 1, 2013.

**A surcharge is added to the commodity rate of those users at higher elevations that cause the District to incur additional pumping costs to supply their water. The surcharge is based on prevailing energy costs and varies depending upon the elevation of the area served. Areas affected by a pumping surcharge are itemized on the monthly bill.

AUTOMATIC RATE ADJUSTMENTS DUE TO REGIONAL AGENCY COST INCREASES: In calculating the proposed rate increases, IRWD has used the best available information on projected increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid by IRWD to OCWD for pumping groundwater, and the cost for regional treatment of sewage paid by IRWD to the Orange County Sanitation District (OCSD). However, IRWD has no control over the rate and charge amounts set by MWD, MWDOC, OCWD and OCSD (the "Regional Agencies"), and must pass those costs through to IRWD's customers to achieve full cost recovery. While not anticipated at this time, should any of the Regional Agencies adopt an additional increase in rates and charges ("regional agency cost increases"), IRWD will automatically recalculate and adjust its rates and charges to include these regional agency cost increases. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of any adjustment, IRWD will provide its customers with the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

Any customers or property owners within the IRWD service area may file a written protest with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest and your original signature. Protest letters received by June 21 will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on June 24, 2013 at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, CA. Any customers or property owners may appear at the hearing to make comments regarding the proposed rates. Letters must be received prior to the conclusion of the June 24 public hearing.

IRVINE RANCH RATE AREA – LANDSCAPE & AGRICULTURAL CUSTOMER



Irvine Ranch Water District Notice of Proposed Water Rate Change

Background

Irvine Ranch Water District (IRWD) is a governmental agency that provides water and sewer services based on the actual cost of operation and maintenance. Each year, the IRWD Board of Directors adopts an annual operating budget that goes into effect on July 1. Part of that process is setting water and sewer rates. One of IRWD's critical business objectives is to keep costs, and therefore rates, as low as possible for all our customers. When compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest in the county.

Proposed Changes

For landscape irrigation customers, IRWD is proposing a potable water rate increase of \$0.03 per ccf (one hundred cubic feet of water, or 748 gallons). This would change the current base commodity charge for potable water from \$1.24 to \$1.27 per ccf, which is still one of the lowest water rates in Orange County. For recycled non-agricultural landscape irrigation water users, the commodity charge will remain unchanged at \$1.11 per ccf. For the rate for non-potable agricultural users will remain unchanged at \$1.12 per ccf. The fixed monthly water service charge is proposed to increase \$0.55 from \$9.30 to \$9.85 for a 5/8" or 3/4" disc water meter. Of the proposed \$0.55 increase, \$0.10 is for planned increases to infrastructure replacement costs discussed below. See chart on reverse for the proposed fixed water service charge for other meter sizes.

Included in the monthly service charges to the average residential customer are \$1.50 per month for water infrastructure enhancements and replacements, and \$6.75 per month for sewer infrastructure enhancements and replacements. IRWD includes this funding source for capital enhancements and replacements as part of its long-term planning approach. By planning for the future and setting aside monies now to pay for the inevitable repair and the replacement of infrastructure such as pipes, pumping stations and treatment facilities, the District can avoid massive one-time increases to its customer rates and charges in the future. Please see the chart below to more fully explain the proposed rate changes.

The tiered rate allocation for landscape and irrigation customers is a product of landscape acreage, the irrigation system efficiency, and the evapotranspiration factor for the day and the landscape is assumed to be warm season turf grass.

Proposed IRWD Landscape and Agricultural Water Rates*

Component	Current Rate	Proposed Rate
Non-Agricultural Landscape Irrigation Uses (actual water consumption)		
Potable water commodity charges		
- Low Volume (0 - 40 % of allocation)	\$0.91/ccf	\$0.91 /ccf
- Base Rate (41 - 100 % of allocation)	\$1.24/ccf	\$1.27/ccf
- Inefficient (101 – 110 % of allocation)	\$2.76/ccf	\$2.86/ccf
- Excessive (111 – 120 % of allocation)	\$4.70/ccf	\$4.80/ccf
- Wasteful (121+% o of allocation)	\$9.84/ccf	\$9.84/ccf
Recycled and Non-potable water commodity charges		
- Low Volume (0 - 40 % of allocation)	\$0.82/ccf	\$0.82/ccf
- Base Rate (41 - 100 % of allocation)	\$1.11/ccf	\$1.11/ccf
- Inefficient (101 – 110 % of allocation)	\$2.48/ccf	\$2.48/ccf
- Excessive (111 – 120 % of allocation)	\$4.23/ccf	\$4.23/ccf
- Wasteful (121+% o of allocation)	\$8.85/ccf	\$8.85/ccf
Santiago Aqueduct Commission (SAC) Water	\$1.44/ccf	\$1.50/ccf
Agricultural Uses (actual water consumption)		
Potable water commodity charge		
- Base Rate	\$1.50/ccf	\$1.54/ccf
- Inefficient	\$3.36/ccf	\$3.46/ccf
- Excessive	\$5.71/ccf	\$5.81/ccf
- Wasteful	\$11.96/ccf	\$11.96/ccf

Component	Current Rate	Proposed Rate
Non-potable water commodity charge	\$1.12/ccf	\$1.12/ccf
SAC Water	\$1.50/ccf	\$1.57/ccf
Water service charge (fixed monthly cost based on meter size)		
5/8" or 3/4" disc	\$9.30/meter	\$9.85/meter
1" disc	\$18.35/meter	\$19.45/meter
1 1/2" disc	\$50.85/meter	\$53.85/meter
2" disc	\$83.70/meter	\$88.65/meter
3" compound	\$199.55/meter	\$211.35/meter
4" compound	\$323.10/meter	\$342.20/meter
6" compound	\$518.70/meter	\$549.40/meter
8" compound	\$1,158.15/meter	\$1,226.65/meter
10" compound	\$1,285.30/meter	\$1,361.30/meter
14" compound	\$1,982.45/meter	\$2,099.70/meter
2" turbo	\$112.20/meter	\$118.85/meter
3" turbo	\$257.70/meter	\$272.95/meter
4" turbo	\$765.85/meter	\$811.15/meter
6" turbo	\$1,355.55/meter	\$1,435.70/meter
8" turbo	\$1,982.45/meter	\$2,099.70/meter
10" turbine	\$3,085.85/meter	\$3,268.35/meter
2" magnetic	\$199.55/meter	\$211.35/meter
4" magnetic	\$765.85/meter	\$811.15/meter
6" magnetic	\$1,355.55/meter	\$1,435.70/meter
8" magnetic	\$1,982.45/meter	\$2,099.70/meter
6" propeller	\$1,158.15/meter	\$1,226.65/meter
8" propeller	\$1,285.30/meter	\$1,361.30/meter
10" propeller	\$1,355.55/meter	\$1,435.70/meter
12" or 14" propeller	\$1,982.45/meter	\$2,099.70/meter
16", 18" or 20" propeller	\$3,117.50/meter	\$3,301.85/meter
Pumping surcharges by zone**	\$0.16 to \$0.42/ccf	\$0.16 to \$0.42/ccf
One-time setup fee for new accounts	\$15.00	\$17.00
Fees for Reconnection to the System in the event of Shutoff	\$70.00 - \$95.00	\$70.00 - \$95.00

* The proposed rates will become effective and operative for all bills sent starting on July 1, 2013.

**A surcharge is added to the commodity rate of those users at higher elevations that cause the District to incur additional pumping costs to supply their water. The surcharge is based on prevailing energy costs and varies depending upon the elevation of the area served. Areas affected by a pumping surcharge are itemized on the monthly bill.

AUTOMATIC RATE ADJUSTMENTS DUE TO REGIONAL AGENCY COST INCREASES: In calculating the proposed rate increases, IRWD has used the best available information on projected increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid by IRWD to Orange County Water District (OCWD) for pumping groundwater, and the cost for regional treatment of sewage paid by IRWD to the Orange County Sanitation District (OCSD). However, IRWD has no control over the rate and charge amounts set by the Metropolitan Water District, the Municipal Water District of Orange County, OCWD and OCSD (the "Regional Agencies"), and must pass those costs through to IRWD's customers to achieve full cost recovery. While not anticipated at this time, should any of the Regional Agencies adopt an additional increase in rates and charges ("regional agency cost increases"), IRWD will automatically recalculate and adjust its rates and charges to include these regional agency cost increases. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of any adjustment, IRWD will provide its customers with the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

Any customers or property owners within the IRWD service area may file a written protest with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest and your original signature. Protest letters received by June 21 will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on June 24, 2013 at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, CA. Any customers or property owners may appear at the hearing to make comments regarding the proposed rates. Letters must be received prior to the conclusion of the June 24 public hearing.

LOS ALISOS RATE AREA – RESIDENTIAL CUSTOMER



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

Background

Irvine Ranch Water District (IRWD) is a governmental agency that provides water and sewer services based on the actual cost of operation and maintenance. Each year, the IRWD Board of Directors adopts an annual operating budget that goes into effect on July 1. Part of that process is setting water and sewer rates. One of IRWD's critical business objectives is to keep costs, and therefore rates, as low as possible for all our customers. When compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest in the county.

Proposed Changes

IRWD is proposing a water rate increase of \$0.10 per ccf (one hundred cubic feet of water, or 748 gallons) to the base rate. The \$0.10 increase would change the current base commodity charge for water from \$2.14 to \$2.24 per ccf. This change is largely due to an average 5% increase in the cost of imported water purchased from the Metropolitan Water District (MWD) through our regional water wholesaler, the Municipal Water District of Orange County (MWDOC).

The proposed increase in the fixed water service charge will increase from \$9.60 to \$9.85 for the average size residential water meter, and meters larger than 1" in diameter will increase approximately 19.5%. The sewer rate is proposed to increase from \$17.20 to \$18.40 per month. **The total cost of all water and sewer rate increases would be an average of \$2.45 per month for the typical residential customer.**

Included in the monthly service charges to the average residential customer are \$1.50 per month for water infrastructure replacements and enhancements, and \$6.75 per month for sewer infrastructure replacements and enhancements. IRWD includes this funding source for capital replacement and enhancements as part of its long-term planning approach. By planning for the future and setting aside monies now to pay for the inevitable repair and the replacement of infrastructure such as pipes, pumping stations and treatment facilities, the District can avoid massive one-time increases to its customer rates and charges in the future.

How are Water Allocations Determined with an Allocation-Based Conservation Rate Structure?

IRWD customer bills are calculated using an allocation-based conservation rate structure uses property-specific water budgets and tiered pricing to provide customers with an economic incentive to encourage efficient water use. Under IRWD's allocation-based conservation rate structure, each customer receives a basic allocation of water that allows for a reasonable amount of water for the customer's needs. Water bills are calculated based upon how much water is used and whether customers stayed within their allocation. If a customer uses more water than their allocation, the water used that month is billed at increasingly higher tiers. Revenue generated by these higher billing tiers is applied to expenses associated with IRWD having to purchase additional imported water (the most expensive type of water for IRWD), urban runoff programs, and water conservation programs.

IRWD's water use allocations take into consideration both indoor and outdoor water use. Allocations are based on the number of residents in the home, the type of home (detached home, attached home or apartment), landscape square footage and actual daily weather and associated evapotranspiration (ET) data. ET is the amount of water that is lost by plants through evaporation and transpiration, and which needs to be replaced for the plants to remain healthy. Grass is the highest water-using plant in a landscape. Trees and shrubs use far less water than grass – but IRWD's allocation assumes that almost your entire landscape is covered with grass.

Your allocation will provide more than enough water to meet the demands of your landscaping. The base allocation formula assumes the following:

- Attached home (i.e. condominium or townhouse): 3 people with 435 square feet of landscaping
- Apartment: 2 people with no landscaping
- Detached home (single family home): 4 people with 1300 square feet of landscaping

Variances are available to make adjustments to the allocation for more people living in the home, medical needs or other special circumstances.

An "Allocation-Based Conservation Rate Calculator" is available on the IRWD website (www.irwd.com) to show customers how staying within or exceeding your allocation will affect your monthly bill. Provide your account number from a recent bill and your

bill can be recalculated using the new rates. Customers who use water wisely and within their allocation will be rewarded with some of the lowest rates in Orange County.

Proposed IRWD Residential Water and Sewer Rates - Los Alisos Rate Area*

Component	Current Rates	Proposed Rates
Water commodity charges (actual water consumption)		
Low Volume (0 – 40% of allocation)	\$1.54/ccf	\$1.54/ccf
Base Rate (41 – 100% of allocation)	\$2.14/ccf	\$2.24/ccf
Inefficient (101 – 150% of allocation)	\$3.16/ccf	\$3.20/ccf
Excessive (151 – 200% of allocation)	\$4.70/ccf	\$4.80/ccf
Wasteful (Over 200% of allocation)	\$9.84/ccf	\$9.84/ccf
Water service charge (fixed monthly charge based on meter size for the operation and maintenance of the water system)		
Residential detached/attached/apartments		
5/8 or 3/4" meter	\$9.60/meter	\$9.85/meter
1" disc meter	\$18.20/meter	\$19.45/meter
1 1/2" disc meter	\$50.85/meter	\$53.85/meter
Master meter (shared meter) rates for residential apartments and condominiums, 5/8" or 3/4" meter**	\$9.60/meter	\$9.85/meter
Sewer service charge (Single family dwelling units)	\$17.20/month	\$18.40/month
Sewer service charge (Multi-family dwelling units, per unit)	\$12.90 to \$15.50/month	\$13.80 to \$16.60/month
Pumping surcharges by zone***	\$0.18/ccf	\$0.18/ccf
One-time setup fee for new accounts	\$15.00	\$17.00
Fees for Reconnection to the System in the event of Shutoff	\$70.00 - \$95.00	\$70.00 - \$95.00

* The proposed rates will become effective and operative for all bills sent starting on July 1, 2013.

**For meters larger than one-inch in the Los Alisos Service, IRWD applies a graduated schedule of charges on a per-meter basis, ranging from \$19.45 per month for a 1-inch meter to \$2,099.70 for a 14-inch compound meter. The current amount for your meter size appears on your bill.

***A surcharge is added to the commodity rate of those users who reside at higher elevations and cause the District to incur additional pumping costs to supply their water. The surcharge is based on prevailing energy costs and varies depending upon the elevation of the area served. If you live in an area affected by a pumping surcharge, it is itemized on your monthly bill.

For the average residential customer using 18 ccf of water, the total proposed rates will translate into an increase of \$2.45 per month. Most customers in IRWD use less than 18 ccf per month.

AUTOMATIC RATE ADJUSTMENTS DUE TO REGIONAL AGENCY COST INCREASES: In calculating the proposed rate increases, IRWD has used the best available information on projected increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid by IRWD to Orange County Water District (OCWD) for pumping groundwater, and the cost for regional treatment of sewage paid by IRWD to the Orange County Sanitation District (OCSD). However, IRWD has no control over the rate and charge amounts set by MWD, MWDOC, OCWD and OCSD (the "Regional Agencies"), and must pass those costs through to IRWD's customers to achieve full cost recovery. While not anticipated at this time, should any of the Regional Agencies adopt an additional increase in rates and charges ("regional agency cost increases"), IRWD will automatically recalculate and adjust its rates and charges to include these regional agency cost increases. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of any adjustment, IRWD will provide its customers with the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

Any customers or property owners within the IRWD service area may file a written protest with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest and your original signature. Protest letters received by June 21 will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on June 24, 2013 at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, CA. Any customers or property owners may appear at the hearing to make comments regarding the proposed rates. Letters must be received prior to the conclusion of the June 24 public hearing.

LOS ALISOS RATE AREA – COMMERCIAL CUSTOMER



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

Background

Irvine Ranch Water District (IRWD) is a governmental agency that provides water and sewer services based on the actual cost of operation and maintenance. Each year, the IRWD Board of Directors adopts an annual operating budget that goes into effect on July 1. Part of that process is setting water and sewer rates. One of IRWD's critical business objectives is to keep costs, and therefore rates, as low as possible for all our customers. When compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest in the county.

Proposed Changes

For commercial, industrial and institutional customers in the Los Alisos rate area, IRWD is proposing a potable water rate increase of \$0.10 per ccf (one hundred cubic feet of water, or 748 gallons) on the base rate. The increase in the base commodity charge for potable water is from \$2.14 to \$2.24 per ccf. This change is largely due to an average 6% increase in the cost of imported water purchased from the Metropolitan Water District of Southern California (MWD) through our regional water wholesaler, the Municipal Water District of Orange County.

The fixed monthly water service charge is not proposed to change for meters sized 1" or less. For meters larger than 1", see the chart on reverse for the proposed fixed water service charge for other meter sizes.

The sewer service charge is proposed to increase from \$17.20 to \$18.40 per month for Non-Residential Class II customers whose water consumption is not in excess of 10 ccf per month, along with an increase in the sewer quantity charge from \$2.00/ccf to \$2.14/ccf of water used. For commercial, industrial and institutional users whose water consumption exceeds 10 ccf per month, the sewer service charge is proposed to increase from \$18.40 to \$20.15 per month.

Included in the monthly service charges to the average residential customer are \$1.50 per month for water infrastructure replacements and enhancements, and \$6.75 per month for sewer infrastructure replacements and enhancements. IRWD includes this funding source for capital replacement and enhancements as part of its long-term planning approach. By planning for the future and setting aside monies now to pay for the inevitable repair and the replacement of infrastructure such as pipes, pumping stations and treatment facilities, the District can avoid massive one-time increases to its customer rates and charges in the future.

The tiered rate allocation is a product of a base index for each customer that is established in the first six months of operation as a District customer. The index is a product of the customer usage and can be adjusted over time with operational changes that increase/decrease the usage.

Proposed IRWD Commercial, Industrial and Institutional Water and Sewer Rates - Los Alisos Rate Area*

Component	Current Rate	Proposed Rate
Potable water commodity charges (actual water consumption)		
Low Volume (0 – 40% of allocation)	\$1.54/ccf	\$1.54/ccf
Base Rate (41– 100% of allocation)	\$2.14/ccf	\$2.24/ccf
Inefficient (100-110% of allocation)	\$3.16/ccf	\$3.20/ccf
Excessive (111-120% of allocation)	\$4.70/ccf	\$4.80/ccf
Wasteful (121+% of allocation)	\$9.84/ccf	\$9.84/ccf
Recycled water commodity charges (actual water consumption)		
Base Rate (0 – 100% of allocation)	\$0.74/ccf	\$0.76/ccf
Inefficient (100-110% of allocation)	\$1.51/ccf	\$1.67/ccf
Excessive (111-120% of allocation)	\$2.59/ccf	\$2.82/ccf
Wasteful (121+% of allocation)	\$5.69/ccf	\$5.91/ccf
Recycled water loan commodity charges (actual water consumption)		
Base Rate (0-100% of allocation)	\$1.24/ccf	\$1.27/ccf
Inefficient (100-110% of allocation)	\$2.76/ccf	\$2.86/ccf
Excessive (111-120% of allocation)	\$4.70/ccf	\$4.80/ccf

Component	Current Rate	Proposed Rate
Wasteful (121+% of allocation)	\$9.48/ccf	\$9.84/ccf
Water service charge (fixed monthly cost based on meter size)		
5/8" or 3/4" disc	\$9.60/meter	\$9.85/meter
1" disc	\$18.20/meter	\$19.45/meter
1 1/2" disc	\$50.85/meter	\$53.85/meter
2" disc	\$71.05/meter	\$84.90/meter
3" compound	\$164.85/meter	\$197.00/meter
4" compound	\$254.75/meter	\$304.45/meter
6" compound	\$503.45/meter	\$549.40/meter
8" compound	\$801.75/meter	\$958.10/meter
10" compound	\$1,150.35/meter	\$1,361.30/meter
14" compound	\$1,982.45/meter	\$2,099.70/meter
2" turbo	\$105.10/meter	\$118.85/meter
3" turbo	\$229.70/meter	\$272.95/meter
4" turbo	\$627.95/meter	\$750.40/meter
6" turbo	\$1,249.95/meter	\$1,435.70/meter
8" turbo	\$1,749.45/meter	\$2,090.70/meter
2" magnetic meter	\$164.85/meter	\$197.00/meter
4" magnetic meter	\$627.95/meter	\$750.40/meter
6" magnetic meter	\$1,249.95/meter	\$1,435.70/meter
10" magnetic meter	\$1,749.40/meter	\$2,090.55/meter
Sewer service charge	\$17.20 to \$19.20/month	\$18.40 /month
Sewer quantity charge	\$2.00/ccf of water used	\$2.11/ccf of water used
Industrial waste charge	\$0.095/ccf	\$0.103/ccf
Private fire line service fee per diameter inch	\$13.60/month	\$13.60/month
Fire hydrant charge	\$23.70/month per hydrant	\$23.70/month per hydrant
Pumping surcharges by zone**	\$0.18/ccf	\$0.18/ccf
One-time setup fee for new accounts	\$15.00	\$17.00
Fees for Reconnection to the System in the event of Shutoff	\$70.00 - \$95.00	\$70.00 - \$95.00

* The proposed rates will become effective and operative for all bills sent starting on July 1, 2013.

**A surcharge is added to the commodity rate of those users at higher elevations that cause the District to incur additional pumping costs to supply their water. The surcharge is based on prevailing energy costs and varies depending upon the elevation of the area served. Areas affected by a pumping surcharge are itemized on the monthly bill.

AUTOMATIC RATE ADJUSTMENTS DUE TO REGIONAL AGENCY COST INCREASES: In calculating the proposed rate increases, IRWD has used the best available information on projected increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid by IRWD to Orange County Water District (OCWD) for pumping groundwater, and the cost for regional treatment of sewage paid by IRWD to the Orange County Sanitation District (OCSD). However, IRWD has no control over the rate and charge amounts set by the Metropolitan Water District, the Municipal Water District of Orange County, OCWD and OCSD (the "Regional Agencies"), and must pass those costs through to IRWD's customers to achieve full cost recovery. While not anticipated at this time, should any of the Regional Agencies adopt an additional increase in rates and charges ("regional agency cost increases"), IRWD will automatically recalculate and adjust its rates and charges to include these regional agency cost increases. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of any adjustment, IRWD will provide its customers with the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

Any customers or property owners within the IRWD service area may file a written protest with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest and your original signature. Protest letters received by June 21 will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on June 24, 2013 at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, CA. Any customers or property owners may appear at the hearing to make comments regarding the proposed rates. Letters must be received prior to the conclusion of the June 24 public hearing.

LOS ALISOS RATE AREA – LANDSCAPE CUSTOMER



Irvine Ranch Water District Notice of Proposed Water Rate Change

Background

Irvine Ranch Water District (IRWD) is a governmental agency that provides water and sewer services based on the actual cost of operation and maintenance. Each year, the IRWD Board of Directors adopts an annual operating budget that goes into effect on July 1. Part of that process is setting water and sewer rates. One of IRWD's critical business objectives is to keep costs, and therefore rates, as low as possible for all our customers. When compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest in the county.

Proposed Changes

For landscape irrigation customers, IRWD is proposing a potable water rate increase of \$0.10 per ccf (one hundred cubic feet of water, or 748 gallons) on the base rate. This would change the current base commodity charge for potable water from \$2.14 to \$2.24 per ccf. The non-potable or recycled landscape irrigation or agricultural water is not proposed to increase and will remain at \$1.11 per ccf. This change is largely due to an average 6% increase in the cost of imported water purchased from the Metropolitan Water District of Southern California (MWD) through our regional water wholesaler, the Municipal Water District of Orange County (MWDOC).

The fixed monthly water service charge is not proposed to increase for meters 1" and under. **See chart below and on reverse for the proposed fixed water service charge for other meter sizes, which are proposed to increase.**

Proposed IRWD Landscape and Agricultural Water Rates - Los Alisos Rate Area*

Component	Current Rate	Proposed Rate
Non-Agricultural Landscape Irrigation Uses (actual water consumption)		
Potable water commodity charges	\$1.54/ccf	\$1.54/ccf
- Low Volume (0 - 40 % of allocation)	\$2.14/ccf	\$2.24/ccf
- Base Rate (41 - 100 % of allocation)	\$3.16/ccf	\$3.20/ccf
- Inefficient (101 – 110 % of allocation)	\$4.70/ccf	\$4.80/ccf
- Excessive (111 – 120 % of allocation)	\$9.84/ccf	\$9.84/ccf
- Wasteful (121+% o of allocation)		
Recycled and Non-potable water commodity charges	\$0.82/ccf	\$0.82/ccf
- Low Volume (0 - 40 % of allocation)	\$1.11/ccf	\$1.11/ccf
- Base Rate (41 - 100 % of allocation)	\$2.48/ccf	\$2.48/ccf
- Inefficient (101 – 110 % of allocation)	\$4.23/ccf	\$4.23/ccf
- Excessive (111 – 120 % of allocation)	\$8.85/ccf	\$8.85/ccf
- Wasteful (121+% o of allocation)		
Santiago Aqueduct Commission (SAC)Water	\$1.44/ccf	\$1.50/ccf
Agricultural Uses (actual water consumption)		
Potable water commodity charge		
- Base Rate	\$2.50/ccf	\$2.60/ccf
- Inefficient	\$4.29/ccf	\$4.52/ccf
- Excessive	\$7.04/ccf	\$7.21/ccf
- Wasteful	\$11.34ccf	\$11.70ccf
Non-potable water commodity charge	\$1.11/ccf	\$1.11/ccf
SAC Water	\$1.50/ccf	\$1.57/ccf
Water service charge (fixed monthly cost based on meter size)		
5/8" or 3/4" disc	\$9.60/meter	\$9.85/meter
1" disc	\$18.20/meter	\$19.45/meter
1 1/2" disc	\$50.85/meter	\$53.85/meter

Component	Current Rate	Proposed Rate
2" disc	\$71.05/meter	\$84.90/meter
3" compound	\$164.85/meter	\$197.00/meter
4" compound	\$254.75/meter	\$304.45/meter
6" compound	\$503.45/meter	\$549.40/meter
8" compound	\$801.75/meter	\$958.10/meter
10" compound	\$1,150.35/meter	\$1,361.30/meter
14" compound	\$1,982.45/meter	\$2,099.70/meter
2" turbo	\$105.10/meter	\$118.85/meter
3" turbo	\$229.70/meter	\$272.95/meter
4" turbo	\$627.95/meter	\$750.40/meter
6" turbo	\$1,249.95/meter	\$1,435.70/meter
8" turbo	\$1,749.45/meter	\$2,090.70/meter
2" magnetic meter	\$164.85/meter	\$197.00/meter
4" magnetic meter	\$627.95/meter	\$750.40/meter
6" magnetic meter	\$1,249.95/meter	\$1,435.70/meter
10" magnetic meter	\$1,749.40/meter	\$2,090.55/meter
Sewer service charge	\$17.20 /month	\$18.40 /month
Sewer quantity charge	\$2.00/ccf of water used	\$2.11/ccf of water used
Industrial waste charge	\$0.095/ccf	\$0.103/ccf
Private fire line service fee per diameter in.	\$9.50/month	\$9.50/month
Fire hydrant charge	\$23.70/month per hydrant	\$23.70/month per hydrant
Pumping surcharges by zone**	\$0.18/ccf	\$0.18/ccf
One-time setup fee for new accounts	\$15.00	\$17.00
Fees for Reconnection to the System in the event of Shutoff	\$70.00 - \$95.00	\$70.00 - \$95.00

* The proposed rates will become effective and operative for all bills sent starting on July 1, 2013.

**A surcharge is added to the commodity rate of those users who reside at higher elevations and cause the District to incur additional pumping costs to supply their water. The surcharge is based on prevailing energy costs and varies depending upon the elevation of the area served. If you live in an area affected by a pumping surcharge, it is itemized on your monthly bill.

AUTOMATIC RATE ADJUSTMENTS DUE TO REGIONAL AGENCY COST INCREASES: In calculating the proposed rate increases, IRWD has used the best available information on projected increases in the cost of imported water IRWD purchases from MWD through MWDOC, the replenishment charges paid by IRWD to Orange County Water District (OCWD) for pumping groundwater, and the cost for regional treatment of sewage paid by IRWD to the Orange County Sanitation District (OCSD). However, IRWD has no control over the rate and charge amounts set by MWD, MWDOC, OCWD and OCSD (the "Regional Agencies"), and must pass those costs through to IRWD's customers to achieve full cost recovery. While not anticipated at this time, should any of the Regional Agencies adopt an additional increase in rates and charges ("regional agency cost increases"), IRWD will automatically recalculate and adjust its rates and charges to include these regional agency cost increases. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of any adjustment, IRWD will provide its customers with the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption or annual total sewage flow as appropriate. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

Any customers or property owners within the IRWD service area may file a written protest with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest and your original signature. Protest letters received by June 21 will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on June 24, 2013 at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, CA. Any customers or property owners may appear at the hearing to make comments regarding the proposed rates. Letters must be received prior to the conclusion of the June 24 public hearing.

ORANGE PARK ACRES RATE AREA – RESIDENTIAL AND LANDSCAPE CUSTOMER



Irvine Ranch Water District Notice of Proposed Water Rate Change

Background

Irvine Ranch Water District (IRWD) is a local governmental agency that provides water and sewer services based on the actual cost of operation and maintenance. Each year, the IRWD Board of Directors adopts an annual operating budget that goes into effect on July 1. Part of that process is setting water rates. One of IRWD's critical business objectives is to keep costs, and therefore rates, as low as possible for all our customers. When compared with other agencies providing similar services in Orange County, IRWD's rates are consistently among the lowest in the county.

Rates in the Orange Park Acres rate area are tied directly to the proposed changes in the Irvine Ranch rate area, by agreement. Once the Orange Park Acres rate area's "buy-in" to IRWD is completed, Orange Park Acres rate area customers will be migrated to the Irvine Ranch rate area rates.

Proposed Changes

IRWD is proposing a water rate increase of \$0.03 per ccf (one hundred cubic feet of water, or 748 gallons). This would change the current base commodity charge for water from \$1.76 to \$1.79 per ccf. This change is largely due to an average 6% increase in the cost of imported water purchased from the Metropolitan Water District of Southern California (MWD) through our regional water wholesaler, the Municipal Water District of Orange County (MWD OC). Prior to consolidation with IRWD, customers in the former Orange Park Acres Mutual Water Company were paying \$2.00/ccf.

The fixed water service charge is proposed to increase \$0.55 from \$17.80 to \$18.35 per month for all sizes of residential water meters. See chart below for other sizes of meters. Included in the monthly service charges to the average residential customer are \$1.50 per month for water infrastructure enhancements and replacements. IRWD includes this funding source for capital replacement and enhancements as part of its long-term planning approach. By planning for the future and setting aside monies now to pay for the inevitable repair and the replacement of infrastructure such as pipes, pumping stations and treatment facilities, the District can avoid massive one-time increases to its customer rates and charges in the future.

The total cost of all water rate increases would be an average of \$2.41 per month for the typical residential customer using an average 62 ccf per month. Please see the chart below to more fully explain the proposed rate changes.

Proposed IRWD Residential Water Rates - Orange Park Acres Rate Area*

Component	Current Rate	Proposed Rate
Water commodity charges (actual water consumption)		
3/4" Meter Size		
- Standard Tier I (0 – 10 ccf)	\$1.76/ccf	\$1.79/ccf
- Excess Tier II (11 – 40 ccf)	\$2.10/ccf	\$2.13/ccf
- Excess Tier III (41+ ccf)	\$2.65/ccf	\$2.68/ccf
Water service charge (the fixed monthly charge for the operation and maintenance of the water system)		
All meter sizes	\$17.80/meter	\$18.35/meter
One-time setup fee for new accounts	\$15.00	\$17.00
Fees for Reconnection to the System in the event of Shutoff	\$70.00 - \$95.00	\$70.00 - \$95.00

* The proposed rates will become effective and operative for all bills sent starting on July 1, 2013.

For the average residential customer using 62 ccf of water, the total proposed rates will translate into an increase of \$2.41 per month.

AUTOMATIC RATE ADJUSTMENTS DUE TO REGIONAL AGENCY COST INCREASES: In calculating the proposed rate increases, IRWD has used the best available information on projected increases in the cost of imported water IRWD purchases from MWD through MWDOC and the replenishment charges paid by IRWD to Orange County Water District (OCWD) for pumping groundwater. However, IRWD has no control over the rate and charge amounts set by MWD, MWDOC, and OCWD (the "Regional Agencies"), and must pass those costs through to IRWD's customers to achieve full cost recovery. While not anticipated at this time, should any of the Regional Agencies adopt an additional increase in rates and charges ("regional agency cost increases"), IRWD will automatically recalculate and adjust its rates and charges to include these regional agency cost increases. If this occurs, the automatic IRWD rate adjustment will not require a public hearing or any additional action by the IRWD Board of Directors. At least 30 days before the effective date of any adjustment, IRWD will provide its customers with the expected adjustment(s), which will generally be calculated as the total projected cost increase divided by the projected annual water consumption. This calculation will vary as necessary to reflect IRWD's different service areas and service classes.

SPECIAL NOTICE: While not anticipated at this time, should the Metropolitan Water District of Southern California or the Municipal Water District of Orange County increase the rates and charges IRWD pays for imported water during the year, IRWD intends to pass the equivalent cost per ccf of that imported water cost increase on to its customers without further notice or hearing, as permitted by law.

A Rate Calculator will be available on the IRWD website (www.irwd.com) to show customers how staying within or exceeding your allocation will affect your monthly bill. Provide your account number from a recent bill and your bill can be recalculated using the new rates.

Any customers or property owners within the IRWD service area may file a written protest with IRWD by sending a letter to IRWD, P.O. Box 5149, Irvine, CA 92616. A valid protest letter must include your name, the address at which you receive service from IRWD, a statement of protest and your original signature. Protest letters received by June 21 will be tabulated and presented to the Board of Directors at a public hearing regarding the rate increase to be held on June 24, 2013 at 5 p.m. in the IRWD Board Room, 15600 Sand Canyon Ave., Irvine, CA. Any customers or property owners may appear at the hearing to make comments regarding the proposed rates. Letters must be received prior to the conclusion of the June 24 public hearing.

Exhibit "C"

RESOLUTION NO. 2013 -

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT,
ORANGE COUNTY, CALIFORNIA
APPROVING DISTRICT'S OPERATING BUDGET FOR
FISCAL YEAR 2013-14 AND DETERMINING COMPLIANCE WITH
ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

WHEREAS, the Board of Directors of the Irvine Ranch Water District (IRWD) has fully considered the financial needs of IRWD for purposes of operational costs during Fiscal Year 2013-14; and

WHEREAS, an Operating Budget has been prepared and reviewed by this Board of Directors; and

WHEREAS, Article XIII B of the Constitution of the State of California provides that the appropriations of local agencies will be limited each year to those of the previous year, adjusted for changes in population, cost of living and transfers in sources of funding; and

WHEREAS, Section 8 of Article XIII B specifically excludes user charges or fees or regulatory fees as long as such fees and charges do not produce revenues exceeding the costs reasonably borne in providing the regulation, product or service; and

WHEREAS, IRWD's Operating Budget for Fiscal Year 2013-14 is totally funded from user charges which are excluded from the appropriations formula established by Article XIII B.

NOW, THEREFORE, the Board of Directors of IRWD DOES HEREBY RESOLVE, DETERMINE and ORDER as follows:

Section 1. That relative to appropriations subject to limitation under Article XIII B of the Constitution of the State of California, IRWD's Operating Budget for Fiscal Year 2013-14 is hereby determined to be funded totally by revenues other than the proceeds of taxes as defined in Section 8(c) of Article XIII B, and that the documentation used in making such determination has been on file in the offices of IRWD for not less than fifteen days prior to the date hereof, pursuant to Section 7910 of the Government Code of the State of California.

Section 2. That IRWD's Operating Budget for Fiscal Year 2013-14 is in compliance with the provisions of Article XIII B of the Constitution of the State of California.

Section 3. That the Operating Budget for IRWD for Fiscal Year 2013-14 as set forth in the Summary of the Operating Budget dated April 22, 2013 which is by this reference incorporated herein, be and the same is hereby approved.

ADOPTED, SIGNED AND APPROVED this 22th day of April, 2013.

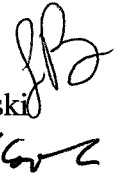
President, IRVINE RANCH WATER DISTRICT
and the Board of Directors thereof

Secretary, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM:
BOWIE, ARNESON, WILES & GIANNONE
Legal Counsel – IRWD

By: _____

April 22, 2013
Prepared and
Submitted by: L. Bonkowski
Approved by: P. Cook



CONSENT CALENDAR

MINUTES OF BOARD MEETINGS

SUMMARY:

Provided are the minutes of the April 8, 2013 Regular Board meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE APRIL 8, 2013 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – Minutes – April 8, 2013

EXHIBIT "A"

MINUTES OF REGULAR MEETING – APRIL 8, 2013

PRESENTATION

CAL STATE FULLERTON PUBLIC SECTOR LEADERSHIP

Using a PowerPoint presentation, Ms. Kim Tang, Program Developer with the University Extended Education, California State University, Fullerton, highlighted its Leadership program. Following the presentation, the District's most recent employees to complete the program were honored including Julie Bendzick-Sin, Jeff Bertsch, Steve Habiger, and Jenny Pan (who was absent). Each District employee provided comments on how the program was beneficial to them. Ms. Sally Starr, Director, Corporate Relations and Workplace Solutions, thanked Director of Human Resources Wells for her commitment to the program.

CALL TO ORDER

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:45 p.m. by President Reinhart (attending via teleconferencing) on April 8, 2013 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Matheis, Reinhart and Withers

Directors Absent: Swan and LaMar

Following role call by Secretary Bonkowski, President Reinhart, who participated by teleconference, asked Director Matheis to Chair the meeting for him.

Also Present: General Manager Cook, Executive Director of Finance Clary, Director of Risk Management and Treasury Jacobson, Executive Director of Engineering Burton, Executive Director of Operations Shields, Director of Administration Mossbarger, Director of Public Affairs Beeman, Executive Director of Water Policy Heiertz, Director of Water Resources Weghorst, Director of Human Resources Wells, Assistant Director of Operations Roberts, Legal Counsel Arneson, Special Legal Counsel Casey of Alston & Bird, LLP, Secretary Bonkowski, Mr. Lars Oldewage, Ms. Julie Bendzick-Sin, Mr. Jeff Bertsch, Mr. Steve Habiger Jr., Mr. Sean Fitzgerald, Ms. Tina Bertsch, Mr. Christopher Smithson, Ms. Christine Compton, Ms. Sally Star, Ms. Kim Tang, Mr. Jim Reed, and other members of the public and staff.

WRITTEN COMMUNICATION: None.

ORAL COMMUNICATION:

- 1) Mr. Rick Gallade from Gallade Chemicals, Inc., Mr. Norman Dupont representing SOCO West, Inc. and Brenntag Partners, Inc., Mr. Bryan Starr from Orange County Business Council and Mr. Robert Ennis from Orange County Water District all requested to speak relative to Item No. 7 on the Consent Calendar (see page No. 3 relative to their comments to the Board).

ORAL COMMUNICATION (Continued):

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

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

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

ITEMS TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

General Manager Cook asked that Item No. 7 be moved to the Action Calendar for discussion. There being no objection, Item No. 7, 2013 STATE LEGISLATIVE UPDATE, was moved to the Action Calendar. On MOTION by Withers, seconded, and unanimously carried, **CONSENT CALENDAR ITEM NOS. 5, 6, 8, AND 9 WERE APPROVED AS FOLLOWS BY THE FOLLOWING ROLL CALL VOTE:**

AYES:	DIRECTORS	Withers, Matheis, and Reinhart
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	Swan and LaMar

CONSENT CALENDAR (Continued)

5. MINUTES OF REGULAR BOARD MEETING

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

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

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

8. MAIN STREET MANHOLE BID REJECTION

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

9. WELLS 21 AND 22 DESALTER PROJECT PIPELINES FINAL ACCEPTANCE

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

ACTION CALENDAR

2013 STATE LEGISLATIVE UPDATE

General Manager Cook reported that the District continues to work with the author's office to develop a solution favorable to the District on AB 1200 (Levine) and would like the Board to support the continuation of this effort. Mr. Cook asked Mrs. Christine Compton to summarize the status of AB 1200 and SB 658, and added that staff was recommending that Board action on SB 658 be tabled. He said the District supports OCWD's groundwater cleanup efforts, however, new language for SB 658 was just received. Ms. Christine Compton summarized AB 1200, explaining that Sonoma County wants to pursue pilot project legislation regarding recycled water storage ponds. Staff recommends that IRWD support Sonoma's proposal and look at doing a similar proposal next year to address IRWD's recycled water impoundments. Mrs. Compton then provided a summary of SB 658 (Correa) noting that a preliminary court ruling stated that the Orange County Water District's (OCWD) District Act does not explicitly allow for the recovery of development and investigative costs against the parties responsible for causing groundwater contamination. She said that as a result, OCWD is working to amend its District Act to clarify that it has the right to recover all costs from polluters to clean up the contamination they caused in the Orange County groundwater basin including development and investigative costs that are incurred before the designing and constructing of a groundwater clean-up project.

Mr. Bryan Starr of the Orange County Business said he supported Mr. Cook’s suggestion to table SB 658 at this time until future data is brought forward on the bill. Mr. Norman Dupont representing SOCO West, Inc. and Brontag Partners, Inc., also asked that this item be tabled as he has not yet seen the amended language. He also said he has concerns with the language in the first draft which could cause potential harm and lead to problems with his clients. Mr. Rick Gallade of Gallade Chemical, Inc. asked the Board to not support OCWD’s attempt to go against small businesses such as his. He said that since 1990, his firm has been actively conducting remedial efforts after having discovered contamination in the groundwater. He said that his firm is actively working with both the California Department of Toxic Substance Control as well as the Santa Ana Regional Water Control Board and relayed his concerns with another agency’s involvement. Mr. Robert Ennis of the OCWD asked the Board to accept staff’s initial recommendation to support the concept of Bill SB 658 which he said is a technical bill that would clarify the intent of the existing statute to provide OCWD the authority to recover development and investigate costs and also to seek declaratory relief to avoid multiple lawsuits.

Following discussion, on MOTION by Withers, seconded by Matheis, THE BOARD TABLED STAFF’S RECOMMENDATION FOR IRWD TO SUPPORT OCWD’S EFFORTS TO AMEND ITS DISTRICT ACT THROUGH SB 658 (CORREA) BY THE FOLLOWING ROLL CALL NOTE:

AYES:	DIRECTORS	Withers, Matheis, and Reinhart
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	Swan and LaMar

On MOTION by Withers, seconded by Matheis, THE BOARD APPROVED IRWD TO CONTINUE TO WORK WITH ASSEMBLYMEMBER MARC LEVINE’S OFFICE ON AB 1200 TO DEVELOP A SOLUTION FAVORABLE TO THE DISTRICT; TOOK AN “OPPOSE” POSITION ON AB 543 (CAMPOS) AND DIRECTED STAFF TO WORK THROUGH THE DISTRICT’S ASSOCIATION AND INDUSTRY PARTNERS TO OPPOSE THE BILL; AND TOOK AN “OPPOSE” POSITION ON AB 823 (EGGMAN) AND APPROVED WORKING THROUGH THE DISTRICT’S ASSOCIATION AND INDUSTRY PARTNERS TO OPPOSE THE BILL, ALL BY THE FOLLOWING ROLL CALL VOTE.

AYES:	DIRECTORS	Withers, Matheis, and Reinhart
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	Swan and LaMar

DISCOVERY SCIENCE CENTER AGREEMENT

Using a PowerPoint presentation, Mrs. Shannon Reed provided an overview of the District’s partnership with Discovery Science Center (DSC) to create and implement an educational outreach program for schools throughout the District’s service area. Through the elementary school assembly program, the middle school water quality and field trip program, and the additional education outreach efforts, 60,736 students were instructed on the importance of water to Southern California, conservation and the environment over the course of the District’s six-

year partnership with DSC. DSC is proposing a new three-year agreement to continue delivering water education programs for the District which includes: assembly-style programs that will focus on K-5th grade students; a two-part workshop-style program for middle school students to include a field trip program at the San Joaquin Marsh and/or the Michelson Water Recycling facility; and development of public education programs at the San Joaquin Marsh. DSC will deliver all aspects of the education programs, including: managing the creation, production, procurement, and storage of take-home, grade-specific booklets, workshop supplies, student kits, and other materials required for program delivery; promoting the water education programs to the schools within the IRWD-service area, including booking program times and scheduling of instructors; and compiling and reporting results from each of the programs, including survey responses, kit distribution and other program outcomes.

Director Matheis said that this item was reviewed and approved by the Water Resources Policy and Communications Committee on April 4, 2013. Director Reinhart asked for feedback if additional schools would like to attend classes and are not allowed due to IRWD funding limitations. Following discussion, on MOTION by Matheis, seconded and unanimously carried, **THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A RENEWAL AGREEMENT WITH THE DISCOVERY SCIENCE CENTER FOR A THREE-YEAR TERM EFFECTIVE JULY 1, 2013 AT A TOTAL COST OF \$149,685 FOR WATER EDUCATION PROGRAMS TO SCHOOLS WITHIN THE IRWD SERVICE AREA BY THE FOLLOWING ROLL CALL VOTE.**

AYES:	DIRECTORS	Withers, Matheis, and Reinhart
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	Swan and LaMar

WORKSHOP

FISCAL YEAR 20123-14 OPERATING BUDGET AND PROPOSED RATES AND CHARGES

Using a PowerPoint presentation, Executive Director of Finance Clary provided an overview of the Operating Budget proposed at \$117.1 million. She said that the four key drivers comprise 86% of the budget as follows: payroll and benefits at \$44.7 M; purchased water at \$26.4, repairs and maintenance at \$17.8 M, and electricity at \$11.7 M. She reviewed the significant assumptions, changes from prior years, labor costs, costs of water and sources and uses. Mr. Smithson reported on the proposed rates adjustments for each tier rate. Director Reinhart suggested that for next year, that staff determine if it would be viable to compress the tiered rates. Mr. Smithson then provided a comparison of IRWD's proposed rates compared with other neighboring agencies. He said that the second Board workshop is scheduled for April 22, 2013, in early May residents will be receiving by mail notifications relative to Proposition 218 requirements, and that a public hearing is scheduled for June 24, 2013 to review the Proposition 218 responses and adoption of the rates and charges for fiscal year 2013-14.

OTHER BUSINESS

GENERAL MANAGER'S REPORT

General Manager Cook reported that he attended MWDOC's elected officials' forum relative to MWDOC's budget. He said that he will be working with MWDOC as part of a subgroup on this issue.

Mr. Cook provided an update on the WateReuse initiative noting that donations to date have reached \$3.5 million including seven private companies who donated \$250,000 each. He said the next step is to determine what research projects will be selected. He said he will keep the Board updated on this initiative.

Mr. Cook said that he received an email from Mr. Dave Smith of WateReuse commending staff members Mark Tetterer and Christine Compton on their efforts on AB 803.

Mr. Cook noted that Executive Director of Operations, Mr. Patrick Shields, was in the audience tonight as the District's newest employee.

DIRECTORS' COMMENTS

Director Reinhart said that he and staff provided City of Irvine's Mayor Steven Choi a District tour. He also said that he attended MWDOC's Board workshop, a SOCWA Board meeting, and a WACO meeting.

Director Withers said that tomorrow he will be attending an OCBC meeting, and that on Wednesday he will be attending a LAFCO Commission meeting along with an OCSD Committee meeting.

Director Matheis said that she is looking forward to attending a Central Valley tour on April 17 and 18. She also said that Treasurer Shari Freidenrich, County of Orange, is interested in meeting with IRWD.

CLOSED SESSION

Acting Chair Matheis said that a Closed Session would be held this evening with SPECIAL LEGAL COUNSEL CASEY RELATIVE TO ANTICIPATED LITIGATION – Government Code Section 54956.9(d)(2) – significant exposure to litigation (one potential case). Legal Counsel Arneson said that she would be recusing herself from this Closed Session due to a conflict and the Closed Session would be with Special Counsel.

OPEN SESSION

The meeting was reconvened with Matheis, Withers and Reinhart present. No action was reported from the closed session.

ADJOURNMENT

There being no further business, Acting Chair Matheis adjourned the meeting.

APPROVED and SIGNED this 22nd day of April, 2013.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

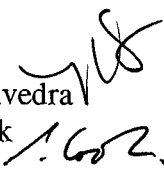
Legal Counsel - Bowie, Arneson, Wiles & Giannone

April 22, 2013

Prepared and

Submitted by: Nancy Savedra

Approved by: Paul Cook



CONSENT CALENDAR

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

SUMMARY:

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

Events/Meetings

Steven LaMar

4/19/13 Meeting with OCWD Shawn Dewane, Stephen Sheldon and Mike Markus
5/7-10/13 ACWA Spring Conference, Sacramento, CA

Mary Aileen Matheis

4/23/13 Foundation for the OC Great Park Summer Solstice Event
5/6-10/13 ACWA Spring Conference, Sacramento, CA

Douglas Reinhart

4/15/13 Meeting with Consultant Bret Ives
4/19/13 Meeting with OCWD Shawn Dewane, Stephen Sheldon and Mike Markus
4/23/13 Monthly meeting with the General Manager regarding District Activities
4/26/13 Southern California Water Committee Quarterly Meeting
5/7-10/13 ACWA Spring Conference, Sacramento, CA
5/16/13 Monthly meeting with the General Manager regarding District activities

Peer Swan

5/6-10/13 ACWA Spring Conference, Sacramento, CA
5/15-17/13 Water Education Foundation – Flood Management Tour, Sacramento, CA

John Withers

4/26/13 Southern California Water Committee Quarterly Meeting
5/01/13 Meeting and Tour with Councilman Vincent Sarmiento
5/7-10/13 ACWA Spring Conference, Sacramento, CA

RECOMMENDATION:

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

LIST OF EXHIBITS:

None

April 22, 2013

Prepared by: Jacobson/Fournier

Submitted by: Cheryl Clary

Approved by: Paul Cook

CONSENT CALENDAR

MARCH 2013 TREASURY REPORTS

SUMMARY:

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

- A. The Investment Summary Report for March 2013. This Investment Summary Report is in conformity with the 2013 Investment Policy and provides sufficient liquidity to meet estimated expenditures during the next six months, as outlined in Exhibit "A".
- B. The Monthly Interest Rate Swap Summary as of March 31, 2013, as outlined in Exhibit "B".
- C. The Summary of Payroll ACH payments in the total amount of \$1,387,083, as outlined in Exhibit "C".
- D. The March 31, 2013 Disbursement Summary of warrants 337405 through 338135, wire transfers, Workers' Compensation distributions, payroll withholding distributions, and voided checks in the total amount of \$11,144,831, as outlined in Exhibit "D".

FISCAL IMPACTS:

As of March 31, 2013, the book value of the investment portfolio was \$344,027,797, with a 0.37% rate of return and a market value of \$344,231,417. Based on the District's March 31, 2012 quarterly real estate investment rate of return of 11.15%, the District's weighted average return for the fixed income and real estate investments was 2.27%.

As of March 31, 2013, the total notional amount of the interest rate swap portfolio was \$130 million of fixed payer swaps. Cash accrual in March from all swaps was negative \$644,839 and negative \$5,584,096 fiscal year to date.

Payroll ACH payments totaled \$1,387,083 and wire transfers, all other ACH payments, and checks issued for debt service, accounts payable, payroll and water purchases for March totaled \$11,144,831.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was not submitted to a Committee; however, the investment and interest rate swap reports are submitted to the Finance and Personnel Committee on a monthly basis.

RECOMMENDATION:

THAT THE BOARD RECEIVE AND FILE THE TREASURER'S INVESTMENT SUMMARY REPORT AND THE MONTHLY INTEREST RATE SWAP SUMMARY FOR MARCH 2013; APPROVE THE MARCH 2013 SUMMARY OF PAYROLL ACH PAYMENTS IN THE TOTAL AMOUNT OF \$1,387,083 AND APPROVE THE MARCH 2013 ACCOUNTS PAYABLE DISBURSEMENT SUMMARY OF WARRANTS 337405 THROUGH 338135, WORKERS' COMPENSATION DISTRIBUTIONS, WIRE TRANSFERS, PAYROLL WITHHOLDING DISTRIBUTIONS AND VOIDED CHECKS IN THE TOTAL AMOUNT OF \$11,144,831.

LIST OF EXHIBITS:

- Exhibit "A" - Investment Summary Report
- Exhibit "B" - Monthly Interest Rate Swap Summary
- Exhibit "C" - Monthly Payroll ACH Summary
- Exhibit "D" - Monthly Summary of District Disbursements

03/31/13

SECURITY	YIELD	PRICE	MAKES	INVESTMENT	INSTITUTION	PAR	CURR	YIELD	YIELD	UNPAID	CARRY VALUE	MARKET VALUE	UNREALIZED
Symbol	Rate	Cost	Term	Type	Entity	Amount	Rate	Rate	Rate	Cost	Value	Value	Gain/Loss
03/15/13			05/01/13	LAIF	State of California Tsy.	\$50,000,000	0.286%			\$50,000,000.00	\$50,000,000.00	50,056,361.55	56,361.55
03/15/13			05/01/13	LAIF-JPA	State of California Tsy.	50,000,000	0.286%			\$50,000,000.00	\$50,000,000.00	50,056,361.55	56,361.55
03/18/13			04/17/13	LAIF BABS	State of California Tsy.	35,532,839	0.286%			\$35,532,838.86	\$35,532,838.86	35,572,892.58	40,053.72
05/23/11	N/A	N/A	04/11/13	Aaa/AAA/AAA	FHLMC - Note	5,000,000	1.720%	0.517%		5,112,550.00	5,001,633.53	5,002,650.00	1,016.47
12/20/12	N/A	N/A	12/19/13	Aaa/AA+/NR	FHLMC - Note	10,000,000	0.190%	0.183%		10,000,700.00	10,000,503.85	10,001,400.00	896.15
04/24/12	N/A	N/A	12/23/13	Aaa/AA+/AAA	FHLMC - Note	5,000,000	0.625%	0.304%		5,026,600.00	5,011,637.50	5,015,550.00	3,912.50
07/11/12	N/A	N/A	02/25/14	Aaa/AA+/AAA	FHLMC - Note	5,000,000	1.375%	0.301%		5,086,800.00	5,047,561.64	5,054,050.00	6,488.36
05/23/12	N/A	N/A	05/23/14	Aaa/AA+/NR	FHLMC - Note	5,000,000	0.350%	0.394%		4,995,600.00	4,997,486.58	5,007,400.00	9,913.42
04/18/12	N/A	N/A	05/28/14	Aaa/AA+/NR	FHLMC - Note	5,000,000	1.375%	0.354%		5,107,250.00	5,058,778.57	5,067,500.00	8,721.43
04/26/12	One Time	04/26/13	10/24/14	Aaa/AA+/NR	FHLMC - Note	5,000,000	0.600%	0.425%		5,008,700.00	5,005,453.02	5,001,500.00	(3,953.02)
01/30/12	One Time	01/30/14	01/30/15	Aaa/AA+/NR	FNMA - Note	5,000,000	0.750%	0.500%	0.500%	5,024,850.00	5,015,168.48	5,015,950.00	781.52
01/30/12	One Time	01/30/14	01/30/15	Aaa/AA+/NR	FNMA - Note	10,000,000	0.750%	0.453%	0.453%	10,059,000.00	10,036,013.69	10,031,900.00	(4,113.69)
02/09/12	Continuous	05/09/12	02/09/15	Aaa/AA+/NR	FFCB - Note	5,000,000	0.460%	0.480%	0.700%	4,997,000.00	4,998,141.42	5,000,150.00	2,008.58
03/14/12	Continuous	09/12/12	03/12/15	Aaa/AA+/NR	FHLMC - Note	5,000,000	0.550%	0.601%	0.855%	4,992,500.00	4,995,128.09	5,000,150.00	5,021.91
04/18/12	Continuous	04/16/13	04/16/15	Aaa/AA+/NR	FFCB - Note	5,000,000	0.600%	0.617%	0.651%	4,997,500.00	4,998,295.97	5,001,250.00	2,954.03
12/18/12	Continuous	03/18/13	06/18/15	Aaa/AA+/NR	FFCB - Note	10,000,000	0.320%	0.360%	0.720%	9,990,000.00	9,991,140.35	9,991,300.00	159.65
12/27/12	Continuous	03/26/13	06/26/15	Aaa/AA+/NR	FFCB - Note	10,000,000	0.375%	0.375%	0.375%	10,000,000.00	10,000,000.00	10,000,200.00	200.00
08/28/12	Continuous	08/27/13	08/27/15	Aaa/AA+/NR	FFCB - Note	10,000,000	0.480%	0.480%	0.480%	10,000,000.00	10,000,000.00	10,012,100.00	12,100.00
09/17/12	Continuous	09/17/13	09/17/15	Aaa/AA+/NR	FFCB - Note	5,000,000	0.480%	0.482%	0.482%	4,999,750.00	4,999,794.75	5,003,850.00	4,055.25
09/17/12	Continuous	09/17/13	09/17/15	Aaa/AA+/NR	FFCB - Note	5,000,000	0.480%	0.455%	0.472%	5,001,250.00	5,001,026.26	5,003,850.00	2,823.74
09/25/12	Quarterly	09/25/13	09/25/15	Aaa/AA+/NR	FHLMC - Note	5,000,000	0.500%	0.470%	0.490%	5,001,500.00	5,001,242.47	5,001,750.00	507.53
09/28/12	Continuous	12/28/12	09/28/15	NA/AA+/NR	FFCB - Note	5,000,000	0.450%	0.470%	0.470%	4,997,000.00	4,997,506.85	5,000,100.00	2,593.15
10/17/12	One Time 2yr	10/09/14	10/09/15	Aaa/AA+/NR	FNMA - Note	5,000,000	0.480%	0.460%	0.466%	5,002,000.00	5,001,694.57	5,004,950.00	3,255.43
11/29/12	Quarterly	05/15/13	11/16/15	NA/AA+/NR	FNMA - Note	5,000,000	0.500%	0.500%	0.500%	5,000,000.00	5,000,000.00	4,996,875.00	(3,125.00)
11/30/12	Quarterly	05/24/13	11/24/15	Aaa/AA+/NR	FHLMC - Note	5,000,000	0.500%	0.500%	0.500%	5,000,000.00	5,000,000.00	5,002,200.00	2,200.00
12/18/12	Continuous	03/18/13	12/18/15	Aaa/AA+/NR	FFCB - Note	10,000,000	0.400%	0.425%	0.701%	9,992,500.00	9,993,212.33	9,985,400.00	(7,812.33)
12/21/12	Continuous	03/21/13	12/21/15	Aaa/AA+/NR	FHLMC - Note	5,000,000	0.410%	0.418%	0.510%	4,998,750.00	4,998,865.30	4,996,550.00	(2,315.30)
01/15/13	N/A	07/15/13	01/15/16	NA/AA+/NR	FHLMC - Note	5,000,000	0.375%	0.390%		4,997,750.00	4,997,813.70	4,993,200.00	(4,613.70)
01/17/13	Quarterly	07/15/13	01/15/16	Aaa/AA+/NR	FNMA - Note	5,000,000	0.500%	0.500%	0.500%	5,000,000.00	5,000,000.00	4,998,400.00	(1,600.00)
03/22/13	Quarterly	05/08/13	02/08/16	Aaa/AA+/AAA	FHLMC - Note	5,000,000	0.500%	0.500%	0.500%	5,000,000.00	5,000,000.00	5,001,150.00	1,150.00
03/21/13	Quarterly	09/04/13	03/04/16	Aaa/AA+/NR	FNMA - Note	5,000,000	0.600%	0.566%	0.379%	5,005,000.00	5,000,000.00	5,002,850.00	2,850.00
03/14/13	Continuous	09/07/13	03/07/16	Aaa/AA+/AA+	FHLMC - Note	10,000,000	0.490%			9,994,000.00	9,994,099.17	10,002,300.00	8,200.83
03/14/13	Continuous	12/26/12	09/26/16	Aaa/AA+/AA+	FFCB - Note	5,000,000	0.680%	0.683%		4,999,500.00	4,999,506.97	5,000,050.00	543.03
08/23/12	N/A	N/A	06/20/13	CA ST-RANS-A1	State of California	3,500,000	2.500%	0.430%	0.430%	3,559,535.00	3,521,756.98	3,517,780.00	(3,976.98)
SUB-TOTAL						\$324,032,839				\$324,480,423.86	\$324,196,300.87	\$324,399,920.68	\$203,619.80
RESTRICTED CASH (Swap Collateral Deposits)													
				Collateral Deposit	Citi-Group	\$14,691,496	0.150%			\$14,691,495.93	\$14,691,495.93	14,691,495.93	
				Collateral Deposit	Merrill Lynch	\$5,140,000	0.150%			\$5,140,000.00	\$5,140,000.00	5,140,000.00	
SUB-TOTAL						\$19,831,496				\$19,831,495.93	\$19,831,495.93	\$19,831,495.93	
TOTAL INVESTMENTS						\$343,864,335				\$344,311,919.79	\$344,027,796.80	\$344,231,416.61	
				Petty Cash						3,300.00			
			Recent Feb Bal	Bank Bal.	Bank of America					(1,422,742.87)			
										\$342,892,476.92			

- LAIF market value is as of the most recent quarter-end as reported by LAIF. Security market values are determined using Bank of New York ("Trading Prices"), Bloomberg and/or broker dealer pricing.
- Gain (loss) calculated against carry value using the trading value provided by Bank of New York/or Brokers
- Real estate rate of return is based on most recent quarter end return

Outstanding Variable Rate Debt \$363,000,000
 Net Outstanding Variable Rate Debt (Less \$130 million fixed-payer swaps) \$233,000,000
 Investment Balance: \$342,892,477
 Investment to Variable Rate Debt Ratio: 147%
 Portfolio - Average Number of Days To Maturity 456

	Investment Portfolio	Real Estate Portfolio (3)	Weighted Avg. Return
March	0.37%	11.15%	2.27%
February	0.34%	10.18%	2.07%
Change	0.03%		

This Investment Summary Report is in conformity with the 2013 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

03/31/13

PORTFOLIO \$343,864,335

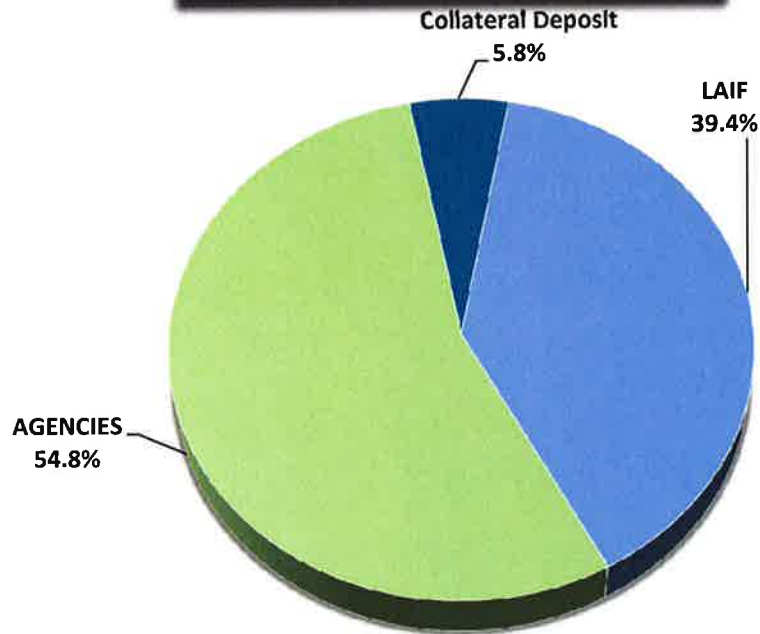
DATE	TOTAL	%	LAG	AGENCIES	Collateral * District	CAL REV NOTES
04/13	\$160,364,335	46.64%	\$135,532,839	5,000,000	\$19,831,496	
05/13						
06/13	\$3,500,000	1.02%				3,500,000
07/13						
8/13						
09/13						
10/13						
11/13						
12/13	\$15,000,000	4.36%		15,000,000		
1/14						
2/14	\$5,000,000	1.45%		5,000,000		
3/14						
SUB-TOTAL	\$183,864,335	53.47%	\$135,532,839	\$25,000,000	\$19,831,496	\$3,500,000
Months - YEARS						
4/1/2014 - 6/30/2014	\$10,000,000	2.91%		10,000,000		
7/1/2014 - 9/30/2014						
10/1/2014 - 12/31/2014	\$5,000,000	1.45%		5,000,000		
1/1/2015 - 3/31/2015	\$25,000,000	7.27%		25,000,000		
4/1/2015 - 6/30/2015	\$25,000,000	7.27%		25,000,000		
07/1/30/2015 - 9/30/2015	\$30,000,000	8.72%		30,000,000		
10/1/2015 - 12/30/15	\$30,000,000	8.72%		30,000,000		
01/01/16 - 03/31/2016	\$30,000,000	8.72%		30,000,000		
04/01/16 - 06/30/2016	\$5,000,000	1.45%		5,000,000		
TOTALS	\$343,864,335	100.00%	\$135,532,839	185,000,000	\$19,831,496	\$3,500,000

% OF PORTFOLIO 39.41% 53.80% 5.77% 1.02%

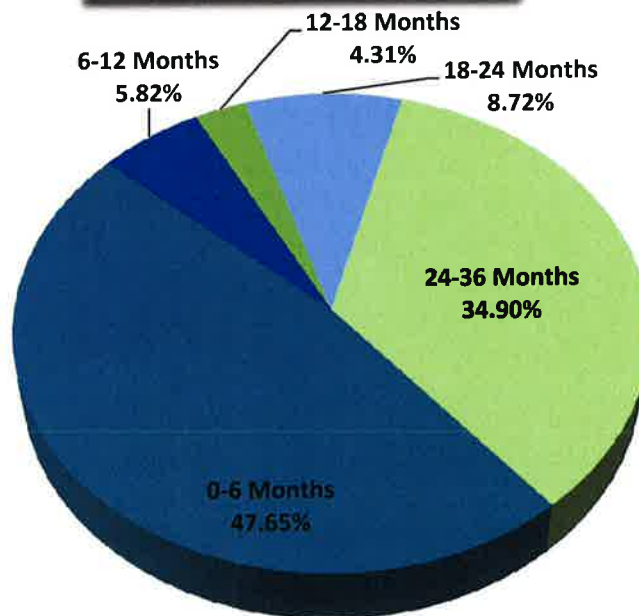
* Return of posted collateral is dependant on interest rates.

March 2013 INVESTMENT PORTFOLIO
As of March 21, 2013

Portfolio by Investment Type



Portfolio by Maturities



IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT
INVESTMENT ACTIVITY
Mar-13

MATURITIES/SALES

PURCHASES

DATE	SECURITY TYPE	PAR	YIELD	Settlement Date	Maturity Date	SECURITY TYPE	PAR	YIELD
				3/14/2013	3/7/2016	Fed Home Loan Bank	\$10,000,000	0.49%
				3/14/2013	9/26/2016	Fed Farm Credit Bank	\$5,000,000	0.68%
				3/22/2013	2/8/2016	Fed Home Loan Mortgage Bank	\$5,000,000	0.50%
				3/21/2013	3/4/2016	Fed Natl Mortgage Assoc	\$5,000,000	0.57%
<p>Funds invested from property tax receipts, JPA net receipt, and Build America Bonds project spend down transferred from LAIF</p>								

Irvine Ranch Water District
 Summary of Real Estate
 3/31/2013

	<u>ACQUISITION DATE</u>	<u>PROPERTY TYPE</u>	<u>OWNERSHIP INTEREST</u>	<u>ORIGINAL COST</u>	<u>RATE OF RETURN QUARTER ENDED Mar-13</u>
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 43,550,810	14.90%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	8.44%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,739,845	7.43%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,630,577	3.27%
Sand Canyon Professional Center	Jul-12	Medical Office	Fee Simple	\$ 8,648,594	4.48%
				<u>\$ 72,569,826</u>	<u>11.15%</u>

**IRVINE RANCH WATER DISTRICT
INTEREST RATE SWAP MONTHLY SUMMARY REPORT - DETAIL
March 31, 2013**

LIBOR Avg %	Prior Mo. 0.20%	Current Mo. 0.20%	12-Mo Avg 0.22%
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Current Fiscal Year Active Swaps								Cash Flow				Mark to Market	
Effective Date	Maturity Date	Years to Maturity	Counter Party	Notional Amt	Type	Base Index	Fixed Rate	Prior Month	Current Month	Fiscal YTD	Cumulative Cash Flow	Current Mark to Market	Notional Difference
Fixed Payer Swaps - By Effective Date													
6/4/2006	6/4/2019	6.2	ML	\$ 20,000,000	FXP	LIBOR	6.200%	\$ (89,876)	\$ (103,505)	\$ (896,670)	\$ (5,939,517)	\$ 13,968,658	\$ (6,031,342)
6/4/2006	6/4/2019	6.2	CG	\$ 20,000,000	FXP	LIBOR	6.200%	\$ (89,876)	\$ (103,505)	(896,670)	(5,939,517)	13,956,654	(6,043,346)
6/17/2006	6/17/2019	6.2	CG	\$ 30,000,000	FXP	LIBOR	6.140%	\$ (133,387)	\$ (153,725)	(1,331,624)	(8,798,911)	21,009,189	(8,990,811)
3/10/2007	3/10/2029	16.0	ML	\$ 30,000,000	FXP	LIBOR	5.687%	\$ (123,239)	\$ (142,052)	(1,229,566)	(7,782,984)	17,342,528	(12,657,472)
3/10/2007	3/10/2029	16.0	CG	\$ 30,000,000	FXP	LIBOR	5.687%	\$ (123,239)	\$ (142,052)	(1,229,566)	(7,782,984)	17,253,786	(12,746,214)
Totals/Weighted Avgs		10.7		\$ 130,000,000			5.949%	\$ (559,617)	\$ (644,839)	\$ (5,584,096)	\$ (36,243,914)	\$ 83,530,815	\$ (46,469,185)
Total Current Year Active Swaps				\$ 130,000,000				\$ (559,617)	\$ (644,839)	\$ (5,584,096)	\$ (36,243,914)	\$ 83,530,815	\$ (46,469,185)

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

Current Fiscal Year - Total Swaps								Cash Flow				Mark to Market	
								Prior Month	Current Month	Fiscal YTD	Cumulative Cash Flow	Current Mark to Market	Notional Difference
Total Current Year Active & Terminated Swaps				\$ 130,000,000				\$ (559,617)	\$ (644,839)	\$ (5,584,096)	\$ (36,243,914)	\$ 83,530,815	\$ (46,469,185)

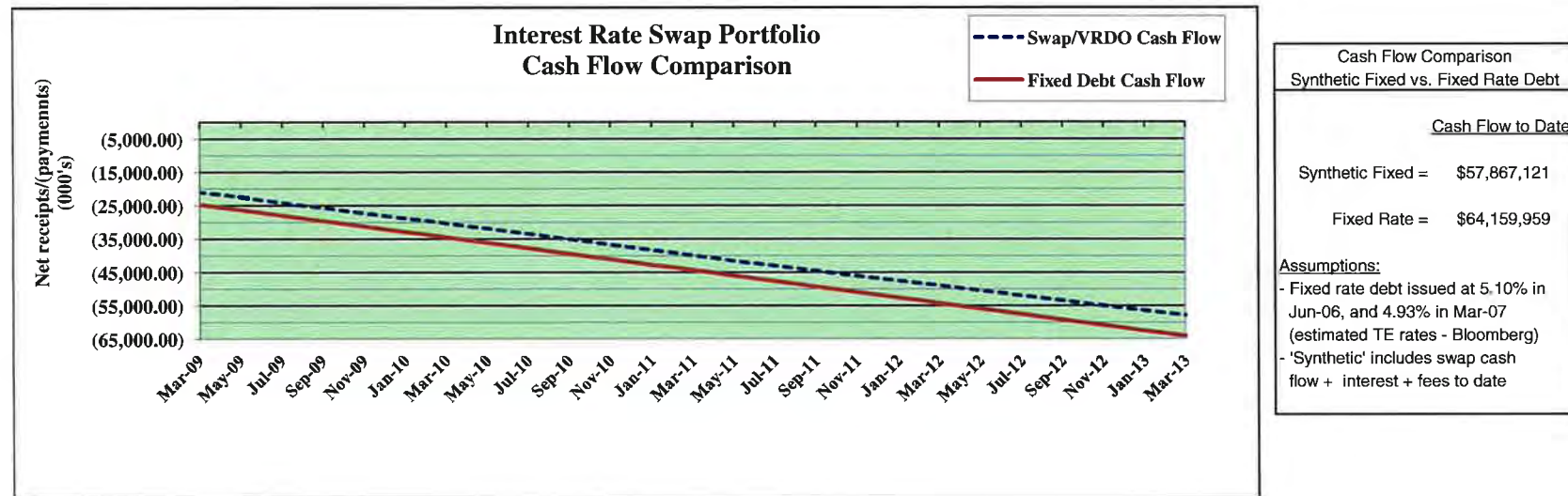


Exhibit "C"

MONTHLY SUMMARY OF PAYROLL ACH PAYMENTS

March
2013

DATE	AMOUNT	VENDOR	PURPOSE
3/8/2013	697,082.66	BANK OF AMERICA	ACH Payments for Payroll
3/22/2013	689,999.95	BANK OF AMERICA	ACH Payments for Payroll
	<u><u>\$1,387,082.61</u></u>		

Exhibit "D"

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 1
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337405		06-MAR-13	JCI JONES CHEMICALS INC	CINCINNATI	5,505.50	11-MAR-13	5,505.50	Reconciled
337406		06-MAR-13	IRWD-PETTY CASH CUSTODIAN	IRVINE	1,131.68	06-MAR-13	1,131.68	Reconciled
337407		07-MAR-13	ACTION ELECTRIC CORP		4,196.42	08-MAR-13	4,196.42	Reconciled
337408		07-MAR-13	AIR CONTROL SYSTEMS, INC.		185,220.00	12-MAR-13	185,220.00	Reconciled
337409		07-MAR-13	AIRGAS-WEST, INC.		170.65	11-MAR-13	170.65	Reconciled
337410		07-MAR-13	ALEXANDER CONTRACT SERVICES INC		100,773.46	13-MAR-13	100,773.46	Reconciled
337411		07-MAR-13	APPLIED INDUSTRIAL TECHNOLOGIES - CA LLC		65.88	11-MAR-13	65.88	Reconciled
337412		07-MAR-13	ARCADIS U.S., INC.		1,069.92	11-MAR-13	1,069.92	Reconciled
337413		07-MAR-13	AT&T		360.87			Voided
337414		07-MAR-13	AT&T		155.66	12-MAR-13	155.66	Reconciled
337415		07-MAR-13	AT&T		95.09	13-MAR-13	95.09	Reconciled
337416		07-MAR-13	BELL PIPE & SUPPLY CO		341.84	11-MAR-13	341.84	Reconciled
337417		07-MAR-13	BELL TOWER FLORIST & GIFTS		86.39			Negotiable
337418		07-MAR-13	BOYD & ASSOCIATES		3,708.00	12-MAR-13	3,708.00	Reconciled
337419		07-MAR-13	BRENNTAG PACIFIC INC		8,568.05	14-MAR-13	8,568.05	Reconciled
337420		07-MAR-13	BRIITHINEE ELECTRIC		2,711.33	11-MAR-13	2,711.33	Reconciled
337421		07-MAR-13	BUSH & ASSOCIATES INC		1,192.00			Negotiable
337422		07-MAR-13	C WELLS PIPELINE MATERIALS INC		9,371.80	27-MAR-13	9,371.80	Reconciled
337423		07-MAR-13	CALIFORNIA BARRICADE INC		1,502.50	12-MAR-13	1,502.50	Reconciled
337424		07-MAR-13	CANON SOLUTIONS AMERICA INC		407.01	11-MAR-13	407.01	Reconciled
337425		07-MAR-13	CARL WARREN & CO		2,974.72	11-MAR-13	2,974.72	Reconciled
337426		07-MAR-13	CDW GOVERNMENT LLC		1,615.02	14-MAR-13	1,615.02	Reconciled
337427		07-MAR-13	CITY OF ORANGE		123.78	11-MAR-13	123.78	Reconciled
337428		07-MAR-13	CITY OF TUSTIN		229,885.16	12-MAR-13	229,885.16	Reconciled
337429		07-MAR-13	CLEARINGHOUSE		528.45	11-MAR-13	528.45	Reconciled
337430		07-MAR-13	COASTAL IGNITION & CONTROLS, INC		13,468.04	19-MAR-13	13,468.04	Reconciled
337431		07-MAR-13	COASTAL TRAFFIC SYSTEMS, INC		510.00	13-MAR-13	510.00	Reconciled
337432		07-MAR-13	COASTAL TRAFFIC SYSTEMS, INC		510.00	13-MAR-13	510.00	Reconciled

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 2
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337433		07-MAR-13	COMMERCIAL CLEANING SYSTEMS INC		21,707.98	12-MAR-13	21,707.98	Reconciled
337434		07-MAR-13	CONEYBEARE INC		9,585.90	14-MAR-13	9,585.90	Reconciled
337435		07-MAR-13	CONTROLLED KEY SYSTEMS INC		558.60	14-MAR-13	558.60	Reconciled
337436		07-MAR-13	COX COMMUNICATIONS		849.00	11-MAR-13	849.00	Reconciled
337437		07-MAR-13	CRUMP & CO, INC.		2,121.57	11-MAR-13	2,121.57	Reconciled
337438		07-MAR-13	D & G SIGNS		334.80	19-MAR-13	334.80	Reconciled
337439		07-MAR-13	DEMSEY, FILLIGER & ASSOCIATES LLC		5,000.00	19-MAR-13	5,000.00	Reconciled
337440		07-MAR-13	ELECTRICAL SYSTEMS ENGINEERING		8,725.00	18-MAR-13	8,725.00	Reconciled
337441		07-MAR-13	ENDRESS AND HAUSER INC		2,258.91	11-MAR-13	2,258.91	Reconciled
337442		07-MAR-13	ENVIRONMENTAL ENGINEERING AND CONTRACTING, INC.		14,915.47	12-MAR-13	14,915.47	Reconciled
337443		07-MAR-13	ENVIRONMENTAL EXPRESS INC		1,265.40	13-MAR-13	1,265.40	Reconciled
337444		07-MAR-13	ERS INDUSTRIAL SERVICES INC		48,595.07	13-MAR-13	48,595.07	Reconciled
337445		07-MAR-13	EVOLVE MEDIA		370.00	08-MAR-13	370.00	Reconciled
337446		07-MAR-13	EXPRESSAIR		332.50	18-MAR-13	332.50	Reconciled
337447		07-MAR-13	FERGUSON WATERWORKS		727.14	11-MAR-13	727.14	Reconciled
337448		07-MAR-13	FIDELITY SECURITY LIFE INSURANCE		5,898.40	18-MAR-13	5,898.40	Reconciled

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
337449	07-MAR-13		COMPANY FIRE EXTINGUISHING SAFETY & SERVICE		496.45	11-MAR-13	496.45	Reconciled
337450	07-MAR-13		FIRST CHOICE SERVICES		1,249.69	12-MAR-13	1,249.69	Reconciled
337451	07-MAR-13		FISHER SCIENTIFIC COMPANY LLC		5,854.14	14-MAR-13	5,854.14	Reconciled
337452	07-MAR-13		FRANCHISE TAX BOARD		1,482.14	25-MAR-13	1,482.14	Reconciled
337453	07-MAR-13		FRANK LA PLACA EXTERMINATING INC		175.00	08-MAR-13	175.00	Reconciled
337454	07-MAR-13		GARZA INDUSTRIES, INC		1,381.97	08-MAR-13	1,381.97	Reconciled
337455	07-MAR-13		GEOSCIENCE SUPPORT SERVICES INC		56,132.00	12-MAR-13	56,132.00	Reconciled
337456	07-MAR-13		GLOBALSTAR INC		169.36	11-MAR-13	169.36	Reconciled
337457	07-MAR-13		GRAINGER		362.21	11-MAR-13	362.21	Reconciled

IRWD Ledger
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 3
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337458	07-MAR-13		H2O INNOVATION USA INC		4,289.22	11-MAR-13	4,289.22	Reconciled
337459	07-MAR-13		HAGEMEYER NORTH AMERICA INC		288.20	11-MAR-13	288.20	Reconciled
337460	07-MAR-13		HILL BROTHERS CHEMICAL COMPANY		27,294.20	13-MAR-13	27,294.20	Reconciled
337461	07-MAR-13		HOME DEPOT USA INC		877.30	18-MAR-13	877.30	Reconciled
337462	07-MAR-13		HYDRO-SCAPE PRODUCTS INC		424.30	11-MAR-13	424.30	Reconciled
337463	07-MAR-13		IBM CORPORATION		215.00	11-MAR-13	215.00	Reconciled
337464	07-MAR-13		II FUELS INC		30,879.44	12-MAR-13	30,879.44	Reconciled
337465	07-MAR-13		INDUSTRIAL ELECTRIC MACHINERY LLC		605.40	08-MAR-13	605.40	Reconciled
337466	07-MAR-13		INTERNAL REVENUE SERVICE		1,472.70	13-MAR-13	1,472.70	Reconciled
337467	07-MAR-13		INTERNAL REVENUE SERVICE		25.00	13-MAR-13	25.00	Reconciled
337468	07-MAR-13		INTERNATIONAL RISK MANAGEMENT		316.44	13-MAR-13	316.44	Reconciled
337469	07-MAR-13		IQM2 INC.		850.00	12-MAR-13	850.00	Reconciled
337470	07-MAR-13		IRVINE PIPE & SUPPLY INC		990.05	13-MAR-13	990.05	Reconciled
337471	07-MAR-13		IRWD EMPLOYEE ASSOCIATION		440.00	14-MAR-13	440.00	Reconciled
337472	07-MAR-13		JOHN MICHAEL COVAS		134.00	13-MAR-13	134.00	Reconciled
337473	07-MAR-13		JONES & STOKES ASSOCIATES, INC		2,827.50	13-MAR-13	2,827.50	Reconciled
337474	07-MAR-13		KELLY SERVICES INC		7,394.96	13-MAR-13	7,394.96	Reconciled
337475	07-MAR-13		LENOVO UNITED STATES INC		1,628.23	11-MAR-13	1,628.23	Reconciled
337476	07-MAR-13		LSA ASSOCIATES INC		3,763.79	11-MAR-13	3,763.79	Reconciled
337477	07-MAR-13		MALCOLM PIRNIE INC		57,031.37	18-MAR-13	57,031.37	Reconciled
337478	07-MAR-13		MARSH RISK & INSURANCE SVCS		10,908.00	13-MAR-13	10,908.00	Reconciled
337479	07-MAR-13		MC MASTER CARR SUPPLY CO		145.29	12-MAR-13	145.29	Reconciled
337480	07-MAR-13		MOTION INDUSTRIES INC		2,201.65	11-MAR-13	2,201.65	Reconciled
337481	07-MAR-13		MWH AMERICAS INC		300.00	11-MAR-13	300.00	Reconciled
337482	07-MAR-13		NATIONAL READY MIXED CONCRETE CO		437.04	11-MAR-13	437.04	Reconciled
337483	07-MAR-13		NATIONAL SPECIALITY ALLOYS LLC		1,389.98	11-MAR-13	1,389.98	Reconciled
337484	07-MAR-13		NATURES IMAGE INC		1,566.08	12-MAR-13	1,566.08	Reconciled

IRWD Ledger
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 4
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337485	07-MAR-13		NMG GEOTECHNICAL INC		15,083.40	15-MAR-13	15,083.40	Reconciled
337486	07-MAR-13		NORITSU AMERICA CORPORATION		119.00	12-MAR-13	119.00	Reconciled
337487	07-MAR-13		OLIN CORPORATION		5,680.10	15-MAR-13	5,680.10	Reconciled
337488	07-MAR-13		ONESOURCE DISTRIBUTORS LLC		3,011.98	11-MAR-13	3,011.98	Reconciled
337489	07-MAR-13		ORANGE COUNTY AUTO PARTS CO		496.70	08-MAR-13	496.70	Reconciled
337490	07-MAR-13		ORANGE COUNTY FIRE		3,591.00	11-MAR-13	3,591.00	Reconciled

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
337491	07-MAR-13		AUTHORITY OUTSOURCE TECHNICAL LLC		4,160.00	12-MAR-13	4,160.00	Reconciled
337492	07-MAR-13		PARKHOUSE TIRE INC		5,766.05	14-MAR-13	5,766.05	Reconciled
337493	07-MAR-13		PENHALL COMPANY		315.00	11-MAR-13	315.00	Reconciled
337494	07-MAR-13		PERS LONG TERM CARE		1,003.81	13-MAR-13	1,003.81	Reconciled
337495	07-MAR-13		PONTON INDUSTRIES INC		405.67	15-MAR-13	405.67	Reconciled
337496	07-MAR-13		PRAXAIR DISTRIBUTION INC		175.52	13-MAR-13	175.52	Reconciled
337497	07-MAR-13		PRUDENTIAL OVERALL SUPPLY		3,598.53	08-MAR-13	3,598.53	Reconciled
337498	07-MAR-13		RAINBOW DISPOSAL CO INC		482.22	08-MAR-13	482.22	Reconciled
337499	07-MAR-13		RAM AIR ENGINEERING INC		8,582.78	18-MAR-13	8,582.78	Reconciled
337500	07-MAR-13		RBF CONSULTING		2,903.50	13-MAR-13	2,903.50	Reconciled
337501	07-MAR-13		SANTA ANA BLUE PRINT		730.86	13-MAR-13	730.86	Reconciled
337502	07-MAR-13		SANTA MARGARITA WATER DISTRICT		29,009.70	12-MAR-13	29,009.70	Reconciled
337503	07-MAR-13		SANTIAGO AQUEDUCT COMMISSION		12,417.89	14-MAR-13	12,417.89	Reconciled
337504	07-MAR-13		SCHINDLER ELEVATOR CORPORATION		176.40	12-MAR-13	176.40	Reconciled
337505	07-MAR-13		SHAMROCK SUPPLY CO INC		427.06	11-MAR-13	427.06	Reconciled
337506	07-MAR-13		SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT		852.82	14-MAR-13	852.82	Reconciled
337507	07-MAR-13		SOUTHERN CALIFORNIA EDISON COMPANY		373,335.50	08-MAR-13	373,335.50	Reconciled

IRWD Ledger
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Report Date: 01-APR-2013 11:01
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar) Page: 5
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337508	07-MAR-13		SOUTHERN CALIFORNIA EDISON COMPANY		950.13	14-MAR-13	950.13	Reconciled
337509	07-MAR-13		SOUTHERN COUNTIES LUBRICANTS LLC		731.56	08-MAR-13	731.56	Reconciled
337510	07-MAR-13		SUPERMEDIA LLC		71.25	13-MAR-13	71.25	Reconciled
337511	07-MAR-13		SUPPORT PRODUCTS SERVICES		1,834.58	18-MAR-13	1,834.58	Reconciled
337512	07-MAR-13		SWAINS ELECTRIC MOTOR SERVICE		10,877.60			Negotiable
337513	07-MAR-13		TESTAMERICA LABORATORIES, INC		420.00	12-MAR-13	420.00	Reconciled
337514	07-MAR-13		TOT LOT PROS, INC.		4,750.00	12-MAR-13	4,750.00	Reconciled
337515	07-MAR-13		TRIPAC MARKETING INC		448.84	08-MAR-13	448.84	Reconciled
337516	07-MAR-13		TROPICAL PLAZA NURSERY INC		363.89	08-MAR-13	363.89	Reconciled
337517	07-MAR-13		TRUGREEN LANDCARE LLC		41,480.00	15-MAR-13	41,480.00	Reconciled
337518	07-MAR-13		UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA		708.00	15-MAR-13	708.00	Reconciled
337519	07-MAR-13		UNITED PARCEL SERVICE INC		86.54	11-MAR-13	86.54	Reconciled
337520	07-MAR-13		UNITED SITE SERVICES OF CALIFORNIA INC		597.93	11-MAR-13	597.93	Reconciled
337521	07-MAR-13		UNITED STATES POST OFFICE		25,000.00	14-MAR-13	25,000.00	Reconciled
337522	07-MAR-13		US BANK NAT'L ASSOCIATION NORTH DAKOTA		90,377.99	18-MAR-13	90,377.99	Reconciled
337523	07-MAR-13		US PEROXIDE LLC		23,230.04	18-MAR-13	23,230.04	Reconciled
337524	07-MAR-13		USA BLUEBOOK		534.92	21-MAR-13	534.92	Reconciled
337525	07-MAR-13		VERIZON CALIFORNIA INC		227.50	18-MAR-13	227.50	Reconciled
337526	07-MAR-13		VERIZON WIRELESS SERVICES LLC		271.36	12-MAR-13	271.36	Reconciled
337527	07-MAR-13		VWR INTERNATIONAL, LLC		320.84	11-MAR-13	320.84	Reconciled
337528	07-MAR-13		WALTERS WHOLESALE ELECTRIC		5.59	19-MAR-13	5.59	Reconciled
337529	07-MAR-13		WASTE MANAGEMENT OF ORANGE COUNTY		1,654.42	11-MAR-13	1,654.42	Reconciled

IRWD Ledger
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Report Date: 01-APR-2013 11:01
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar) Page: 6
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status	
Payment Document : IRWD CHECK									
337530		07-MAR-13	WAXIE'S ENTERPRISES, INC		1,036.76	11-MAR-13	1,036.76	Reconciled	
337531		07-MAR-13	WECK LABORATORIES INC		345.00	08-MAR-13	345.00	Reconciled	
337532		07-MAR-13	WELLS SUPPLY COMPANY		567.01	08-MAR-13	567.01	Reconciled	
337533		07-MAR-13	WEST COAST ARBORISTS, INC.		11,528.00	12-MAR-13	11,528.00	Reconciled	
337534		07-MAR-13	WEST COAST SAND & GRAVEL INC.		367.20	12-MAR-13	367.20	Reconciled	
337535		07-MAR-13	WESTERN EXTERMINATOR COMPANY		220.00	11-MAR-13	220.00	Reconciled	
337536		07-MAR-13	WILDERMUTH ENVIRONMENTAL INC		6,954.36	12-MAR-13	6,954.36	Reconciled	
337537		07-MAR-13	WORLDWIDE CORPORATE HOUSING, L.P.		3,570.00	11-MAR-13	3,570.00	Reconciled	
337538		07-MAR-13	ZEBRON CONTRACTING INC		17,420.00	14-MAR-13	17,420.00	Reconciled	
337539		07-MAR-13	Carl Spangenberg		280.00	15-MAR-13	280.00	Reconciled	
337540		07-MAR-13	Franklin Soto		220.00	26-MAR-13	220.00	Reconciled	
337541		07-MAR-13	Gina Jackson		83.68	08-MAR-13	83.68	Reconciled	
337542		07-MAR-13	Jenny Pan		47.27	11-MAR-13	47.27	Reconciled	
337543		07-MAR-13	Juan Guzman		162.00	11-MAR-13	162.00	Reconciled	
337544		07-MAR-13	Lars Oldewage		2,156.33	08-MAR-13	2,156.33	Reconciled	
337545		07-MAR-13	ASSOCIATION OF CALIFORNIA WATER AGENCIES/JPIA	ROSEVILLE	34,678.64	14-MAR-13	34,678.64	Reconciled	
337546		14-MAR-13	Brett Wilson		152.59	18-MAR-13	152.59	Reconciled	
337547		14-MAR-13	Mary Matheis		1,322.28	19-MAR-13	1,322.28	Reconciled	
337548		14-MAR-13	Michelle Klein		26.10			Negotiable	
337549		14-MAR-13	Paul Cook		10.00	18-MAR-13	10.00	Reconciled	
337550		14-MAR-13	Peer Swan		2,719.92	18-MAR-13	2,719.92	Reconciled	
337551		14-MAR-13	Steven LaMar		333.76	20-MAR-13	333.76	Reconciled	
337552		14-MAR-13	Steven Malloy		800.09	15-MAR-13	800.09	Reconciled	
337553		14-MAR-13	LUPISAN, ANGEL JR	OCEANSIDE	522.70	14-MAR-13	522.70	Reconciled	
337554		14-MAR-13	ADS LLC		12,703.50	21-MAR-13	12,703.50	Reconciled	
337555		14-MAR-13	ANDERSONPENNA PARTNERS, INC		16,340.00	20-MAR-13	16,340.00	Reconciled	
337556		14-MAR-13	ANTHEM BLUE CROSS		562.26	20-MAR-13	562.26	Reconciled	
337557		14-MAR-13	APOSTOLACHE, ANA		33.21	18-MAR-13	33.21	Reconciled	
337558		14-MAR-13	AT&T		123.11	19-MAR-13	123.11	Reconciled	
337559		14-MAR-13	AT&T		44.63	20-MAR-13	44.63	Reconciled	
337560		14-MAR-13	AT&T		6,582.15	22-MAR-13	6,582.15	Reconciled	
337561		14-MAR-13	AT&T		1,954.73	22-MAR-13	1,954.73	Reconciled	
IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01									
BANK: Bank of America N.A.			Branch : Los Angeles			Account: Checking AP and PR			Page: 7
Bank Account Currency: USD (US Dollar)			Payment Currency: USD (US Dollar)						
Payment Type: All			Display Supplier Address: No						

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337562		14-MAR-13	AVISTA TECHNOLOGIES, INC		3,047.47	18-MAR-13	3,047.47	Reconciled
337563		14-MAR-13	BACLET, CHARLES		606.95			Negotiable
337564		14-MAR-13	BASH, JOHN A		141.60	21-MAR-13	141.60	Reconciled
337565		14-MAR-13	BATTERY SYSTEMS INC		2,915.52	18-MAR-13	2,915.52	Reconciled
337566		14-MAR-13	BCGR		137.50	18-MAR-13	137.50	Reconciled
337567		14-MAR-13	BELL PIPE & SUPPLY CO		34.67	18-MAR-13	34.67	Reconciled
337568		14-MAR-13	BIOMAGIC INC		7,533.18	20-MAR-13	7,533.18	Reconciled
337569		14-MAR-13	BOYD & ASSOCIATES		135.00	18-MAR-13	135.00	Reconciled
337570		14-MAR-13	BRENNTAG PACIFIC INC		12,894.33	21-MAR-13	12,894.33	Reconciled
337571		14-MAR-13	BRUCE NEWELL		1,316.00	20-MAR-13	1,316.00	Reconciled
337572		14-MAR-13	CALIFORNIA BANK & TRUST		22,487.92	21-MAR-13	22,487.92	Reconciled
337573		14-MAR-13	CALIFORNIA BARRICADE INC		5,698.75	20-MAR-13	5,698.75	Reconciled
337574		14-MAR-13	CALIFORNIA WATER ENVIRONMENT ASSOCIATION		80.00	20-MAR-13	80.00	Reconciled
337575		14-MAR-13	CANON FINANCIAL SERVICES, INC		5,945.69	21-MAR-13	5,945.69	Reconciled
337576		14-MAR-13	CANON FINANCIAL SERVICES, INC		15,310.74	21-MAR-13	15,310.74	Reconciled
337577		14-MAR-13	CDW GOVERNMENT LLC		3,634.71	22-MAR-13	3,634.71	Reconciled
337578		14-MAR-13	CITY CIRCUIT BREAKERS		9,484.02	19-MAR-13	9,484.02	Reconciled
337579		14-MAR-13	CITY OF ORANGE		288.00	19-MAR-13	288.00	Reconciled
337580		14-MAR-13	CITY OF TUSTIN		963.60	19-MAR-13	963.60	Reconciled
337581		14-MAR-13	CLEAN ENERGY FUELS		862.61	20-MAR-13	862.61	Reconciled
337582		14-MAR-13	CNC ENGINEERING,		5,523.00	21-MAR-13	5,523.00	Reconciled

337583	14-MAR-13	INC COMMERCIAL CLEANING SYSTEMS INC	10,733.99	21-MAR-13	10,733.99	Reconciled
337584	14-MAR-13	COMMERCIAL DOOR OF ORANGE COUNTY, INC.	1,378.20	18-MAR-13	1,378.20	Reconciled
337585	14-MAR-13	COMPLIANCE SOLUTIONS	1,380.00	26-MAR-13	1,380.00	Reconciled
337586	14-MAR-13	CONCORDIA UNIVERSITY	5.00	20-MAR-13	5.00	Reconciled
337587	14-MAR-13	CONEYBEARE INC	20,816.58	21-MAR-13	20,816.58	Reconciled
337588	14-MAR-13	CORELOGIC INC	48.00	19-MAR-13	48.00	Reconciled
337589	14-MAR-13	COX COMMUNICATIONS	7,895.56	22-MAR-13	7,895.56	Reconciled

IRWD Ledger
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 8
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Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337590	14-MAR-13	CR & R INCORPORATED	12.20	21-MAR-13	12.20	21-MAR-13	12.20	Reconciled
337591	14-MAR-13	D & G SIGNS	928.80	19-MAR-13	928.80	19-MAR-13	928.80	Reconciled
337592	14-MAR-13	D & H WATER SYSTEMS INC.	3,315.00	21-MAR-13	3,315.00	21-MAR-13	3,315.00	Reconciled
337593	14-MAR-13	DALEY & HEFT LLP	2,537.50	19-MAR-13	2,537.50	19-MAR-13	2,537.50	Reconciled
337594	14-MAR-13	DATASITE INC	872.00	21-MAR-13	872.00	21-MAR-13	872.00	Reconciled
337595	14-MAR-13	DETECTION INSTRUMENTS CORP	227.80	21-MAR-13	227.80	21-MAR-13	227.80	Reconciled
337596	14-MAR-13	DILBECK, SULISTIO CO	26.50					Negotiable
337597	14-MAR-13	DILTS, MICHAEL	200.00					Negotiable
337598	14-MAR-13	DUDEK	7,245.59	21-MAR-13	7,245.59	21-MAR-13	7,245.59	Reconciled
337599	14-MAR-13	EAST ORANGE COUNTY WATER DISTRICT	1,459.70	18-MAR-13	1,459.70	18-MAR-13	1,459.70	Reconciled
337600	14-MAR-13	ELABRA INC	1,370.00	21-MAR-13	1,370.00	21-MAR-13	1,370.00	Reconciled
337601	14-MAR-13	EMPLOYEE BENEFIT SPECIALIST, INC	675.00	20-MAR-13	675.00	20-MAR-13	675.00	Reconciled
337602	14-MAR-13	ENDRESS AND HAUSER INC	1,931.79	19-MAR-13	1,931.79	19-MAR-13	1,931.79	Reconciled
337603	14-MAR-13	ENTERPRISE SECURITY, INC	5,040.00	19-MAR-13	5,040.00	19-MAR-13	5,040.00	Reconciled
337604	14-MAR-13	ENVIRONMENTAL EXPRESS INC	3,290.89	19-MAR-13	3,290.89	19-MAR-13	3,290.89	Reconciled
337605	14-MAR-13	ESA PWA	1,117.55	19-MAR-13	1,117.55	19-MAR-13	1,117.55	Reconciled
337606	14-MAR-13	EXPERTUNE INC	5,415.00					Negotiable
337607	14-MAR-13	FARRELL & ASSOCIATES	364.93	15-MAR-13	364.93	15-MAR-13	364.93	Reconciled
337608	14-MAR-13	FARWEST CORROSION CONTROL CO	3,578.26	18-MAR-13	3,578.26	18-MAR-13	3,578.26	Reconciled
337609	14-MAR-13	FEDEX	588.95	19-MAR-13	588.95	19-MAR-13	588.95	Reconciled
337610	14-MAR-13	FIRST CHOICE SERVICES	338.26	19-MAR-13	338.26	19-MAR-13	338.26	Reconciled
337611	14-MAR-13	FISERV	295.50	15-MAR-13	295.50	15-MAR-13	295.50	Reconciled
337612	14-MAR-13	FISHER SCIENTIFIC COMPANY LLC	2,363.85	18-MAR-13	2,363.85	18-MAR-13	2,363.85	Reconciled
337613	14-MAR-13	FIVE POINT PARTNERS LLC	8,228.21	21-MAR-13	8,228.21	21-MAR-13	8,228.21	Reconciled
337614	14-MAR-13	GEOSCIENCE SUPPORT SERVICES INC	21,649.00	19-MAR-13	21,649.00	19-MAR-13	21,649.00	Reconciled
337615	14-MAR-13	GOOGLE INC.	1,098.96	18-MAR-13	1,098.96	18-MAR-13	1,098.96	Reconciled
337616	14-MAR-13	GRAINGER	18.10	18-MAR-13	18.10	18-MAR-13	18.10	Reconciled
337617	14-MAR-13	GRAYBAR ELECTRIC COMPANY	6,809.36	21-MAR-13	6,809.36	21-MAR-13	6,809.36	Reconciled
337618	14-MAR-13	HACH COMPANY	413.39	18-MAR-13	413.39	18-MAR-13	413.39	Reconciled
337619	14-MAR-13	HAGER, KATHRYN	1,172.33	18-MAR-13	1,172.33	18-MAR-13	1,172.33	Reconciled

IRWD Ledger
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 9
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337620	14-MAR-13	HAMILTON, KURT	317.02	18-MAR-13	317.02	18-MAR-13	317.02	Reconciled
337621	14-MAR-13	HARDY & HARPER INC	18,957.00	19-MAR-13	18,957.00	19-MAR-13	18,957.00	Reconciled
337622	14-MAR-13	HARMSWORTH ASSOCIATES	665.00	18-MAR-13	665.00	18-MAR-13	665.00	Reconciled
337623	14-MAR-13	HARPER & ASSOCIATES ENGINEERING INC	2,435.00	21-MAR-13	2,435.00	21-MAR-13	2,435.00	Reconciled
337624	14-MAR-13	HAYES, TERRY	1,150.00					Negotiable
337625	14-MAR-13	HEALTH SCIENCE ASSOCIATES, INC.	4,855.00	27-MAR-13	4,855.00	27-MAR-13	4,855.00	Reconciled
337626	14-MAR-13	HERNBERG, SUSANNE M	69.20	19-MAR-13	69.20	19-MAR-13	69.20	Reconciled
337627	14-MAR-13	HILL BROTHERS	20,636.40	19-MAR-13	20,636.40	19-MAR-13	20,636.40	Reconciled

337628	14-MAR-13	CHEMICAL COMPANY						
337629	14-MAR-13	HOME DEPOT USA INC	1,011.32	25-MAR-13	1,011.32	Reconciled		
	14-MAR-13	INDUSTRIAL NETWORKING SOLUTIONS	2,228.18	18-MAR-13	2,228.18	Reconciled		
337630	14-MAR-13	INLAND WATER WORKS SUPPLY CO.	2,627.10	18-MAR-13	2,627.10	Reconciled		
337631	14-MAR-13	INTERFACE SYSTEMS	2,614.24	18-MAR-13	2,614.24	Reconciled		
337632	14-MAR-13	IRON MOUNTAIN INFORMATION MANAGEMENT INC	1,627.21	18-MAR-13	1,627.21	Reconciled		
337633	14-MAR-13	IRVINE PIPE & SUPPLY INC	3,763.80	21-MAR-13	3,763.80	Reconciled		
337634	14-MAR-13	IRVINE UNIFIED SCHOOL DISTRICT	1,126.42	19-MAR-13	1,126.42	Reconciled		
337635	14-MAR-13	JOHN G. ALEVIZOS D.O. INC.	82.38	18-MAR-13	82.38	Reconciled		
337636	14-MAR-13	KANA PIPELINE	456.57	15-MAR-13	456.57	Reconciled		
337637	14-MAR-13	KAZOLAS, GREGORY	101.61	19-MAR-13	101.61	Reconciled		
337638	14-MAR-13	KENNY THE PRINTER	1,422.02	15-MAR-13	1,422.02	Reconciled		
337639	14-MAR-13	KIM, NAMHEE	65.03	25-MAR-13	65.03	Reconciled		
337640	14-MAR-13	KONECRANES INC	1,100.00	18-MAR-13	1,100.00	Reconciled		
337641	14-MAR-13	KS DIRECT LLC	1,814.40	15-MAR-13	1,814.40	Reconciled		
337642	14-MAR-13	LA HABRA FENCE COMPANY INC	4,972.00	19-MAR-13	4,972.00	Reconciled		
337643	14-MAR-13	LAGUNA BEACH COUNTY WATER DISTRICT	3,677.04			Negotiable		
337644	14-MAR-13	LAWSON PRODUCTS, INC.	389.54	18-MAR-13	389.54	Reconciled		
337645	14-MAR-13	LCS TECHNOLOGIES, INC.	7,625.00	27-MAR-13	7,625.00	Reconciled		

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 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 10
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337646		14-MAR-13	LENOVO UNITED STATES INC		9,454.78	20-MAR-13	9,454.78	Reconciled
337647		14-MAR-13	LIGHT COMMUNICATIONS INC		20,875.00	25-MAR-13	20,875.00	Reconciled
337648		14-MAR-13	LIGHTING RESOURCES, LLC		73.00	15-MAR-13	73.00	Reconciled
337649		14-MAR-13	MC MASTER CARR SUPPLY CO		1,868.20	19-MAR-13	1,868.20	Reconciled
337650		14-MAR-13	MCKENNEY, SHERYL		82.21			Negotiable
337651		14-MAR-13	MERCHANTS LANDSCAPE SERVICES INC		7,280.00	19-MAR-13	7,280.00	Reconciled
337652		14-MAR-13	MEZO, GENA Z		24.27			Negotiable
337653		14-MAR-13	MUTUAL PROPANE		27.00	18-MAR-13	27.00	Reconciled
337654		14-MAR-13	NATIONAL READY MIXED CONCRETE CO		384.48	18-MAR-13	384.48	Reconciled
337655		14-MAR-13	NATIONAL SPECIALITY ALLOYS LLC		1,804.81	19-MAR-13	1,804.81	Reconciled
337656		14-MAR-13	NCH CORPORATION		202.56	18-MAR-13	202.56	Reconciled
337657		14-MAR-13	NIKSEFAT, KHAABIJEH		50.00			Negotiable
337658		14-MAR-13	NMG GEOTECHNICAL INC		5,217.90	27-MAR-13	5,217.90	Reconciled
337659		14-MAR-13	OLIN CORPORATION		24,864.15	22-MAR-13	24,864.15	Reconciled
337660		14-MAR-13	ONESOURCE DISTRIBUTORS LLC		8,251.77	21-MAR-13	8,251.77	Reconciled
337661		14-MAR-13	ORANGE COUNTY HOSE		1,759.83	15-MAR-13	1,759.83	Reconciled
337662		14-MAR-13	ORANGE COUNTY TREASURER		152.50	18-MAR-13	152.50	Reconciled
337663		14-MAR-13	ORANGE COUNTY VECTOR CONTROL DISTRICT		527.01			Negotiable
337664		14-MAR-13	ORRICK, HERRINGTON & SUTCLIFFE LLP		50,000.00	20-MAR-13	50,000.00	Reconciled
337665		14-MAR-13	PACIFIC GAS AND ELECTRIC COMPANY		21.91	19-MAR-13	21.91	Reconciled
337666		14-MAR-13	PACIFIC RESOURCE RECOVERY		729.00	18-MAR-13	729.00	Reconciled
337667		14-MAR-13	PAPER DEPOT DOCUMENT DESTRUCTION LLC		718.44	15-MAR-13	718.44	Reconciled
337668		14-MAR-13	PARADA PAINTING INC		33,048.60	25-MAR-13	33,048.60	Reconciled
337669		14-MAR-13	PARKVIEW MAINT ASSN		1,105.16	22-MAR-13	1,105.16	Reconciled

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 11
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337670		14-MAR-13	PARVIN, PAGEMUN		24.04			Negotiable
337671		14-MAR-13	PASCAL & LUDWIG CONSTRUCTORS		24,102.10	20-MAR-13	24,102.10	Reconciled
337672		14-MAR-13	PAULUS ENGINEERING INC		129,705.20	19-MAR-13	129,705.20	Reconciled
337673		14-MAR-13	PENSON, STEPHEN		30.47	18-MAR-13	30.47	Reconciled
337674		14-MAR-13	PINNACLE LANDSCAPE COMPANY		5,400.00	20-MAR-13	5,400.00	Reconciled
337675		14-MAR-13	PIPELOGIX INC		3,432.00	18-MAR-13	3,432.00	Reconciled
337676		14-MAR-13	PONTON INDUSTRIES INC		8,193.90	22-MAR-13	8,193.90	Reconciled
337677		14-MAR-13	PRAXAIR DISTRIBUTION INC		554.82	19-MAR-13	554.82	Reconciled
337678		14-MAR-13	PRINCIPAL LIFE INSURANCE		24,680.29	22-MAR-13	24,680.29	Reconciled
337679		14-MAR-13	PSIP SN ARMSTRONG LLC		226.77	19-MAR-13	226.77	Reconciled
337680		14-MAR-13	PSOMAS		6,849.38	21-MAR-13	6,849.38	Reconciled
337681		14-MAR-13	QUALITY ENVIRONMENTAL CONTAINERS		3,997.69	21-MAR-13	3,997.69	Reconciled
337682		14-MAR-13	R&B AUTOMATION INC		3,490.75	18-MAR-13	3,490.75	Reconciled
337683		14-MAR-13	RABIN, KARINA		46.33	25-MAR-13	46.33	Reconciled
337684		14-MAR-13	RANCHO VERACRUZ CONDO ASSN		1,069.78	21-MAR-13	1,069.78	Reconciled
337685		14-MAR-13	RBF CONSULTING		3,440.95	19-MAR-13	3,440.95	Reconciled
337686		14-MAR-13	REED THOMAS CO INC		1,649.09	22-MAR-13	1,649.09	Reconciled
337687		14-MAR-13	REED, JAMES D		1,930.00	21-MAR-13	1,930.00	Reconciled
337688		14-MAR-13	RESPONSE ENVELOPE, INC		1,859.76	18-MAR-13	1,859.76	Reconciled
337689		14-MAR-13	RICAPITO, FRANK		60.00	18-MAR-13	60.00	Reconciled
337690		14-MAR-13	RINGCLEAR LLC		20.52	25-MAR-13	20.52	Reconciled
337691		14-MAR-13	SANDERCOCK, JULIE		14.51			Negotiable
337692		14-MAR-13	SANTA ANA BLUE PRINT		3,442.87	21-MAR-13	3,442.87	Reconciled
337693		14-MAR-13	SANTA ANA CITY OF		19,760.37			Negotiable
337694		14-MAR-13	SARA, MARIA		15.83	22-MAR-13	15.83	Reconciled
337695		14-MAR-13	SCHALL, JANET		17.67			Negotiable
337696		14-MAR-13	SERRANO WATER DISTRICT		70,478.00	22-MAR-13	70,478.00	Reconciled
337697		14-MAR-13	SHAMROCK SUPPLY CO INC		1,099.60	15-MAR-13	1,099.60	Reconciled
337698		14-MAR-13	SIMI VALLEY LANDFILL AND RECYCLING CENTER		1,412.98	19-MAR-13	1,412.98	Reconciled
IRWD Ledger BANK: Bank of America N.A. Branch : Los Angeles Bank Account Currency: USD (US Dollar) Payment Type: All Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01 Account: Checking AP and PR Page: 12 Payment Currency: USD (US Dollar) Display Supplier Address: No								

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337699		14-MAR-13	SOUTH COAST WATER CO.		40.00	18-MAR-13	40.00	Reconciled
337700		14-MAR-13	SOUTH COAST WATER CO.		151.68	18-MAR-13	151.68	Reconciled
337701		14-MAR-13	SOUTHERN CALIFORNIA EDISON COMPANY		19,682.67	15-MAR-13	19,682.67	Reconciled
337702		14-MAR-13	SOUTHERN CALIFORNIA SECURITY CENTER, INC.		203.26	20-MAR-13	203.26	Reconciled
337703		14-MAR-13	SPECTER INSTRUMENTS		1,413.43	19-MAR-13	1,413.43	Reconciled
337704		14-MAR-13	STAPATYANON, DUNGJAI		36.54	25-MAR-13	36.54	Reconciled
337705		14-MAR-13	SUNG, ROBERT		26.50			Negotiable
337706		14-MAR-13	SYNAGRO SOUTH, LLC		1,565.07	18-MAR-13	1,565.07	Reconciled
337707		14-MAR-13	TESTAMERICA LABORATORIES, INC		95.00	18-MAR-13	95.00	Reconciled
337708		14-MAR-13	THE GAS COMPANY		6,275.41	22-MAR-13	6,275.41	Reconciled
337709		14-MAR-13	THOMAS HARDER & CO		660.00	18-MAR-13	660.00	Reconciled
337710		14-MAR-13	THOMPSON INDUSTRIAL SUPPLY		320.24	18-MAR-13	320.24	Reconciled
337711		14-MAR-13	TIEN, HENRY		30.14	20-MAR-13	30.14	Reconciled
337712		14-MAR-13	TISCHER, CHRISTINE L.		1,126.35	26-MAR-13	1,126.35	Reconciled
337713		14-MAR-13	TROPICAL PLAZA NURSERY INC		39,581.75	19-MAR-13	39,581.75	Reconciled
337714		14-MAR-13	TRUCPARCO		159.60	18-MAR-13	159.60	Reconciled
337715		14-MAR-13	TRUGREEN LANDCARE LLC		8,200.00	20-MAR-13	8,200.00	Reconciled
337716		14-MAR-13	UNITED PARCEL SERVICE INC		51.68	18-MAR-13	51.68	Reconciled
337717		14-MAR-13	US BANK NAT'L		750.00	20-MAR-13	750.00	Reconciled

337718	14-MAR-13	ASSOC N.DAKOTA V&A CONSULTING ENGINEERS		10,227.99				Negotiable
337719	14-MAR-13	VCI CONSTRUCTION INC		762.71	18-MAR-13	762.71		Reconciled
337720	14-MAR-13	VWR INTERNATIONAL, LLC		320.84	18-MAR-13	320.84		Reconciled
337721	14-MAR-13	WALTERS WHOLESALE ELECTRIC		5.11	20-MAR-13	5.11		Reconciled
337722	14-MAR-13	WASTE MANAGEMENT OF ORANGE COUNTY		1,065.62	19-MAR-13	1,065.62		Reconciled

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 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 13
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337723		14-MAR-13	WECK LABORATORIES INC		509.00	15-MAR-13	509.00	Reconciled
337724		14-MAR-13	WEST COAST ARBORISTS, INC.		2,465.00	15-MAR-13	2,465.00	Reconciled
337725		14-MAR-13	WEST COAST SAND & GRAVEL INC.		507.14	18-MAR-13	507.14	Reconciled
337726		14-MAR-13	WESTERN EXTERMINATOR COMPANY		1,955.00	26-MAR-13	1,955.00	Reconciled
337727		14-MAR-13	WESTIN ENGINEERING, INC		6,150.00	21-MAR-13	6,150.00	Reconciled
337728		14-MAR-13	WESTMARK SALES INC.		384.76	19-MAR-13	384.76	Reconciled
337729		14-MAR-13	WILLIAM LYON HOMES		410.75			Negotiable
337730		14-MAR-13	WIRELESS WATCHDOGS, LLC		968.00	22-MAR-13	968.00	Reconciled
337731		14-MAR-13	WORKFLOWONE		2,338.88	18-MAR-13	2,338.88	Reconciled
337732		14-MAR-13	XANTHOS, DARREN		87.24	20-MAR-13	87.24	Reconciled
337733		14-MAR-13	YANG, JENNIFER		30.14			Negotiable
337734		14-MAR-13	YU, XUEHONG		842.46			Negotiable
337735		14-MAR-13	ZEBRON CONTRACTING INC		12,950.00	22-MAR-13	12,950.00	Reconciled
337736		14-MAR-13	JOHNSON PLASTICS	PHOENIX	1,947.46	20-MAR-13	1,947.46	Reconciled
337737		19-MAR-13	JCI JONES CHEMICALS INC	CINCINNATI	6,324.81	25-MAR-13	6,324.81	Reconciled
337738		19-MAR-13	ASSOCIATION OF CALIFORNIA CITIES	ORANGE	5,000.00			Negotiable
337739		19-MAR-13	WATEREUSE FOUNDATION	PAY	25,000.00	26-MAR-13	25,000.00	Reconciled
337740		21-MAR-13	ACS TIBOR		33.26			Negotiable
337741		21-MAR-13	ACTION ELECTRIC CORP		1,558.08	26-MAR-13	1,558.08	Reconciled
337742		21-MAR-13	ADT SECURITY SERVICES INC		3,051.07			Negotiable
337743		21-MAR-13	AIRGAS-WEST, INC.		1,025.87	25-MAR-13	1,025.87	Reconciled
337744		21-MAR-13	ALAN SMITH POOL PLASTERING INC		684.18	25-MAR-13	684.18	Reconciled
337745		21-MAR-13	AMERICAN MESSAGING SERVICES LLC		282.73	26-MAR-13	282.73	Reconciled
337746		21-MAR-13	ARCADIS U.S., INC.		15,694.25			Negotiable
337747		21-MAR-13	ASSOCIATED POWER INC		1,970.59	22-MAR-13	1,970.59	Reconciled
337748		21-MAR-13	AT&T		3,506.61			Negotiable
337749		21-MAR-13	AT&T		47.85	26-MAR-13	47.85	Reconciled
337750		21-MAR-13	AT&T		34.63	26-MAR-13	34.63	Reconciled
337751		21-MAR-13	ATHENS SERVICES		1,983.12	22-MAR-13	1,983.12	Reconciled

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 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337752		21-MAR-13	BAQUERIZO, MARC W		67.01			Negotiable
337753		21-MAR-13	BARTOLIC, PATRICK		20.32			Negotiable
337754		21-MAR-13	BDC SPECIAL WASTE		200.00	26-MAR-13	200.00	Reconciled
337755		21-MAR-13	BEST DRILLING AND PUMP, INC.		27,037.00	27-MAR-13	27,037.00	Reconciled
337756		21-MAR-13	BILL'S SWEEPING SERVICE INC		460.00	26-MAR-13	460.00	Reconciled
337757		21-MAR-13	BK FOUNTAIN WORKS		1,028.38	22-MAR-13	1,028.38	Reconciled
337758		21-MAR-13	BLR INC		1,416.00	26-MAR-13	1,416.00	Reconciled
337759		21-MAR-13	BORCHARD SURVEYING & MAPPING, INC.		6,967.50			Negotiable
337760		21-MAR-13	BUL, LE		73.45			Negotiable
337761		21-MAR-13	BURGOYNE, MICHAEL		65.67	25-MAR-13	65.67	Reconciled
337762		21-MAR-13	C WELLS PIPELINE MATERIALS INC		383.40	27-MAR-13	383.40	Reconciled
337763		21-MAR-13	CABRERA, MERLY		25.65			Negotiable

337764	21-MAR-13	CALIFORNIA BARRICADE INC	3,037.50	26-MAR-13	3,037.50	Reconciled
337765	21-MAR-13	CALIFORNIA TRUCK EQUIPMENT COMPANY	6,736.20	27-MAR-13	6,736.20	Reconciled
337766	21-MAR-13	CALPERS	13,296.00			Negotiable
337767	21-MAR-13	CANON FINANCIAL SERVICES, INC	3,866.40	25-MAR-13	3,866.40	Reconciled
337768	21-MAR-13	CARL WARREN & CO	979.53	25-MAR-13	979.53	Reconciled
337769	21-MAR-13	CH2M HILL, INC	1,866.25	26-MAR-13	1,866.25	Reconciled
337770	21-MAR-13	CHEM TECH INTERNATIONAL INC	10,667.80			Negotiable
337771	21-MAR-13	CHENOSKY, CRAIG	16.95			Negotiable
337772	21-MAR-13	CHOU, RUTH	28.75			Negotiable
337773	21-MAR-13	CITY OF NEWPORT BEACH	1,168.31	25-MAR-13	1,168.31	Reconciled
337774	21-MAR-13	CITY OF ORANGE	256.00	26-MAR-13	256.00	Reconciled
337775	21-MAR-13	CLARK, TRACY	36.90			Negotiable
337776	21-MAR-13	CLEARINGHOUSE	528.45	25-MAR-13	528.45	Reconciled
337777	21-MAR-13	COASTAL TRAFFIC SYSTEMS, INC	510.00	25-MAR-13	510.00	Reconciled
337778	21-MAR-13	CONEYBEARE INC	7,269.13			Negotiable
337779	21-MAR-13	CORELOGIC INC	60.00	26-MAR-13	60.00	Reconciled
337780	21-MAR-13	CPWH	25.65			Negotiable
337781	21-MAR-13	CRAMER, SAMATHA	19.41			Negotiable
337782	21-MAR-13	CREDENTIAL CHECK CORPORATION	180.98	25-MAR-13	180.98	Reconciled
337783	21-MAR-13	CUMMINS CAL PACIFIC LLC	1,369.01	25-MAR-13	1,369.01	Reconciled
337784	21-MAR-13	DAN'S MACHINE TOOL, INC	135.59	25-MAR-13	135.59	Reconciled

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 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 15
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337785		21-MAR-13	DARCHINI ASTANEH, ALIREZA		21.02			Negotiable
337786		21-MAR-13	DDB ENGINEERING, INC.		4,296.78	22-MAR-13	4,296.78	Reconciled
337787		21-MAR-13	DELPHIN COMPUTER SUPPLY		294.30	22-MAR-13	294.30	Reconciled
337788		21-MAR-13	DIRECTV INC		94.99	26-MAR-13	94.99	Reconciled
337789		21-MAR-13	DISCOVERY SCIENCE CENTER		2,284.20	25-MAR-13	2,284.20	Reconciled
337790		21-MAR-13	DREAM TEAM PROPERTY, LLC		15.00			Negotiable
337791		21-MAR-13	DUDEK		9,378.09			Negotiable
337792		21-MAR-13	DURANCEAU CONSULTING SERVICES, LLC		1,012.50			Negotiable
337793		21-MAR-13	EAGLE GRAPHICS INC		4,661.48	22-MAR-13	4,661.48	Reconciled
337794		21-MAR-13	ECOLOGY CONTROL INDUSTRIES		2,240.78	25-MAR-13	2,240.78	Reconciled
337795		21-MAR-13	ELEMENT MATERIALS TECHNOLOGY HUNTINGTON BEACH INC		550.00	22-MAR-13	550.00	Reconciled
337796		21-MAR-13	ENDRESS AND HAUSER INC		6,161.57			Negotiable
337797		21-MAR-13	ESA PWA		1,525.00	26-MAR-13	1,525.00	Reconciled
337798		21-MAR-13	FAN, CHRISTINE		22.52			Negotiable
337799		21-MAR-13	FEDEX		315.54	26-MAR-13	315.54	Reconciled
337800		21-MAR-13	FERGUSON WATERWORKS		249.22	25-MAR-13	249.22	Reconciled
337801		21-MAR-13	FERNANDEZ, BARBARA		30.64			Negotiable
337802		21-MAR-13	FISERV		11,745.78	26-MAR-13	11,745.78	Reconciled
337803		21-MAR-13	FLEET SOLUTIONS LLC		4,041.95	25-MAR-13	4,041.95	Reconciled
337804		21-MAR-13	FLUID CONSERVATION SYSTEMS INC		179.00	25-MAR-13	179.00	Reconciled
337805		21-MAR-13	FLW SERVICE CORPORATION		150.00	22-MAR-13	150.00	Reconciled
337806		21-MAR-13	FOUNTAIN VALLEY PAINTS		426.60	25-MAR-13	426.60	Reconciled
337807		21-MAR-13	FRANCHISE TAX BOARD		1,320.22			Negotiable
337808		21-MAR-13	FRIEDMAN, JODY		54.04			Negotiable
337809		21-MAR-13	GADADOSS, PADMAJA		31.71			Negotiable
337810		21-MAR-13	GANAHL LUMBER CO.		5,180.19	27-MAR-13	5,180.19	Reconciled
337811		21-MAR-13	GANGE, JEFF		36.13			Negotiable

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 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
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Payment Document : IRWD CHECK

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
337812		21-MAR-13	GCI CONSTRUCTION, INC.		42,370.00	27-MAR-13	42,370.00	Reconciled
337813		21-MAR-13	GEORGE YARDLEY CO INC		206.34	25-MAR-13	206.34	Reconciled
337814		21-MAR-13	GOLDEN STATE LABOR COMPLIANCE LLC		29,992.50			Negotiable
337815		21-MAR-13	GOODLOE, VERNA LEA		46.23	25-MAR-13	46.23	Reconciled
337816		21-MAR-13	GRAINGER		2,507.04	25-MAR-13	2,507.04	Reconciled
337817		21-MAR-13	GREENSOUND TECHNOLOGY		176.81			Negotiable
337818		21-MAR-13	HACH COMPANY		1,125.95	25-MAR-13	1,125.95	Reconciled
337819		21-MAR-13	HANJAN, DINA		81.29	27-MAR-13	81.29	Reconciled
337820		21-MAR-13	HARMSWORTH ASSOCIATES		12,010.00	27-MAR-13	12,010.00	Reconciled
337821		21-MAR-13	HILL BROTHERS CHEMICAL COMPANY		1,292.60	22-MAR-13	1,292.60	Reconciled
337822		21-MAR-13	HOME DEPOT USA INC		557.69			Negotiable
337823		21-MAR-13	HOORMAZDI, MEHRNOOSH		23.27			Negotiable
337824		21-MAR-13	HUNSAKER & ASSOCIATES IRVINE		560.00	26-MAR-13	560.00	Reconciled
337825		21-MAR-13	HYDRO-SCAPE PRODUCTS INC		47.88	25-MAR-13	47.88	Reconciled
337826		21-MAR-13	IDENTICARD SYSTEMS WORLDWIDE INC		203.39	26-MAR-13	203.39	Reconciled
337827		21-MAR-13	II FUELS INC		31,865.12	26-MAR-13	31,865.12	Reconciled
337828		21-MAR-13	IRVINE COMMUNITY DEVELOPMENT COMPANY LLC		97.21			Negotiable
337829		21-MAR-13	IRVINE PACIFIC, LP		42.83			Negotiable
337830		21-MAR-13	IRVINE PIPE & SUPPLY INC		1,659.10			Negotiable
337831		21-MAR-13	IRVINE PROPERTY MANAGEMENT		34.20	22-MAR-13	34.20	Reconciled
337832		21-MAR-13	IRWD-PETTY CASH CUSTODIAN		1,242.85	22-MAR-13	1,242.85	Reconciled
337833		21-MAR-13	J. COLON COATINGS, INC.		49,585.25			Negotiable
337834		21-MAR-13	JAAFIL, MOHAMAD		24.49			Negotiable
337835		21-MAR-13	JENSEN, DEANNE		115.00			Negotiable
337836		21-MAR-13	JOE RHODES MAINT. SERVICE, INC.		249.25			Negotiable
337837		21-MAR-13	JOHN G. ALEVIZOS D.O. INC.		576.00	26-MAR-13	576.00	Reconciled
337838		21-MAR-13	KALEIKI, CHRIS		28.86			Negotiable
337839		21-MAR-13	KAPLAN, PHILIP		36.52			Negotiable

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Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337840		21-MAR-13	KAZARIANS & ASSOCIATES, INC.		21,681.75	27-MAR-13	21,681.75	Reconciled
337841		21-MAR-13	KB HOMES		15.00			Negotiable
337842		21-MAR-13	KIM, SOON TAE		2,450.00			Negotiable
337843		21-MAR-13	KONECRANES INC		1,650.00	25-MAR-13	1,650.00	Reconciled
337844		21-MAR-13	KONG, CHRISTINE		94.84			Negotiable
337845		21-MAR-13	LAIJ, DAMASUS S		30.20			Negotiable
337846		21-MAR-13	LAVALLEE, TOM		33.59	22-MAR-13	33.59	Reconciled
337847		21-MAR-13	LEWIS BRISBOIS BISGAARD AND SMITH LLP		2,900.00	25-MAR-13	2,900.00	Reconciled
337848		21-MAR-13	LIN, BRYAN		16.30	26-MAR-13	16.30	Reconciled
337849		21-MAR-13	LOCHRIDGE, DAVID		1,200.00	25-MAR-13	1,200.00	Reconciled
337850		21-MAR-13	LONG, DAVID		33.55	25-MAR-13	33.55	Reconciled
337851		21-MAR-13	LOPEZ, LINDA		15.00	27-MAR-13	15.00	Reconciled
337852		21-MAR-13	LUO, JUYING		28.38	25-MAR-13	28.38	Reconciled
337853		21-MAR-13	MBC APPLIED ENVIRONMENTAL SCIENCES		1,200.00	22-MAR-13	1,200.00	Reconciled
337854		21-MAR-13	MC FADDEN-DALE INDUSTRIAL		103.68	22-MAR-13	103.68	Reconciled
337855		21-MAR-13	MC MASTER CARR SUPPLY CO		1,912.11	26-MAR-13	1,912.11	Reconciled
337856		21-MAR-13	MEHR, SHABNAM		29.91			Negotiable
337857		21-MAR-13	MENDIZABAL, LORENA		34.17	25-MAR-13	34.17	Reconciled
337858		21-MAR-13	MERCHANTS LANDSCAPE SERVICES INC		618.85	22-MAR-13	618.85	Reconciled
337859		21-MAR-13	MOOREFIELD CONSTRUCTION INC		689.01	25-MAR-13	689.01	Reconciled
337860		21-MAR-13	MOUSE GRAPHICS		182.90	25-MAR-13	182.90	Reconciled
337861		21-MAR-13	NATIONAL READY MIXED CONCRETE CO		384.48	25-MAR-13	384.48	Reconciled
337862		21-MAR-13	NEW ERA CAP, INC		70.85			Negotiable
337863		21-MAR-13	NORTHWOOD PARK APTS		77.89			Negotiable

337864	21-MAR-13	OLIN CORPORATION		16,953.16			Negotiable
337865	21-MAR-13	OLOMI, ALI		1.21	27-MAR-13	1.21	Reconciled
337866	21-MAR-13	ONESOURCE DISTRIBUTORS LLC		7,384.00			Negotiable
337867	21-MAR-13	ORANGE COUNTY TREASURER		140.00	22-MAR-13	140.00	Reconciled
337868	21-MAR-13	OSTS, INC		3,105.00	25-MAR-13	3,105.00	Reconciled
337869	21-MAR-13	PACIFIC ELITE COMMUNICATIONS		723.74			Negotiable

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Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337870		21-MAR-13	PACIFIC GAS AND ELECTRIC COMPANY		341.51	27-MAR-13	341.51	Reconciled
337871		21-MAR-13	PACIFIC HYDROTECH CORPORATION		25,526.50	27-MAR-13	25,526.50	Reconciled
337872		21-MAR-13	PADAPARAMBIL, MURALI		66.30	25-MAR-13	66.30	Reconciled
337873		21-MAR-13	PAGE, PAULA		10.57			Negotiable
337874		21-MAR-13	PEARPOINT		1,157.55	25-MAR-13	1,157.55	Reconciled
337875		21-MAR-13	PERKINELMER HEALTH SCIENCES INC		1,342.65	25-MAR-13	1,342.65	Reconciled
337876		21-MAR-13	PERS LONG TERM CARE		1,003.81	27-MAR-13	1,003.81	Reconciled
337877		21-MAR-13	PETERSEN, STACY A		29.58			Negotiable
337878		21-MAR-13	PHILLIPS, CHRIS		14.35			Negotiable
337879		21-MAR-13	PINNACLE TOWERS LLC		592.11	25-MAR-13	592.11	Reconciled
337880		21-MAR-13	PONTON INDUSTRIES INC		1,036.76			Negotiable
337881		21-MAR-13	PRAXAIR DISTRIBUTION INC		175.52	25-MAR-13	175.52	Reconciled
337882		21-MAR-13	PURE EFFECT INC		5,955.00	26-MAR-13	5,955.00	Reconciled
337883		21-MAR-13	R&B AUTOMATION INC		720.00	25-MAR-13	720.00	Reconciled
337884		21-MAR-13	RAM AIR ENGINEERING INC		1,745.00	25-MAR-13	1,745.00	Reconciled
337885		21-MAR-13	RANCHO MARIPOSA APTS		12.07			Negotiable
337886		21-MAR-13	RED WING SHOES		335.88	25-MAR-13	335.88	Reconciled
337887		21-MAR-13	RESPONSE ENVELOPE, INC		1,176.12	22-MAR-13	1,176.12	Reconciled
337888		21-MAR-13	ROCHESTER MIDLAND CORPORATION		637.62	26-MAR-13	637.62	Reconciled
337889		21-MAR-13	SANDERS HYDROSEEDING INC		127.24	26-MAR-13	127.24	Reconciled
337890		21-MAR-13	SANDERS PAVING INC		10,688.40			Negotiable
337891		21-MAR-13	SANTA ANA BLUE PRINT		110.68	22-MAR-13	110.68	Reconciled
337892		21-MAR-13	SANTA ANA CITY OF		52.62	27-MAR-13	52.62	Reconciled
337893		21-MAR-13	SCHAEFER, STEVE A		37.21			Negotiable
337894		21-MAR-13	SECURTEC DISTRICT PATROL INC		1,600.00			Negotiable
337895		21-MAR-13	SHAMROCK SUPPLY CO INC		21.80	22-MAR-13	21.80	Reconciled
337896		21-MAR-13	SOKOL, WILLIAM		27.02			Negotiable
337897		21-MAR-13	SOUTH COAST WATER DISTRICT		62.29	25-MAR-13	62.29	Reconciled

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 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337898		21-MAR-13	SOUTHERN CALIFORNIA EDISON COMPANY		25,293.12	22-MAR-13	25,293.12	Reconciled
337899		21-MAR-13	SOUTHERN COUNTIES LUBRICANTS LLC		1,455.64	22-MAR-13	1,455.64	Reconciled
337900		21-MAR-13	SPARKLETT'S		309.97			Negotiable
337901		21-MAR-13	SPEAR, ROBERT		11.23			Negotiable
337902		21-MAR-13	SS MECHANICAL CORPORATION		45,777.60			Negotiable
337903		21-MAR-13	STANTEC CONSULTING SERVICES INC.		13,483.11			Negotiable
337904		21-MAR-13	SULLY-MILLER CONTRACTING CO.		124,204.74	26-MAR-13	124,204.74	Reconciled
337905		21-MAR-13	SULLY-MILLER CONTRACTING CO.		6,537.09			Negotiable
337906		21-MAR-13	TAYLOR WOODROW HOMES		80.05	27-MAR-13	80.05	Reconciled
337907		21-MAR-13	TAYLOR, RHONDA		15.86			Negotiable
337908		21-MAR-13	TETRA TECH, INC		12,512.62			Negotiable

337909	21-MAR-13	THE GAS COMPANY	1,700.93	27-MAR-13	1,700.93	Reconciled
337910	21-MAR-13	THE ORANGE COUNTY REGISTER	126.36	27-MAR-13	126.36	Reconciled
337911	21-MAR-13	TIC-IPG-COMMON	15.90	27-MAR-13	15.90	Reconciled
337912	21-MAR-13	TIC-SPECTRUM OFFICE	50.03	27-MAR-13	50.03	Reconciled
337913	21-MAR-13	TRANSCAT, INC	2,063.52	25-MAR-13	2,063.52	Reconciled
337914	21-MAR-13	TROPICAL PLAZA NURSERY INC	37,779.48	27-MAR-13	37,779.48	Reconciled
337915	21-MAR-13	TRUGREEN LANDCARE LLC	576.00	25-MAR-13	576.00	Reconciled
337916	21-MAR-13	UNISAN PRODUCTS	826.45	25-MAR-13	826.45	Reconciled
337917	21-MAR-13	UNITED PARCEL SERVICE INC	38.40	25-MAR-13	38.40	Reconciled
337918	21-MAR-13	USDA FOREST SERVICE	315.12	25-MAR-13	315.12	Reconciled
337919	21-MAR-13	VCI CONSTRUCTION INC	3,676.00	26-MAR-13	3,676.00	Reconciled
337920	21-MAR-13	VECCHIO, MARK	41.05			Negotiable
337921	21-MAR-13	VERIZON CALIFORNIA INC	259.24	27-MAR-13	259.24	Reconciled
337922	21-MAR-13	VWR INTERNATIONAL, LLC	2,553.21	25-MAR-13	2,553.21	Reconciled
337923	21-MAR-13	W.M. LYLES CO	22,071.60			Negotiable
337924	21-MAR-13	WAGNER, CHRISTINE R	17.20			Negotiable
337925	21-MAR-13	WANG, MAY	11.51			Negotiable

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Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337926		21-MAR-13	WASTE MANAGEMENT OF ORANGE COUNTY		626.81	26-MAR-13	626.81	Reconciled
337927		21-MAR-13	WAXIE'S ENTERPRISES, INC		1,316.49	25-MAR-13	1,316.49	Reconciled
337928		21-MAR-13	WEBSTER, ALISA		41.78			Negotiable
337929		21-MAR-13	WECK LABORATORIES INC		215.00	22-MAR-13	215.00	Reconciled
337930		21-MAR-13	WESTERN AV		240.00	25-MAR-13	240.00	Reconciled
337931		21-MAR-13	WRIGHT, BECKY S		10.56			Negotiable
337932		21-MAR-13	WU, LI TUNG		35.56	25-MAR-13	35.56	Reconciled
337933		21-MAR-13	WYLAND, BRETT		27.47			Negotiable
337934		21-MAR-13	YAMAZAKI, TETSUSHI		42.36			Negotiable
337935		21-MAR-13	YENDE, VYERAH		89.73			Negotiable
337936		21-MAR-13	YEUNG, KATHERINA		23.27			Negotiable
337937		21-MAR-13	YILDIRIM, SEVAL		66.67			Negotiable
337938		21-MAR-13	YUI HSIEH SERVICE CO		800.00	26-MAR-13	800.00	Reconciled
337939		21-MAR-13	ZEE MEDICAL		270.54	22-MAR-13	270.54	Reconciled
337940		21-MAR-13	INTERNAL REVENUE SERVICE		25.00	27-MAR-13	25.00	Reconciled
337941		21-MAR-13	INTERNAL REVENUE SERVICE		1,457.10			Negotiable
337942		21-MAR-13	SEPARATION PROCESSES INC		2,973.75	25-MAR-13	2,973.75	Reconciled
337943		21-MAR-13	Alejandro Garcia		200.00			Negotiable
337944		21-MAR-13	Beth Beeman		317.00	21-MAR-13	317.00	Reconciled
337945		21-MAR-13	David Crowe		195.00	22-MAR-13	195.00	Reconciled
337946		21-MAR-13	Edward Corral		50.00	22-MAR-13	50.00	Reconciled
337947		22-MAR-13	BANK OF NEW YORK MELLON TRUST COMPANY NA	NEWARK	6,021.00	27-MAR-13	6,021.00	Reconciled
337948		22-MAR-13	IRWD EMPLOYEE ASSOCIATION	IRVINE	440.00	25-MAR-13	440.00	Reconciled
337949		22-MAR-13	JCI JONES CHEMICALS INC	CINCINNATI	4,954.95	25-MAR-13	4,954.95	Reconciled
337950		22-MAR-13	KERN COUNTY WATER AGENCY	BAKERSFIELD D 1	43,500.00	26-MAR-13	43,500.00	Reconciled
337951		22-MAR-13	SOUTH COAST AIR QUALITY MANAGEMENTBAR 2 DISTRICT	DIAMOND	6,750.00	27-MAR-13	6,750.00	Reconciled
337952		28-MAR-13	Douglas Reinhart		2,558.31			Negotiable
337953		28-MAR-13	Gina Jackson		18.66			Negotiable
337954		28-MAR-13	Harry Cho		29.38			Negotiable
337955		28-MAR-13	Leslie Bonkowski		256.58			Negotiable
337956		28-MAR-13	Malcolm Cortez		223.74			Negotiable
337957		28-MAR-13	Shannon Reed		40.00			Negotiable

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Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								

337958	28-MAR-13	Steven LaMar	1,686.30	Negotiable
337959	28-MAR-13	Thomas Bonkowski	28.36	Negotiable
337960	28-MAR-13	Wayne Wright	36.87	Negotiable
337961	28-MAR-13	AAF INTERNATIONAL	3,570.23	Negotiable
337962	28-MAR-13	AFLAC	6,175.94	Negotiable
337963	28-MAR-13	AIR CONTROL SYSTEMS, INC.	20,580.00	Negotiable
337964	28-MAR-13	AKHONDZADEH, SASAN	41.96	Negotiable
337965	28-MAR-13	ALTISOURCE SOLUTIONS INC	91.58	Negotiable
337966	28-MAR-13	AMERICAN WATER WORKS ASSOC	9,046.00	Negotiable
337967	28-MAR-13	ANDERSONPENNA PARTNERS, INC	12,492.50	Negotiable
337968	28-MAR-13	APCO GRAPHICS INC	375.28	Negotiable
337969	28-MAR-13	ARC	1,809.72	Negotiable
337970	28-MAR-13	ASSOCIATED POWER INC	2,071.30	Negotiable
337971	28-MAR-13	ASSOCIATION OF CALIFORNIA CITIES	30.00	Negotiable
337972	28-MAR-13	AT&T	5,012.36	Negotiable
337973	28-MAR-13	BAICK, SEUNG	36.78	Negotiable
337974	28-MAR-13	BHAKTA, KUSHAL	33.20	Negotiable
337975	28-MAR-13	BILL'S SWEEPING SERVICE INC	805.00	Negotiable
337976	28-MAR-13	BIOMAGIC INC	6,774.17	Negotiable
337977	28-MAR-13	BOWIE, ARNESON, WILES & GIANNONE	28,828.19	Negotiable
337978	28-MAR-13	BRICE, RICHARD	29.54	Negotiable
337979	28-MAR-13	BRITHINEE ELECTRIC	455.40	Negotiable
337980	28-MAR-13	BUSH & ASSOCIATES INC	4,208.00	Negotiable
337981	28-MAR-13	C WELLS PIPELINE MATERIALS INC	7,072.92	Negotiable
337982	28-MAR-13	CAL-WEST LANDSCAPE	308.39	Negotiable
337983	28-MAR-13	CALIFORNIA COUNCIL FOR ENVIRONMENTAL AND ECONOMIC BALANCE	10,000.00	Negotiable
337984	28-MAR-13	CARLOS N. GAREGNANI	831.00	Negotiable
337985	28-MAR-13	CERTIFIED BIO SERVICES, LLC	4,600.00	Negotiable
337986	28-MAR-13	CHAMBERS, STEPHANIE	23.27	Negotiable
337987	28-MAR-13	CHEEMA, DALE	28.38	Negotiable

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 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
337988		28-MAR-13	CITY CIRCUIT BREAKERS		594.00			Negotiable
337989		28-MAR-13	CITY OF IRVINE		100.00			Negotiable
337990		28-MAR-13	CITY OF TUSTIN		338,678.93			Negotiable
337991		28-MAR-13	CLA-VAL COMPANY		2,538.53			Negotiable
337992		28-MAR-13	CLARK, PAMELA		63.87			Negotiable
337993		28-MAR-13	COAST PLUMBING HEATING AND AIR, INC		59.95			Negotiable
337994		28-MAR-13	COASTAL TRAFFIC SYSTEMS, INC		510.00			Negotiable
337995		28-MAR-13	COHEN, CHERYL S		123.33			Negotiable
337996		28-MAR-13	COLONIAL LIFE & ACCIDENT INSURANCE CO.		1,710.92			Negotiable
337997		28-MAR-13	CONEYBEARE INC		9,394.21			Negotiable
337998		28-MAR-13	COOLEY, ROXANNA		17.02			Negotiable
337999		28-MAR-13	COX COMMUNICATIONS		1,072.64			Negotiable
338000		28-MAR-13	CRAIN, ABBY		33.74			Negotiable
338001		28-MAR-13	CREDENTIAL CHECK CORPORATION		210.08			Negotiable
338002		28-MAR-13	CUMMINS CAL PACIFIC LLC		1,129.89			Negotiable
338003		28-MAR-13	DELTA SYSTEMS ENGINEERING		41,584.00			Negotiable
338004		28-MAR-13	EAGLE GRAPHICS INC		6,362.11			Negotiable
338005		28-MAR-13	EI&C ENGINEERING INC		12,065.00			Negotiable
338006		28-MAR-13	ELECTRICAL SYSTEMS ENGINEERING		6,250.00			Negotiable
338007		28-MAR-13	EMA INC		11,365.00			Negotiable
338008		28-MAR-13	EMERGENCY POWER CONTROLS INC		1,200.00			Negotiable
338009		28-MAR-13	ENVIRONMENTAL EXPRESS INC		1,184.87			Negotiable
338010		28-MAR-13	ENVIRONMENTAL RESOURCE ASSOCIATES		507.18			Negotiable

338056	28-MAR-13	MURPHEY, LYSS	21.96	Negotiable
338057	28-MAR-13	NATIONAL READY MIXED CONCRETE CO	1,461.56	Negotiable
338058	28-MAR-13	NEW PIG CORPORATION	1,791.55	Negotiable
338059	28-MAR-13	NEW RESOURCES GROUP INC	1,312.00	Negotiable
338060	28-MAR-13	NGUYEN, VINH	25.65	Negotiable
338061	28-MAR-13	NMG GEOTECHNICAL INC	26,655.20	Negotiable
338062	28-MAR-13	O G SUPPLY	191.86	Negotiable
338063	28-MAR-13	OCEAN BLUE ENVIRONMENTAL SERVICES INC	766.93	Negotiable
338064	28-MAR-13	OLIN CORPORATION	11,090.95	Negotiable
338065	28-MAR-13	OUTSOURCE TECHNICAL LLC	36,970.00	Negotiable
338066	28-MAR-13	PAC RIM ENGINEERING	2,127.50	Negotiable
338067	28-MAR-13	PASCAL & LUDWIG CONSTRUCTORS	46,982.69	Negotiable
338068	28-MAR-13	PAYNE & FEARS LLP	728.00	Negotiable
338069	28-MAR-13	PCL CONSTRUCTION SERVICE INC	626.74	Negotiable
338070	28-MAR-13	PCL CONSTRUCTION SERVICE INC	626.74	Negotiable

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 25
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
338071		28-MAR-13	PENHALL COMPANY		315.00			Negotiable
338072		28-MAR-13	POLYDYNE INC		2,300.00			Negotiable
338073		28-MAR-13	FRAXAIR DISTRIBUTION INC		2,618.69			Negotiable
338074		28-MAR-13	PRE-PAID LEGAL SERVICES INC		1,270.00			Negotiable
338075		28-MAR-13	PRO GROWERS INC		3,373.42			Negotiable
338076		28-MAR-13	PROGRESSIVE BUSINESS PUBLICATIONS		299.00			Negotiable
338077		28-MAR-13	PSB THE MARKETING SUPERSOURCE		2,362.50			Negotiable
338078		28-MAR-13	PSIGEN SOFTWARE, INC.		35.40			Negotiable
338079		28-MAR-13	PSOMAS		9,053.16			Negotiable
338080		28-MAR-13	RBF CONSULTING		4,831.75			Negotiable
338081		28-MAR-13	REACH EMPLOYEE ASSISTANCE INC		845.60			Negotiable
338082		28-MAR-13	RENNIE, JOHN		26.88			Negotiable
338083		28-MAR-13	ROCHESTER MIDLAND CORPORATION		1,416.96			Negotiable
338084		28-MAR-13	SAIC ENERGY, ENVIRONMENT & INFRASTRUCTURE LLC		22,262.14			Negotiable
338085		28-MAR-13	SANDERS PAVING INC		12,689.00			Negotiable
338086		28-MAR-13	SANTA ANA BLUE PRINT		1,643.88			Negotiable
338087		28-MAR-13	SECURTEC DISTRICT PATROL INC		10,080.00			Negotiable
338088		28-MAR-13	SEVILLA 53 DEVELOPMENT LLC		1,038.68			Negotiable
338089		28-MAR-13	SHAMROCK SUPPLY CO INC		1,200.07			Negotiable
338090		28-MAR-13	SIGMA-ALDRICH INC		586.95			Negotiable
338091		28-MAR-13	SIRIUS COMPUTER SOLUTIONS INC		12,755.25			Negotiable
338092		28-MAR-13	SOUTH COAST ANSWERING SERVICE		456.74			Negotiable
338093		28-MAR-13	SOUTHERN CALIFORNIA EDISON COMPANY		87,861.01			Negotiable
338094		28-MAR-13	SOUTHERN CALIFORNIA SECURITY CENTER, INC.		1,882.95			Negotiable
338095		28-MAR-13	SPEACY, BRITTANY		36.13			Negotiable

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 26
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
338096		28-MAR-13	STICE COMPANY INC		780.61			Negotiable

338097	28-MAR-13	STORED ENERGY SYSTEMS		2,752.39	Negotiable
338098	28-MAR-13	SUPPORT PRODUCTS SERVICES		424.91	Negotiable
338099	28-MAR-13	T AND S LARSEN MAINTENANCE		400.00	Negotiable
338100	28-MAR-13	TASSINARI, MARTHA		37.63	Negotiable
338101	28-MAR-13	TAYLOR WOODROW HOMES		26.73	Negotiable
338102	28-MAR-13	TCLA, INC		8,652.00	Negotiable
338103	28-MAR-13	TEKDRUALICS		70,448.40	Negotiable
338104	28-MAR-13	TETRA TECH, INC		880.00	Negotiable
338105	28-MAR-13	THE GAS COMPANY		7,094.67	Negotiable
338106	28-MAR-13	THE PLUMBERS WAREHOUSE		7,352.47	Negotiable
338107	28-MAR-13	THOMAS, WILLIE		179.62	Negotiable
338108	28-MAR-13	THOMPSON INDUSTRIAL SUPPLY		1,546.89	Negotiable
338109	28-MAR-13	THYSSENKRUPP ELEVATOR		212.45	Negotiable
338110	28-MAR-13	TROPICAL PLAZA NURSERY INC		871.44	Negotiable
338111	28-MAR-13	TRUGREEN LANDCARE LLC		41,000.00	Negotiable
338112	28-MAR-13	TUSKO, LILAH		16.41	Negotiable
338113	28-MAR-13	ULTRA SCIENTIFIC		497.60	Negotiable
338114	28-MAR-13	UNITED SITE SERVICES OF CALIFORNIA INC		597.93	Negotiable
338115	28-MAR-13	UNITED WAY OF ORANGE COUNTY		630.00	Negotiable
338116	28-MAR-13	UNIVAR USA INC		9,523.01	Negotiable
338117	28-MAR-13	US BANK NAT'L ASSOCIATION NORTH DAKOTA		86,569.23	Negotiable
338118	28-MAR-13	US PEROXIDE LLC		25,158.54	Negotiable
338119	28-MAR-13	VA CONSULTING, INC		4,698.00	Negotiable
338120	28-MAR-13	VAN BROEKHUIZEN, ROY		12.18	Negotiable
338121	28-MAR-13	VERIZON CALIFORNIA INC		289.30	Negotiable
338122	28-MAR-13	VIKING CHAINS INC.		4,635.00	Negotiable
338123	28-MAR-13	VU, AN		15.00	Negotiable
338124	28-MAR-13	WAXIE'S ENTERPRISES, INC		1,241.44	Negotiable

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 27
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD CHECK								
338125		28-MAR-13	WEST COAST SAND & GRAVEL INC.		1,012.70			Negotiable
338126		28-MAR-13	WESTERN EXTERMINATOR COMPANY		6,799.50			Negotiable
338127		28-MAR-13	WESTIN ENGINEERING, INC		22,425.00			Negotiable
338128		28-MAR-13	WILDERMUTH ENVIRONMENTAL INC		7,212.17			Negotiable
338129		28-MAR-13	WILLIAM LYON HOMES		88.70			Negotiable
338130		28-MAR-13	WOJTASZEK, DAVID		2,116.22			Negotiable
338131		28-MAR-13	WYVILL, KARL		40.32			Negotiable
338132		28-MAR-13	YANSENS, CHRISTIAN		31.98			Negotiable
338133		28-MAR-13	DON BOSCO TECHNICAL INSTITUTE	ROSEMEAD	3.00			Negotiable
338134		28-MAR-13	FERGUSON, DAVID	PAY	4,196.54			Negotiable
338135		28-MAR-13	MCCLAIN'S FURNITURE INC	PURCHASE	2,250.00			Negotiable
Payment Document Subtotal:					5,648,087.14		3,159,896.30	

Payment Document : IRWD Wire

9832		05-MAR-13	YORK INSURANCE SERVICES GROUP INC - CA	PAY	8,063.56			Negotiable
9833		06-MAR-13	J.R. FILANC CONSTRUCTION COMPANY INC.	ESCONDIDO	731,001.64			Negotiable
9834		07-MAR-13	CALPERS	SACRAMENTO	356,734.68			Negotiable
9835		12-MAR-13	YORK INSURANCE SERVICES GROUP INC - CA	PAY	5,327.18			Negotiable
9836		19-MAR-13	J.R. FILANC CONSTRUCTION COMPANY INC.	ESCONDIDO	493,474.66			Negotiable
9837		20-MAR-13	YORK INSURANCE	PAY	2,680.02			Negotiable

9838 SERVICES GROUP INC
 - CA
 BANK OF NEW YORK NEWARK 4,326.17 Negotiable
 MELLON TRUST
 COMPANY NA
 9839 20-MAR-13 SUMITOMO MITSUI NEW YORK 1,150.47 Negotiable
 BANKING CORPORAION
 IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 28
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD Wire								
9840		20-MAR-13	U.S. BANK NATIONALPAY ASSOCIATION		4,350.01			Negotiable
9841		20-MAR-13	BANK OF AMERICA	SAN FRANCISCO	6,296.59			Negotiable
9842		20-MAR-13	SUMITOMO MITSUI BANKING CORPORAION	NEW YORK	3,183.12			Negotiable
9843		20-MAR-13	BANK OF NEW YORK MELLON TRUST COMPANY NA	NEWARK	2,463.48			Negotiable
9844		20-MAR-13	U.S. BANK NATIONALPAY ASSOCIATION		250.00			Negotiable
9845		20-MAR-13	BANK OF AMERICA	SAN FRANCISCO	295.00			Negotiable
9846		20-MAR-13	INTERNAL REVENUE SERVICE	FRESNO	146,544.18			Negotiable
9847		20-MAR-13	FRANCHISE TAX BOARD	SACRAMENTO	40,611.38			Negotiable
9848		20-MAR-13	EMPLOYMENT DEVELOPMENT DEPARTMENT	W SACRAMENTO	10,512.59			Negotiable
9849		20-MAR-13	WILLIAMS, TWYLA	PARKER	658.62			Negotiable
9850		20-MAR-13	ORDONEZ, CYNTHIA MARIE	DESERT HOT SPR	500.17			Negotiable
9851		20-MAR-13	CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES	SACRAMENTO	1,991.98			Negotiable
9852		20-MAR-13	EMPLOYEE BENEFIT SPECIALIST, INC	PAY	9,400.42			Negotiable
9853		20-MAR-13	GREAT WEST	DENVER	84,459.44			Negotiable
9854		20-MAR-13	CALPERS	SACRAMENTO	81,683.09			Negotiable
9855		20-MAR-13	CITIGROUP GLOBAL MARKETS INC.	NEW YORK	821,002.44			Negotiable
9856		20-MAR-13	BANK OF AMERICA MERRILL LYNCH	PAY	821,002.67			Negotiable
9857		20-MAR-13	BANK OF NEW YORK MELLON TRUST COMPANY NA	NEWARK	15,866.67			Negotiable
9858		20-MAR-13	BANK OF NEW YORK MELLON TRUST COMPANY NA	NEWARK	913.89			Negotiable
9859		20-MAR-13	MUNICIPAL WATER DISTRICT OF ORANGEVALLEY COUNTY	FOUNTAIN	511,362.00			Negotiable
9860		20-MAR-13	U.S. BANK NATIONALST. ASSOCIATION	LOUIS	7,946.28			Negotiable

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Bank of America N.A. Branch : Los Angeles Account: Checking AP and PR Page: 29
 Bank Account Currency: USD (US Dollar) Payment Currency: USD (US Dollar)
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
Payment Document : IRWD Wire								
9861		22-MAR-13	CITIGROUP GLOBAL MARKETS INC.	NEW YORK	889,085.22			Negotiable
9862		22-MAR-13	INTERNAL REVENUE SERVICE	FRESNO	141,316.96			Negotiable
9863		22-MAR-13	FRANCHISE TAX BOARD	SACRAMENTO	38,520.77			Negotiable
9864		22-MAR-13	EMPLOYMENT DEVELOPMENT DEPARTMENT	W SACRAMENTO	10,497.75			Negotiable
9865		22-MAR-13	WILLIAMS, TWYLA	PARKER	658.62			Negotiable
9866		22-MAR-13	ORDONEZ, CYNTHIA MARIE	DESERT HOT SPR	500.17			Negotiable
9867		22-MAR-13	CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES	SACRAMENTO	1,991.98			Negotiable
9868		22-MAR-13	EMPLOYEE BENEFIT SPECIALIST, INC	PAY	10,092.08			Negotiable
9869		22-MAR-13	GREAT WEST	DENVER	86,198.31			Negotiable
9870		22-MAR-13	CALPERS	SACRAMENTO	81,748.50			Negotiable

9871	26-MAR-13	YORK INSURANCE PAY SERVICES GROUP INC - CA		57,528.25	Negotiable
9872	27-MAR-13	BANK OF NEW YORK NEWARK MELLON TRUST COMPANY NA		1,416.67	Negotiable
9873	27-MAR-13	BANK OF NEW YORK NEWARK MELLON TRUST COMPANY NA		3,055.56	Negotiable
9874	28-MAR-13	INTERNAL REVENUE SERVICE	FRESNO	60.09	Negotiable
9875	28-MAR-13	FRANCHISE TAX BOARD	SACRAMENTO	11.59	Negotiable
9876	28-MAR-13	EMPLOYMENT DEVELOPMENT DEPARTMENT	W SACRAMENTO	8.70	Negotiable

Payment Document Subtotal: 5,496,743.62


Bank Account Subtotal : 11,144,830.76 3,159,896.30

Report Count : 776 Report Total: 11,144,830.76 3,159,896.30

IRWD Ledger Payment Register For 01-MAR-13 To 31-MAR-13 Report Date: 01-APR-2013 11:01
 BANK: Branch : Account: Page: 30
 Bank Account Currency: () Payment Currency: ()
 Payment Type: All Display Supplier Address: No

Payment Number	Sequence Num	Date	Supplier Name	Site	Payment Amount	Cleared Date	Cleared Amount	Status
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*** End of Report ***

April 22, 2013
Prepared and Submitted by: Various
Approved by: Paul Cook 

CONSENT CALENDAR

STRATEGIC MEASURES DASHBOARD

SUMMARY:

Provided as Exhibits “A”, “B”, and “C” are the Strategic Measures Dashboard and informational items for Board review.

RECOMMENDATION:

THAT THE BOARD RECEIVE AND FILE THE STRATEGIC MEASURES DASHBOARD AND INFORMATION ITEMS.

EXHIBITS:

- Exhibit “A” – Strategic Measures Dashboard
- Exhibit “B” – Dyer Road Wellfield Status
- Exhibit “C” – Reservoir Data

**IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES DASHBOARD**

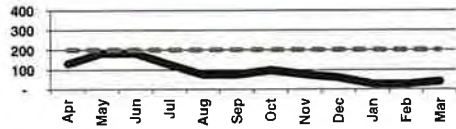
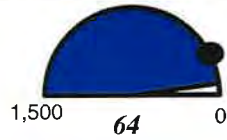
Exhibit "A"

March 2013

Note: The more blue area displayed on the dial, the more favorable the measure.

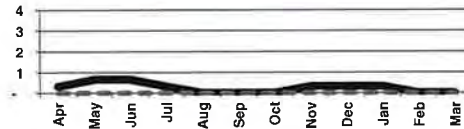
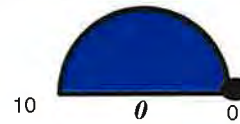
Reliability-Potable/Nonpotable

Target <= 200 customer hours out of service this month



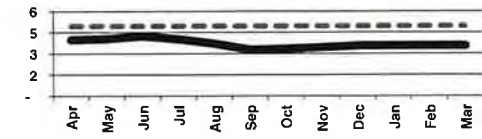
Sewer Spills

Target = 0 Spills this month



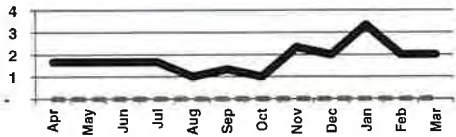
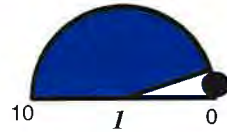
OCSD CORF Flows

Target <=4.95 MGD
CORF flow to OCSD this month



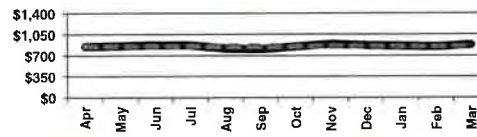
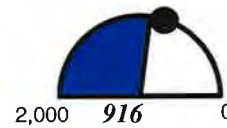
OSHA Recordables

Target = 0 reportable accidents this month



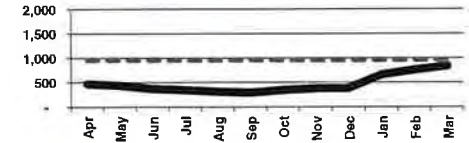
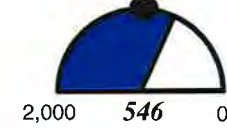
Water System Cost--Potable

Target <=\$854/af delivered this month



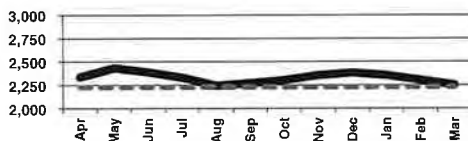
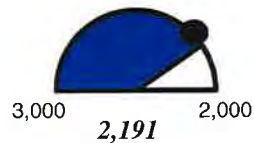
Water System Cost--Nonpotable

Target <= \$964/af delivered this month



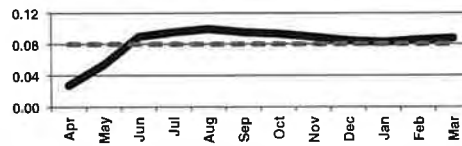
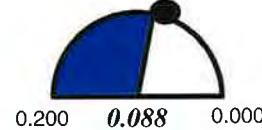
Wastewater Cost

Target <= \$2,229/MG processed this month



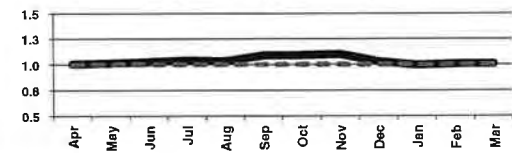
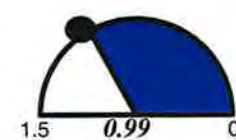
MWRP Energy Cost per kWh

Target <=0.080 cost per kWh this month



Real Property Performance

Target >= 1.0 (net income/goal) last month



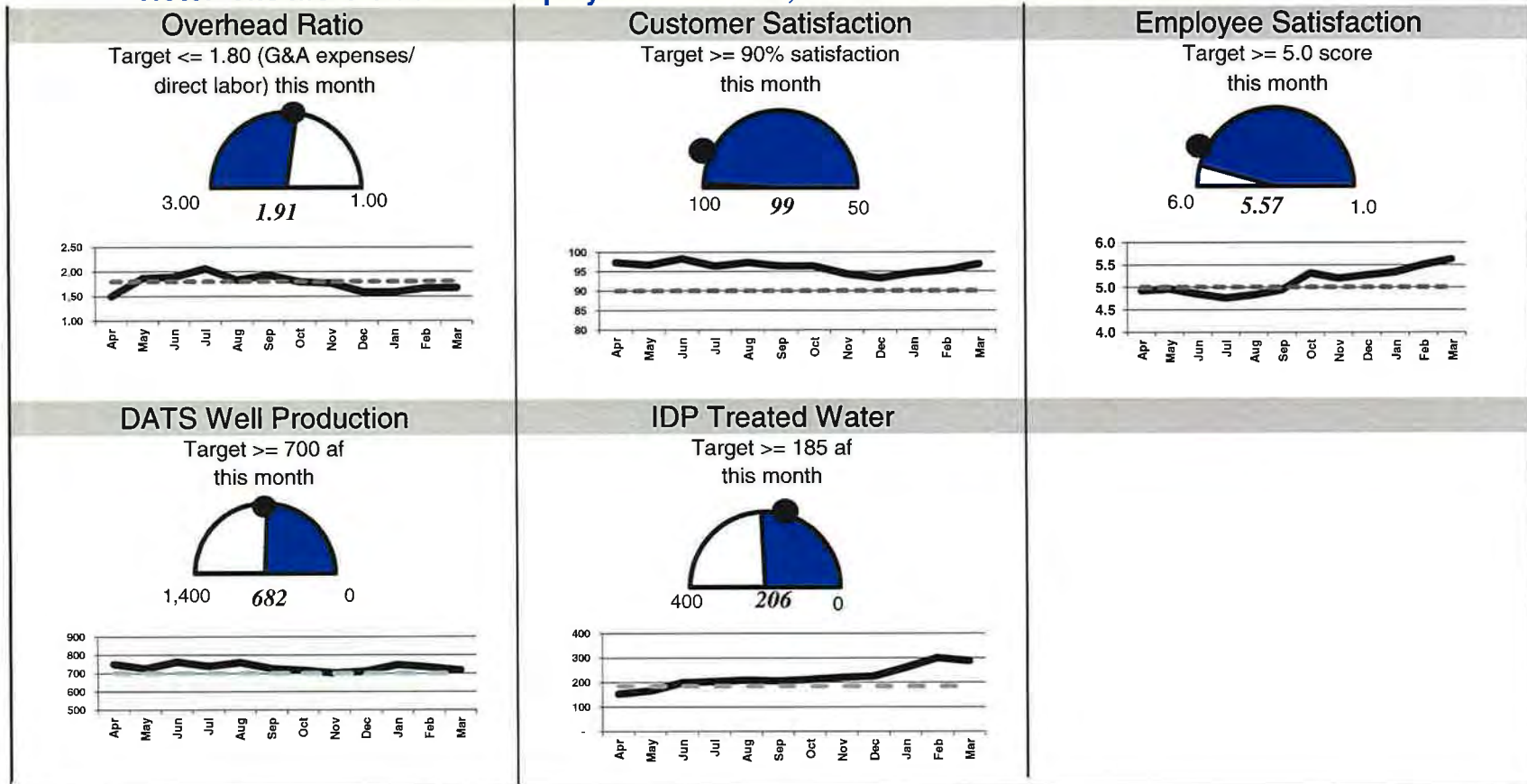
● Target shown on gauge
00.00 Figure for Current Month

----- Target shown on trend graph
———— 3-month rolling average

IRVINE RANCH WATER DISTRICT STRATEGIC MEASURES DASHBOARD

March 2013

Note: The more blue area displayed on the dial, the more favorable the measure.



● Target shown on gauge
00.00 Figure for Current Month

----- Target shown on trend graph
———— 3-month rolling average

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Reliability-Potable/Nonpotable

MONTHLY STATUS REPORT

Metric Owner: Water Ops

Definition of Measure:

The relative magnitude of system outages due to failures or scheduled maintenance for Potable and Non Potable Water.

Method:

Summation of the time in hours any part of the system was out of service times the number of customers affected by the given outage during the month.

Data Collection

Data was derived from the CSR database for customer based reports of "no water" and from the work order database for scheduled maintenance requiring the shut down of water service during repairs.

Explanation of Variance

1. None

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	231.20	200.00	<i>Thru:</i> March 2013
May 2012	252.60	200.00	<i>Goal:</i> 200.00
June 2012	66.30	200.00	
July 2012	62.80	200.00	
August 2012	96.30	200.00	
September 2012	68.70	200.00	
October 2012	130.00	200.00	
November 2012	34.10	200.00	
December 2012	20.80	200.00	
January 2013	29.50	200.00	
February 2013	32.70	200.00	
March 2013	64.20	200.00	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Sewer Spills

MONTHLY STATUS REPORT

Metric Owner: Gregory Springman Collection System Manager

Definition of Measure:

Number of sewer overflows of any quantity, regardless of cause, in IRWD's sanitary sewer collection system. This does not include spills from private sewers within IRWD's service area. IRWD has no control over private spills and is not responsible for them. However, it should be noted that IRWD will assist the County Health Care Agency in responding to and cleaning up private spills in the interest of the community.

Method:

Total number of IRWD sewer spills

Data Collection

Data is obtained from the California State Water Boards CIWQS data base for reporting SSO's.

Explanation of Variance

1. April, 2012-Newport Coast Marriott, blockage occurred in a sewer easement due to root intrusion. 50 gals SSO with 50 gals of wastewater released into the environment. All wastewater spilled soaked into the grass covered easement.
2. November, 2012 - Irvine, blockage caused by grease in a 8-in VCP sewer main. Volume estimated at 2,200 gals SSO with 1,000 gals of wastewater contained and recovered.
3. May, 2012 - MWRP North interceptor trunk sewer main break caused by pile driving activities during MWRP expansion. The break occurred on the 48" VCP trunk sewer main. 9,425 gals SSO with 9,425 gals of wastewater contained and recovered.

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	1.00	0	<i>Thru:</i> March 2013
May 2012	1.00	0	<i>Goal:</i> 0
June 2012	0	0	
July 2012	0	0	
August 2012	0	0	
September 2012	0	0	
October 2012	0	0	
November 2012	1.00	0	
December 2012	0	0	
January 2013	0	0	
February 2013	0	0	
March 2013	0	0	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

OCSD CORF Flows

MONTHLY STATUS REPORT

Metric Owner: Wayne Posey Director of Wastewater Operations

Definition of Measure:

Estimated CORF flow for current FY. CORF flow ownership as of the end of FY 2009/2010 was 8.62 MGD.

Method:

IRWD's CORF flow is derived by using the actual Main Street Flume Meter flow and subtracting the MWRP biosolid discharge flow and all non Revenue Area 14 (IRWD) flows tributary to the Main Street Flume meter/MWRP and adding in the San Joaquin Hills Planned Community flow and flow discharges from the Gas Recovery System (Formerly Laidlaw) for the FY four calendar months with the highest flow totals multiplied by three, averaging the result thereof with the same result of the same calculation for the preceding two fiscal years and adding in the current IBC transfer flow.

Note: All of the Newport Coast flows with the exception of the San Joaquin Hills Planned Community and Gas Recovery System flow are excluded from IRWD's CORF flow calculation. The OCSD's 1988 Downcoast Area Agreement only requires for IRWD to provide local wastewater collection service and requires OCSD to provide wastewater regional collection, transmission, treatment and disposal for that area.

Data Collection

The OCSD's Monthly Gallonage Flow Summary Report provides the actual flows used in calculating IRWD's CORF flow. This includes the Main Street Flume Meter actual monthly flow. All non Revenue Area 14 (IRWD) flows that are tributary to the Main Street Flume Meter is adjusted every year based on the results of OCSD's Flow Verification Study. The San Joaquin Hills Planned Community flow is adjusted every year based on the results of IRWD's Flow Verification Study. The Gas Recovery System flow is the actual monthly meter flow. The IBC transfer flow is adjusted every five years based on the results of OCSD's Flow Verification Study.

Explanation of Variance

1. None

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	3.95	4.95	<i>Thru:</i> March 2013
May 2012	4.25	4.95	<i>Goal:</i> 4.95
June 2012	4.53	4.95	
July 2012	3.33	4.95	
August 2012	3.27	4.95	
September 2012	3.26	4.95	
October 2012	3.54	4.95	
November 2012	3.55	4.95	
December 2012	3.55	4.95	
January 2013	3.55	4.95	
February 2013	3.55	4.95	
March 2013	3.55	4.95	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

OSHA Recordables

MONTHLY STATUS REPORT

Metric Owner: Ken Erwin District Safety & Security Manager

Definition of Measure:

OSHA Recordables are a monthly measure of injuries and illnesses that occurred and must be entered on the OSHA 300 (Log of Work Related Injuries and Illnesses), in conformance with OSHA requirements. This measure is standardized not only in the water/wastewater industry, but throughout industries nationwide.

Method:

OSHA Recordables = Number of OSHA Recordable cases occurring during the subject month.

Data Collection

All injuries/illnesses and near-misses are reported to the District Safety & Security Manager immediately when they occur. All are investigated and cases meeting the recordable definition are logged. This measure simply reports the number of accidents whose occurrence date is within the calendar month.

Explanation of Variance

1. Water maintenance tech II at 24 Parker in Irvine sprained both ankles when meter vault lid collapsed

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	2.00	0	<i>Thru:</i> March 2013
May 2012	2.00	0	<i>Goal:</i> 0
June 2012	1.00	0	
July 2012	2.00	0	
August 2012	0	0	
September 2012	2.00	0	
October 2012	1.00	0	
November 2012	4.00	0	
December 2012	1.00	0	
January 2013	5.00	0	
February 2013	0	0	
March 2013	1.00	0	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Water System Cost--Potable

MONTHLY STATUS REPORT

Metric Owner: Denise To-Nguyen Accountant

Definition of Measure:

Total cost of potable water delivered to IRWD's customers this month, on a unit basis (\$/acre-foot). These monthly costs can vary greatly due to variation in water sales and power cost billing cycles. Thus, monthly expenses do not match up with their corresponding water sales.

Method:

Sum of all potable water costs accrued this month divided by the quantity of potable water sold this month.

Data Collection

Potable water costs collected from current month general ledger. This cost includes labor, power, distribution, and other costs. The quantity of water sold is collected from the Water Usage Variance Report, which summarizes metered water sales. Wide fluctuations in this measure may occur due to the billing delays for such expenses as electrical power (ie, bills are not paid in the same month as the water is sold). In order to track this item on a monthly basis, the labor included for the current month is based on the budget.

Explanation of Variance

1. Imported purchases exceeded budget by 1,115 acre feet. The two primary drivers are that sales exceeded budget by 285 acre feet and Wells 21 & 22 were not operational until month end.

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	846.00	828.00	<i>Thru:</i> March 2013
May 2012	887.00	826.00	<i>Goal:</i> 854.00
June 2012	893.00	824.00	
July 2012	836.00	776.00	
August 2012	726.00	812.00	
September 2012	866.00	766.00	
October 2012	960.00	920.00	
November 2012	849.00	808.00	
December 2012	813.00	914.00	
January 2013	916.00	855.00	
February 2013	816.00	893.00	
March 2013	916.00	854.00	

IRVINE RANCH WATER DISTRICT
 STRATEGIC MEASURES

Water System Cost--Nonpotable

MONTHLY STATUS REPORT

Metric Owner: Denise To-Nguyen Accountant

Definition of Measure:

Total cost of nonpotable water delivered to IRWD's customer this month, on a unit basis (\$/acre-foot). These monthly costs can vary greatly due to variation in water sales and source water.

Method:

Sum of all nonpotable water costs accrued this month divided by the quantity of nonpotable water sold this month.

Data Collection

Nonpotable water costs collected from current month general ledger. This cost includes labor, power, distribution, and other costs related to tertiary treatment and reclaimed water distribution. The quantity of water sold is collected from the Water Usage Variance Report, which summarizes metered water sales. Wide fluctuations in this measure may occur due to the billing delays for such expenses as electrical power (ie, bills are not paid in the same month as the water is sold). In order to track this item on a monthly basis, the labor included for the current month is based on the budget.

Explanation of Variance

1. Energy cost was under budget by approximately \$120,000 due to the timing of invoices received and labor has been under budget for the last 2 months due to less labor needed on the non-potable system versus other systems.
2. Sales exceeded the budgeted target by 274 acre feet or 24.5%.

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	370.00	482.00	<i>Thru:</i> March 2013
May 2012	410.00	479.00	<i>Goal:</i> 964.00
June 2012	346.00	472.00	
July 2012	279.00	319.00	
August 2012	314.00	339.00	
September 2012	297.00	321.00	
October 2012	428.00	454.00	
November 2012	420.00	448.00	
December 2012	313.00	475.00	
January 2013	1,256.00	1,281.00	
February 2013	715.00	1,022.00	
March 2013	546.00	964.00	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Wastewater Cost

MONTHLY STATUS REPORT

Metric Owner: Wayne Posey Director of Wastewater Operations

Definition of Measure:

Total cost of collection and treatment (primary, secondary, and solids disposal) of wastewater, on a unit basis (\$/million gallons) for this month.

Method:

(MWRP cost of collections(G/L #530) + MWRP cost of treatment(G/L #551,552,565) + OCSD cost(G/L #535,555) + SMWD cost(G/L #531,556)) divided by the total sewage flows emanating from OCSD District #14 (Includes MWRP flow + OCSD flow + SMWD flow)

Data Collection

Data used for this measure are collected from the general ledger and from Orange County Sanitation District (OCSD) and Santa Margarita Water District (SMWD) staff. Costs and flows from OCSD District #7 are not included in the calculation. In order to track this item on a monthly basis, the labor included for the current month is based on the budget.

Explanation of Variance

1. Immaterial.

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	2,467.50	2,401.00	<i>Thru:</i> March 2013
May 2012	2,506.00	2,463.00	<i>Goal:</i> 2,229.00
June 2012	2,194.00	2,491.00	
July 2012	2,297.00	2,435.00	
August 2012	2,250.00	2,346.00	
September 2012	2,268.00	2,333.00	
October 2012	2,392.00	2,409.00	
November 2012	2,409.00	2,438.00	
December 2012	2,353.00	2,452.00	
January 2013	2,300.00	2,217.00	
February 2013	2,263.00	2,228.00	
March 2013	2,191.00	2,229.00	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

MWRP Energy Cost per kWh

MONTHLY STATUS REPORT

Metric Owner: Wayne Posey Director of Wastewater Operations

Definition of Measure:

Actual MWRP Cost per kWh used at MWRP with new generating facility.

Method:

MWRP cost per kWh is calculated by the monthly total energy purchased from imported SCE electricity, purchased natural gas for the generators from Coral Energy, and SCG natural gas transportation charge divided by the total monthly kWh generated and imported from SCE. We then add in actual maintenance costs, including g/a.

Data Collection

Data collected from actual monthly SCE, Coral Energy and SCG Invoices. Total kWh is collected from the two generator kWh meters and SCE main electric meter.

Explanation of Variance

1. None

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	.08	.08	<i>Thru:</i> March 2013
May 2012	.08	.08	<i>Goal:</i> .08
June 2012	.11	.08	
July 2012	.10	.08	
August 2012	.09	.08	
September 2012	.09	.08	
October 2012	.09	.08	
November 2012	.08	.08	
December 2012	.08	.08	
January 2013	.09	.08	
February 2013	.09	.08	
March 2013	.09	.08	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Real Property Performance

MONTHLY STATUS REPORT

Metric Owner: Finance

Debt and Investment Analyst

Definition of Measure:

This is a monthly measure of performance by IRWD's various enterprise activities, including residential and commercial real estate, Strawberry Farms Golf Course, and wireless communications leases.

Method:

Monthly Enterprise Return = Actual Net Income/Budgeted Net Income x 100

Data Collection

The various enterprise activities generate revenues and expenses at different frequencies through the year. Except for the real estate projects, the enterprise projects are primarily revenue generating activities with relatively little associated expenses. The measure reflects a comparison between the actual and budgeted net income of the various projects on a monthly basis.

Explanation of Variance

1. None

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	1.02	1.00	<i>Thru:</i> March 2013
May 2012	1.03	1.00	<i>Goal:</i> 1.00
June 2012	1.03	1.00	
July 2012	1.07	1.00	
August 2012	1.00	1.00	
September 2012	1.20	1.00	
October 2012	1.08	1.00	
November 2012	1.03	1.00	
December 2012	.98	1.00	
January 2013	.98	1.00	
February 2013	1.07	1.00	
March 2013	.99	1.00	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Overhead Ratio

MONTHLY STATUS REPORT

Metric Owner: Jessica Craig Accountant

Definition of Measure:

Overhead Ratio is a measure of general and administrative (G&A) overhead expenses compared to direct labor expenses.

Method:

Ratio of total G&A expenses to total direct labor (including regular and overtime wages).

Data Collection

G&A expenses are summarized from the general ledger and include all costs incurred that are not directly accounted to mission-critical work (charged to g/l #792). Direct labor expenses are the hourly staff charges accounted to mission-critical work (generally charged to expense codes #110 and #120). Benefits are considered G&A, not direct labor expenses.

Explanation of Variance

1. The current month actual G&A rate is 1.91 which is higher than the projected rate of 1.80 for fiscal year 2012-13. The FYTD G&A rate, July through June, is 1.69 which brings the under applied G&A to (\$1,339,075.48).
2. The primary drivers for the rate increase over last month were an increase in actual G&A expenses for Workers Comp and General Liability accrual and actual direct labor was under budget in March.

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	1.50	1.80	<i>Thru:</i> March 2013
May 2012	2.10	1.80	<i>Goal:</i> 1.80
June 2012	2.10	1.80	
July 2012	2.00	1.80	
August 2012	1.40	1.80	
September 2012	2.40	1.80	
October 2012	1.60	1.80	
November 2012	1.30	1.80	
December 2012	1.88	1.80	
January 2013	1.57	1.80	
February 2013	1.55	1.80	
March 2013	1.91	1.80	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Customer Satisfaction

MONTHLY STATUS REPORT

Metric Owner: Gina Jackson

Customer Service Manager

Definition of Measure:

Customer Satisfaction is measured by IRWD's Customer Satisfaction Index. The index is measured by sending surveys to a statistically-significant, random selection of customers that have called IRWD for some type of service. Services range from answering questions about water conservation or billing to repairing a sewer blockage in the street. The surveys allow the customer to rate IRWD's response to their request in eight categories. Each category is rated from 1 to 5, with 1 indicating the highest level of satisfaction. A total score of 100 indicates the highest level of satisfaction in all eight categories. The scores of all responses in the subject month are a weighted average for the monthly index figure.

Method:

Data Collection

Surveys are mailed at the end of each work week for the customer requests completed that week. The monthly index reflects the surveys received within the subject month.

Explanation of Variance

1. Total Overall Satisfaction =99%
 Satisfaction =100%
 Timely = 96%
 Phone = 100%
 Field Contact = 100%

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	99.00	90.00	<i>Thru:</i> March 2013
May 2012	96.00	90.00	<i>Goal:</i> 90.00
June 2012	100.00	90.00	
July 2012	93.00	90.00	
August 2012	99.00	90.00	
September 2012	97.00	90.00	
October 2012	93.00	90.00	
November 2012	93.00	90.00	
December 2012	94.00	90.00	
January 2013	97.00	90.00	
February 2013	95.00	90.00	
March 2013	99.00	90.00	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

Employee Satisfaction

MONTHLY STATUS REPORT

Metric Owner: Gretchen Maswadeh Human Resources Manager

Definition of Measure:

Level of employee satisfaction with employment at IRWD.

Method:

Average of all scores on surveys for performance evaluations presented this month

Data Collection

A survey is sent to each employee receiving a performance evaluation this month. The survey simply asks the employee to rate his/her overall employment satisfaction on a scale of 1 to 6 (1 being very dissatisfied and 6 being very satisfied). The ratings are compiled and averaged by Human Resources.

Explanation of Variance

1. 7 surveys were returned of 28 surveys sent (25%). 6 of 7 respondents (86%) rated satisfaction as 5 or 6 on a scale of 1 to 6. In the 12 month period ending March 2013, 97 surveys have been returned of 297 surveys sent (33%). 79 of 97 respondents (81%) rated satisfaction as 5 or 6 on a scale of 1 to 6. 12 month average rating is 5.24%

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	4.77	5.00	<i>Thru:</i> March 2013
May 2012	5.13	5.00	<i>Goal:</i> 5.00
June 2012	4.67	5.00	
July 2012	4.50	5.00	
August 2012	5.33	5.00	
September 2012	5.00	5.00	
October 2012	5.64	5.00	
November 2012	4.98	5.00	
December 2012	5.20	5.00	
January 2013	5.83	5.00	
February 2013	5.50	5.00	
March 2013	5.57	5.00	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

DATS Well Production

MONTHLY STATUS REPORT

Metric Owner: Tom Roberts

Operations Manager

Definition of Measure:

Number of acre-feet of water produced by Dyer Road wells C-8 and C-9 to supply water to the Deep Aquifer Treatment System (DATS).

Method:

Summation of production from wells C-8 and C-9.

Data Collection

Data collected from meters at wells.

Explanation of Variance

1. None

MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	805.00	700.00	<i>Thru:</i> March 2013
May 2012	685.00	700.00	<i>Goal:</i> 700.00
June 2012	802.00	700.00	
July 2012	733.00	700.00	
August 2012	745.00	700.00	
September 2012	703.00	700.00	
October 2012	704.00	700.00	
November 2012	702.00	700.00	
December 2012	732.00	700.00	
January 2013	811.00	700.00	
February 2013	660.00	700.00	
March 2013	682.00	700.00	

IRVINE RANCH WATER DISTRICT
STRATEGIC MEASURES

IDP Treated Water

MONTHLY STATUS REPORT

Metric Owner: Tom Roberts Operations Manager

Definition of Measure:

Number of acre-feet of treated water produced by the Irvine Desalter Project (IDP).

Method:

Difference between final effluent volume and discharge to storm drain volume.

Data Collection

Data collected from final effluent and discharge to storm drain meters.

Explanation of Variance

1. Produced water by the IDP was 144 AF under target due to the rehabilitation of well 110 in March.

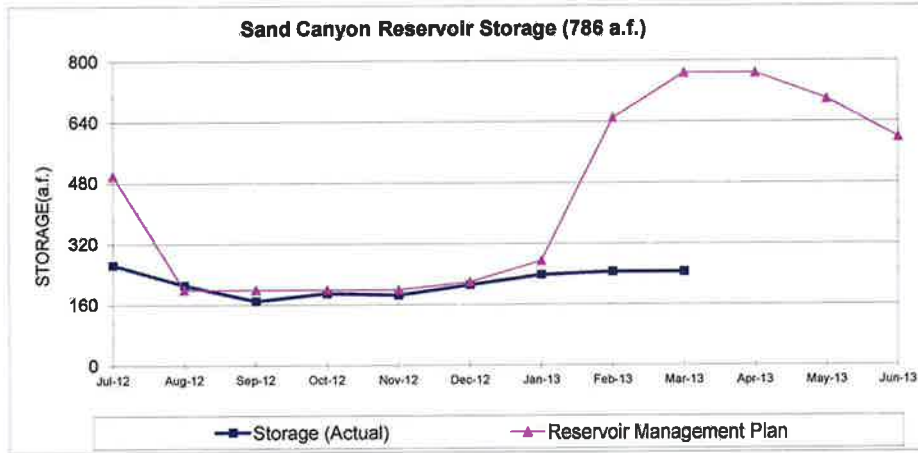
MONTHLY DATA

<u>Month</u>	<u>Value</u>	<u>Goal</u>	<i>From:</i> April 2012
April 2012	187.00	350.00	<i>Thru:</i> March 2013
May 2012	178.00	350.00	<i>Goal:</i> 350.00
June 2012	235.00	350.00	
July 2012	200.00	350.00	
August 2012	196.00	350.00	
September 2012	225.00	350.00	
October 2012	218.00	350.00	
November 2012	221.00	350.00	
December 2012	239.00	350.00	
January 2013	324.00	350.00	
February 2013	336.00	350.00	
March 2013	206.00	350.00	

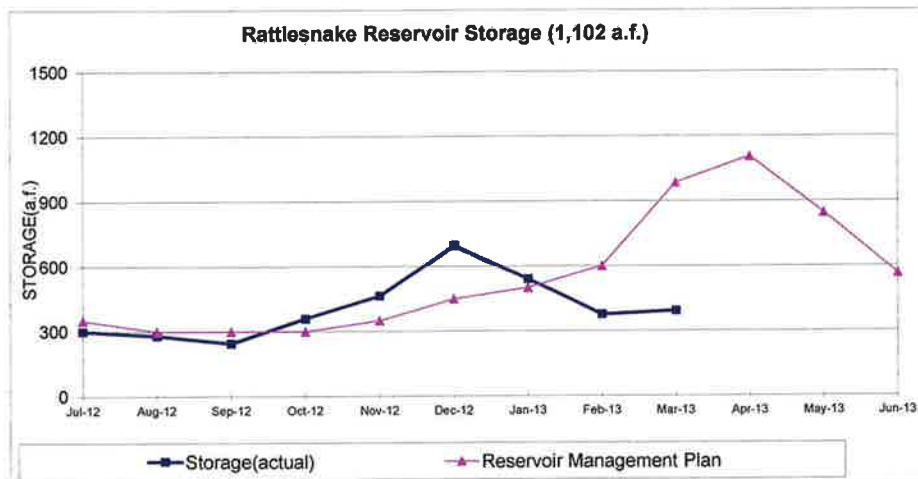
EXHIBIT "B"

DYER ROAD WELL FIELD STATUS							Mar-2013
Well Number	Production Mo./YTD	Ref. Point Elevation	Depth to Water 3/31/2013	Water Level-MSL	Depth of Bowls	Bowl Setting-MSL	Feet of Water Above Intake
1	83.7 AF 1,174.6 AF	34	N/A	N/A	270	-236	N/A
2	0.0 AF 78.2 AF	37	81	-45 Static	270	-234	189
3	0.0 AF 0.7 AF	55	94	-39 Static	215	-160	121
4	184.1 AF 1,969.7 AF	38	136	-98 Pumping	216	-178	80
5	109.5 AF 1,035.6 AF	48	286	-238 Pumping	290	-242	4
6	106.5 AF 1,252.8 AF	43	135	-92 Pumping	250	-207	115
7	8.3 AF 680.1 AF	40	219	-179 Pumping	290	-250	71
C-8 DATS	384.4 AF 3,702.0 AF	37	132	-95 Pumping	305	-268	173
C-9 DATS	297.9 AF 2,863.4 AF	23	132	-109 Pumping	305	-282	173
10	343.9 AF 3,107.3 AF	47	158	-111 Pumping	250	-203	92
11	15.8 AF 630.8 AF	40	172	-132 Pumping	300	-260	128
12	153.7 AF 1,820.1 AF	51	162	-111 Pumping	300	-249	138
13	2.4 AF 644.9 AF	40	184	-144 Pumping	300	-260	116
14	97.8 AF 1,390.6 AF	47	176	-129 Pumping	311	-264	135
15	359.7 AF 3,239.2 AF	44	164	-120 Pumping	300	-256	136
16	41.9 AF 706.1 AF	47	217	-170 Pumping	280	-233	63
17	269.8 AF 2,600.4 AF	52	178	-127 Pumping	250	-199	72
18	133.1 AF 1,276.6 AF	45	214	-169 Pumping	300	-255	86
Clear production:		1,910.2 AF for the month					
FYTD:		21,607.7 AF					
DATS production:		682.3 AF for the month					
FYTD:		6,565.4 AF					

RESERVOIR DATA FY 12-13

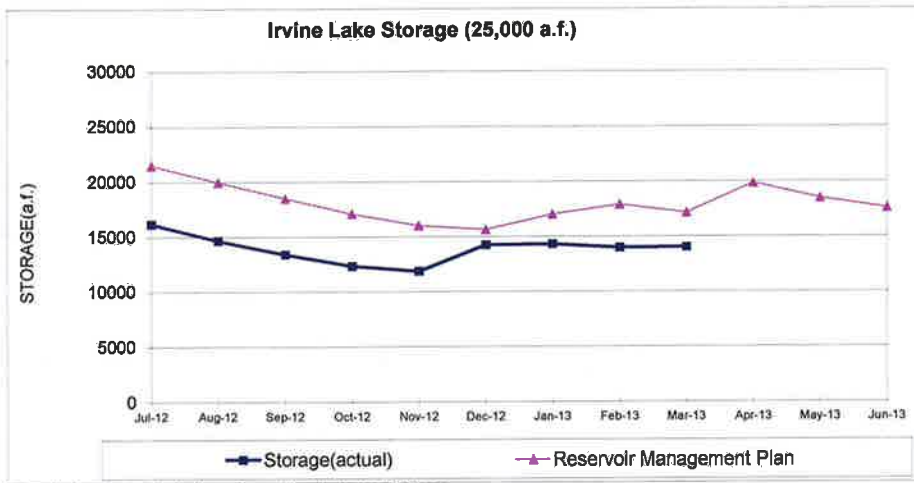


Sand Canyon Reservoir storage is below normal due to light rain.

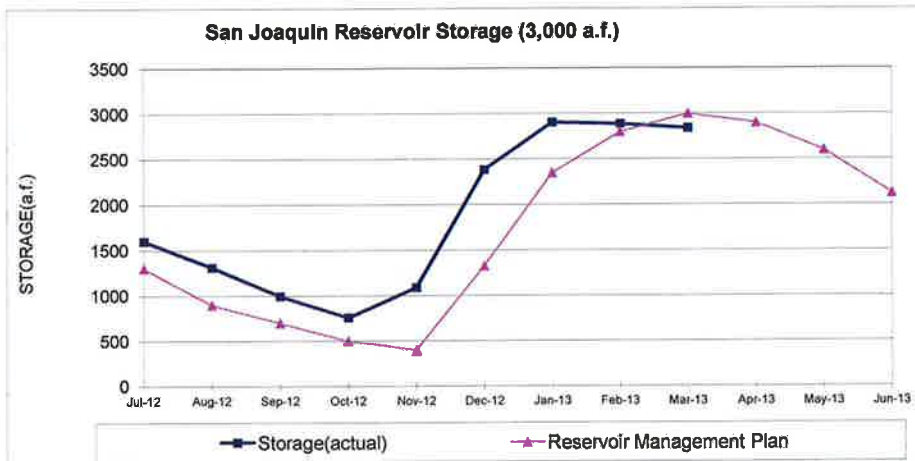


Rattlesnake Reservoir storage is below normal due to light rain.

RESERVOIR DATA FY 12-13



Irvine Lake storage is below planned level due to light rain.



San Joaquin Reservoir storage is on track.

08
April 22, 2013 KNL
Prepared by: K. Lew/M. Cortez
Submitted by: K. Burton (KB)
Approved by: Paul Cook / [Signature]

CONSENT CALENDAR

BAKER RANCH PHASE 1A CAPITAL IMPROVEMENTS

SUMMARY:

Shea Baker Ranch Associates (Shea Baker) is beginning development of Baker Ranch which includes the construction of streets, storm drains, domestic water, sewer, and recycled water improvements. As part of the development, Shea Baker will construct IRWD capital facilities under an existing Reimbursement Agreement dated September 24, 2012. Staff recommends that the Board:

- Authorize the addition of Projects 11661 and 31661 in the amounts of \$612,700 and \$304,700, respectively; and
- Approve Expenditure Authorizations for Projects 11661 and 31661 in the amounts of \$612,700 and \$304,700, respectively.

BACKGROUND:

Shea Baker is moving forward with the construction of the Baker Ranch Phase 1A improvements. The project location map is shown as Exhibit "A". The required IRWD domestic water, sewer, and recycled water capital facilities are documented in the Lake Forest Area Sub-Area Master Plan, as prepared in October 2010 and shown in the capital system maps in Exhibit "B".

The Baker Ranch Phase 1A capital facilities consist of approximately 3,700 lineal feet of 12-inch and 16-inch diameter domestic water pipeline and 4,300 lineal feet of 6-inch and 8-inch recycled water pipeline. The design and construction of the IRWD facilities will be performed under the terms of an existing Reimbursement Agreement between Shea Baker and IRWD dated September 24, 2012.

Shea Baker retained RBF Consulting, Inc. (RBF) to prepare the Baker Ranch Phase 1A improvement plans and they received bids from five contractors in February 2013. Shea Baker recommends awarding the construction contract to the lowest bidder, Kennedy Pipeline, for a bid amount of \$523,158.05 as shown in Exhibit "C". In addition, Shea Baker has received consultant proposals for engineering services during construction and surveying. Staff has reviewed the consultant proposals and the construction bids and found the amounts to be acceptable. A summary of the Phase 1A Capital Improvement costs is shown below.

Design/Construction Engineering (RBF)	\$ 107,540.00
Construction (Kennedy Pipeline)	\$ 523,158.05
Surveying (RBF)	\$ 2,700.00
Shea Baker Administration Fee (1%)	\$ <u>5,231.58</u>
	\$ 638,629.63

FISCAL IMPACTS:

Funding for IRWD’s capital facilities will require the addition of Projects 11661 (4000) and 31661 (4001) to the FY 2012-13 Capital Budget and approval of Expenditure Authorizations in the amount shown in the table below and in Exhibit “D”.

Project No.	Current Budget	Addition <Reduction>	Total Budget	Existing EA	This EA Request	Total EA Request
11661 (4000)	\$-0-	\$612,700	\$612,700	\$-0-	\$612,700	\$612,700
31661 (4001)	\$-0-	\$304,700	\$304,700	\$-0-	\$304,700	\$304,700
TOTAL	\$-0-	\$917,400	\$917,400	\$-0-	\$917,400	\$917,400

The above funding provides for the reimbursement costs to Shea Baker for the design and construction of IRWD capital facilities, staff time, and consultant support during construction.

ENVIRONMENTAL COMPLIANCE:

Construction of capital domestic water, sewer, and recycled water facilities for the Baker Ranch project is subject to CEQA. In conformance with the California Code of Regulations Title 14, Chapter 3, Article 7 a Supplemental Environmental Impact Report was certified by the City of Lake Forest on May 15, 2012 (SCH# 2004071039).

COMMITTEE STATUS:

This item was reviewed by the Engineering and Operations Committee on April 16, 2013.

RECOMMENDATION:

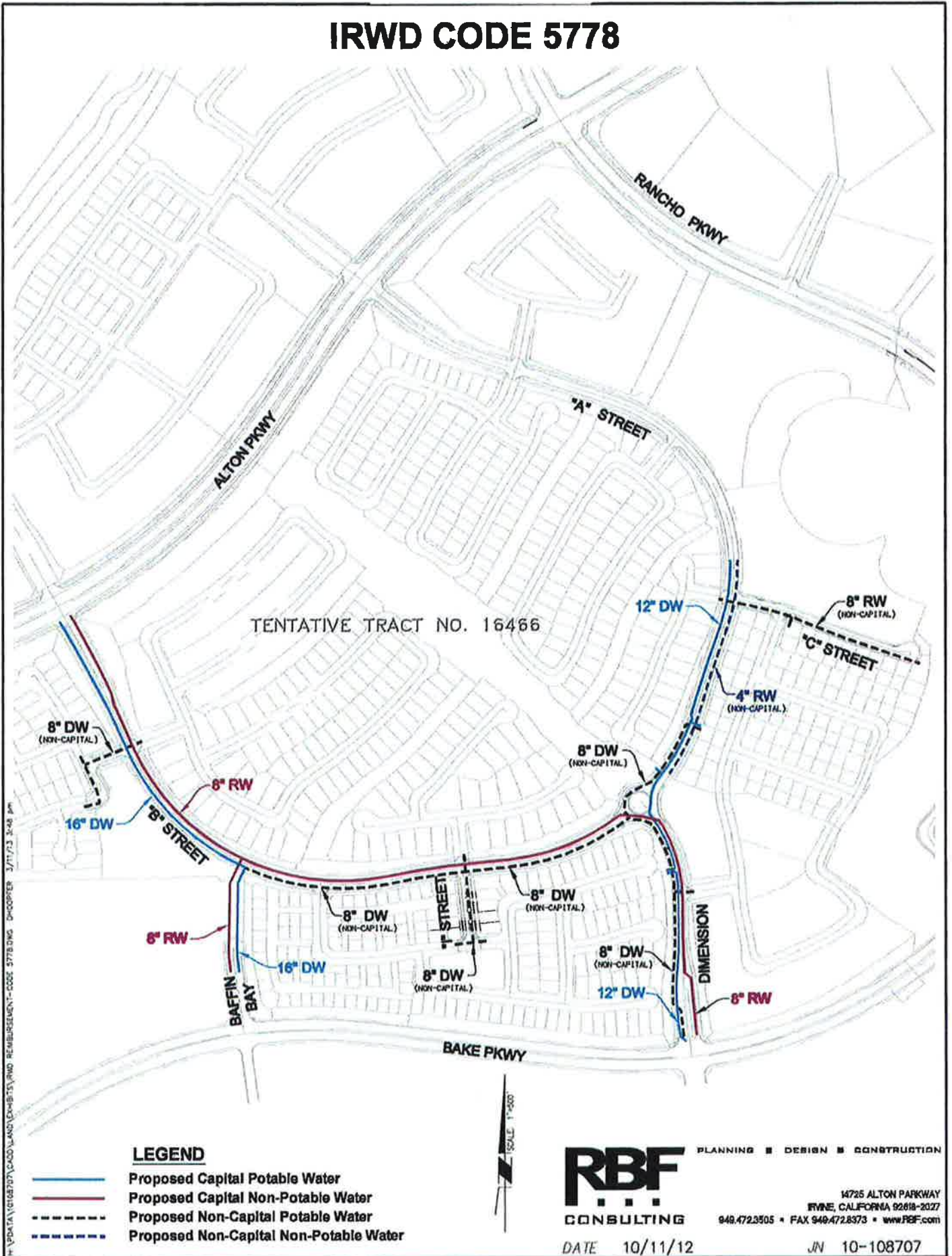
THAT THE BOARD AUTHORIZE THE ADDITION OF PROJECTS 11661 (4000) AND 31661 (4001) IN THE AMOUNTS OF \$612,700 AND \$304,700, RESPECTIVELY; AND APPROVE EXPENDITURE AUTHORIZATIONS FOR PROJECTS 11661 (4000) AND 31661 (4001) IN THE AMOUNTS OF \$612,700 AND \$304,700, RESPECTIVELY, FOR THE BAKER RANCH PHASE 1A CAPITAL IMPROVEMENTS.

LIST OF EXHIBITS:

- Exhibit “A” – Baker Ranch Location Map
- Exhibit “B” – Capital System Maps
- Exhibit “C” – Bid Summary for Construction of IRWD Capital Facilities
- Exhibit “D” – Expenditure Authorizations

EXHIBIT "A"

IRWD CODE 5778



TENTATIVE TRACT NO. 16466

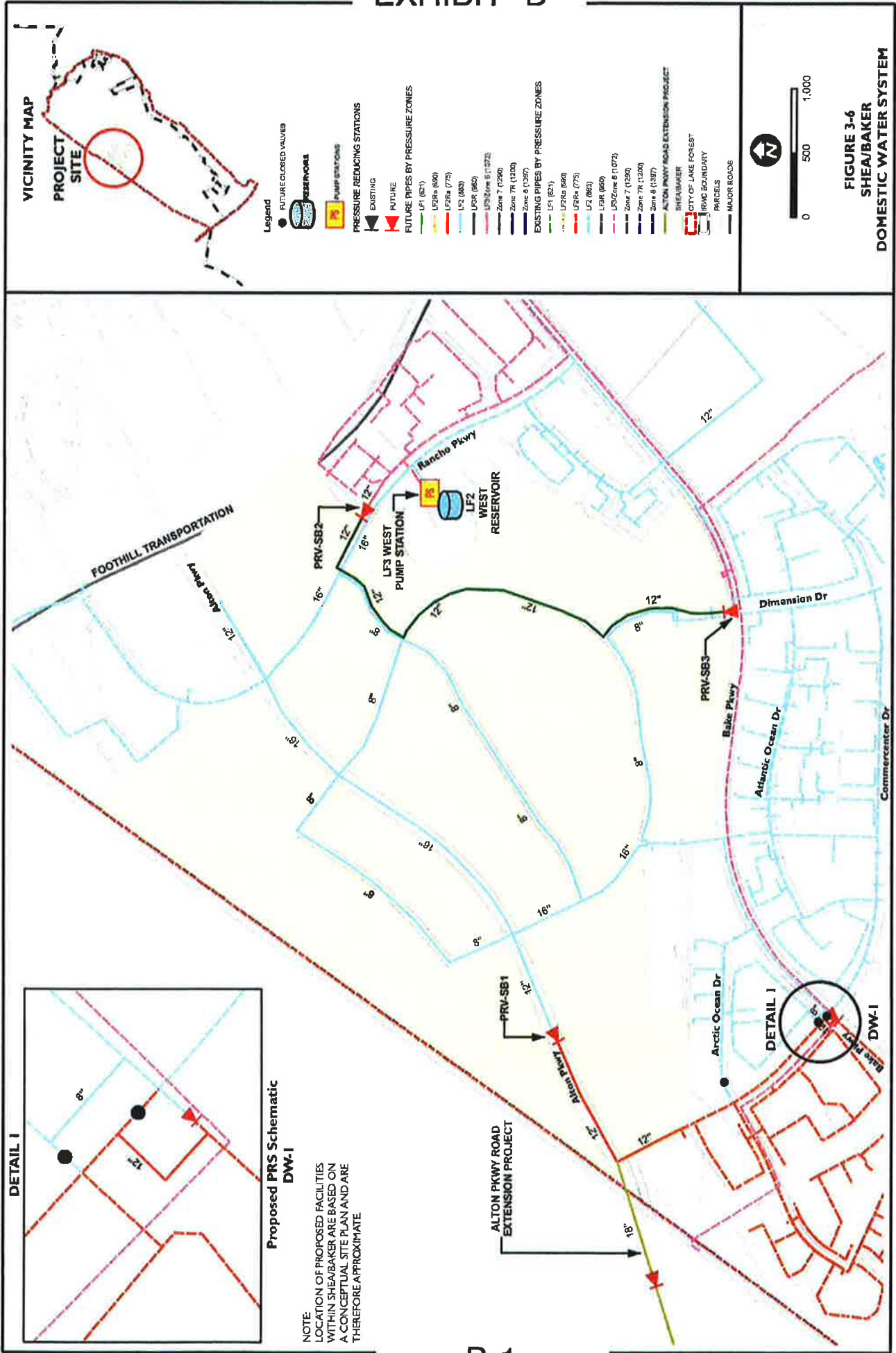
LEGEND

- Proposed Capital Potable Water
- Proposed Capital Non-Potable Water
- - - Proposed Non-Capital Potable Water
- - - Proposed Non-Capital Non-Potable Water

RBF CONSULTING
PLANNING ■ DESIGN ■ CONSTRUCTION
14725 ALTON PARKWAY
IRVINE, CALIFORNIA 92618-2027
949.472.2505 • FAX 949.472.8373 • www.RBF.com

DATE 10/11/12 JN 10-108707

EXHIBIT "B"

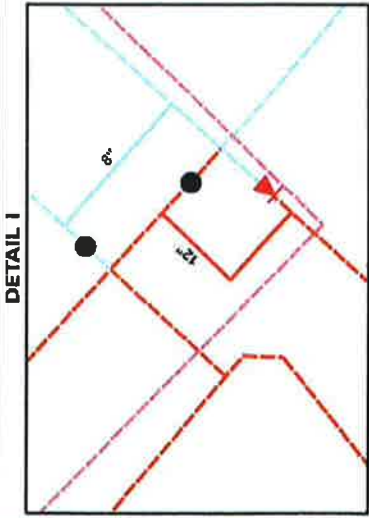


VICINITY MAP
PROJECT SITE

- Legend**
- FUTURE CLOSED VALVES
 - PUMP STATIONS
 - PRESSURE REDUCING STATIONS
 - ▲ EXISTING
 - ▲ FUTURE
 - FUTURE PIPES BY PRESSURE ZONES
 - EXISTING PIPES BY PRESSURE ZONES
 - L1 (621)
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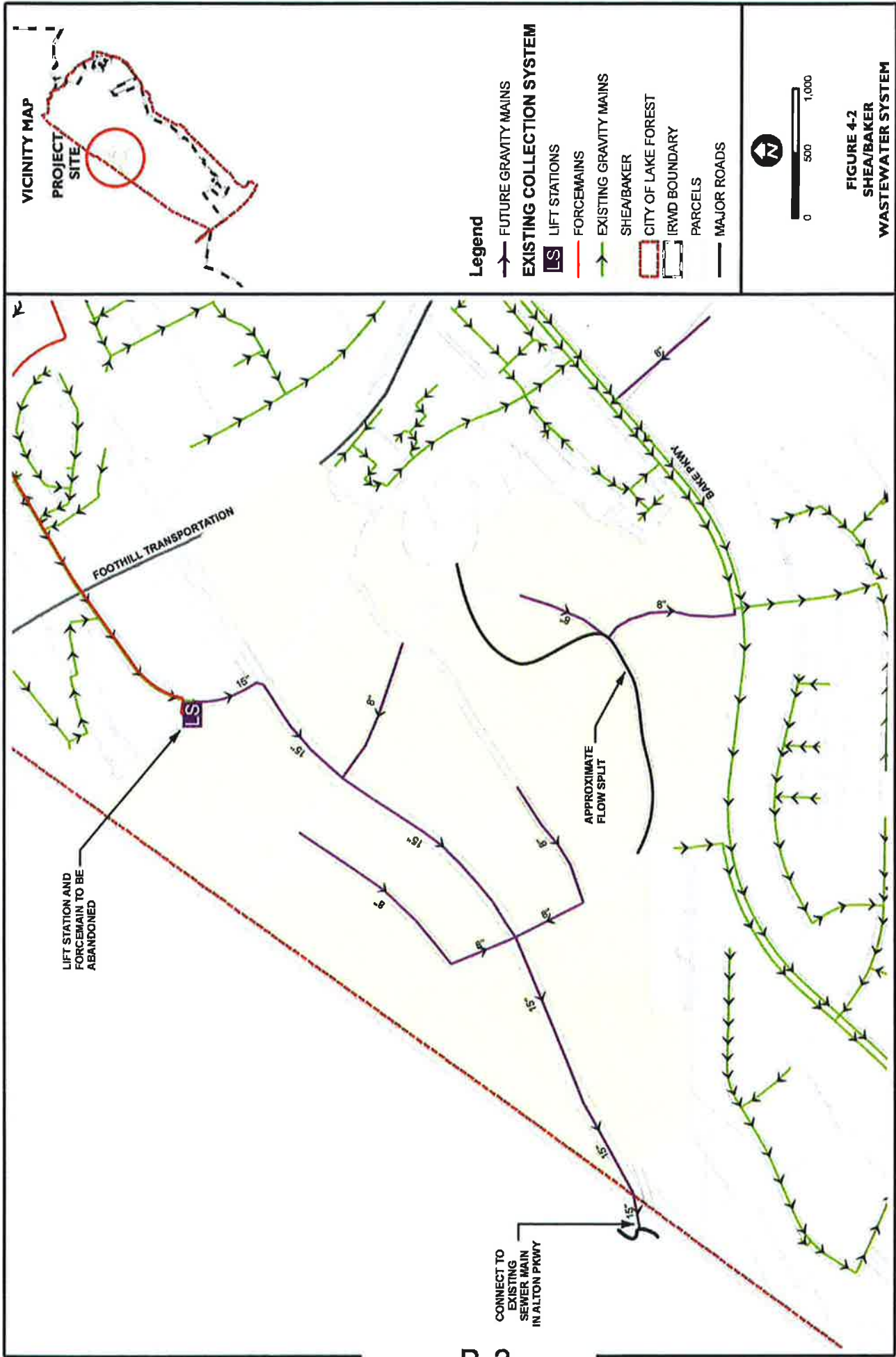
FIGURE 3-6
SHEA/BAKER
DOMESTIC WATER SYSTEM



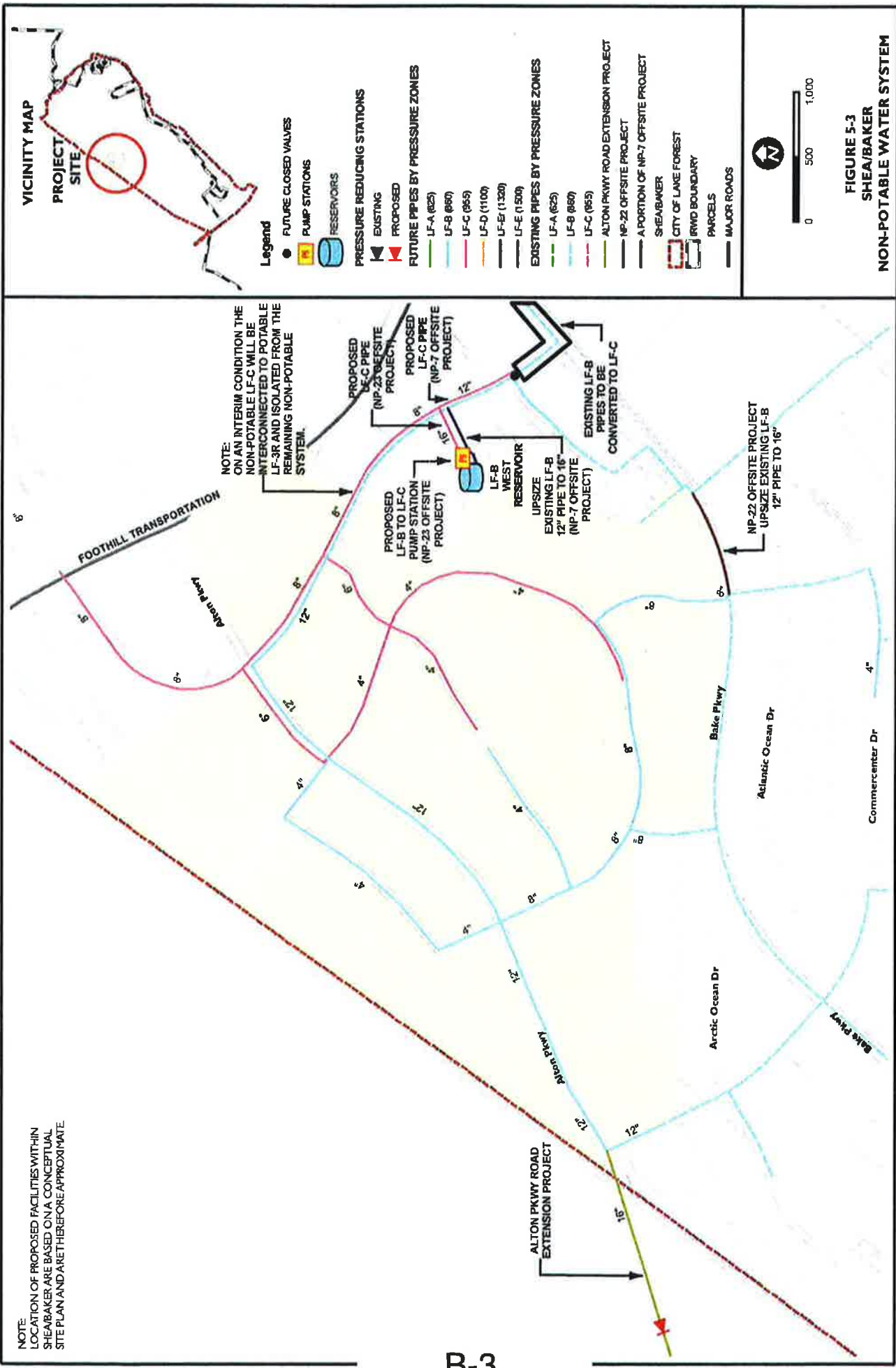
Proposed PRS Schematic
DW-1

NOTE:
LOCATION OF PROPOSED FACILITIES
WITHIN SHEA/BAKER ARE BASED ON
A CONCEPTUAL SITE PLAN AND ARE
THEREFORE APPROXIMATE.

B-1



B-2



NOTE:
 LOCATION OF PROPOSED FACILITIES WITHIN
 SHEARBAKER ARE BASED ON A CONCEPTUAL
 SITE PLAN AND ARE THEREFORE APPROXIMATE.

NOTE:
 ON AN INTERIM CONDITION THE
 NON-POTABLE L-F-C WILL BE
 INTERCONNECTED TO POTABLE
 L-F-3R AND ISOLATED FROM THE
 REMAINING NON-POTABLE
 SYSTEM.

B-3

FIGURE 5-3
 SHEARBAKER
 NON-POTABLE WATER SYSTEM

EXHIBIT "C"

Bid Spread - Phase 1A Water Improvements
Unit Price/Contract Price Sheet
Contract #

Baker Ranch Phase 1A Domestic & Recycled Water Improvements
Tentative Tract 16466, Project Number 11661 (4000 & 4401)
Pay Items

Item #	Description	Quantity	Unit	IRWD Low Bidder		IRWD 2nd Low Bidder		IRWD 3rd Low Bidder		IRWD 4th Low Bidder		IRWD 5th Low Bidder		Engineers Estimate	
				Kennedy Pipeline		L & S Pipeline		Kana Pipeline		Boudreau		Leatherwood			
				Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal
1	Mobilization	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 13,000.00	\$ 13,000.00	\$ 11,500.00	\$ 11,500.00	\$ 7,500.00	\$ 7,500.00	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00
2	Construction Water	1	LS	\$ 6,500.00	\$ 6,500.00	\$ 3,000.00	\$ 3,000.00	\$ 115.00	\$ 115.00	\$ 6,500.00	\$ 6,500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
3	SWPPP/NPDES Compliance	1	LS	\$ 5,250.00	\$ 5,250.00	\$ 6,500.00	\$ 6,500.00	\$ 575.00	\$ 575.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
4	AQMD Compliance	1	LS	\$ 2,950.00	\$ 2,950.00	\$ 1,250.00	\$ 1,250.00	\$ 575.00	\$ 575.00	\$ 6,000.00	\$ 6,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Subtotal Job Shared Expenses				\$ 24,700.00		\$ 23,750.00		\$ 12,765.00		\$ 21,500.00		\$ 21,000.00		\$ 21,000.00	
Capital Improvements: 16" Domestic Water Zone 2 DW - Line B															
5	16" AWWA C-905 PVC, DR 18, Domestic Water per IRWD Std. W-17	1,256	LF	\$ 55.65	\$ 69,896.40	\$ 60.00	\$ 75,346.20	\$ 62.00	\$ 77,872.00	\$ 74.00	\$ 92,944.00	\$ 70.00	\$ 87,920.00	\$ 75.00	\$ 94,200.00
6	16" DW Butterfly Valve Per IRWD Std. W-22	5	EA	\$ 6,000.00	\$ 30,000.00	\$ 3,900.00	\$ 19,500.00	\$ 3,973.00	\$ 19,865.00	\$ 4,600.00	\$ 23,000.00	\$ 5,100.00	\$ 25,500.00	\$ 7,500.00	\$ 37,500.00
7	16" X 8" DI Cross Per IRWD Std. W-16	1	EA	\$ 2,500.00	\$ 2,500.00	\$ 1,300.00	\$ 1,300.00	\$ 2,046.00	\$ 2,046.00	\$ 2,700.00	\$ 2,700.00	\$ 2,100.00	\$ 2,100.00	\$ 1,500.00	\$ 1,500.00
8	16" X 16" DI Tee per IRWD Std. W-16	1	EA	\$ 2,000.00	\$ 2,000.00	\$ 1,200.00	\$ 1,200.00	\$ 1,929.00	\$ 1,929.00	\$ 2,700.00	\$ 2,700.00	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00
9	16" X 8" (Fe X PO) DI Reducer	1	EA	\$ 570.00	\$ 570.00	\$ 450.00	\$ 450.00	\$ 1,373.00	\$ 1,373.00	\$ 1,700.00	\$ 1,700.00	\$ 875.00	\$ 875.00	\$ 750.00	\$ 750.00
10	Install 16" (FE X PO) Adaptor	4	EA	\$ 610.00	\$ 2,440.00	\$ 800.00	\$ 3,200.00	\$ 1,283.00	\$ 5,132.00	\$ 900.00	\$ 3,600.00	\$ 1,050.00	\$ 4,200.00	\$ 750.00	\$ 3,000.00
11	Remove Existing Blind Flange and Join	1	EA	\$ 3,000.00	\$ 3,000.00	\$ 5,790.00	\$ 5,790.00	\$ 5,764.00	\$ 5,764.00	\$ 1,750.00	\$ 1,750.00	\$ 5,650.00	\$ 5,650.00	\$ 2,500.00	\$ 2,500.00
12	Install 16" 22 Degree DI Bend (PO X PO) per IRWD Std. W-16	2	EA	\$ 504.00	\$ 1,008.00	\$ 800.00	\$ 1,600.00	\$ 1,460.00	\$ 2,920.00	\$ 900.00	\$ 1,800.00	\$ 1,050.00	\$ 2,100.00	\$ 750.00	\$ 1,500.00
13	Install 16" 45 Degree DI Bend Per IRWD Std. W-16	1	EA	\$ 535.00	\$ 535.00	\$ 800.00	\$ 800.00	\$ 1,687.00	\$ 1,687.00	\$ 960.00	\$ 960.00	\$ 1,300.00	\$ 1,300.00	\$ 750.00	\$ 750.00
14	Install 1" Air and Vacuum Release Per IRWD Std. W-11	1	EA	\$ 4,905.00	\$ 4,905.00	\$ 3,050.00	\$ 3,050.00	\$ 3,705.00	\$ 3,705.00	\$ 3,500.00	\$ 3,500.00	\$ 3,600.00	\$ 3,600.00	\$ 4,500.00	\$ 4,500.00
15	Raise Valves Final	6	EA	\$ 510.00	\$ 3,060.00	\$ 300.00	\$ 1,800.00	\$ 388.00	\$ 2,328.00	\$ 400.00	\$ 2,400.00	\$ 350.00	\$ 2,100.00	\$ 800.00	\$ 4,800.00
16	Haul Off Spoils	365	CY	\$ 1.00	\$ 365.00	\$ 7.50	\$ 2,737.50	\$ 9.00	\$ 3,285.00	\$ 6.00	\$ 2,190.00	\$ 6.00	\$ 2,190.00	\$ 12.50	\$ 4,562.50
Subtotal Domestic Capital Improvements Line B				\$ 120,279.40		\$ 116,773.70		\$ 127,906.00		\$ 139,244.00		\$ 139,035.00		\$ 157,562.50	
Capital Improvements: 16" Domestic Water Zonde 2 DW- Line O															
17	16" AWWA C-905 PVC, DR 18 Domestic Water per IRWD Std. W-17	427	LF	\$ 57.65	\$ 24,616.55	\$ 65.00	\$ 27,755.00	\$ 69.00	\$ 29,463.00	\$ 74.00	\$ 31,598.00	\$ 83.00	\$ 35,441.00	\$ 75.00	\$ 32,025.00
18	Install 16" 22.5 Degree DI Bend (PO X PO) Per IRWD Std. W-16	1	EA	\$ 504.00	\$ 504.00	\$ 830.00	\$ 830.00	\$ 1,460.00	\$ 1,460.00	\$ 900.00	\$ 900.00	\$ 1,050.00	\$ 1,050.00	\$ 750.00	\$ 750.00
19	Haul Off Spoils	124	CY	\$ 1.00	\$ 124.00	\$ 14.00	\$ 1,736.00	\$ 9.00	\$ 1,116.00	\$ 6.00	\$ 744.00	\$ 6.00	\$ 744.00	\$ 12.50	\$ 1,550.00
20	Remove and Replace AC Paving/Slurry Backfill	1	LS	\$ 4,750.00	\$ 4,750.00	\$ 7,300.00	\$ 7,300.00	\$ 6,389.00	\$ 6,389.00	\$ 12,500.00	\$ 12,500.00	\$ 11,100.00	\$ 11,100.00	\$ 5,000.00	\$ 5,000.00
21	Remove Existing Plug and Thrust Block and Join Existing	1	EA	\$ 3,000.00	\$ 3,000.00	\$ 5,700.00	\$ 5,700.00	\$ 4,747.00	\$ 4,747.00	\$ 1,750.00	\$ 1,750.00	\$ 5,400.00	\$ 5,400.00	\$ 2,500.00	\$ 2,500.00
Subtotal Domestic Capital Improvements Line O				\$ 32,994.55		\$ 43,321.00		\$ 43,175.00		\$ 47,492.00		\$ 53,735.00		\$ 41,825.00	
Capital Improvements: PRS Reconfiguration Bake Parkway (Sheet 7)															
22	Remove and Replace Existing Air Vent Per IRWD Std. G-7	2	EA	\$ 955.00	\$ 1,910.00	\$ 4,800.00	\$ 9,600.00	\$ 1,657.00	\$ 3,314.00	\$ 3,800.00	\$ 7,600.00	\$ 3,600.00	\$ 7,200.00	\$ 3,500.00	\$ 7,000.00
23	Remove and Replace Existing Vault Top with Bilco Double-Leaf hatch per IRWD Std. W-15	1	EA	\$ 3,250.00	\$ 3,250.00	\$ 9,500.00	\$ 9,500.00	\$ 9,394.00	\$ 9,394.00	\$ 7,500.00	\$ 7,500.00	\$ 9,500.00	\$ 9,500.00	\$ 7,500.00	\$ 7,500.00
24	Remove and Replace Existing 1" Air Vacuum and Release per IRWD Std. W-11	1	EA	\$ 2,250.00	\$ 2,250.00	\$ 3,880.00	\$ 3,880.00	\$ 3,596.00	\$ 3,596.00	\$ 7,000.00	\$ 7,000.00	\$ 4,750.00	\$ 4,750.00	\$ 3,000.00	\$ 3,000.00
25	Adjust Valves to Grade Final	4	EA	\$ 510.00	\$ 2,040.00	415	\$ 1,660.00	497	\$ 1,988.00	400	\$ 1,600.00	350	\$ 1,400.00	800	\$ 3,200.00
Subtotal Domestic Capital Improvements Bake PRS				\$ 9,450.00		\$ 24,640.00		\$ 18,292.00		\$ 23,700.00		\$ 22,850.00		\$ 20,700.00	
Capital Improvements: 12" Domestic Water Line D, Zone 3R DW															

26	Install 12" AWWA C-900 PVC, DR 14, Domestic Water per IRWD Std. W-17	2026	LF	\$ 38.65	\$ 78,304.90	\$ 44.00	\$ 89,144.00	\$ 46.00	\$ 93,196.00	\$ 50.00	\$ 101,300.00	\$ 48.00	\$ 97,248.00	\$ 50.00	\$ 101,300.00
27	Remove Existing 12" and Join	1	EA	\$ 2,955.00	\$ 2,955.00	\$ 3,525.00	\$ 3,525.00	\$ 3,790.00	\$ 3,790.00	\$ 1,750.00	\$ 1,750.00	\$ 3,900.00	\$ 3,900.00	\$ 2,500.00	\$ 2,500.00
28	Install 12" 45 Degree DI Bend, (PO X PO) Per IRWD Std. W-16	3	EA	\$ 775.00	\$ 2,325.00	\$ 425.00	\$ 1,275.00	\$ 808.00	\$ 2,424.00	\$ 460.00	\$ 1,380.00	\$ 550.00	\$ 1,650.00	\$ 750.00	\$ 2,250.00
29	Install Blow Off per IRWD Std. W-14	2	EA	\$ 3,725.00	\$ 7,450.00	\$ 5,700.00	\$ 11,400.00	\$ 6,569.00	\$ 13,138.00	\$ 7,000.00	\$ 14,000.00	\$ 9,300.00	\$ 18,600.00	\$ 7,500.00	\$ 15,000.00
30	Install 12" 90 degree DI Bend (PO X PO) Per IRWD Std. W-16	2	EA	\$ 245.00	\$ 490.00	\$ 570.00	\$ 1,140.00	\$ 791.00	\$ 1,582.00	\$ 550.00	\$ 1,100.00	\$ 700.00	\$ 1,400.00	\$ 750.00	\$ 1,500.00
31	Install Secondary PRS Without Telemetry & With Sump Pump per IRWD Std. W-15 as Modified per Sheet 2	1	EA	\$ 49,851.20	\$ 49,851.20	\$ 58,500.00	\$ 58,500.00	\$ 61,501.00	\$ 61,501.00	\$ 53,000.00	\$ 53,000.00	\$ 81,300.00	\$ 81,300.00	\$ 75,000.00	\$ 75,000.00
32	Install 20" OD 3/8" Thick Steel Casing Per IRWD Std. W-21	60	LF	\$ 212.00	\$ 12,720.00	\$ 190.00	\$ 11,400.00	\$ 190.00	\$ 11,400.00	\$ 200.00	\$ 12,000.00	\$ 140.00	\$ 8,400.00	\$ 225.00	\$ 13,500.00
33	Install Casing Test Station Per IRWD Std. CP-3	2	EA	\$ 950.00	\$ 1,900.00	\$ 3,000.00	\$ 6,000.00	\$ 1,993.00	\$ 3,986.00	\$ 550.00	\$ 1,100.00	\$ 1,400.00	\$ 2,800.00	\$ 1,500.00	\$ 3,000.00
34	Install 12" 22.5 Degree DI (PO X PO) Bend Per IRWD Std. W-16	3	EA	\$ 230.00	\$ 690.00	\$ 400.00	\$ 1,200.00	\$ 749.00	\$ 2,247.00	\$ 410.00	\$ 1,230.00	\$ 325.00	\$ 975.00	\$ 750.00	\$ 2,250.00
35	Install 12" 22.5 Degree DI (FE X PO) Bend Per IRWD Std. W-16	1	EA	\$ 245.00	\$ 245.00	\$ 500.00	\$ 500.00	\$ 749.00	\$ 749.00	\$ 410.00	\$ 410.00	\$ 325.00	\$ 325.00	\$ 750.00	\$ 750.00
36	Install 12" Domestic Water Butterfly Valve (FE X FE) Per IRWD Std. W-22	6	EA	\$ 1,925.00	\$ 11,550.00	\$ 2,700.00	\$ 16,200.00	\$ 2,534.00	\$ 15,204.00	\$ 2,800.00	\$ 16,800.00	\$ 3,250.00	\$ 19,500.00	\$ 2,750.00	\$ 16,500.00
37	Install 12" X 8" DI Tee (FE X FE) Per IRWD Std. W-16	2	EA	\$ 585.00	\$ 1,170.00	\$ 850.00	\$ 1,700.00	\$ 1,113.00	\$ 2,226.00	\$ 1,260.00	\$ 2,520.00	\$ 850.00	\$ 1,700.00	\$ 750.00	\$ 1,500.00
38	Install 12" (FE X PO) Adaptor	6	EA	\$ 450.00	\$ 2,700.00	\$ 450.00	\$ 2,700.00	\$ 673.00	\$ 4,038.00	\$ 370.00	\$ 2,220.00	\$ 500.00	\$ 3,000.00	\$ 750.00	\$ 4,500.00
39	Install 12" X 8" DI Cross (FE X FE) Per IRWD Std. W-16	1	EA	\$ 955.00	\$ 955.00	\$ 1,000.00	\$ 1,000.00	\$ 1,365.00	\$ 1,365.00	\$ 1,540.00	\$ 1,540.00	\$ 1,600.00	\$ 1,600.00	\$ 1,250.00	\$ 1,250.00
40	Install Temporary Flush Out per IRWD Std. W-12	1	EA	\$ 1,600.00	\$ 1,600.00	\$ 1,700.00	\$ 1,700.00	\$ 2,251.00	\$ 2,251.00	\$ 1,230.00	\$ 1,230.00	\$ 1,750.00	\$ 1,750.00	\$ 2,500.00	\$ 2,500.00
41	Raise Valves to Grade Final	8	EA	\$ 510.00	\$ 4,080.00	\$ 300.00	\$ 2,400.00	\$ 388.00	\$ 3,104.00	\$ 400.00	\$ 3,200.00	\$ 350.00	\$ 2,800.00	\$ 800.00	\$ 6,400.00
42	Haul Off Spoils	469	CY	\$ 2.00	\$ 938.00	\$ 7.50	\$ 3,517.50	\$ 9.00	\$ 4,221.00	\$ 6.00	\$ 2,814.00	\$ 6.00	\$ 2,814.00	\$ 12.50	\$ 5,862.50
Subtotal Domestic Capital Improvements Line D					\$ 179,924.10		\$ 213,301.50		\$ 226,422.00		\$ 217,594.00		\$ 249,762.00		\$ 255,562.50
Non-Capital Improvements: 12" Domestic Water Line D, Zone 3R DW (Includes Fire Hydrants and Interim Valve Raisings from Capital)															
43	8" AWWA C-900 PVC, DR 14, DW Pipe Per IRWD Std. W-17	121	LF	\$ 29.00	\$ 3,509.00	\$ 31.00	\$ 3,751.00	\$ 28.00	\$ 3,388.00	\$ 42.00	\$ 5,082.00	\$ 62.00	\$ 7,502.00	\$ 45.00	\$ 5,445.00
44	Install 8" Domestic Water Gate Valve (FE X FE) per IRWD Std. W-22	4	EA	\$ 2,795.00	\$ 11,180.00	\$ 1,650.00	\$ 6,600.00	\$ 1,593.00	\$ 6,372.00	\$ 1,700.00	\$ 6,800.00	\$ 1,700.00	\$ 6,800.00	\$ 2,250.00	\$ 9,000.00
45	Install Non Residential Fire Hydrants Per IRWD Std. W-8	3	EA	\$ 4,150.00	\$ 12,450.00	\$ 6,500.00	\$ 19,500.00	\$ 6,915.00	\$ 20,745.00	\$ 6,000.00	\$ 18,000.00	\$ 8,600.00	\$ 25,800.00	\$ 6,000.00	\$ 18,000.00
46	Install 8" (FE X PO) Adaptor	3	EA	\$ 160.00	\$ 480.00	\$ 230.00	\$ 690.00	\$ 387.00	\$ 1,161.00	\$ 230.00	\$ 690.00	\$ 250.00	\$ 750.00	\$ 750.00	\$ 2,250.00
47	Install Temporary Flush-Out Per IRWD Std. W-12	3	EA	\$ 1,600.00	\$ 4,800.00	\$ 2,000.00	\$ 6,000.00	\$ 2,031.00	\$ 6,093.00	\$ 1,200.00	\$ 3,600.00	\$ 1,550.00	\$ 4,650.00	\$ 2,500.00	\$ 7,500.00
48	Install 8" 45 Degree DI Bend (PO X PO) Per IRWD Std. W-16	1	EA	\$ 175.00	\$ 175.00	\$ 250.00	\$ 250.00	\$ 470.00	\$ 470.00	\$ 300.00	\$ 300.00	\$ 375.00	\$ 375.00	\$ 750.00	\$ 750.00
49	Install 8" 45 Degree DI Bend (FE X PO) Per IRWD Std. W-16	1	EA	\$ 185.00	\$ 185.00	\$ 300.00	\$ 300.00	\$ 617.00	\$ 617.00	\$ 300.00	\$ 300.00	\$ 500.00	\$ 500.00	\$ 750.00	\$ 750.00
50	Raise Valves to Grade Interim	15	EA	\$ 450.00	\$ 6,750.00	\$ 380.00	\$ 5,700.00	\$ 318.00	\$ 4,770.00	\$ 140.00	\$ 2,100.00	\$ 350.00	\$ 5,250.00	\$ 400.00	\$ 6,000.00
51	Raise Valves to Grade Final	7	EA	\$ 510.00	\$ 3,570.00	\$ 300.00	\$ 2,100.00	\$ 388.00	\$ 2,716.00	\$ 400.00	\$ 2,800.00	\$ 350.00	\$ 2,450.00	\$ 400.00	\$ 2,800.00
52	Haul off Spoils	18	CY	\$ 130.00	\$ 2,340.00	\$ 7.50	\$ 135.00	\$ 9.00	\$ 162.00	\$ 6.00	\$ 108.00	\$ 6.00	\$ 108.00	\$ 12.50	\$ 225.00
Subtotal Domestic Non Capital Improvements Line D					\$ 45,439.00		\$ 45,026.00		\$ 46,494.00		\$ 39,780.00		\$ 54,185.00		\$ 52,720.00
Non Capital Improvements: 8" Domestic Water Line B (Includes 3 Fire Hydrants and Interim Valve Raising from Capital Portion)															
53	8" AWWA C-900 PVC, DR 14, DW Pipe Per IRWD Std. W-17	1629	LF	\$ 26.00	\$ 42,354.00	\$ 28.00	\$ 45,612.00	\$ 28.00	\$ 45,612.00	\$ 38.00	\$ 61,902.00	\$ 35.00	\$ 57,015.00	\$ 45.00	\$ 73,305.00
54	Install 8" 45 Degree Bend Per IRWD Std. W-16	1	EA	\$ 185.00	\$ 185.00	\$ 250.00	\$ 250.00	\$ 470.00	\$ 470.00	\$ 300.00	\$ 300.00	\$ 375.00	\$ 375.00	\$ 750.00	\$ 750.00
55	Install 8" X 8" DI Tee (FE X FE) Per IRWD Std. W-16	2	EA	\$ 625.00	\$ 1,250.00	\$ 400.00	\$ 800.00	\$ 655.00	\$ 1,310.00	\$ 850.00	\$ 1,700.00	\$ 550.00	\$ 1,100.00	\$ 1,250.00	\$ 2,500.00
56	Install 8" DW Gate Valve (FE X FE) Per IRWD Std. W-22	10	EA	\$ 2,795.00	\$ 27,950.00	\$ 1,650.00	\$ 16,500.00	\$ 1,593.00	\$ 15,930.00	\$ 1,700.00	\$ 17,000.00	\$ 1,700.00	\$ 17,000.00	\$ 2,250.00	\$ 22,500.00
57	Install 8" (FE X PO) Adaptor	10	EA	\$ 160.00	\$ 1,600.00	\$ 260.00	\$ 2,600.00	\$ 386.00	\$ 3,860.00	\$ 230.00	\$ 2,300.00	\$ 250.00	\$ 2,500.00	\$ 750.00	\$ 7,500.00

58	Install 8" X 8" DI Cross (FE X FE) Per IRWD Std. W-16	1	EA	\$ 995.00	\$ 995.00	\$ 500.00	\$ 500.00	\$ 720.00	\$ 720.00	\$ 1,300.00	\$ 1,300.00	\$ 1,600.00	\$ 1,600.00	\$ 1,250.00	\$ 1,250.00
59	Install Non Residential Fire Hydrant and Valve Per IRWD Std. W-8	6	EA	\$ 4,150.00	\$ 24,900.00	\$ 6,200.00	\$ 37,200.00	\$ 5,408.00	\$ 32,448.00	\$ 6,000.00	\$ 36,000.00	\$ 6,950.00	\$ 41,700.00	\$ 6,000.00	\$ 36,000.00
60	Install Temporary Flush Out Per IRWD Std. W-12	2	EA	\$ 1,750.00	\$ 3,500.00	\$ 2,000.00	\$ 4,000.00	\$ 2,031.00	\$ 4,062.00	\$ 1,230.00	\$ 2,460.00	\$ 1,650.00	\$ 3,300.00	\$ 1,250.00	\$ 2,500.00
61	Raise Valves to Grade Interim	21	EA	\$ 450.00	\$ 9,450.00	\$ 350.00	\$ 7,350.00	\$ 318.00	\$ 6,678.00	\$ 140.00	\$ 2,940.00	\$ 350.00	\$ 7,350.00	\$ 400.00	\$ 8,400.00
62	Raise Valves to Grade Final	16	EA	\$ 510.00	\$ 8,160.00	\$ 300.00	\$ 4,800.00	\$ 388.00	\$ 6,208.00	\$ 400.00	\$ 6,400.00	\$ 350.00	\$ 5,600.00	\$ 400.00	\$ 6,400.00
63	Haul Off Spoils	241	CY	\$ 20.00	\$ 4,820.00	\$ 7.50	\$ 1,807.50	\$ 9.00	\$ 2,169.00	\$ 6.00	\$ 1,446.00	\$ 6.00	\$ 1,446.00	\$ 12.50	\$ 3,012.50
Subtotal Domestic Non Capital Improvements Line B				\$ 125,164.00			\$ 121,419.50		\$ 119,467.00		\$ 133,748.00		\$ 138,986.00		\$ 164,117.50
Non Capital Improvements: 8" Domestic Water Line I															
64	8" AWWA C-900 PVC, DR 14 DW Pipe Per IRWD Std. W-17	478	LF	\$ 27.00	\$ 12,906.00	\$ 30.00	\$ 14,340.00	\$ 28.00	\$ 13,384.00	\$ 40.00	\$ 19,120.00	\$ 35.00	\$ 16,730.00	\$ 45.00	\$ 21,510.00
65	Install 8" DW Gate Valve (FE X FE) Per IRWD Std. W-22	3	EA	\$ 2,795.00	\$ 8,385.00	\$ 1,650.00	\$ 4,950.00	\$ 1,593.00	\$ 4,779.00	\$ 1,700.00	\$ 5,100.00	\$ 1,700.00	\$ 5,100.00	\$ 2,250.00	\$ 6,750.00
66	Install 8" X 8" DI Tee (FE X FE) Per IRWD Std. W-16	1	EA	\$ 625.00	\$ 625.00	\$ 400.00	\$ 400.00	\$ 655.00	\$ 655.00	\$ 850.00	\$ 850.00	\$ 550.00	\$ 550.00	\$ 1,250.00	\$ 1,250.00
67	Install Non Residential Fire Hydrant and Valve Per IRWD Std. W-8	1	EA	\$ 4,150.00	\$ 4,150.00	\$ 5,750.00	\$ 5,750.00	\$ 5,080.00	\$ 5,080.00	\$ 6,000.00	\$ 6,000.00	\$ 6,700.00	\$ 6,700.00	\$ 6,000.00	\$ 6,000.00
68	Install 8" (FE X PO) Adaptor	3	EA	\$ 160.00	\$ 480.00	\$ 260.00	\$ 780.00	\$ 387.00	\$ 1,161.00	\$ 230.00	\$ 690.00	\$ 250.00	\$ 750.00	\$ 750.00	\$ 2,250.00
69	Install Temporary Flush Out Per IRWD Std. W-12	3	EA	\$ 1,350.00	\$ 4,050.00	\$ 2,000.00	\$ 6,000.00	\$ 2,031.00	\$ 6,093.00	\$ 1,200.00	\$ 3,600.00	\$ 1,650.00	\$ 4,950.00	\$ 1,250.00	\$ 3,750.00
70	Raise Valves to Grade Interim	4	EA	\$ 450.00	\$ 1,800.00	\$ 350.00	\$ 1,400.00	\$ 318.00	\$ 1,272.00	\$ 140.00	\$ 560.00	\$ 350.00	\$ 1,400.00	\$ 400.00	\$ 1,600.00
71	Raise Valves to Grade Final	4	EA	\$ 510.00	\$ 2,040.00	\$ 300.00	\$ 1,200.00	\$ 388.00	\$ 1,552.00	\$ 400.00	\$ 1,600.00	\$ 350.00	\$ 1,400.00	\$ 400.00	\$ 1,600.00
72	Haul Off Spoils	71	CY	\$ 20.00	\$ 1,420.00	\$ 7.50	\$ 532.50	\$ 9.00	\$ 639.00	\$ 6.00	\$ 426.00	\$ 6.00	\$ 426.00	\$ 12.50	\$ 887.50
Subtotal Domestic Non Capital Improvements Line I				\$ 35,856.00			\$ 35,352.50		\$ 34,615.00		\$ 37,946.00		\$ 38,006.00		\$ 45,597.50
Non Capital Improvements: 8" Domestic Water Line C															
73	8" AWWA C-900 PVC, DR 14, DW Pipe Per IRWD Std. W-17	1596	LF	\$ 26.00	\$ 41,496.00	\$ 28.00	\$ 44,688.00	\$ 28.00	\$ 44,688.00	\$ 39.00	\$ 62,244.00	\$ 35.00	\$ 55,860.00	\$ 45.00	\$ 71,820.00
74	Install 8" DW Gate Valve (FE X FE) Per IRWD Std. W-22	3	EA	\$ 2,795.00	\$ 8,385.00	\$ 1,850.00	\$ 5,550.00	\$ 1,593.00	\$ 4,779.00	\$ 1,700.00	\$ 5,100.00	\$ 1,700.00	\$ 5,100.00	\$ 2,250.00	\$ 6,750.00
75	Install 8" X 8" DI Tee (FE X FE) Per IRWD Std. W-16	1	EA	\$ 625.00	\$ 625.00	\$ 400.00	\$ 400.00	\$ 655.00	\$ 655.00	\$ 850.00	\$ 850.00	\$ 550.00	\$ 550.00	\$ 1,250.00	\$ 1,250.00
76	Install 8" (FE X PO) Adaptor	4	EA	\$ 160.00	\$ 640.00	\$ 230.00	\$ 920.00	\$ 387.00	\$ 1,548.00	\$ 230.00	\$ 920.00	\$ 250.00	\$ 1,000.00	\$ 750.00	\$ 3,000.00
77	Remove Existing Thrust Block and Join	1	EA	\$ 1,985.00	\$ 1,985.00	\$ 3,000.00	\$ 3,000.00	\$ 5,263.00	\$ 5,263.00	\$ 1,750.00	\$ 1,750.00	\$ 5,350.00	\$ 5,350.00	\$ 1,250.00	\$ 1,250.00
78	16" X 8" (FE X FE) DI Reducer	1	EA	\$ 655.00	\$ 655.00	\$ 450.00	\$ 450.00	\$ 1,171.00	\$ 1,171.00	\$ 1,700.00	\$ 1,700.00	\$ 650.00	\$ 650.00	\$ 750.00	\$ 750.00
79	Install 16" (FE X PO) Adaptor	1	EA	\$ 795.00	\$ 795.00	\$ 990.00	\$ 990.00	\$ 1,410.00	\$ 1,410.00	\$ 900.00	\$ 900.00	\$ 1,050.00	\$ 1,050.00	\$ 750.00	\$ 750.00
80	Install 8" 45 Degree DI Bend Per IRWD Std. W-16	4	EA	\$ 175.00	\$ 700.00	\$ 300.00	\$ 1,200.00	\$ 470.00	\$ 1,880.00	\$ 300.00	\$ 1,200.00	\$ 400.00	\$ 1,600.00	\$ 750.00	\$ 3,000.00
81	Install Blow Off per IRWD Std. W-14	1	EA	\$ 3,750.00	\$ 3,750.00	\$ 5,400.00	\$ 5,400.00	\$ 6,388.00	\$ 6,388.00	\$ 7,000.00	\$ 7,000.00	\$ 9,150.00	\$ 9,150.00	\$ 7,500.00	\$ 7,500.00
82	Install Non Residential Fire Hydrant and Valve Per IRWD Std. W-8	1	EA	\$ 4,150.00	\$ 4,150.00	\$ 5,750.00	\$ 5,750.00	\$ 5,080.00	\$ 5,080.00	\$ 6,000.00	\$ 6,000.00	\$ 6,250.00	\$ 6,250.00	\$ 6,000.00	\$ 6,000.00
83	Install Temporary Flush Out Per IRWD Std. W-12	2	EA	\$ 1,335.00	\$ 2,670.00	\$ 2,000.00	\$ 4,000.00	\$ 2,031.00	\$ 4,062.00	\$ 1,230.00	\$ 2,460.00	\$ 1,650.00	\$ 3,300.00	\$ 1,250.00	\$ 2,500.00
84	Install 8" 22.5 Degree DI Bend (PO X PO) Per IRWD Std. W-16	3	EA	\$ 175.00	\$ 525.00	\$ 290.00	\$ 870.00	\$ 439.00	\$ 1,317.00	\$ 270.00	\$ 810.00	\$ 350.00	\$ 1,050.00	\$ 750.00	\$ 2,250.00
85	Install 8" 22.5 Degree DI Bend (FE X PO) Per IRWD Std. W-16	1	EA	\$ 185.00	\$ 185.00	\$ 290.00	\$ 290.00	\$ 578.00	\$ 578.00	\$ 270.00	\$ 270.00	\$ 475.00	\$ 475.00	\$ 750.00	\$ 750.00
86	Install 8" 11.25 Degree DI Bend (FE X PO) Per IRWD Std. W-16	1	EA	\$ 100.00	\$ 100.00	\$ 300.00	\$ 300.00	\$ 574.00	\$ 574.00	\$ 270.00	\$ 270.00	\$ 450.00	\$ 450.00	\$ 750.00	\$ 750.00
87	Install 8" 11.25 Degree DI Bend (PO X PO) Per IRWD Std. W-16	1	EA	\$ 80.00	\$ 80.00	\$ 300.00	\$ 300.00	\$ 442.00	\$ 442.00	\$ 270.00	\$ 270.00	\$ 350.00	\$ 350.00	\$ 750.00	\$ 750.00
88	Install 8" 90 Degree DI Bend (PO X PO) Per IRWD Std. W-16	1	EA	\$ 170.00	\$ 170.00	\$ 300.00	\$ 300.00	\$ 505.00	\$ 505.00	\$ 320.00	\$ 320.00	\$ 400.00	\$ 400.00	\$ 750.00	\$ 750.00
89	Install 8" 45 Degree DI Bend (FE X PO) Per IRWD Std. W-16	1	EA	\$ 180.00	\$ 180.00	\$ 300.00	\$ 300.00	\$ 617.00	\$ 617.00	\$ 300.00	\$ 300.00	\$ 500.00	\$ 500.00	\$ 750.00	\$ 750.00
90	Raise Valves to Grade Interim	5	EA	\$ 450.00	\$ 2,250.00	\$ 350.00	\$ 1,750.00	\$ 318.00	\$ 1,590.00	\$ 140.00	\$ 700.00	\$ 350.00	\$ 1,750.00	\$ 400.00	\$ 2,000.00
91	Raise Valves to Grade Final	5	EA	\$ 510.00	\$ 2,550.00	\$ 300.00	\$ 1,500.00	\$ 388.00	\$ 1,940.00	\$ 400.00	\$ 2,000.00	\$ 350.00	\$ 1,750.00	\$ 400.00	\$ 2,000.00
92	Haul Off Spoils	236	CY	\$ 25.00	\$ 5,900.00	\$ 7.50	\$ 1,770.00	\$ 9.00	\$ 2,124.00	\$ 6.00	\$ 1,416.00	\$ 6.00	\$ 1,416.00	\$ 12.50	\$ 2,950.00
Subtotal Domestic Non Capital Improvements Line C				\$ 77,791.00			\$ 79,728.00		\$ 86,611.00		\$ 96,480.00		\$ 98,001.00		\$ 117,520.00
Non Capital Improvements: 8" Domestic Water Line E															

93	8" AWWA C-900 PVC, DR 14, DW Pipe Per IRWD Std. W-17	850	LF	\$ 27.00	\$ 22,950.00	\$ 30.00	\$ 25,500.00	\$ 28.00	\$ 23,800.00	\$ 42.00	\$ 35,700.00	\$ 35.00	\$ 29,750.00	\$ 45.00	\$ 38,250.00
94	Install 8" DW Gate Valve (FE X FE) Per IRWD Std. W-22	3	EA	\$ 2,795.00	\$ 8,385.00	\$ 1,650.00	\$ 4,950.00	\$ 1,593.00	\$ 4,779.00	\$ 1,700.00	\$ 5,100.00	\$ 1,700.00	\$ 5,100.00	\$ 1,750.00	\$ 5,250.00
95	Install 8" X 8" DI Tee (FE X FE) Per IRWD Std. W-16	1	EA	\$ 625.00	\$ 625.00	\$ 400.00	\$ 400.00	\$ 655.00	\$ 655.00	\$ 850.00	\$ 850.00	\$ 550.00	\$ 550.00	\$ 1,250.00	\$ 1,250.00
96	Install 8" (FE X PO) Adaptor	3	EA	\$ 160.00	\$ 480.00	\$ 260.00	\$ 780.00	\$ 387.00	\$ 1,161.00	\$ 230.00	\$ 690.00	\$ 250.00	\$ 750.00	\$ 750.00	\$ 2,250.00
97	Install 2" Domestic Service with 2" Meter Per IRWD Std. W-2 & W-3 (Non Capital)	1	EA	\$ 2,885.00	\$ 2,885.00	\$ 3,650.00	\$ 3,650.00	\$ 3,855.00	\$ 3,855.00	\$ 3,500.00	\$ 3,500.00	\$ 3,550.00	\$ 3,550.00	\$ 2,500.00	\$ 2,500.00
98	Install Temporary Flush Out Per IRWD Std. W-12	2	EA	\$ 1,335.00	\$ 2,670.00	\$ 2,000.00	\$ 4,000.00	\$ 2,031.00	\$ 4,062.00	\$ 1,230.00	\$ 2,460.00	\$ 1,650.00	\$ 3,300.00	\$ 1,250.00	\$ 2,500.00
99	Install Non Residential Fire Hydrant and Valve Per IRWD Std. W-8	1	EA	\$ 4,150.00	\$ 4,150.00	\$ 5,880.00	\$ 5,880.00	\$ 5,080.00	\$ 5,080.00	\$ 6,000.00	\$ 6,000.00	\$ 6,250.00	\$ 6,250.00	\$ 6,000.00	\$ 6,000.00
100	Raise Valves to Grade Interim	4	EA	\$ 450.00	\$ 1,800.00	\$ 350.00	\$ 1,400.00	\$ 318.00	\$ 1,272.00	\$ 140.00	\$ 560.00	\$ 350.00	\$ 1,400.00	\$ 400.00	\$ 1,600.00
101	Raise Valves to Grade Final	4	EA	\$ 510.00	\$ 2,040.00	\$ 300.00	\$ 1,200.00	\$ 388.00	\$ 1,552.00	\$ 400.00	\$ 1,600.00	\$ 350.00	\$ 1,400.00	\$ 400.00	\$ 1,600.00
102	Haul Off Spoils	126	CY	\$ 25.00	\$ 3,150.00	\$ 7.50	\$ 945.00	\$ 9.00	\$ 1,134.00	\$ 6.00	\$ 756.00	\$ 6.00	\$ 756.00	\$ 12.50	\$ 1,575.00
Subtotal Domestic Non Capital Improvements Line E					\$ 49,135.00		\$ 48,705.00		\$ 47,350.00		\$ 57,216.00		\$ 52,806.00		\$ 62,775.00
Non Capital Improvements: 8" Domestic Water Line U															
103	8" AWWA C-900 PVC, DR, 14 DW Pipe Per IRWD Std. W-17	513	LF	\$ 25.00	\$ 12,825.00	\$ 30.00	\$ 15,390.00	\$ 28.00	\$ 14,364.00	\$ 45.00	\$ 23,085.00	\$ 35.00	\$ 17,955.00	\$ 45.00	\$ 23,085.00
104	Install 8" DW Gate Valve (FE X FE) Per IRWD Std. W-22	5	EA	\$ 2,795.00	\$ 13,975.00	\$ 1,650.00	\$ 8,250.00	\$ 1,593.00	\$ 7,965.00	\$ 1,700.00	\$ 8,500.00	\$ 1,700.00	\$ 8,500.00	\$ 1,750.00	\$ 8,750.00
105	Install 8" (FE X PO) Adaptor	5	EA	\$ 160.00	\$ 800.00	\$ 260.00	\$ 1,300.00	\$ 387.00	\$ 1,935.00	\$ 230.00	\$ 1,150.00	\$ 250.00	\$ 1,250.00	\$ 750.00	\$ 3,750.00
106	Install 8" X 8" DI Tee (FE X FE) Per IRWD Std. W-16	1	EA	\$ 625.00	\$ 625.00	\$ 400.00	\$ 400.00	\$ 655.00	\$ 655.00	\$ 850.00	\$ 850.00	\$ 550.00	\$ 550.00	\$ 1,250.00	\$ 1,250.00
107	Install 8" 90 Degree DI Bend (PO X PO) Per IRWD Std. W-16	1	EA	\$ 245.00	\$ 245.00	\$ 300.00	\$ 300.00	\$ 505.00	\$ 505.00	\$ 320.00	\$ 320.00	\$ 400.00	\$ 400.00	\$ 750.00	\$ 750.00
108	Install 8" 11.25 Degree DI Bend (PO X PO) Per IRWD Std. W-16	1	EA	\$ 275.00	\$ 275.00	\$ 300.00	\$ 300.00	\$ 442.00	\$ 442.00	\$ 270.00	\$ 270.00	\$ 350.00	\$ 350.00	\$ 750.00	\$ 750.00
109	Install 2" Domestic Service with 2" Meter Per IRWD Std. W-2 & W-3 (Non Capital)	1	EA	\$ 3,110.00	\$ 3,110.00	\$ 3,600.00	\$ 3,600.00	\$ 3,855.00	\$ 3,855.00	\$ 3,500.00	\$ 3,500.00	\$ 3,550.00	\$ 3,550.00	\$ 2,500.00	\$ 2,500.00
110	Install Temporary Flush Out Per IRWD Std. W-12	3	EA	\$ 1,315.00	\$ 3,945.00	\$ 2,000.00	\$ 6,000.00	\$ 2,031.00	\$ 6,093.00	\$ 1,200.00	\$ 3,600.00	\$ 1,650.00	\$ 4,950.00	\$ 1,250.00	\$ 3,750.00
111	Raise Valves to Grade Interim	5	EA	\$ 450.00	\$ 2,250.00	\$ 350.00	\$ 1,750.00	\$ 318.00	\$ 1,590.00	\$ 140.00	\$ 700.00	\$ 350.00	\$ 1,750.00	\$ 400.00	\$ 2,000.00
112	Raise Valves to Grade Final	5	EA	\$ 510.00	\$ 2,550.00	\$ 300.00	\$ 1,500.00	\$ 388.00	\$ 1,940.00	\$ 400.00	\$ 2,000.00	\$ 350.00	\$ 1,750.00	\$ 400.00	\$ 2,000.00
113	Haul Off Spoils	76	CY	\$ 45.00	\$ 3,420.00	\$ 7.50	\$ 570.00	\$ 9.00	\$ 684.00	\$ 6.00	\$ 456.00	\$ 6.00	\$ 456.00	\$ 12.50	\$ 950.00
Subtotal Domestic Non Capital Improvements Line U					\$ 44,020.00		\$ 39,360.00		\$ 40,028.00		\$ 44,431.00		\$ 41,461.00		\$ 49,535.00
Total Job Shared Expenses					\$ 24,700.00		\$ 23,750.00		\$ 12,765.00		\$ 21,500.00		\$ 21,000.00		\$ 21,000.00
Total all Capital Improvements					\$ 342,648.05		\$ 398,036.20		\$ 415,795.00		\$ 428,030.00		\$ 465,382.00		\$ 475,650.00
Total all Non Capital Improvements					\$ 377,405.00		\$ 369,591.00		\$ 374,565.00		\$ 409,601.00		\$ 423,445.00		\$ 492,265.00
Grand Total Bid					\$ 744,753.05		\$ 791,377.20		\$ 803,125.00		\$ 859,131.00		\$ 909,827.00		\$ 988,915.00

SCHEDULE C 2 - Recycled Water															
Unit Price/Contract Price Sheet															
Contract #															
Baker Ranch Phase 1A Recycled Water Improvements															
Tentative Tract 16466, Project Number 31661 (4401)															
Pay Items															
Item #	Description	Quantity	Unit	Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal	Unit Price	Subtotal
1	Mobilization	1	LS	\$ 7,951.00	\$ 7,951.00	\$ 5,400.00	\$ 5,400.00	\$ 11,500.00	\$ 11,500.00	\$ 7,500.00	\$ 7,500.00	\$ 6,500.00	\$ 6,500.00	\$ 10,000.00	\$ 10,000.00
2	Construction Water	1	LS	\$ 3,665.00	\$ 3,665.00	\$ 1,500.00	\$ 1,500.00	\$ 115.00	\$ 115.00	\$ 6,500.00	\$ 6,500.00	\$ 500.00	\$ 500.00	\$ 2,500.00	\$ 2,500.00
3	SWPPP/NPDES Compliance	1	LS	\$ 3,750.00	\$ 3,750.00	\$ 4,250.00	\$ 4,250.00	\$ 575.00	\$ 575.00	\$ 1,500.00	\$ 1,500.00	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00
4	AQMD Compliance	1	LS	\$ 7,500.00	\$ 7,500.00	\$ 1,060.00	\$ 1,060.00	\$ 575.00	\$ 575.00	\$ 6,000.00	\$ 6,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Subtotal Job Shared Expenses					\$ 22,866.00		\$ 12,210.00		\$ 12,765.00		\$ 21,500.00		\$ 8,500.00		\$ 14,500.00
Capital Improvements Recycled Water Line B															
5	Install 8" AWWA C-900 PVC, DR 14, Purple Pipe per IRWD Std. W-17	3,817	LF	\$ 26.00	\$ 99,242.00	\$ 29.00	\$ 110,693.00	\$ 27.00	\$ 103,059.00	\$ 41.00	\$ 156,497.00	\$ 38.00	\$ 145,046.00	\$ 45.00	\$ 171,765.00
6	Remove Existing Flush Out and Join	1	EA	\$ 1,785.00	\$ 1,785.00	\$ 2,700.00	\$ 2,700.00	\$ 3,218.00	\$ 3,218.00	\$ 1,750.00	\$ 1,750.00	\$ 3,500.00	\$ 3,500.00	\$ 2,500.00	\$ 2,500.00
7	Install 8" 45 Degree DI Bend (PO X PO) per IRWD Std. W-16	6	EA	\$ 275.00	\$ 1,650.00	\$ 290.00	\$ 1,740.00	\$ 470.00	\$ 2,820.00	\$ 300.00	\$ 1,800.00	\$ 375.00	\$ 2,250.00	\$ 750.00	\$ 4,500.00
8	Install Blow Off per IRWD Std. W-14	1	EA	\$ 3,795.00	\$ 3,795.00	\$ 5,400.00	\$ 5,400.00	\$ 6,315.00	\$ 6,315.00	\$ 7,000.00	\$ 7,000.00	\$ 8,750.00	\$ 8,750.00	\$ 6,500.00	\$ 6,500.00

9	Install 8" 11.25 Degree DI Bend per (PO X PO) per IRWD Std. W-16	3	EA	\$ 275.00	\$ 825.00	\$ 250.00	\$ 750.00	\$ 442.00	\$ 1,326.00	\$ 270.00	\$ 810.00	\$ 350.00	\$ 1,050.00	\$ 750.00	\$ 2,250.00
10	Install 8" DI Tee(FE X FE) Per IRWD Std. W-16	1	EA	\$ 625.00	\$ 625.00	\$ 500.00	\$ 500.00	\$ 655.00	\$ 655.00	\$ 850.00	\$ 850.00	\$ 550.00	\$ 550.00	\$ 1,250.00	\$ 1,250.00
11	Install 8" RTW Gate Valve (FE X FE) per IRWD Std. W-22	4	EA	\$ 2,795.00	\$ 11,180.00	\$ 1,700.00	\$ 6,800.00	\$ 1,593.00	\$ 6,372.00	\$ 1,700.00	\$ 6,800.00	\$ 1,700.00	\$ 6,800.00	\$ 1,750.00	\$ 7,000.00
12	Install 8" (FE X PO) Adaptor	5	EA	\$ 295.00	\$ 1,475.00	\$ 245.00	\$ 1,225.00	\$ 387.00	\$ 1,935.00	\$ 230.00	\$ 1,150.00	\$ 250.00	\$ 1,250.00	\$ 750.00	\$ 3,750.00
13	Install 1" Air Vac and Release per IRWD Std. W-11	2	EA	\$ 1,335.00	\$ 2,670.00	\$ 3,100.00	\$ 6,200.00	\$ 3,259.00	\$ 6,518.00	\$ 3,300.00	\$ 6,600.00	\$ 3,050.00	\$ 6,100.00	\$ 4,500.00	\$ 9,000.00
14	Remove Existing Thrust Block and Join	1	EA	\$ 2,955.00	\$ 2,955.00	\$ 2,700.00	\$ 2,700.00	\$ 3,218.00	\$ 3,218.00	\$ 1,750.00	\$ 1,750.00	\$ 3,500.00	\$ 3,500.00	\$ 1,250.00	\$ 1,250.00
15	Raise Valves Final	7	EA	\$ 510.00	\$ 3,570.00	\$ 300.00	\$ 2,100.00	\$ 388.00	\$ 2,716.00	\$ 400.00	\$ 2,800.00	\$ 350.00	\$ 2,450.00	\$ 800.00	\$ 5,600.00
16	Haul Off Spoils	318	CY	\$ 15.00	\$ 4,770.00	\$ 9.00	\$ 2,862.00	\$ 9.00	\$ 2,862.00	\$ 6.00	\$ 1,908.00	\$ 6.00	\$ 1,908.00	\$ 12.50	\$ 3,975.00
Subtotal Recycled Capital Improvements Line B					\$ 134,542.00		\$ 143,670.00		\$ 141,014.00		\$ 189,715.00		\$ 183,154.00		\$ 219,340.00
Capital Improvements Recycled Water Line O															
17	Install 8" AWWA C-900 PVC, DR 14, Purple Pipe per IRWD Std. W-17	467	LF	\$ 27.00	\$ 12,609.00	\$ 36.00	\$ 16,812.00	\$ 32.00	\$ 14,944.00	\$ 48.00	\$ 22,416.00	\$ 42.00	\$ 19,614.00	\$ 45.00	\$ 21,015.00
18	Install 8"22.5 Degree DI Bend (PO X PO) per IRWD Std. W-16	1	EA	\$ 171.00	\$ 171.00	\$ 260.00	\$ 260.00	\$ 439.00	\$ 439.00	\$ 270.00	\$ 270.00	\$ 350.00	\$ 350.00	\$ 750.00	\$ 750.00
19	Remove Existing Thrust Block and Join	1	EA	\$ 2,995.00	\$ 2,995.00	\$ 2,700.00	\$ 2,700.00	\$ 3,218.00	\$ 3,218.00	\$ 1,750.00	\$ 1,750.00	\$ 3,350.00	\$ 3,350.00	\$ 1,250.00	\$ 1,250.00
20	Remove and Replace AC Paving/Slurry Backfill	1	LS	\$ 4,655.00	\$ 4,655.00	\$ 7,500.00	\$ 7,500.00	\$ 6,389.00	\$ 6,389.00	\$ 12,000.00	\$ 12,000.00	\$ 11,800.00	\$ 11,800.00	\$ 7,500.00	\$ 7,500.00
21	Haul Off Spoils	39	CY	\$ 45.00	\$ 1,755.00	\$ 9.00	\$ 351.00	\$ 9.00	\$ 351.00	\$ 6.00	\$ 234.00	\$ 6.00	\$ 234.00	\$ 12.50	\$ 487.50
Subtotal Recycled Capital Improvements Line O					\$ 22,185.00		\$ 27,623.00		\$ 25,341.00		\$ 36,670.00		\$ 35,348.00		\$ 31,002.50
Non Capital Improvements Recycled Water Line B															
22	Install 1" Irrigation Service with 1" Meter per IRWD Std. W-1 & W-3	3	EA	\$ 2,888.00	\$ 8,664.00	\$ 1,400.00	\$ 4,200.00	\$ 1,895.00	\$ 5,685.00	\$ 1,800.00	\$ 5,400.00	\$ 2,100.00	\$ 6,300.00	\$ 1,800.00	\$ 5,400.00
23	Install 2" Irrigation Service with 2" Meter per IRWD Std. W-2 & W-3	3	EA	\$ 2,995.00	\$ 8,985.00	\$ 4,325.00	\$ 12,975.00	\$ 4,098.00	\$ 12,294.00	\$ 3,500.00	\$ 10,500.00	\$ 4,200.00	\$ 12,600.00	\$ 3,500.00	\$ 10,500.00
24	Install 2" Irrigation Service with 1.5" Meter per IRWD Std. W-2 & W-3	3	EA	\$ 3,100.00	\$ 9,300.00	\$ 3,480.00	\$ 10,440.00	\$ 3,615.00	\$ 10,845.00	\$ 3,000.00	\$ 9,000.00	\$ 4,200.00	\$ 12,600.00	\$ 3,000.00	\$ 9,000.00
Subtotal Recycled Non Capital Improvements Line B					\$ 26,949.00		\$ 27,615.00		\$ 28,824.00		\$ 24,900.00		\$ 31,500.00		\$ 24,900.00
Non Capital Recycled Water Improvements Commerce Center Drive and Alton Parkway															
25	Install Non Residential Fire Hydrants Per IRWD Std. W-8	1	EA	\$ 8,155.00	\$ 8,155.00	\$ 8,800.00	\$ 8,800.00	\$ 11,959.00	\$ 11,959.00	\$ 10,500.00	\$ 10,500.00	\$ 13,400.00	\$ 13,400.00	\$ 6,000.00	\$ 6,000.00
26	Install 2" Irrigation Service with 2" Meter Per IRWD Std. W-2 & W-3	1	EA	\$ 6,555.00	\$ 6,555.00	\$ 6,790.00	\$ 6,790.00	\$ 8,994.00	\$ 8,994.00	\$ 5,500.00	\$ 5,500.00	\$ 15,500.00	\$ 15,500.00	\$ 3,500.00	\$ 3,500.00
27	Remove and Replace Existing Pavement	1	LS	\$ 6,555.00	\$ 6,555.00	\$ 3,400.00	\$ 3,400.00	\$ 6,902.00	\$ 6,902.00	\$ 4,700.00	\$ 4,700.00	\$ 6,000.00	\$ 6,000.00	\$ 5,000.00	\$ 5,000.00
28	Raise Valve to Grade Final	1	EA	\$ 510.00	\$ 510.00	\$ 300.00	\$ 300.00	\$ 700.00	\$ 700.00	\$ 400.00	\$ 400.00	\$ 350.00	\$ 350.00	\$ 800.00	\$ 800.00
29	Haul Off Spoil	4	CY	\$ 275.00	\$ 1,100.00	\$ 9.00	\$ 36.00	\$ 9.00	\$ 36.00	\$ 50.00	\$ 200.00	\$ 6.00	\$ 24.00	\$ 12.50	\$ 50.00
Subtotal Recycled Non Capital Improvements Commerce Centert and Alton					\$ 22,875.00		\$ 19,326.00		\$ 28,591.00		\$ 21,300.00		\$ 35,274.00		\$ 15,350.00
Non Capital Improvements Recycled Water Line A															
30	Install 4" AWWA C-900 PVC, DR 14, Purple Pipe per IRWD Std. W-17	903	LF	\$ 23.00	\$ 20,769.00	\$ 18.50	\$ 16,705.50	\$ 17.00	\$ 15,351.00	\$ 34.00	\$ 30,702.00	\$ 22.00	\$ 19,866.00	\$ 35.00	\$ 31,605.00
31	Install 4" End Cap and Thrust Block per IRWD Std. W-16	1	EA	\$ 520.00	\$ 520.00	\$ 125.00	\$ 125.00	\$ 347.00	\$ 347.00	\$ 125.00	\$ 125.00	\$ 300.00	\$ 300.00	\$ 500.00	\$ 500.00
32	Install 2" Flush Out Assembly per IRWD Std. W-13	1	EA	\$ 1,335.00	\$ 1,335.00	\$ 2,990.00	\$ 2,990.00	\$ 3,277.00	\$ 3,277.00	\$ 2,700.00	\$ 2,700.00	\$ 3,100.00	\$ 3,100.00	\$ 2,500.00	\$ 2,500.00
33	Install 2" Irrigation Service with 1.5" Meter per IRWD Std. W-2 & W-3	2	EA	\$ 2,892.00	\$ 5,784.00	\$ 3,680.00	\$ 7,360.00	\$ 4,098.00	\$ 8,196.00	\$ 3,000.00	\$ 6,000.00	\$ 3,800.00	\$ 7,600.00	\$ 3,000.00	\$ 6,000.00
34	Install 2" Irrigation Service with 2" Meter per IRWD Std. W-2 & W-3	2	EA	\$ 1,654.00	\$ 3,308.00	\$ 4,190.00	\$ 8,380.00	\$ 3,712.00	\$ 7,424.00	\$ 3,500.00	\$ 7,000.00	\$ 4,000.00	\$ 8,000.00	\$ 3,500.00	\$ 7,000.00
35	Install Temporary Flush Out Per IRWD Std. W-12	1	EA	\$ 3,100.00	\$ 3,100.00	\$ 1,920.00	\$ 1,920.00	\$ 1,223.00	\$ 1,223.00	\$ 1,230.00	\$ 1,230.00	\$ 950.00	\$ 950.00	\$ 1,250.00	\$ 1,250.00
36	Haul Off Spoil	57	CY	\$ 45.00	\$ 2,565.00	\$ 9.00	\$ 513.00	\$ 9.00	\$ 513.00	\$ 6.00	\$ 342.00	\$ 6.00	\$ 342.00	\$ 12.50	\$ 712.50
Subtotal Recycled Non Capital Improvements Line A					\$ 37,381.00		\$ 37,993.50		\$ 36,331.00		\$ 48,099.00		\$ 40,158.00		\$ 49,567.50
Total Job Shared Expenses					\$ 22,866.00		\$ 12,210.00		\$ 12,765.00		\$ 21,500.00		\$ 8,500.00		\$ 14,500.00

	Total all Capital Improvements	\$ 156,727.00	\$ 171,293.00	\$ 166,355.00	\$ 226,385.00	\$ 218,502.00	\$ 250,342.50
	Total all Non Capital Improvements	\$ 87,205.00	\$ 84,934.50	\$ 93,746.00	\$ 94,299.00	\$ 106,932.00	\$ 89,817.50
	Total Recycled	\$ 266,798.00	\$ 268,437.50	\$ 272,866.00	\$ 342,184.00	\$ 333,934.00	\$ 354,660.00
	Total Domestic Capital	\$ 354,998.05	\$ 409,911.20	\$ 422,177.50	\$ 438,780.00	\$ 475,882.00	\$ 486,150.00
	Total Recycled Capital	\$ 168,160.00	\$ 177,398.00	\$ 172,737.50	\$ 237,135.00	\$ 222,752.00	\$ 257,592.50
	Total Capital Improvements	\$ 523,158.05	\$ 587,309.20	\$ 594,915.00	\$ 675,915.00	\$ 698,634.00	\$ 743,742.50
	Total Domestic Non Capital	\$ 389,755.00	\$ 381,466.00	\$ 380,947.50	\$ 420,351.00	\$ 433,945.00	\$ 502,765.00
	Total Recycled Non Capital	\$ 98,638.00	\$ 91,039.50	\$ 100,128.50	\$ 105,049.00	\$ 111,182.00	\$ 97,067.50
	Total No Capital	\$ 488,393.00	\$ 472,505.50	\$ 481,076.00	\$ 525,400.00	\$ 545,127.00	\$ 599,832.50
	Grand Total Bid	\$ 1,011,551.05	\$ 1,059,814.70	\$ 1,075,991.00	\$ 1,201,315.00	\$ 1,243,761.00	\$ 1,343,575.00

IRVINE RANCH WATER DISTRICT

EXHIBIT "D"

Expenditure Authorization

Project Name: BAKER RANCH PHASE 1 DW ZONE 3R & ZONE 2
EPMS Project No: 11661 **EA No:** 1
Oracle Project No: 4000
Project Manager: CORTEZ, MALCOLM
Project Engineer: LEW, KELLY
Request Date: April 3, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations		
ID No.	Allocation %	Source of Funds
135	100.0	CAPITAL FUND
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$612,700
Total EA Requests:	\$612,700
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$612,700
Updated Budget:	\$612,700
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING DESIGN - IRWD	25,000	0	25,000	25,000	0	25,000	8/12	12/12
ENGINEERING DESIGN - OUTSIDE	40,000	0	40,000	40,000	0	40,000	8/12	12/12
DESIGN STAFF FIELD SUPPORT	10,000	0	10,000	10,000	0	10,000	8/12	12/12
ENGINEERING - CA&I IRWD	40,000	0	40,000	40,000	0	40,000	3/13	12/13
ENGINEERING - CA&I OUTSIDE	50,000	0	50,000	50,000	0	50,000	3/13	12/13
CONSTRUCTION FIELD SUPPORT	10,000	0	10,000	10,000	0	10,000	3/13	12/13
CONSTRUCTION	380,000	0	380,000	380,000	0	380,000	3/13	12/13
LEGAL	2,000	0	2,000	2,000	0	2,000	8/12	12/13
Contingency - 10.00% Subtotal	\$55,700	\$0	\$55,700	\$55,700	\$0	\$55,700		
Subtotal (Direct Costs)	\$612,700	\$0	\$612,700	\$612,700	\$0	\$612,700		
Estimated G/A - 180.00% of direct labor*	\$153,000	\$0	\$153,000	\$153,000	\$0	\$153,000		
Total	\$765,700	\$0	\$765,700	\$765,700	\$0	\$765,700		
Direct Labor	\$85,000	\$0	\$85,000	\$85,000	\$0	\$85,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator: Kelley Lew 4/3/13
Department Director: Rose L Burton 4/4/13
Finance: _____
Board/General Manager: _____

** IRWD hereby declares that it reasonably expects those expenditures marked with two asterisks to be reimbursed with proceeds of future debt to be incurred by IRWD in a maximum principal amount of \$782,000. The additional documents, if any, which are hereby incorporated by reference into this authorization, are hereby incorporated by reference into this authorization. The project is made under Treasury Regulation Section 1.150-2.

IRVINE RANCH WATER DISTRICT

Expenditure Authorization

Project Name: BAKER RANCH PHASE 1 RW ZONE B & C
 EPMS Project No: 31661 EA No: 1
 Oracle Project No: 4001
 Project Manager: CORTEZ, MALCOLM
 Project Engineer: LEW, KELLY
 Request Date: April 3, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations

ID No.	Allocation %	Source of Funds
235	100.0	CAPITAL FUND
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$304,700
Total EA Requests:	\$304,700
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$304,700
Updated Budget:	\$304,700
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING DESIGN - IRWD	15,000	0	15,000	15,000	0	15,000	8/12	12/12
ENGINEERING DESIGN - OUTSIDE	20,000	0	20,000	20,000	0	20,000	8/12	12/12
DESIGN STAFF FIELD SUPPORT	5,000	0	5,000	5,000	0	5,000	8/12	12/12
ENGINEERING - CA&I IRWD	20,000	0	20,000	20,000	0	20,000	3/13	12/13
ENGINEERING - CA&I OUTSIDE	30,000	0	30,000	30,000	0	30,000	3/13	12/13
CONSTRUCTION FIELD SUPPORT	5,000	0	5,000	5,000	0	5,000	3/13	12/13
CONSTRUCTION	180,000	0	180,000	180,000	0	180,000	3/13	12/13
LEGAL	2,000	0	2,000	2,000	0	2,000	8/12	12/13
Contingency - 10.00% Subtotal	\$27,700	\$0	\$27,700	\$27,700	\$0	\$27,700		
Subtotal (Direct Costs)	\$304,700	\$0	\$304,700	\$304,700	\$0	\$304,700		
Estimated G/A - 180.00% of direct labor*	\$81,000	\$0	\$81,000	\$81,000	\$0	\$81,000		
Total	\$385,700	\$0	\$385,700	\$385,700	\$0	\$385,700		
Direct Labor	\$45,000	\$0	\$45,000	\$45,000	\$0	\$45,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator: Kelley Lew 4/3/13
 Department Director: Kevin L Burton 4/4/13
 Finance: _____
 Board/General Manager: _____

** IRWD hereby declares that it reasonably expects those expenditures incurred by IRWD in a maximum principal amount of \$394,000. The additional documents, if any, which are hereby incorporated by reference into this authorization, project is made under Treasury Regulation Section 1.150-2.

DS
April 22, 2013 KNL
Prepared by: K. Lew/M. Cortez
Submitted by: K. Burton ^{AB}
Approved by: Paul Cook / *[Signature]*

CONSENT CALENDAR

REIMBURSEMENT AGREEMENT BETWEEN IRWD AND THE CITY OF IRVINE FOR INSTALLATION AND ADJUSTMENT OF IRWD FACILITIES TO GRADE

SUMMARY:

The City of Irvine is proceeding with its annual slurry seal and pavement rehabilitation project for miscellaneous areas throughout the City. This project requires a separate Reimbursement Agreement (RA) since the estimated construction cost is over \$100,000. Staff recommends that the Board:

- Authorize the addition of Projects 11674, 21674, and 31674 to the FY 2012-13 Capital Budget in the amount of \$365,200, \$199,100, and \$14,300, respectively;
- Approve Expenditure Authorizations for Projects 11674 and 21674 in the amount of \$365,200 and \$199,100, respectively; and
- Authorize the General Manager to execute an RA with the City of Irvine for its Annual Slurry Seal and Pavement Rehabilitation Project, Bid No. 13-2927.

BACKGROUND:

Irvine Ranch Water District has had an RA in place with the City of Irvine since 1995 for managing various street rehabilitation projects. Typically included in the City's Capital Improvement Projects are alternate bid items for raising existing IRWD sewer manhole covers and cleanouts, and water valve frames and lids to the new pavement grade. Any project up to \$100,000 in reimbursable costs can be authorized by the General Manager as an addendum to this "umbrella" RA.

IRWD and the City have also agreed that any City street improvement project, which involves the construction, modification or relocation of IRWD facilities with an estimated construction cost over \$100,000, shall be administered through a separate RA. The City's Annual Slurry Seal and Street Rehabilitation Project, Bid No. 13-2927 has an estimated construction cost of \$471,744. This project, therefore, requires a project-specific RA.

The project area consists of the Deerfield, El Camino Real, Oakcreek, Irvine Research Center, and Industrial Complex East areas. Approximately 644 domestic and 18 recycled water valve frames and lids, 4 sewer cleanouts, and 342 sewer manholes will be installed or adjusted to new pavement grade. A Vicinity Map is attached as Exhibit "A", the Engineer's Estimate as Exhibit "B", and the RA as Exhibit "C". The RA has been reviewed by IRWD's legal counsel.

FISCAL IMPACTS:

Projects 11674 (4270), 21674 (4271), and 31674 (4272) are not included in the FY 2012-13 Capital Budget. Staff requests the addition of these projects to the FY 2012-13 Capital Budget and approval of Expenditure Authorizations to fund the projects as shown in the table below and attached as Exhibit "D". Since the Expenditure Authorization for Project 31674 (4272) is an initial Expenditure Authorization less than \$60,000, it only requires the approval of the General Manager pursuant to IRWD's current procurement policy.

Project No.	Current Budget	Addition <Reduction>	Total Budget	Existing EA	This EA Request	Total EA Request
11674 (4270)	\$-0-	\$ 365,200	\$ 365,200	\$-0-	\$ 365,200	\$ 365,200
21674 (4271)	\$-0-	\$ 199,100	\$ 199,100	\$-0-	\$ 199,100	\$ 199,100
31674 (4272)	\$-0-	\$ 14,300	\$ 14,300	\$-0-	\$ 14,300	\$ 14,300
TOTAL	\$-0-	\$ 578,600	\$ 578,600	\$-0-	\$ 578,600	\$ 578,600

ENVIRONMENTAL COMPLIANCE:

These projects are exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15061 (b) (3). The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

In addition, projects referenced in these agreements are exempt from CEQA as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15302 C, which provides exemption for projects that involve replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced.

COMMITTEE STATUS:

This item was reviewed by the Engineering and Operations Committee on April 16, 2013.

RECOMMENDATION:

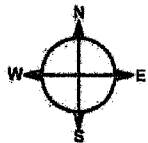
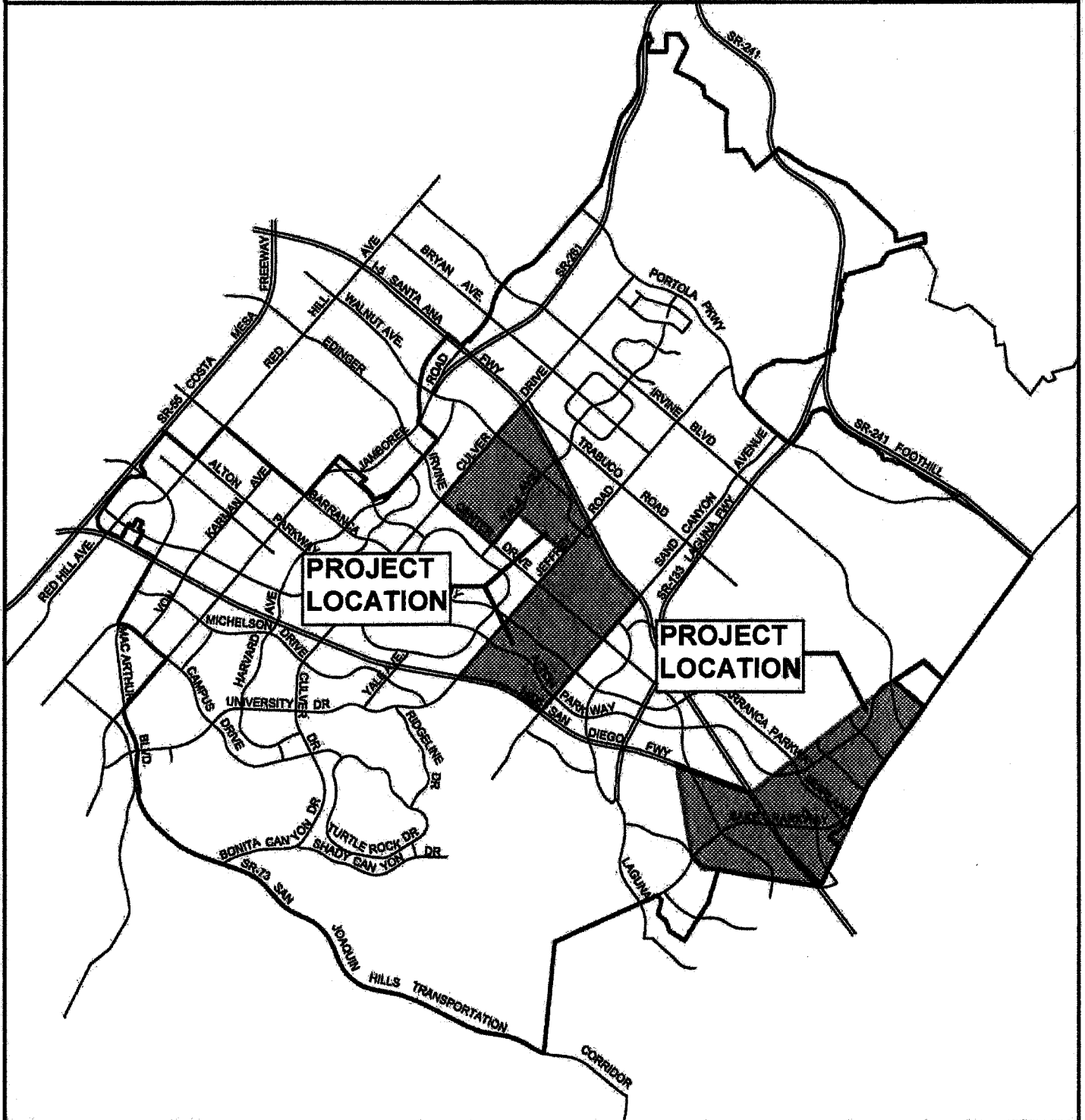
THAT THE BOARD AUTHORIZE THE ADDITION OF PROJECTS 11674 (4270), 21674 (4271), AND 31674 (4272) TO THE FY 2012-13 CAPITAL BUDGET IN THE AMOUNT OF \$365,200, \$199,100, AND \$14,300, RESPECTIVELY; APPROVE EXPENDITURE AUTHORIZATIONS FOR PROJECTS 11674 (4270) AND 21674 (4271) IN THE AMOUNT OF \$365,200 AND \$199,100 RESPECTIVELY; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A REIMBURSEMENT AGREEMENT WITH THE CITY OF IRVINE FOR ITS ANNUAL SLURRY SEAL AND PAVEMENT REHABILITATION PROJECT, BID NO. 13-2927.

LIST OF EXHIBITS:

- Exhibit "A" – Vicinity Map
- Exhibit "B" – Engineer's Estimate
- Exhibit "C" – Reimbursement Agreement
- Exhibit "D" – Expenditure Authorizations

EXHIBIT "A"

ANNUAL SLURRY SEAL AND PAVEMENT REHABILITATION BID NO. 13-2927



VICINITY MAP



EXHIBIT "B"

REIMBURSEMENT AGREEMENT BETWEEN IRVINE RANCH WATER DISTRICT (IRWD) AND THE CITY OF IRVINE

FOR

ANNUAL SLURRY SEAL AND PAVEMENT REHABILITATION, BID NO. 13-2927

ENGINEER'S ESTIMATE

ITEM NO.	DESCRIPTION	QUANTITY	UNITS	UNIT COST	EXTENDED AMOUNT
A-1	INSTALL NEW IRWD WATER VALVE FRAME AND COVER TO GRADE	644	EA	\$ 450.00	\$ 289,800.00
A-2	INSTALL NEW IRWD RECLAIM WATER VALVE FRAME AND COVER TO GRADE	18	EA	\$ 450.00	\$ 8,100.00
A-3	INSTALL NEW IRWD SEWER CLEANOUT FRAME AND COVER TO GRADE	4	EA	\$ 450.00	\$ 1,800.00
A-4	ADJUST EXISTING IRWD SEWER MANHOLE FRAME AND COVER TO GRADE	342	EA	\$ 450.00	\$ 153,900.00
TOTAL CONSTRUCTION ESTIMATE					\$ 453,600.00
4% ADMINISTRATION FEE PER SECTION 5 OF AGREEMENT					\$ 18,144.00
TOTAL COSTS					\$ 471,744.00

EXHIBIT "C"

File No.

REIMBURSEMENT AGREEMENT BETWEEN
IRVINE RANCH WATER DISTRICT
AND THE CITY OF IRVINE
FOR
INSTALLATION AND ADJUSTMENT OF STREET UTILITIES TO GRADE FOR
ANNUAL SLURRY SEAL AND PAVEMENT REHABILITATION
BID NO. 13-2927

This Agreement is made and entered into as of this ____ day of _____, 2013, by and between IRVINE RANCH WATER DISTRICT, a California water district formed and existing pursuant to the California Water District Law, hereinafter referred to as "DISTRICT," and the CITY OF IRVINE, a municipal corporation, hereinafter referred to as "CITY."

WITNESSETH:

WHEREAS, CITY proposes to construct street and utility improvements within the Deerfield, El Camino Real, Oakcreek, Irvine Research Center and the Irvine Industrial Complex villages for the Annual Slurry Seal and Pavement Rehabilitation, Bid No. 13-2927 (the "Project"), within the jurisdictional boundaries of DISTRICT and the City of Irvine; and

WHEREAS, such construction will necessitate the installation or adjustment to grade of approximately 644 Water Valves, approximately 18 Reclaim Water Valves, approximately 4 Sewer Cleanouts and approximately 342 Sewer Manholes, as depicted on Exhibit "A" attached hereto incorporated by reference herein (hereinafter referred to as the "IRWD FACILITIES"); and

WHEREAS, the parties have determined that it would be more expedient for CITY to construct the IRWD FACILITIES rather than for DISTRICT to do so; and

WHEREAS, DISTRICT is amenable to the CITY constructing the IRWD FACILITIES with the CITY agreeing to advance the costs; and

WHEREAS, DISTRICT agrees to fully reimburse the CITY through payments billed by the CITY and approved by DISTRICT for the entire cost of the IRWD FACILITIES; and

WHEREAS, except as otherwise provided herein, upon the completion of the IRWD FACILITIES, the IRWD FACILITIES shall become the property of DISTRICT in accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, the parties hereto agree as follows:

SECTION 1. IRWD FACILITIES. In conjunction with the Project, CITY agrees to initiate and pursue to completion the design and construction of the IRWD FACILITIES.

SECTION 2. PLANS. CITY agrees that the IRWD FACILITIES shall be completed pursuant to approved project plans and specifications (the "Plans and Specifications") which shall be approved by DISTRICT and used in awarding the construction contract. Prior to commencement of preparation of the Plans and Specifications, CITY shall submit its design engineer's proposal for the design of the IRWD FACILITIES to DISTRICT. DISTRICT will have a period of five (5) calendar days from its receipt of such design proposal to review and either indicate its approval or request changes. CITY shall cause its design engineer to review and respond to any requested changes. The Plans and Specifications shall be deemed to incorporate the applicable portions of DISTRICT's latest edition of "Construction Manual for the Construction of Water, Sewer, and Reclaimed Water Facilities" (the "Construction Manual"). The IRWD FACILITIES shall be contracted by CITY together with non-reimbursable work to be completed by CITY within the Project pursuant to plans prepared by CITY's design engineer.

SECTION 3. BIDDING AND AWARD. The parties agree that the construction of the IRWD FACILITIES shall be included in CITY's contract(s) awarded for the Project and that the IRWD FACILITIES shall be bid as a separate item or items that can be deleted. During the bidding process, CITY shall deliver to IRWD one (1) complete set of the bid documents that include the IRWD FACILITIES, including all related addenda concurrently with the distribution thereof to prospective bidders. Upon opening of bids by CITY, CITY will submit the bids or a spread sheet summary of the bids to DISTRICT. DISTRICT will have a period of ten (10) calendar days from its receipt of the bid results for review and approval of the IRWD FACILITIES bid item(s) submitted by the bidder identified to DISTRICT by CITY as CITY's proposed successful bidder. CITY agrees that bids received for the construction of the IRWD

FACILITIES bid item(s) shall be subject to the approval of DISTRICT prior to award of the Project construction contract(s) that include the IRWD FACILITIES; and further agrees that in the event DISTRICT does not approve such bids, either party may terminate this Agreement upon twenty-four (24) hours' prior written notice, in which event CITY shall have no further obligation to construct the IRWD FACILITIES, and DISTRICT may elect to install the IRWD FACILITIES with its own contractor. If DISTRICT approves of the IRWD FACILITIES bid item(s) of CITY's successful bidder, CITY agrees to cause the IRWD FACILITIES to be constructed as part of the contract awarded to such bidder. The total estimated construction cost for the IRWD FACILITIES is \$471,744.00, provided, however, the amount to be reimbursed by DISTRICT shall be based on the actual costs of construction. Upon award of the construction contract, CITY shall provide DISTRICT with one (1) original copy of the fully executed contract documents and one (1) copy of the bid package relating to the IRWD FACILITIES received from the successful bidder.

SECTION 4. DESIGN REVISIONS AND CHANGE ORDERS. DISTRICT agrees to reimburse CITY for any change order(s) for revision(s) requested by DISTRICT or otherwise required to construct the IRWD FACILITIES. CITY shall promptly furnish DISTRICT with copies of any proposed change order(s) to such contract within five (5) working days of the initiation of the changed conditions to such contract, which shall be subject to DISTRICT approval if and to the extent the IRWD FACILITIES are affected therefrom.

DISTRICT shall promptly review proposed change order(s) and provide CITY with a response within five (5) working days or sooner of receiving proposed change order(s) information from CITY. DISTRICT agrees not to unreasonably cause delay(s) to the construction schedule of the Project in reviewing proposed change order(s) for the IRWD FACILITIES. Notwithstanding any other provision herein, any approval required to be given by the DISTRICT under this Section shall be deemed given if no response to the CITY's request for such approval is received by the CITY within eight (8) working days following the written request for such approval unless the parties agree otherwise in a writing executed by both parties.

SECTION 5. REIMBURSEMENT. DISTRICT agrees to reimburse CITY for the following costs (collectively, the "Costs"): (1) the actual costs of design, construction, permits, bonds, and legal fees (excluding the costs of preparation of this Agreement) incurred by CITY in connection with the design and construction of the IRWD FACILITIES, plus (2) an administration fee which shall be equal to four percent (4%) of the actual cost of construction (costs paid directly to CITY's contractor for construction, only, excluding any cost for design,

surveying, geotechnical or other work) of the IRWD FACILITIES and which shall be deemed to cover all costs of project administration, including, but not limited to, accounting, inspection, surveying, compaction testing, geotechnical services and engineering. CITY shall keep a separate accounting of all Costs incurred by CITY in relation to the IRWD FACILITIES.

Within sixty (60) days of DISTRICT's acceptance of the IRWD FACILITIES as provided in Section 8, a final accounting of the Costs shall be made by CITY and submitted to DISTRICT along with an invoice for the Costs and any supporting documentation necessary to show the amounts which represent Costs of IRWD FACILITIES. Amounts paid pursuant to progress payment invoices shall be subject to adjustment in the final accounting. Within thirty (30) days of said final accounting, DISTRICT agrees to pay to CITY the total amount of the Costs.

SECTION 6. LAWS, ORDINANCES, RULES AND REGULATIONS. CITY shall require in its contract for the construction of the IRWD FACILITIES that its contractor be fully informed of and comply with all laws, ordinances, rules and regulations, including, but not limited to, all applicable requirements of the California Labor Code, prevailing wage laws, the Construction Manual, and the Rules and Regulations of DISTRICT, in connection with the construction of the IRWD FACILITIES.

SECTION 7. INSPECTION. DISTRICT shall have sole and absolute discretion as to all aspects of design and construction of the IRWD FACILITIES, and DISTRICT shall be entitled to inspect the construction of IRWD FACILITIES as it deems necessary to assure compliance with the Plans and Specifications, including shop drawing review and material inspection thereof. DISTRICT shall have access to all phases of the Project work to be performed by CITY for the purpose of such inspection; provided, however, all questions regarding the work being performed will be directed to CITY's resident engineer. DISTRICT will promptly notify CITY of any portion of the work on the IRWD FACILITIES which appears not to conform to the Plans and Specifications. The determination of DISTRICT as to conformity of the IRWD FACILITIES with the Plans and Specifications shall be made in DISTRICT's sole and absolute discretion. DISTRICT agrees not to unreasonably withhold its approval as to such conformity of the IRWD FACILITIES with the Plans and Specifications. CITY shall require its contractor to construct the IRWD FACILITIES so that the IRWD FACILITIES conform to the Plans and Specifications. CITY agrees to assume full responsibility for certifying or obtaining certification of the compaction of backfill material over the IRWD FACILITIES.

SECTION 8. ACCEPTANCE. DISTRICT agrees to accept the IRWD FACILITIES when the IRWD FACILITIES have been completed by CITY in accordance with all requirements of the Plans and Specifications, including any change orders approved by DISTRICT as provided in Section 3 hereof. At the time of completion and acceptance of the IRWD FACILITIES, CITY agrees to furnish DISTRICT with one (1) copy of the contractor's redlined set of blue-line "record" drawings (showing all revisions, manufacturer and type of valves, pipe and fittings as required by DISTRICT) and one (1) copy of the compaction reports and certificate, survey notes and cut sheets.

SECTION 9. OWNERSHIP. It is mutually agreed between the parties hereto that notwithstanding the fact that CITY shall accomplish the construction of the IRWD FACILITIES subject to reimbursement, the IRWD FACILITIES to be completed hereunder, together with the necessary franchises, licenses, easements, rights-of-way, and other privileges, shall at all times be subject to the applicable rates, rules and regulations of DISTRICT, as modified or amended from time to time. CITY hereby disclaims any interest in the IRWD FACILITIES and does hereby transfer and assign to DISTRICT any and all right, title, and interest it may have in the IRWD FACILITIES. DISTRICT shall own, operate and maintain the IRWD FACILITIES following acceptance thereof.

SECTION 10. GUARANTEES. CITY will, pursuant to the requirement(s) of the Plans and Specifications, cause its contractor(s) for the IRWD FACILITIES to guarantee the IRWD FACILITIES against defects in workmanship and materials for a period of one (1) year from the date of acceptance by CITY, which acceptance shall be given only after acceptance by DISTRICT as provided in Section 8. It is further agreed that CITY shall cause the IRWD FACILITIES to be brought or restored to full compliance with the requirements of the Plans and Specifications, including any test requirements, for any portions of the IRWD FACILITIES which during said one (1) year period are found not to be in conformance with the provisions of the Plans and Specifications. This guarantee is in addition to any and all other warranties, express or implied, from CITY's contractors or material manufacturers, with respect to the IRWD FACILITIES. The guarantee and obligations under this section shall in no way be relieved by DISTRICT's inspection and/or acceptance of the IRWD FACILITIES. This section sets forth the entire guarantee and warranty of CITY with respect to the IRWD FACILITIES. The express or implied warranties of other persons with respect to IRWD FACILITIES shall in no way be limited by the guarantee and warranty of CITY contained in this section. If requested by DISTRICT, CITY agrees to assign to DISTRICT the contractor's guarantee and/or any other guarantees or warranties relating to the IRWD FACILITIES.

SECTION 11. INDEMNIFICATION. CITY shall indemnify, defend and hold DISTRICT, its officers, agents, employees, and engineers harmless from any expense, liability or claim for death, injury, loss, damage or expense to persons or property which may arise or is claimed to have arisen during construction of the IRWD FACILITIES as a result of any work or action performed by CITY or on behalf of CITY, save and except to the extent such expense, liability or claim is proximately caused in whole or in part by any act, omission, or negligence of DISTRICT, its officers, agents, employees or engineers or by any act or omission for which DISTRICT, its officers, agents, employees or engineers are liable without fault.

DISTRICT shall indemnify, defend and hold CITY, its officers, agents, and employees, harmless from any expense, liability or claim for death, injury, loss, damage or expense to persons or property which may arise or is claimed to have arisen either (i) as a result of any acts performed by DISTRICT, its officers, agents, or employees, with respect to the IRWD FACILITIES construction; or (ii) following DISTRICT acceptance of the IRWD FACILITIES, with respect to maintenance and operation of the IRWD FACILITIES, save and except to the extent such expense, liability or claim is proximately caused in whole or in part by any negligence of CITY, its officers, agents, employees or engineers, or by any act or omission for which CITY, its officers, agents, employees or engineers are liable without fault.

SECTION 12. INSURANCE AND BONDING. CITY shall cause its contractor(s) to provide performance and payment bonds for the construction of the Project including the IRWD FACILITIES and to obtain insurance coverage sufficiently broad to insure the matters set forth in this Agreement and to include DISTRICT, its officers, agents, employees and engineers, as additional insureds on all insurance policies that CITY requires its contractor(s) to provide. As evidence of such insurance coverage, CITY shall, prior to commencement of construction of the IRWD FACILITIES, provide DISTRICT with certificates of insurance and insurance endorsements from CITY's contractor(s) in a form acceptable to DISTRICT.

SECTION 13. TERMINATION. DISTRICT shall have the right to terminate this Agreement at any time, subject to the provisions of this section, by providing five (5) business days' prior written notice to CITY, except as noted in Section 3. If at the request or direction of a party other than CITY, the construction of the IRWD FACILITIES is not accomplished or completed, DISTRICT shall remain obligated for the actual amount of the Costs incurred by CITY to the date of termination.

If CITY's Project is canceled or modified so as to eliminate the necessity of the construction of the IRWD FACILITIES, CITY shall have the right to terminate this Agreement and thereby terminate its obligation to construct the IRWD FACILITIES, by providing five (5) business days' prior written notice to DISTRICT. In such case, DISTRICT will not be obligated for any design or any other Costs incurred by CITY. If IRWD elects to construct the IRWD FACILITIES, DISTRICT may, but shall not be obligated to, acquire the design or other work from CITY by separate agreement.

SECTION 14. NOTICE. Any notice or other written instrument required or permitted by this Agreement to be given to either party shall be deemed received when personally served or twenty-four (24) hours after being deposited in the U.S. Mail, postage prepaid, registered or certified and addressed as follows:

DISTRICT: Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, CA 92619-7000
Attn: General Manager

CITY: City of Irvine
6427 Oak Canyon, Bldg. 1
Irvine, CA 92618
Attn: Reza Jafari, Assistant Engineer

SECTION 15. SUCCESSORS AND ASSIGNS; INTEGRATION; AMENDMENT.
This Agreement shall be binding upon and inure to the benefit of the successor and assigns of CITY and DISTRICT. This Agreement constitutes the entire Agreement between CITY and DISTRICT and supersedes all prior understandings and agreements between the parties with respect to the subjects hereof. This Agreement may be modified only in writing signed by both parties hereto.

SECTION 16. LEGAL FEES. In the event of any declaratory or other legal or equitable action instituted between CITY and DISTRICT in connection with this Agreement, the prevailing party shall be entitled to recover from the losing party all of its costs and expenses, including court costs and reasonable attorneys' fees.

SECTION 17. DEEMED APPROVAL. Any approval required to be given by either party pursuant to this Agreement shall be deemed given if no response to the party's request for

such approval is received by the requesting party within fifteen (15) days following the written request for such approval.

SECTION 18. SEVERABILITY. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or other unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

SECTION 19. APPLICABLE LAW. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

SECTION 20. WAIVER. The waiver of any provision of this Agreement by either party shall not be deemed to be a waiver of any other provision or of any preceding or subsequent breach hereunder.

IN WITNESS WHEREOF, the parties to the Agreement have executed this Agreement on the date herein above written.

IRVINE RANCH WATER DISTRICT

By _____
Paul Cook, General Manager

Dated _____

ATTEST:

By _____
Secretary/Assistant Secretary

Dated _____

APPROVED AS TO FORM:

By _____
Legal Counsel, IRWD

Dated _____

CITY OF IRVINE
A Municipal Corporation

By _____
Sean Joyce
City Manager of the City of Irvine

Dated _____

By _____
Manuel Gomez
Director of Public Works

Dated _____

ATTEST:

By _____
Sharie Apodaca
City Clerk of the City of Irvine

Dated _____

APPROVED AS TO FORM:

By _____
Phil Kohn
City Attorney of the City of Irvine

Dated _____

**REIMBURSEMENT AGREEMENT BETWEEN IRVINE RANCH WATER DISTRICT (IRWD)
AND THE CITY OF IRVINE
FOR
ANNUAL SLURRY SEAL AND PAVEMENT REHABILITATION, BID NO. 13-2927**

ENGINEER'S ESTIMATE

ITEM NO.	DESCRIPTION	QUANTITY	UNITS	UNIT COST	EXTENDED AMOUNT
A-1	INSTALL NEW IRWD WATER VALVE FRAME AND COVER TO GRADE	644	EA	\$ 450.00	\$ 289,800.00
A-2	INSTALL NEW IRWD RECLAIM WATER VALVE FRAME AND COVER TO GRADE	18	EA	\$ 450.00	\$ 8,100.00
A-3	INSTALL NEW IRWD SEWER CLEANOUT FRAME AND COVER TO GRADE	4	EA	\$ 450.00	\$ 1,800.00
A-4	ADJUST EXISTING IRWD SEWER MANHOLE FRAME AND COVER TO GRADE	342	EA	\$ 450.00	\$ 153,900.00
TOTAL CONSTRUCTION ESTIMATE					\$ 453,600.00
4% ADMINISTRATION FEE PER SECTION 5 OF AGREEMENT					\$ 18,144.00
TOTAL COSTS					\$ 471,744.00

IRVINE RANCH WATER DISTRICT

Expenditure Authorization

Project Name: 2013 IRVINE ANNUAL STREET REHAB, DW ADJUSTMENTS
 EPMS Project No: 11674 EA No: 1
 Oracle Project No: 4270
 Project Manager: CORTEZ, MALCOLM
 Project Engineer: LEW, KELLY
 Request Date: April 2, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations

ID No.	Allocation %	Source of Funds
101	100.0	REPLACEMENT FUND**
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$365,200
Total EA Requests:	\$365,200
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$365,200
Updated Budget:	\$365,200
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING - CA&I IRWD	20,000	0	20,000	20,000	0	20,000	6/13	3/14
CONSTRUCTION	310,000	0	310,000	310,000	0	310,000	6/13	3/14
LEGAL	2,000	0	2,000	2,000	0	2,000	4/13	3/14
Contingency - 10.00% Subtotal	\$33,200	\$0	\$33,200	\$33,200	\$0	\$33,200		
Subtotal (Direct Costs)	\$365,200	\$0	\$365,200	\$365,200	\$0	\$365,200		
Estimated G/A - 180.00% of direct labor*	\$36,000	\$0	\$36,000	\$36,000	\$0	\$36,000		
Total	\$401,200	\$0	\$401,200	\$401,200	\$0	\$401,200		
Direct Labor	\$20,000	\$0	\$20,000	\$20,000	\$0	\$20,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator: Kelly Lew 4/2/13

Department Director: Malcolm Cortez 4/3/13

Finance: _____

Board/General Manager: _____

** IRWD hereby declares that it reasonably expects those expenditures marked with two asterisks to be reimbursed with proceeds of future debt to be incurred by IRWD in a maximum principal amount of \$410,000. T additional documents, if any, which are hereby incorporated by ref project is made under Treasury Regulation Section 1.150-2.

IRVINE RANCH WATER DISTRICT

Expenditure Authorization

Project Name: 2013 IRVINE ANNUAL STREET REHAB, SEWER ADJUSTMENTS

EPMS Project No: 21674 **EA No:** 1

Oracle Project No: 4271

Project Manager: CORTEZ, MALCOLM

Project Engineer: LEW, KELLY

Request Date: April 2, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations

ID No. **Allocation %** **Source of Funds**

210	100.0	REPLACEMENT FUND**
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$199,100
Total EA Requests:	\$199,100
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$199,100
Updated Budget:	\$199,100
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING - CA&I IRWD	10,000	0	10,000	10,000	0	10,000	6/13	3/14
CONSTRUCTION	170,000	0	170,000	170,000	0	170,000	6/13	3/14
LEGAL	1,000	0	1,000	1,000	0	1,000	4/13	3/14
Contingency - 10.00% Subtotal	\$18,100	\$0	\$18,100	\$18,100	\$0	\$18,100		
Subtotal (Direct Costs)	\$199,100	\$0	\$199,100	\$199,100	\$0	\$199,100		
Estimated G/A - 180.00% of direct labor*	\$18,000	\$0	\$18,000	\$18,000	\$0	\$18,000		
Total	\$217,100	\$0	\$217,100	\$217,100	\$0	\$217,100		
Direct Labor	\$10,000	\$0	\$10,000	\$10,000	\$0	\$10,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator:

Kelley Lew _____ 4/2/13

Department Director:

Randy J. Burton _____ 4/3/13

Finance:

Board/General Manager:

** IRWD hereby declares that it reasonably expects those expenditures marked with two asterisks to be reimbursed with proceeds of future debt to be incurred by IRWD in a maximum principal amount of \$222,000. additional documents, if any, which are hereby incorporated by reference into this project is made under Treasury Regulation Section 1.150-2.

IRVINE RANCH WATER DISTRICT

Expenditure Authorization

Project Name: 2013 IRVINE ANNUAL STREET REHAB, RW ADJUSTMENTS

EPMS Project No: 31674 EA No: 1

Oracle Project No: 4272

Project Manager: CORTEZ, MALCOLM

Project Engineer: LEW, KELLY

Request Date: April 2, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations

ID No. Allocation % Source of Funds

210	100.0	REPLACEMENT FUND**
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$14,300
Total EA Requests:	\$14,300
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$14,300
Updated Budget:	\$14,300
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING - CA&I IRWD	2,000	0	2,000	2,000	0	2,000	6/13	3/14
CONSTRUCTION	10,000	0	10,000	10,000	0	10,000	6/13	3/14
LEGAL	1,000	0	1,000	1,000	0	1,000	4/13	3/14
Contingency - 10.00% Subtotal	\$1,300	\$0	\$1,300	\$1,300	\$0	\$1,300		
Subtotal (Direct Costs)	\$14,300	\$0	\$14,300	\$14,300	\$0	\$14,300		
Estimated G/A - 180.00% of direct labor*	\$3,600	\$0	\$3,600	\$3,600	\$0	\$3,600		
Total	\$17,900	\$0	\$17,900	\$17,900	\$0	\$17,900		
Direct Labor	\$2,000	\$0	\$2,000	\$2,000	\$0	\$2,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator:

Kelly Lew

4/2/13

Department Director:

Malcolm Cortez

4/3/13

Finance:

Board/General Manager:

** IRWD hereby declares that it reasonably expects those expenditures incurred by IRWD in a maximum principal amount of \$19,000. The additional documents, if any, which are hereby incorporated by reference project is made under Treasury Regulation Section 1.150-2.

D - 3

reimbursed with proceeds of future debt to be described in the attached staff report and sent to reimburse costs of the above-captioned

DS
April 22, 2013 KNL
Prepared by: K. Lew/M. Cortez
Submitted by: K. Burton
Approved by: Paul Cook

CONSENT CALENDAR

PLANNING AREA 51 HERITAGE FIELDS TRABUCO ROAD CAPITAL IMPROVEMENTS

SUMMARY:

Heritage Fields El Toro, LLC (Heritage Fields) is currently developing Planning Area 51 (Great Park) which includes the construction of streets, storm drains, domestic water, sewer, and recycled water improvements. As part of the development, Heritage Fields will construct IRWD capital facilities in Trabuco Road under a Supplemental Reimbursement Agreement to the Master Reimbursement Agreement dated August 13, 2012. Staff recommends that the Board:

- Authorize the addition of Projects 11660, 21660, and 31660 in the amounts of \$156,200, \$161,700, and \$480,700, respectively;
- Approve Expenditure Authorizations for Projects 11660, 21660, and 31660 in the amount of \$156,200, \$161,700, and \$480,700, respectively; and
- Authorize the General Manager to execute a Supplemental Reimbursement Agreement with Heritage Fields for PA 51 Trabuco Road capital facilities.

BACKGROUND:

Heritage Fields is moving forward with the construction of Trabuco Road improvements from State Route 133 to "LY" Street. The project location map is shown as Exhibit "A". The required IRWD domestic water, sewer, and recycled water capital facilities are documented in the PA 31 and 51 Sub-Area Master Plan, as prepared in September 2011 and shown in the capital system maps in Exhibit "B".

The Trabuco Road capital facilities consist of approximately 800 lineal feet of 12-inch diameter domestic water pipeline, 800 lineal feet of 12-inch and 18-inch sewer, and 4,000 lineal feet of 6-inch, 8-inch, and 12-inch recycled water pipeline. The design and construction of the IRWD facilities will be performed under the terms of an existing Master Reimbursement Agreement between Heritage Fields and IRWD dated August 13, 2012, and as further defined in a Supplemental Reimbursement Agreement. The Supplemental Reimbursement Agreement, attached as Exhibit "C", has been reviewed by IRWD legal counsel.

Heritage Fields retained Hunsaker to prepare the Trabuco Road improvement plans and they received bids from five contractors in February 2013. Heritage Fields recommends awarding the construction contract to the lowest bidder, FYDAQ, for a bid amount of \$432,237 as shown in Exhibit "D". In addition, Heritage Fields has received consultant proposals for engineering services during construction, geotechnical soils testing, and surveying. Staff has reviewed the

consultant proposals and the construction bids and found the amounts to be acceptable. A summary of the Trabuco Road Capital Improvement costs is shown below.

Design (Hunsaker)	\$ 41,200.00
Construction (FYDAQ)	\$ 432,237.00
Geotechnical Services (Engeo)	\$ 50,000.00
Engineering/Surveying (Hunsaker)	\$ 13,000.00
Heritage Fields Administration Fee (1%)	\$ <u>4,322.37</u>
	\$ 540,759.37

FISCAL IMPACTS:

Funding for IRWD’s capital facilities will require the addition of Projects 11660 (3977), 21660 (3980), and 31660 (3983) to the FY 2012-13 Capital Budget and approval of Expenditure Authorizations in the amount shown in the table below and in Exhibit “E”.

Project No.	Current Budget	Addition <Reduction>	Total Budget	Existing EA	This EA Request	Total EA Request
11660 (3977)	\$-0-	\$156,200	\$156,200	\$-0-	\$156,200	\$156,200
21660 (3980)	\$-0-	\$161,700	\$161,700	\$-0-	\$161,700	\$161,700
31660 (3983)	\$-0-	\$480,700	\$480,700	\$-0-	\$480,700	\$480,700
TOTAL	\$-0-	\$798,600	\$798,600	\$-0-	\$798,600	\$798,600

The above funding provides for the reimbursement costs to Heritage Fields for the design and construction of IRWD capital facilities, staff time, and consultant support during construction.

ENVIRONMENTAL COMPLIANCE:

Activities such as executing reimbursement agreements are not subject to the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15061 (b) (3), in that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

Construction of capital domestic water, sewer, and recycled water facilities for the Great Park Development is subject to CEQA. In conformance with the California Code of Regulations Title 14, Chapter 3, Article 7 an Environmental Impact Report was certified by the City of Irvine on April 4, 2012 (SCH# 2002101020).

COMMITTEE STATUS:

This item was reviewed by the Engineering and Operations Committee on April 16, 2013.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE ADDITION OF PROJECTS 11660 (3977), 21660 (3980), AND 31660 (3983) IN THE AMOUNTS OF \$156,200, \$161,700, AND \$480,700, RESPECTIVELY; APPROVE EXPENDITURE AUTHORIZATIONS FOR PROJECTS 11660 (3977), 21660 (3980), AND 31660 (3983) IN THE AMOUNTS OF \$156,200, \$161,700, AND \$480,700, RESPECTIVELY; AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A SUPPLEMENTAL REIMBURSEMENT AGREEMENT WITH HERITAGE FIELDS FOR PA 51 TRABUCO ROAD CAPITAL FACILITIES.

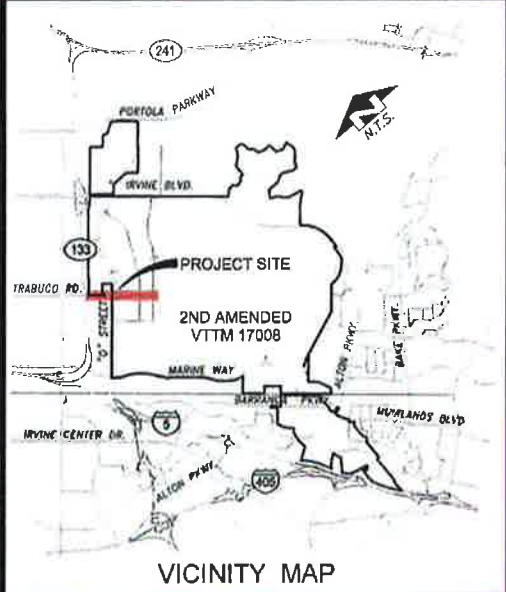
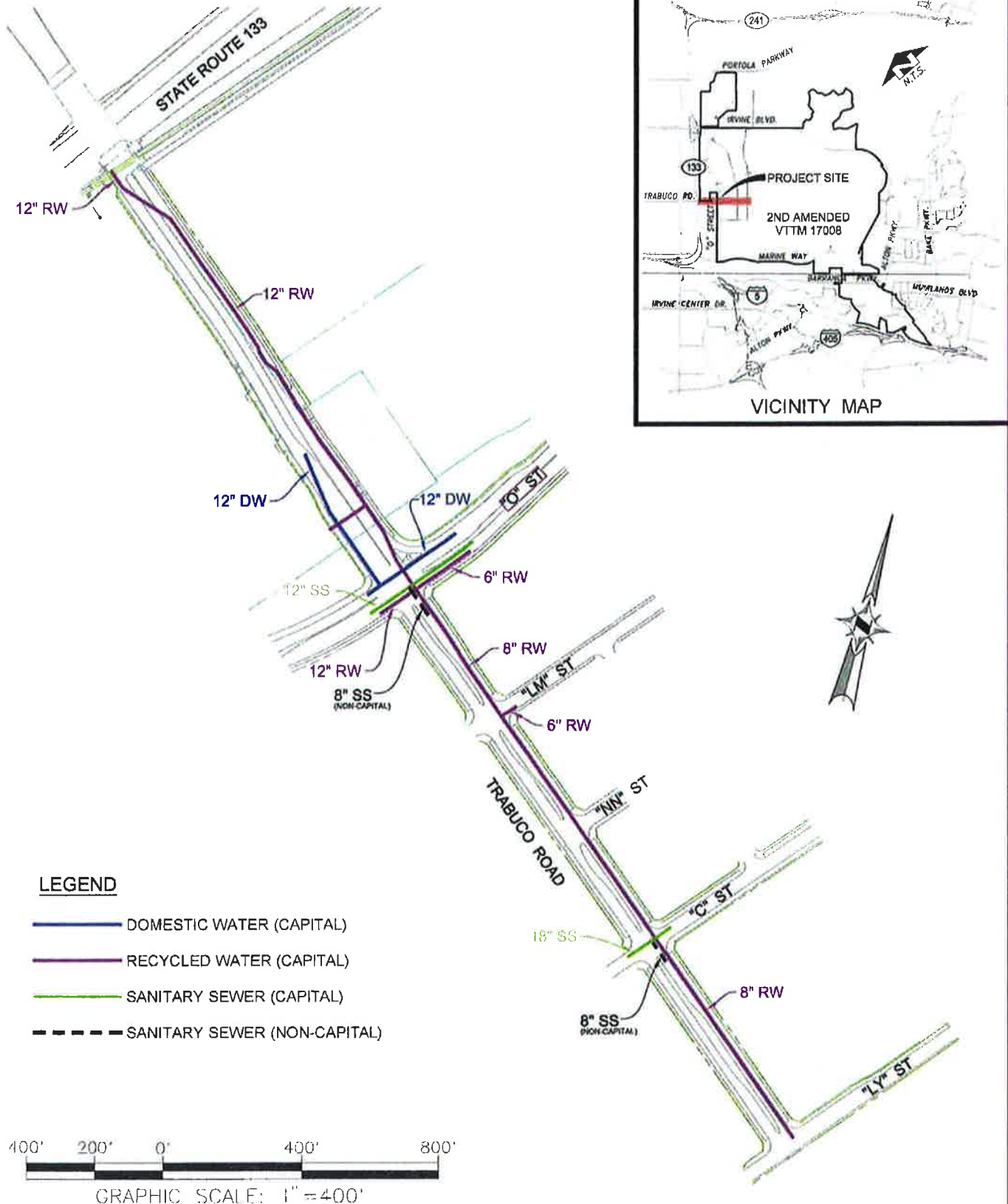
LIST OF EXHIBITS:

- Exhibit "A" – Trabuco Capital Improvements Location Map
- Exhibit "B" – Capital System Maps
- Exhibit "C" – Supplemental Reimbursement Agreement
- Exhibit "D" – Bid Summary for Construction of IRWD Capital Facilities
- Exhibit "E" – Expenditure Authorizations

EXHIBIT "A"

PLOTTED BY: jhng DATE: Apr 05, 2013 TIME: 11:18 AM

F:\0373\Engineering\SY_Backbone\SA_Trabuco Road-Free-Right\IRWD_Capital_Project_Bond_Estimate\IRWD_5779.dwg



LEGEND

- DOMESTIC WATER (CAPITAL)
- RECYCLED WATER (CAPITAL)
- SANITARY SEWER (CAPITAL)
- - - SANITARY SEWER (NON-CAPITAL)



PREPARED BY:
HUNSAKER & ASSOCIATES
 IRVINE, INC.
 PLANNING ■ ENGINEERING ■ SURVEYING
 Three Hughes • Irvine, CA 92618 • PH: (949) 583-1010 • FX: (949) 583-0759

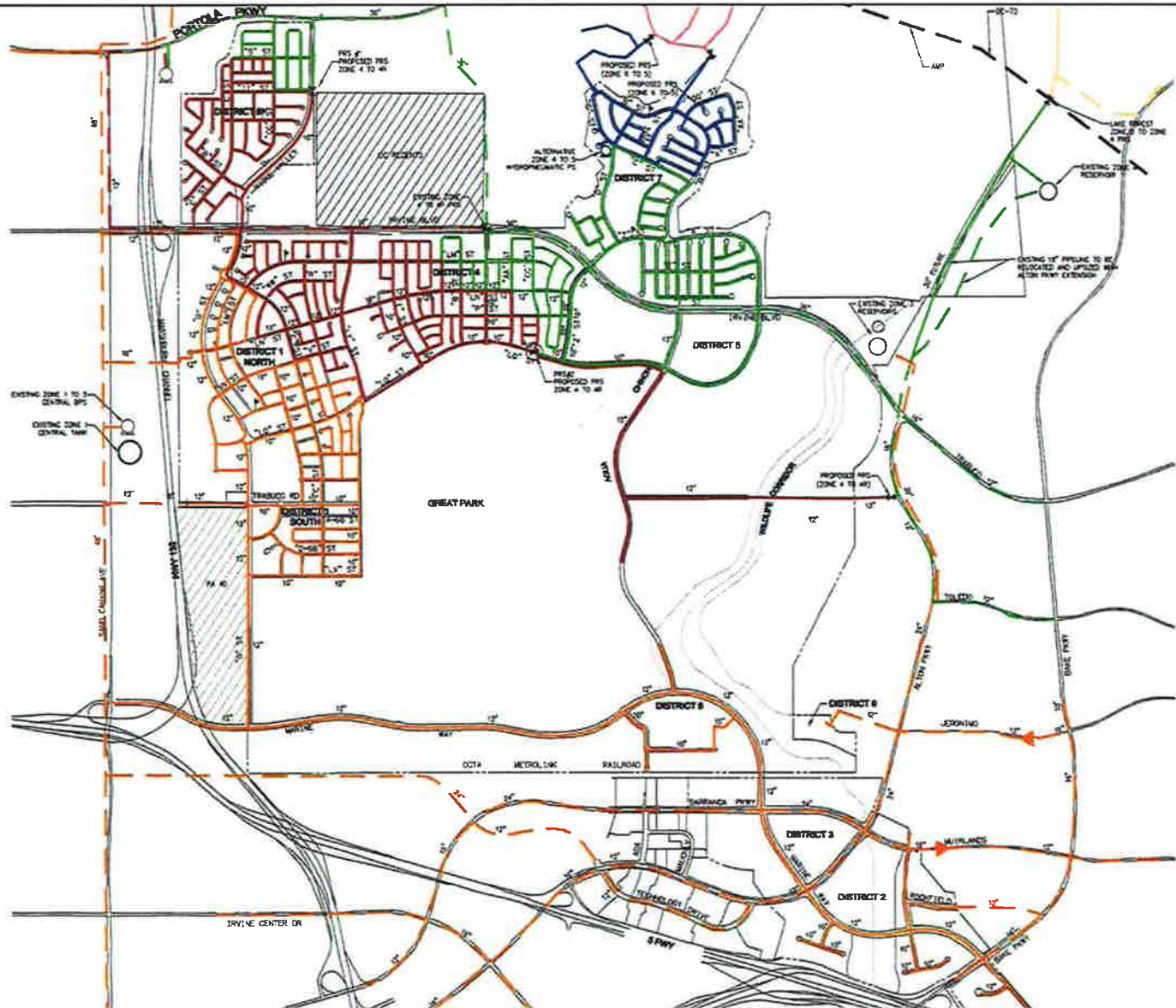
IRWD Code 5779

FIGURE
1

JOB NO. 1855-166

DATE: 4/5/12

B-1



- NOTES:**
1. THE DOMESTIC WATER FACILITIES WITHIN THE GREAT PARK ARE NOT SHOWN ON THIS FIGURE. AT THE TIME OF THE SAMP PREPARATION, THE REQUIRED DOMESTIC WATER DISTRIBUTION FACILITIES WERE NOT KNOWN. ONCE THE LAND USE PLAN IS FINALIZED, THE DOMESTIC WATER DISTRIBUTION SYSTEM WILL REQUIRE ANALYSIS AND APPROPRIATE LEVEL OF SAMP UPDATE OR ADDENDUM WILL BE REQUIRED. ADDITIONALLY, AT THE TIME A DETERMINATION WILL BE MADE AS TO WHICH FACILITIES WILL BE PUBLIC AND WHICH WILL BE PRIVATE.
 2. AS PART OF THE AGREEMENT WITH THE DEPARTMENT OF DEFENSE, THE LEAD ENTITY CONSTRUCTING BURIED PIPELINES WITHIN THE FORMER MARINE CORPS AIR STATION, EL TORO MUST SUBMIT A PROJECT ENVIRONMENT REVIEW FORM (PERF) TO THE NAVY AND THE DEPARTMENT OF TOXIC SUBSTANCES CONTROL PRIOR TO COMMENCEMENT OF EXCAVATION ACTIVITIES.
 3. ALL PIPELINES ARE 8" UNLESS SHOWN.

LEGEND	
PROPOSED	EXISTING
ZONE 6 (850 HGL)	---
ZONE 5 (735 HGL)	---
ZONE 4 (840 HGL)	---
ZONE 4R (540 HGL)	---
ZONE 3 (470 HGL)	---
SECONDARY PRESSURE REDUCING STATION	⊓
PRIMARY PRESSURE REDUCING STATION W/ TELEMETRY	⊙
WATER QUALITY SAMPLING STATION (TENTATIVE LOCATION)	↑

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 11001 IIRB RD, SUITE 100
 IRVINE, CA 92618
 TEL: 949.453.8800
 FAX: 949.453.8801
 WWW.RBFCONSULTING.COM

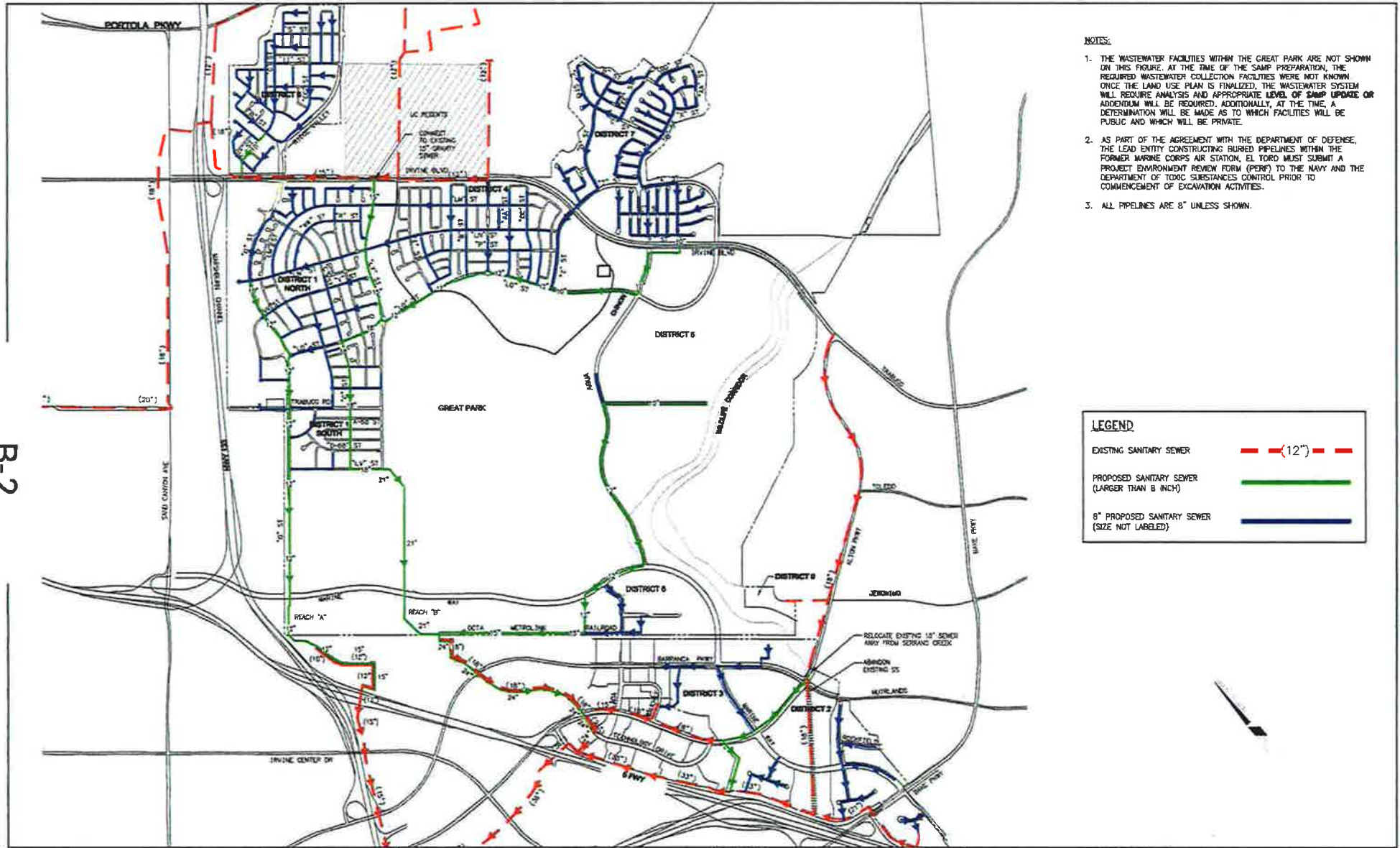
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 TEL: 949.453.8800 FAX: 949.453.8801
 WWW.RBFCONSULTING.COM

PREPARED FOR
IRVINE RANCH WATER DISTRICT

IRVINE RANCH WATER DISTRICT
 GREAT PARK / GREAT PARK NEIGHBORHOODS
 SUB-AREA MASTER PLAN
 (2011 UPDATE)
PROPOSED DOMESTIC WATER FACILITIES

FIG. 3-3

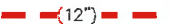


B-2



NOTES:

1. THE WASTEWATER FACILITIES WITHIN THE GREAT PARK ARE NOT SHOWN ON THIS FIGURE. AT THE TIME OF THE SAMP PREPARATION, THE REQUIRED WASTEWATER COLLECTION FACILITIES WERE NOT KNOWN. ONCE THE LAND USE PLAN IS FINALIZED, THE WASTEWATER SYSTEM WILL REQUIRE ANALYSIS AND APPROPRIATE LEVEL OF SAMP UPDATE OR ADDENDUM WILL BE REQUIRED. ADDITIONALLY, AT THE TIME, A DETERMINATION WILL BE MADE AS TO WHICH FACILITIES WILL BE PUBLIC AND WHICH WILL BE PRIVATE.
2. AS PART OF THE AGREEMENT WITH THE DEPARTMENT OF DEFENSE, THE LEAD ENTITY CONSTRUCTING BURIED PIPELINES WITHIN THE FORMER MARINE CORPS AIR STATION, EL TORO MUST SUBMIT A PROJECT ENVIRONMENT REVIEW FORM (PERF) TO THE NAVY AND THE DEPARTMENT OF TOXIC SUBSTANCES CONTROL PRIOR TO COMMENCEMENT OF EXCAVATION ACTIVITIES.
3. ALL PIPELINES ARE 8" UNLESS SHOWN.

LEGEND

EXISTING SANITARY SEWER	
PROPOSED SANITARY SEWER (LARGER THAN 8 INCH)	
8" PROPOSED SANITARY SEWER (SIZE NOT LABELED)	

PREPARED FOR: IRVINE RANCH WATER DISTRICT
 PROJECT: GREAT PARK / GREAT PARK NEIGHBORHOODS
 SUB-AREA MASTER PLAN (2011 UPDATE)
 DATE: 04/11/11
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 APPROVED BY: [Name]

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 5025 HATCH PARKWAY
 IRVINE, CALIFORNIA 92618-1607
 949.473.3000 • FAX 949.472.2007 • www.rbf.com

PREPARED FOR:

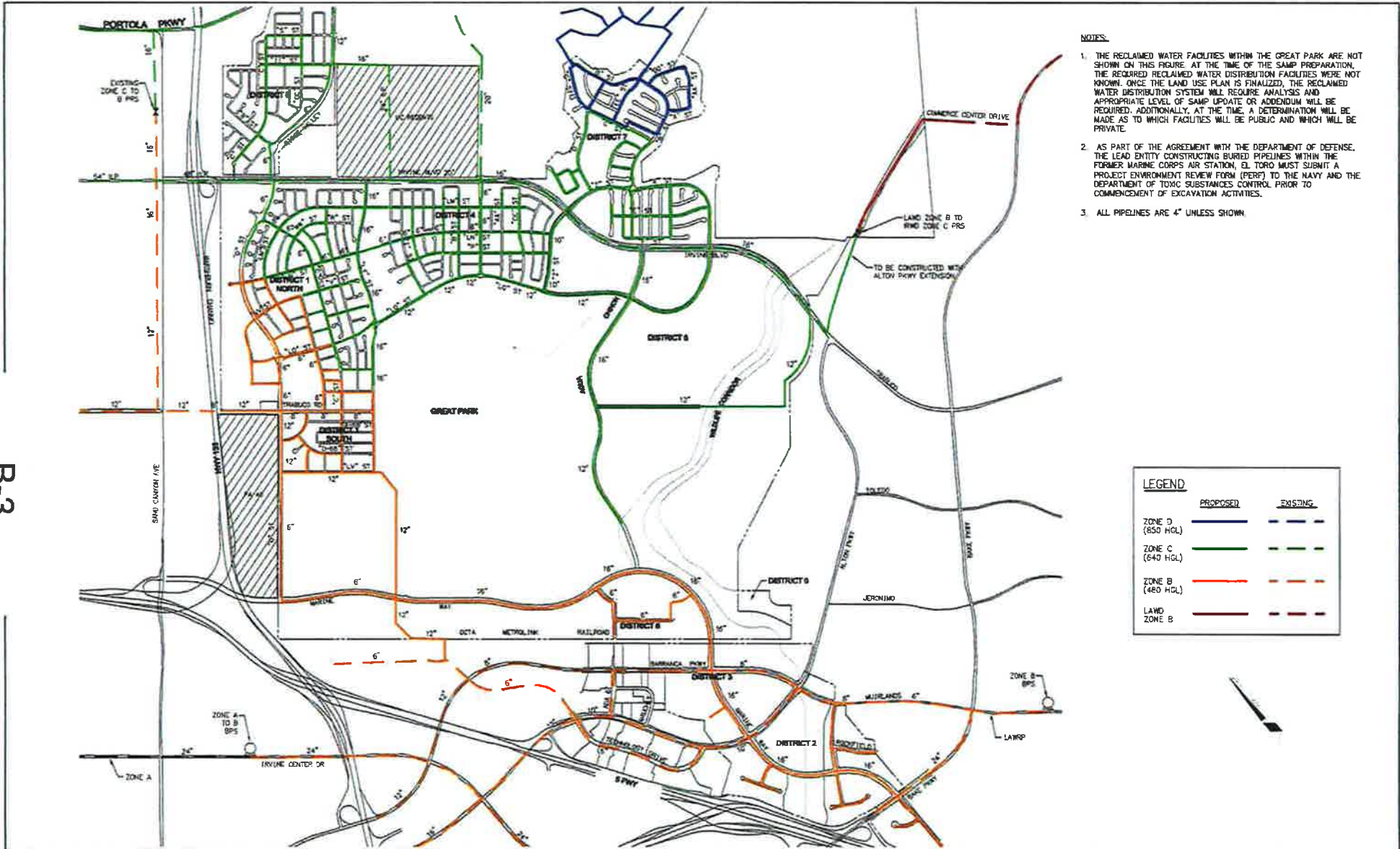
IRVINE RANCH
 WATER DISTRICT



IRVINE RANCH WATER DISTRICT
 GREAT PARK / GREAT PARK NEIGHBORHOODS
 SUB-AREA MASTER PLAN
 (2011 UPDATE)
 PROPOSED SEWER COLLECTION FACILITIES

FIG. 4-1

B-3



- NOTES:**
1. THE RECLAIMED WATER FACILITIES WITHIN THE GREAT PARK ARE NOT SHOWN ON THIS FIGURE. AT THE TIME OF THE SAMP PREPARATION, THE REQUIRED RECLAIMED WATER DISTRIBUTION FACILITIES WERE NOT KNOWN. ONCE THE LAND USE PLAN IS FINALIZED, THE RECLAIMED WATER DISTRIBUTION SYSTEM WILL REQUIRE ANALYSIS AND APPROPRIATE LEVEL OF SAMP UPDATE OR ADDENDUM WILL BE REQUIRED. ADDITIONALLY, AT THE TIME, A DETERMINATION WILL BE MADE AS TO WHICH FACILITIES WILL BE PUBLIC AND WHICH WILL BE PRIVATE.
 2. AS PART OF THE AGREEMENT WITH THE DEPARTMENT OF DEFENSE, THE LEAD ENTITY CONSTRUCTING BURIED PIPELINES WITHIN THE FORMER MARINE CORPS AIR STATION, EL TORO MUST SUBMIT A PROJECT ENVIRONMENT REVIEW FORM (PERF) TO THE NAVY AND THE DEPARTMENT OF TOXIC SUBSTANCES CONTROL PRIOR TO COMMENCEMENT OF EXCAVATION ACTIVITIES.
 3. ALL PIPELINES ARE 4" UNLESS SHOWN.

LEGEND	
PROPOSED	EXISTING
ZONE D (850 HGL)	---
ZONE C (640 HGL)	---
ZONE B (480 HGL)	---
LAND ZONE B	---

MAP DATE: Irvine, September 29, 2011 11:51 AM
 PLOT DATE: Irvine, September 29, 2011 11:52 AM
 DATE: 9/29/11 11:53 AM

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OPERATION REGIONAL
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PREPARED FOR
IRVINE RANCH WATER DISTRICT



IRVINE RANCH WATER DISTRICT
 GREAT PARK / GREAT PARK NEIGHBORHOODS
 SUB-AREA MASTER PLAN
 (2011 UPDATE)

PROPOSED NON-POTABLE WATER FACILITIES

FIG. 5-3

Exhibit "C"

EXHIBIT "A" to Reimbursement Agreement

SUPPLEMENTAL REIMBURSEMENT AGREEMENT BY AND BETWEEN IRVINE RANCH WATER DISTRICT AND HERITAGE FIELDS EL TORO, LLC

This SUPPLEMENTAL REIMBURSEMENT AGREEMENT ("Agreement") is entered into as of this _____ day of _____, 20__, by and between Irvine Ranch Water District, a California water district formed and existing pursuant to the California Water District Law of the State of California ("IRWD"), and Heritage Fields El Toro, LLC, a Delaware limited liability company ("COMPANY"). All capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Reimbursement Agreement.

WHEREAS, IRWD and COMPANY have previously entered into that certain Reimbursement Agreement dated _____ ("Reimbursement Agreement") respecting construction of Capital Facilities; and

WHEREAS, said Reimbursement Agreement made reference to the fact that certain supplemental agreements would be entered into by the parties regarding construction of Capital Facilities and reimbursement therefor consistent with the provisions of said Reimbursement Agreement; and

WHEREAS, the parties now wish to enter this Agreement regarding the construction of Capital Facilities described below, subject to all of the terms of the Reimbursement Agreement, except as provided herein.

NOW, THEREFORE, the parties agree, in consideration of the mutual promises and covenants hereinafter set forth, do agree as follows:

1. Except as provided herein, the parties hereby incorporate by reference all of the terms and conditions of the Reimbursement Agreement into this Agreement.

2. The name of the Project to which this Agreement pertains is: Trabuco Road Domestic Water and Recycled Water Capital Improvements.

The Project is depicted on Exhibit 1 attached to this Agreement.

3. The Capital Facilities to be constructed pursuant to this Agreement are as follows: Approximately 800 lineal feet of 12-inch domestic water, 800 lineal feet of 12-inch and 18-inch sewer, and 4,000 lineal feet of 6-inch, 8-inch, and 12-inch recycled water pipelines as shown in Exhibit 1.

an administration fee equal to one percent (1%) of the actual cost of construction (all such actual costs are collectively referred to as the "Costs"). The estimated amount of the Costs is \$550,000.

5. The following special terms apply to the construction of the Capital Facilities under this Agreement and supersede the provisions of the original Reimbursement Agreement referenced above: None.

6. In accordance with Section 10 of the Reimbursement Agreement, COMPANY is executing concurrently herewith an Assignment Agreement in the form of Exhibit 2, to be effective upon the Effective Date specified in the Assignment Agreement.

IN WITNESS WHEREOF, the parties have entered this Agreement as of the date set forth above.

IRVINE RANCH WATER DISTRICT

By: _____
General Manager

[SIGNATURES CONTINUED]

HERITAGE FIELDS EL TORO, LLC,
a Delaware limited liability company

By: Heritage Fields El Toro Sole Member LLC,
a Delaware limited liability company
Its: Sole Member

By: Heritage Fields LLC,
a Delaware limited liability company
Its: Sole Member

By: Lennar Heritage Fields, LLC,
a California limited liability company
Its: Administrative Member

By: Lennar Homes of California, Inc.,
a California corporation
Its: Sole Member

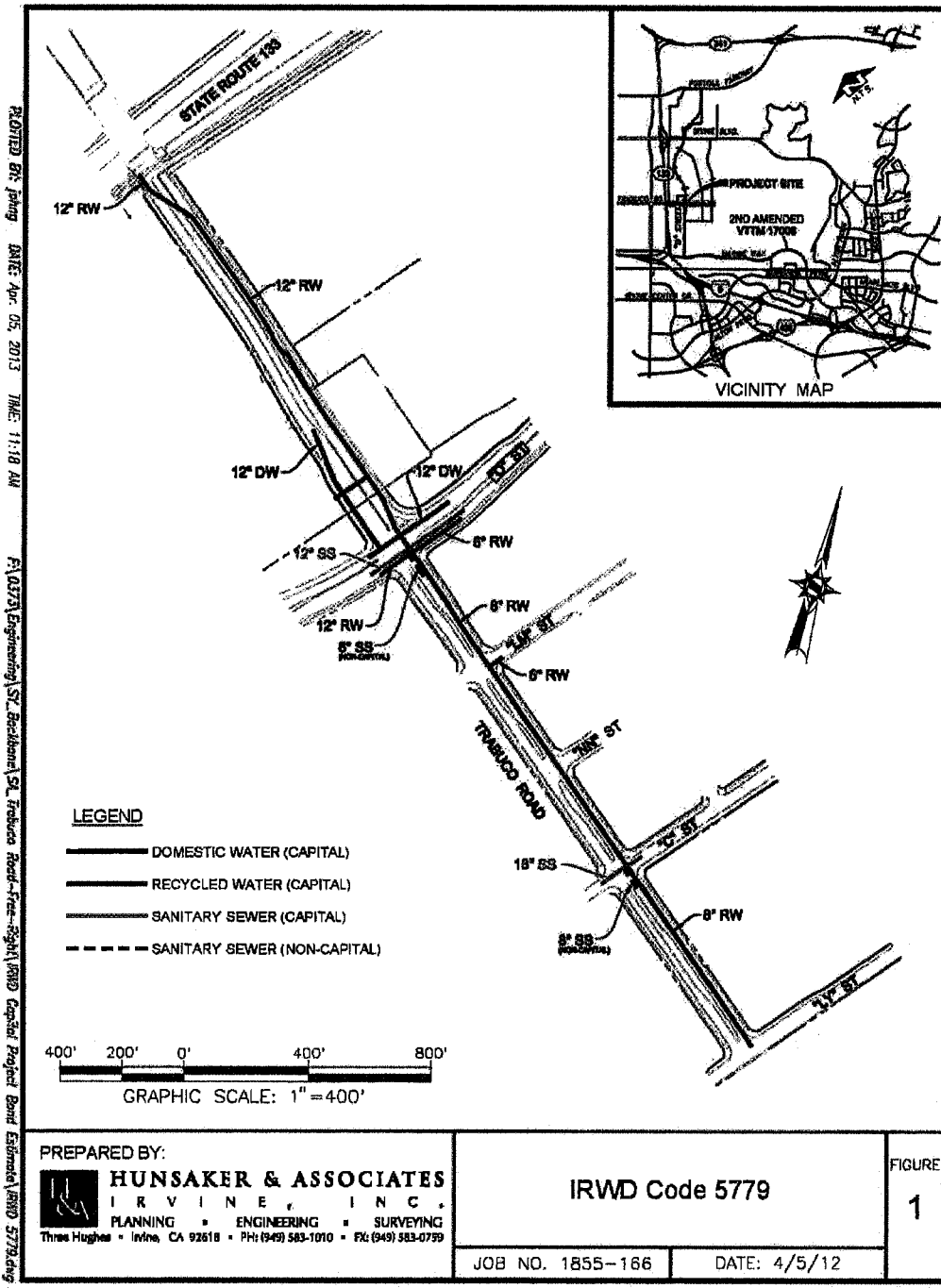
By: _____

Print Name: _____

Print Title: _____

EXHIBIT "1"
to
Supplemental Reimbursement Agreement

Trabuco Road Capital Improvements



PLOTTED BY: jping DATE: Apr. 05, 2013 TIME: 11:18 AM
 P:\0373\Engineering\ST_Beckham\ST_Trabuco Road-Fee-Sign\IRWD Capital Project Band Estimate\IRWD 5779.dwg

EXHIBIT "2"
to
Supplemental Reimbursement Agreement

Assignment Agreement

This Assignment Agreement is made as of _____, 20__, by and between HERITAGE FIELDS EL TORO, LLC, a Delaware limited liability company ("Assignor"), to IRVINE RANCH WATER DISTRICT, a California water district formed and existing pursuant to the California Water District Law of the State of California ("Assignee") based upon the following recitals:

A. Assignor has previously (or will, prior to the Effective Date hereof, have) entered into that certain Construction Contract to the Project and Capital Facilities identified in Schedule A hereto (the "Construction Contract").

B. Assignee desires to acquire (I) Assignor's right, title and interest in and to the Capital Facilities constructed under the Construction Contract, and (II) the warranty rights of Assignor as to the Capital Facilities under the Construction Contract, and Assignor desires to assign such rights to Assignee.

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained herein and other valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. ASSIGNMENT. Effective upon the date specified in Section 2 hereof (the "Effective Date"), Assignor assigns and transfers to Assignee all of Assignor's right, title, claim and interest in and to (a) the Capital Facilities constructed pursuant to the Construction Contract, and (b) the warranties and guarantees of contractor as to the Capital Facilities constructed pursuant to the Construction Contract. This Assignment is made by Assignor pursuant to the provisions of Section 10, entitled "Assignment of Interest", contained in that certain Reimbursement Agreement between Assignor and Assignee dated as of _____.

2. EFFECTIVE DATE. The Effective Date shall be the date of the filing of the Notice of Completion for the Construction Contract unless a different date is inserted in the following space: _____.

3. TRANSFER OF DOCUMENTATION. On or prior to the Effective Date, Assignor shall provide Assignee with a copy of the Construction Contract.

IN WITNESS WHEREOF, Assignor has executed this Assignment Agreement as of the date first above written.

ASSIGNOR:

HERITAGE FIELDS EL TORO, LLC,
a Delaware limited liability company

By: Heritage Fields El Toro Sole Member LLC,
a Delaware limited liability company
Its: Sole Member

By: Heritage Fields LLC,
a Delaware limited liability company
Its: Sole Member

By: Lennar Heritage Fields, LLC,
a California limited liability company
Its: Administrative Member

By: Lennar Homes of California, Inc.,
a California corporation
Its: Sole Member

By: _____

Print Name: _____

Print Title: _____

Schedule A
to
Assignment Agreement

This Schedule A to Assignment Agreement relates to the assignment of certain matters pursuant to the Supplemental Reimbursement Agreement between Assignor and Assignee dated _____ ("Supplemental Reimbursement Agreement").

Insert name of Project from Section 2 of Supplemental Reimbursement Agreement: _____

Insert description of Capital Facilities from Section 3 of Supplemental Reimbursement Agreement: _____

Contractor's Name: _____

License No.: _____

Address: _____

Phone #: _____ Fax #: _____

Contact Person: _____

CONTRACT PRICE SCHEDULE
DISTRICT 1 - CFD/CIIP AND BACKBONE STREET IMPROVEMENTS
 CITY OF IRVINE, ORANGE COUNTY, CALIFORNIA
 TRABUCO ROAD DEMOLITION, ROUGH GRADING, STORM DRAIN, SEWER,
 WATER, DRY UTILITY AND STREET
 COMMUNITY FACILITIES DISTRICT/CAPITAL IMPROVEMENT PROGRAM,
 NON-COMMUNITY FACILITY DISTRICT AND IRWD CAPITAL IMPROVEMENTS
 IRWD CAPITAL SANITARY SEWER, DOMESTIC WATER AND RECYCLED WATER

D-1

Item	Description	LOW BID													
		3rd Low Bidder		Low Bidder		FYDAQ		2nd Low Bidder		4th Low Bidder		5th Low Bidder			
		ENG. ESTIMATE	KANA	FYDAQ	YOUNG & ASSOC	L&S	CLEARWATER								
Estimated Quantity	Unit	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total		
L	DELETABLE ITEMS - IRWD CAPITAL														
	These items may or may not be part of the Contract														
	Construction Plans for the Irvine Ranch Water District, Trabuco Road between State Route 133 and 'LY' Street, Domestic Water Zone 3 (470 HGL), Recycled Water Zone B (460 HGL), and Sanitary Sewer Poles/lines - Capital Improvements, Project Nos 11660 (3977), 21660 (3980), & 31660 (3983), IRWD Code 5779														
	Temporary Traffic Control Plans, Trabuco Road														
A.	GENERAL - IRWD CAPITAL														
1	MOBILIZATION (NOT TO EXCEED 2% OF CONTRACT PRICE OF SECTIONS A-D)	1 LS	\$ 9,300.00	\$ 9,300.00	\$ 5,000.00	\$ 5,000.00	\$ 1,500.00	\$ 1,500.00	\$ 10,395.00	\$ 10,395.00	\$19,800.00	\$ 19,800.00	\$17,500.00	\$ 17,500.00	
2	PAYMENT AND PERFORMANCE BONDS - (SECTIONS A-D)	1 LS	\$ 4,850.00	\$ 4,850.00	\$ 7,700.00	\$ 7,700.00	\$ 5,944.00	\$ 5,944.00	\$ 14,122.00	\$ 14,122.00	\$11,000.00	\$ 11,000.00	\$15,000.00	\$ 15,000.00	
3	DEVELOP CONSTRUCTION WATER (SECTIONS A-D)	1 LS	\$ 6,975.00	\$ 6,975.00	\$ 2,750.00	\$ 2,750.00	\$ 1,600.00	\$ 1,600.00	\$ 5,800.00	\$ 5,800.00	\$2,000.00	\$ 2,000.00	\$5,000.00	\$ 5,000.00	
4	TRAFFIC CONTROL (SECTIONS A-D) - NOT SHOWN ON PROJECT TRAFFIC CONTROL PLAN	1 LS	\$ 6,975.00	\$ 6,975.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 8,100.00	\$ 8,100.00	\$3,500.00	\$ 3,500.00	\$25,000.00	\$ 25,000.00	
	GENERAL - IRWD CAPITAL - SUBTOTAL (SECTION A)			\$ 27,900.00	\$ 17,950.00	\$ 11,844.00	\$ 36,417.00	\$ 30,100.00	\$ 62,500.00	\$ 18,488.00	\$ 6,908.00	\$ 24,973.00	\$ 18,850.00	\$ 61,950.00	
B.	DOMESTIC WATER - IRWD CAPITAL			143.80%	82.80%	8.00%	218.22%	183.00%	448.10%						
5	CONST 12" AWWA C-900 PVC, DR14, WATER LINE W/ TRENCH & BEDDING PER IRWD STD NO W-17	769 LF	\$ 51.00	\$ 39,219.00	\$ 58.00	\$ 44,602.00	\$ 61.00	\$ 46,909.00	\$ 53.00	\$ 40,757.00	\$58.00	\$ 43,064.00	\$70.00	\$ 53,830.00	
6	INSTALL 12" BUTTERFLY VALVE, CL 150, FLG'D, VALVE BOX PER IRWD STD NO W-22	4 EA	\$ 2,500.00	\$ 10,000.00	\$ 2,825.00	\$ 11,300.00	\$ 2,573.00	\$ 10,292.00	\$ 2,544.00	\$ 10,176.00	\$4,000.00	\$ 16,000.00	\$4,500.00	\$ 18,000.00	
7	INSTALL 12"x12" D1 CROSS FLGD, W/ THRUST BLOCK PER IRWD STD NO. W-18	1 EA	\$ 1,500.00	\$ 1,500.00	\$ 1,685.00	\$ 1,685.00	\$ 800.00	\$ 800.00	\$ 1,811.00	\$ 1,811.00	\$890.00	\$ 890.00	\$2,000.00	\$ 2,000.00	
8	INSTALL 12" D1 BEND WITH THRUST BLOCK PER IRWD STD W-18	2 EA	\$ 350.00	\$ 700.00	\$ 588.00	\$ 1,176.00	\$ 260.00	\$ 520.00	\$ 422.00	\$ 844.00	\$460.00	\$ 920.00	\$1,200.00	\$ 2,400.00	
9	INSTALL 12" DI FEXO ADAPTER	3 EA	\$ 250.00	\$ 750.00	\$ 514.00	\$ 1,542.00	\$ 200.00	\$ 600.00	\$ 842.00	\$ 1,026.00	\$310.00	\$ 930.00	\$ 2,250.00	\$ 6,750.00	
10	INSTALL TEMPORARY FLUSH-OUT ASSEMBLY PER IRWD STD. W-13	2 EA	\$ 2,170.00	\$ 4,340.00	\$ 2,839.00	\$ 5,678.00	\$ 1,955.00	\$ 3,910.00	\$ 1,999.00	\$ 3,998.00	\$1,970.00	\$ 3,940.00	\$5,000.00	\$ 10,000.00	
11	REMOVE EXIST FLUSH-OUT & JOIN EX 12" PVC DOMESTIC WATER LINE	1 EA	\$ 1,500.00	\$ 1,500.00	\$ 1,631.00	\$ 1,631.00	\$ 1,500.00	\$ 1,500.00	\$ 1,299.00	\$ 1,299.00	\$2,910.00	\$ 2,910.00	\$2,500.00	\$ 2,500.00	
	DOMESTIC WATER - IRWD CAPITAL - SUBTOTAL (SECTION B)			\$ 56,008.00	\$ 66,814.00	\$ 83,431.00	\$ 89,811.00	\$ 69,454.00	\$ 90,980.00	\$ 11,902.00	\$ 6,908.00	\$ 24,973.00	\$ 18,850.00	\$ 61,950.00	
C.	SANITARY SEWER - IRWD CAPITAL			317%	1132%	8.89%	1428%		61.69%						
12	CONSTRUCT 12" C900, DR14, PVC DEEP (2-22 FT DEPTH) SEWER MAIN W/ SEWER INDICATOR TAPE & BEDDING PER IRWD STD NO. S-6	137 LF	\$ 277.00	\$ 37,949.00	\$ 200.00	\$ 27,400.00	\$ 108.00	\$ 14,796.00	\$ 268.00	\$ 36,716.00	\$240.00	\$ 32,680.00	\$225.00	\$ 30,825.00	
13	CONSTRUCT 12" C900, DR14, PVC DEEP (2-22 FT DEPTH) SEWER MAIN W/ SEWER INDICATOR TAPE & BEDDING PER IRWD STD NO. S-6	228 LF	\$ 277.00	\$ 63,156.00	\$ 250.00	\$ 57,000.00	\$ 169.00	\$ 24,634.00	\$ 279.00	\$ 63,612.00	\$260.00	\$ 59,280.00	\$750.00	\$ 171,000.00	
14	CONSTRUCT 18" SDR-35 PVC DEEP (1-16 FT DEPTH) SEWER MAIN W/ BEDDING PER IRWD STD NO. S-6	152 LF	\$ 277.00	\$ 42,104.00	\$ 223.00	\$ 33,896.00	\$ 88.00	\$ 13,376.00	\$ 233.00	\$ 35,416.00	\$265.00	\$ 40,280.00	\$300.00	\$ 45,600.00	
15	CONSTRUCT 80" MANHOLE PER IRWD STD NO. S-1	1 EA	\$ 6,500.00	\$ 6,500.00	\$ 12,000.00	\$ 12,000.00	\$ 7,182.00	\$ 7,182.00	\$ 7,155.00	\$ 7,155.00	\$6,900.00	\$ 6,900.00	\$7,500.00	\$ 7,500.00	
16	CONSTRUCT 72" MANHOLE PER IRWD STD NO. S-1 W/ MODIFIED BASE PER DETAIL ON PLAN	1 EA	\$ 12,490.00	\$ 12,490.00	\$ 22,000.00	\$ 22,000.00	\$ 14,650.00	\$ 14,650.00	\$ 14,599.00	\$ 14,599.00	\$17,500.00	\$ 17,500.00	\$12,500.00	\$ 12,500.00	
17	INSTALL 8" TEMP TERMINAL CLEANOUT PER IRWD STD S-5	4 EA	\$ 650.00	\$ 2,600.00	\$ 1,492.00	\$ 5,968.00	\$ 1,028.00	\$ 4,112.00	\$ 1,100.00	\$ 4,400.00	\$1,240.00	\$ 4,960.00	\$2,500.00	\$ 10,000.00	
	SANITARY SEWER - IRWD CAPITAL - SUBTOTAL (SECTION C)			\$ 164,799.00	\$ 158,264.00	\$ 78,748.00	\$ 181,828.00	\$ 163,800.00	\$ 262,025.00	\$ 86,008.00	\$ 78,534.00	\$ 85,840.00	\$ 263,965.00		
D.	RECYCLED WATER - IRWD CAPITAL			159.90%	181.69%	0.00%	101.81%	106.00%	390.97%						
18	REMOVE, DISPOSE AND REPLACE EXISTING PAVEMENT PER CITY OF IRVINE STD 223, ALT "A"	1,385 LF	\$ 5.00	\$ 6,925.00	\$ 43.00	\$ 59,555.00	\$ 32.00	\$ 44,320.00	\$ 20.00	\$ 27,700.00	\$40.00	\$ 55,400.00	\$30.00	\$ 41,550.00	
19	CUT AND JOIN EXISTING 10" RW LINE (REMOVE AND DISPOSE INTERFERING PORTIONS OF EXISTING 10" RW LINE)	2 EA	\$ 2,623.00	\$ 5,246.00	\$ 3,748.00	\$ 7,496.00	\$ 2,000.00	\$ 4,000.00	\$ 2,950.00	\$ 5,910.00	\$3,000.00	\$ 6,000.00	\$5,000.00	\$ 10,000.00	
20	CONST 8" AWWA C-900 PURPLE PVC, DR14, W/ TRENCH & BEDDING PER IRWD STD NO. W-17	248 LF	\$ 32.00	\$ 7,936.00	\$ 30.00	\$ 7,440.00	\$ 30.00	\$ 7,440.00	\$ 29.35	\$ 7,278.80	\$39.00	\$ 9,672.00	\$30.00	\$ 7,440.00	
21	CONST 8" AWWA C-900 PURPLE PVC, DR14, W/ TRENCH & BEDDING PER IRWD STD NO. W-17	1,961 LF	\$ 40.00	\$ 78,440.00	\$ 30.00	\$ 58,830.00	\$ 34.00	\$ 66,674.00	\$ 38.95	\$ 75,980.95	\$33.00	\$ 64,713.00	\$35.00	\$ 68,635.00	
22	CONST 12" AWWA C-900 PURPLE PVC, DR14, W/ TRENCH & BEDDING PER IRWD STD NO. W-17	1,710 LF	\$ 51.00	\$ 87,210.00	\$ 55.00	\$ 94,050.00	\$ 69.00	\$ 118,690.00	\$ 53.25	\$ 85,077.50	\$108.00	\$ 184,260.00	\$50.00	\$ 85,500.00	

EXHIBIT "D"

CONTRACT PRICE SCHEDULE
DISTRICT 1 - CFD/CIP AND BACKBONE STREET IMPROVEMENTS
CITY OF IRVINE, ORANGE COUNTY, CALIFORNIA
TRABUCO ROAD DEMOLITION, ROUGH GRADING, STORM DRAIN, SEWER,
WATER, DRY UTILITY AND STREET
COMMUNITY FACILITIES DISTRICT/CAPITAL IMPROVEMENT PROGRAM,
NON-COMMUNITY FACILITY DISTRICT AND IRWD CAPITAL IMPROVEMENTS
IRWD CAPITAL SANITARY SEWER, DOMESTIC WATER AND RECYCLED WATER

D-2

Item	Description	LOW BID		3rd Low Bidder		Low Bidder		2nd Low Bidder		4th Low Bidder		5th Low Bidder		
		ENG. ESTIMATE		KANA		FYDAQ		YOUNG & ASSOC		L&S		CLEARWATER		
		Estimated Quantity	Unit Price	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price
23.	CONST 12" DIP CL350, SPOOL, FEXFE, W/ TRENCH & BEDDING PER IRWD STD NO W-17	1 EA	\$ 600.00	\$ 2,309.00	\$ 600.00	\$ 2,309.00	\$ 1,255.00	\$ 1,255.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
24.	INSTALL 6" RESILIENT WEDGE GATE VALVE, CL 150, FLGD, VALVE BOX PER IRWD STD W-22	1 EA	\$ 1,500.00	\$ 1,400.00	\$ 1,890.00	\$ 1,890.00	\$ 1,288.00	\$ 1,288.00	\$ 1,820.00	\$ 1,820.00	\$ 2,320.00	\$ 2,320.00	\$ 2,500.00	\$ 2,500.00
25.	INSTALL 8" RESILIENT WEDGE GATE VALVE, CL 150, FLGD, VALVE BOX PER IRWD STD W-22	3 EA	\$ 1,800.00	\$ 1,796.00	\$ 2,601.00	\$ 2,603.00	\$ 1,457.00	\$ 4,371.00	\$ 2,800.00	\$ 7,800.00	\$ 3,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00
26.	INSTALL 12" BUTTERFLY VALVE, CL 150, FLGD, VALVE BOX PER IRWD STD W-22	6 EA	\$ 2,500.00	\$ 2,625.00	\$ 2,625.00	\$ 16,170.00	\$ 2,856.00	\$ 17,130.00	\$ 3,990.00	\$ 23,940.00	\$ 4,500.00	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00
27.	INSTALL 8"X8"X4" D I TEE, FLGD, W/ THRUST BLOCK PER IRWD STD W-16	1 EA	\$ 443.00	\$ 484.00	\$ 150.00	\$ 150.00	\$ 554.00	\$ 554.00	\$ 350.00	\$ 350.00	\$ 1,200.00	\$ 1,200.00	\$ 1,500.00	\$ 1,500.00
28.	INSTALL 8"X8"X8" D I TEE, FLGD, W/ THRUST BLOCK PER IRWD STD W-16	1 EA	\$ 443.00	\$ 484.00	\$ 150.00	\$ 150.00	\$ 550.00	\$ 550.00	\$ 350.00	\$ 350.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
29.	INSTALL 12"X12"X12" D I TEE, FLGD, W/ THRUST BLOCK PER IRWD STD W-16	1 EA	\$ 450.00	\$ 1,200.00	\$ 500.00	\$ 500.00	\$ 1,558.00	\$ 1,558.00	\$ 700.00	\$ 700.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
30.	INSTALL 8"X8"X4" D I CROSS, FLGD, W/ THRUST BLOCK PER IRWD STD W-16	1 EA	\$ 578.00	\$ 1,097.00	\$ 300.00	\$ 300.00	\$ 777.00	\$ 777.00	\$ 450.00	\$ 450.00	\$ 2,250.00	\$ 2,250.00	\$ 2,250.00	\$ 2,250.00
31.	INSTALL 12"X12"X12"X12" D I CROSS, FLGD, W/ THRUST BLOCK PER IRWD STD W-16	1 EA	\$ 1,463.00	\$ 1,665.00	\$ 600.00	\$ 600.00	\$ 2,122.00	\$ 2,122.00	\$ 720.00	\$ 720.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
32.	INSTALL 12" D I BEND WITH THRUST BLOCK PER IRWD STD W-16	16 EA	\$ 350.00	\$ 628.00	\$ 200.00	\$ 3,200.00	\$ 422.00	\$ 6,752.00	\$ 815.00	\$ 13,040.00	\$ 1,250.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
33.	INSTALL 8"x4" D I ECCENTRIC REDUCER (SOFFIT FLAT), FLGD	1 EA	\$ 250.00	\$ 422.00	\$ 150.00	\$ 150.00	\$ 244.00	\$ 244.00	\$ 300.00	\$ 300.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00
34.	INSTALL 12"x6" D I ECCENTRIC REDUCER (SOFFIT FLAT), FLGD	1 EA	\$ 350.00	\$ 571.00	\$ 200.00	\$ 200.00	\$ 388.00	\$ 388.00	\$ 400.00	\$ 400.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00
35.	INSTALL 12"x8" D I ECCENTRIC REDUCER (SOFFIT FLAT), FLGD	1 EA	\$ 350.00	\$ 571.00	\$ 200.00	\$ 200.00	\$ 401.00	\$ 401.00	\$ 390.00	\$ 390.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00
36.	INSTALL 12"x10" D I ECCENTRIC REDUCER (SOFFIT FLAT), FLGD	2 EA	\$ 350.00	\$ 700.00	\$ 571.00	\$ 1,142.00	\$ 428.00	\$ 856.00	\$ 590.00	\$ 1,180.00	\$ 1,250.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
37.	INSTALL 8" D I FEXPO ADAPTER	2 EA	\$ 150.00	\$ 250.00	\$ 150.00	\$ 300.00	\$ 149.00	\$ 298.00	\$ 250.00	\$ 500.00	\$ 250.00	\$ 500.00	\$ 500.00	\$ 500.00
38.	INSTALL 8" D I FEXPO ADAPTER	8 EA	\$ 180.00	\$ 250.00	\$ 150.00	\$ 1,200.00	\$ 189.00	\$ 1,512.00	\$ 300.00	\$ 2,400.00	\$ 450.00	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00
39.	INSTALL 10" D I FEXPO ADAPTER	2 EA	\$ 334.00	\$ 324.00	\$ 150.00	\$ 300.00	\$ 284.00	\$ 568.00	\$ 325.00	\$ 650.00	\$ 550.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00
40.	INSTALL 12" D I FEXPO ADAPTER	5 EA	\$ 640.00	\$ 514.00	\$ 200.00	\$ 1,000.00	\$ 541.00	\$ 2,705.00	\$ 410.00	\$ 2,050.00	\$ 750.00	\$ 3,750.00	\$ 3,750.00	\$ 3,750.00
41.	INSTALL 1" AIR RELEASE AND VACUUM RELIEF VALVE ASSEMBLY PER IRWD STD NO W-11	1 EA	\$ 2,500.00	\$ 3,785.00	\$ 2,558.00	\$ 2,558.00	\$ 2,228.00	\$ 2,228.00	\$ 4,500.00	\$ 4,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
42.	INSTALL 4" BLOWOFF/BOTTOM DRAIN ASSEMBLY PER IRWD STD W-14	2 EA	\$ 2,500.00	\$ 10,551.00	\$ 21,102.00	\$ 6,157.00	\$ 12,314.00	\$ 3,269.00	\$ 6,538.00	\$ 7,500.00	\$ 15,000.00	\$ 4,500.00	\$ 9,000.00	\$ 9,000.00
43.	INSTALL TEMPORARY FLUSH-OUT ASSEMBLY PER IRWD STD W-12	3 EA	\$ 2,170.00	\$ 1,335.00	\$ 4,005.00	\$ 1,471.00	\$ 4,213.00	\$ 1,899.00	\$ 5,697.00	\$ 2,500.00	\$ 7,500.00	\$ 3,500.00	\$ 10,500.00	\$ 10,500.00
44.	PREMIUM FOR PHASING OF RECYCLED WATER CONSTRUCTION AS REQUIRED BY PROJECT MILESTONES	1 LS	\$ 3,000.00	\$ 5,500.00	\$ 5,500.00	\$ 2,500.00	\$ 2,500.00	\$ 3,348.00	\$ 3,348.00	\$ 5,000.00	\$ 5,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
RECYCLED WATER - IRWD CAPITAL - SUBTOTAL (SECTION D)			\$ 242,400.00	\$ 305,534.00	\$ 273,622.00	\$ 286,898.25	\$ 407,785.00	\$ 335,075.00	\$ 22,888.25	\$ 142,888.75	\$ 70,444.38	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
			\$ (22,888.25)	\$ 44,747.75	\$ 13,236.75	\$ -	\$ 63.00%	\$ 28.59%	\$ -	\$ 55.04%	\$ 23.59%	\$ 28.59%	\$ 28.59%	\$ 28.59%
SUBTOTAL - IRWD CAPITAL PRICE (SECTIONS A-D)			\$ 493,108.00	\$ 552,862.00	\$ 482,287.00	\$ 523,312.25	\$ 670,139.00	\$ 851,580.00	\$ 80,871.00	\$ 120,825.00	\$ 237,902.00	\$ 419,443.00	\$ 419,443.00	\$ 419,443.00
			\$ 80,871.00	\$ 120,825.00	\$ -	\$ 91,075.25	\$ 55.04%	\$ 21.07%	\$ 55.04%	\$ 97.04%	\$ 97.04%	\$ 97.04%	\$ 97.04%	\$ 97.04%
II. OWNER'S OPTION Owner may or may not include these items as part of the Contract														
E. 6 DAY WORK WEEK - IRWD CAPITAL														
45.	PREMIUM FOR WORKING 6 DAY WORK WEEK - IRWD CAPITAL	1 LS	\$20,000.00	\$ 20,000.00	\$3,500.00	\$ 3,500.00	\$25,788.00	\$ 25,788.00	\$ 14,000.00	\$ 14,000.00	\$125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
SUBTOTAL - IRWD CAPITAL OWNER'S OPTION PRICE (SECTION E)			\$ 20,000.00	\$ 20,000.00	\$ 3,500.00	\$ 25,788.00	\$ 14,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
TOTAL DELETABLE (IRWD CAPITAL) PRICE (SECTIONS A-E)			\$ 572,862.00	\$ 672,862.00	\$ 485,787.00	\$ 549,100.25	\$ 684,139.00	\$ 976,580.00	\$ 976,580.00	\$ 976,580.00	\$ 976,580.00	\$ 976,580.00	\$ 976,580.00	\$ 976,580.00

IRVINE RANCH WATER DISTRICT

EXHIBIT "E"

Expenditure Authorization

Project Name: PA 51 TRABUCO RD, SR133 TO LY ST DW
EPMS Project No: 11660 **EA No:** 1
Oracle Project No: 3977
Project Manager: CORTEZ, MALCOLM
Project Engineer: LEW, KELLY
Request Date: April 2, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations

ID No.	Allocation %	Source of Funds
112	90.0	BONDS YET TO BE SOLD**
150	10.0	BONDS YET TO BE SOLD**
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$156,200
Total EA Requests:	\$156,200
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$156,200
Updated Budget:	\$156,200
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING DESIGN - IRWD	10,000	0	10,000	10,000	0	10,000	8/12	1/13
ENGINEERING DESIGN - OUTSIDE	15,000	0	15,000	15,000	0	15,000	8/12	1/13
DESIGN STAFF FIELD SUPPORT	5,000	0	5,000	5,000	0	5,000	8/12	1/13
ENGINEERING - CA&I IRWD	10,000	0	10,000	10,000	0	10,000	4/13	12/13
ENGINEERING - CA&I OUTSIDE	15,000	0	15,000	15,000	0	15,000	4/13	12/13
CONSTRUCTION FIELD SUPPORT	5,000	0	5,000	5,000	0	5,000	4/13	12/13
CONSTRUCTION	80,000	0	80,000	80,000	0	80,000	4/13	12/13
LEGAL	2,000	0	2,000	2,000	0	2,000	8/12	12/13
Contingency - 10.00% Subtotal	\$14,200	\$0	\$14,200	\$14,200	\$0	\$14,200		
Subtotal (Direct Costs)	\$156,200	\$0	\$156,200	\$156,200	\$0	\$156,200		
Estimated G/A - 180.00% of direct labor*	\$54,000	\$0	\$54,000	\$54,000	\$0	\$54,000		
Total	\$210,200	\$0	\$210,200	\$210,200	\$0	\$210,200		
Direct Labor	\$30,000	\$0	\$30,000	\$30,000	\$0	\$30,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator: Kelly Lew 4/3/13
Department Director: Lewis L. Burton 4/4/13
Finance: _____
Board/General Manager: _____

** IRWD hereby declares that it reasonably expects those expenditures marked with two asterisks to be reimbursed with proceeds of future debt to be incurred by IRWD in a maximum principal amount of \$215,000 additional documents, if any, which are hereby incorporated by project is made under Treasury Regulation Section 1.150-2.

IRVINE RANCH WATER DISTRICT

Expenditure Authorization

Project Name: TRABUCO RD, SR133 TO LY ST SEWER
 EPMS Project No: 21660 EA No: 1
 Oracle Project No: 3980
 Project Manager: CORTEZ, MALCOLM
 Project Engineer: LEW, KELLY
 Request Date: April 2, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations

ID No.	Allocation %	Source of Funds
212	90.0	BONDS YET TO BE SOLD**
250	10.0	BONDS YET TO BE SOLD**
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$161,700
Total EA Requests:	\$161,700
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$161,700
Updated Budget:	\$161,700
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING DESIGN - IRWD	10,000	0	10,000	10,000	0	10,000	8/12	1/13
ENGINEERING DESIGN - OUTSIDE	10,000	0	10,000	10,000	0	10,000	8/12	1/13
DESIGN STAFF FIELD SUPPORT	5,000	0	5,000	5,000	0	5,000	8/12	1/13
ENGINEERING - CA&I IRWD	10,000	0	10,000	10,000	0	10,000	4/13	12/13
ENGINEERING - CA&I OUTSIDE	15,000	0	15,000	15,000	0	15,000	4/13	12/13
CONSTRUCTION FIELD SUPPORT	5,000	0	5,000	5,000	0	5,000	4/13	12/13
CONSTRUCTION	90,000	0	90,000	90,000	0	90,000	4/13	12/13
LEGAL	2,000	0	2,000	2,000	0	2,000	8/12	12/13
Contingency - 10.00% Subtotal	\$14,700	\$0	\$14,700	\$14,700	\$0	\$14,700		
Subtotal (Direct Costs)	\$161,700	\$0	\$161,700	\$161,700	\$0	\$161,700		
Estimated G/A - 180.00% of direct labor*	\$54,000	\$0	\$54,000	\$54,000	\$0	\$54,000		
Total	\$215,700	\$0	\$215,700	\$215,700	\$0	\$215,700		
Direct Labor	\$30,000	\$0	\$30,000	\$30,000	\$0	\$30,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator:

Kelly Lew

4/3/13

Department Director:

Kevin L. Burt

4/4/13

Finance:

Board/General Manager:

** IRWD hereby declares that it reasonably expects those expenditures incurred by IRWD in a maximum principal amount of \$221,000. T additional documents, if any, which are hereby incorporated by refer project is made under Treasury Regulation Section 1.150-2.

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reimbursed with proceeds of future debt to be r described in the attached staff report and nent to reimburse costs of the above-captioned

IRVINE RANCH WATER DISTRICT

Expenditure Authorization

Project Name: PA 51 TRABUCO RD, SR133 TO LY ST RW
 EPMS Project No: 31660 EA No: 1
 Oracle Project No: 3983
 Project Manager: CORTEZ, MALCOLM
 Project Engineer: LEW, KELLY
 Request Date: April 2, 2013

ID Split: Miscellaneous

Improvement District (ID) Allocations

ID No.	Allocation %	Source of Funds
212	90.0	BONDS YET TO BE SOLD**
250	10.0	BONDS YET TO BE SOLD**
Total	100.0%	

Summary of Direct Cost Authorizations

Previously Approved EA Requests:	\$0
This Request:	\$480,700
Total EA Requests:	\$480,700
Previously Approved Budget:	\$0
Budget Adjustment Requested this EA:	\$480,700
Updated Budget:	\$480,700
Budget Remaining After This EA	\$0

Comments:

Phase	This EA Request	Previous EA Requests	EA Requests to Date	This Budget Request	Previous Budget	Updated Budget	Start	Finish
ENGINEERING DESIGN - IRWD	15,000	0	15,000	15,000	0	15,000	8/12	1/13
ENGINEERING DESIGN - OUTSIDE	30,000	0	30,000	30,000	0	30,000	8/12	1/13
DESIGN STAFF FIELD SUPPORT	10,000	0	10,000	10,000	0	10,000	8/12	1/13
ENGINEERING - CA&I IRWD	30,000	0	30,000	30,000	0	30,000	4/13	12/13
ENGINEERING - CA&I OUTSIDE	40,000	0	40,000	40,000	0	40,000	4/13	12/13
CONSTRUCTION FIELD SUPPORT	10,000	0	10,000	10,000	0	10,000	4/13	12/13
CONSTRUCTION	300,000	0	300,000	300,000	0	300,000	4/13	12/13
LEGAL	2,000	0	2,000	2,000	0	2,000	8/12	12/13
Contingency - 10.00% Subtotal	\$43,700	\$0	\$43,700	\$43,700	\$0	\$43,700		
Subtotal (Direct Costs)	\$480,700	\$0	\$480,700	\$480,700	\$0	\$480,700		
Estimated G/A - 180.00% of direct labor*	\$117,000	\$0	\$117,000	\$117,000	\$0	\$117,000		
Total	\$597,700	\$0	\$597,700	\$597,700	\$0	\$597,700		
Direct Labor	\$65,000	\$0	\$65,000	\$65,000	\$0	\$65,000		

*EA includes estimated G&A. Actual G&A will be applied based on the current ratio of direct labor to general and administrative costs.

EA Originator: Kelley Lew 4/3/13

Department Director: Ron G. Burton 4/4/13

Finance: _____

Board/General Manager: _____

** IRWD hereby declares that it reasonably expects those expenditures incurred by IRWD in a maximum principal amount of \$610,000. The additional documents, if any, which are hereby incorporated by reference. This declaration of official intent to reimburse costs of the above-captioned project is made under Treasury Regulation Section 1.150-2.

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reimbursed with proceeds of future debt to be described in the attached staff report and

This declaration of official intent to reimburse costs of the above-captioned

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April 22, 2013
Prepared by: R. Thatcher/M. Hoolihan
Submitted by: K. Burton (KLB)
Approved by: Paul Cook / 6/2.

CONSENT CALENDAR

QUITCLAIM OF REAL PROPERTY
IRVINE COMMUNITY DEVELOPMENT COMPANY LLC
QUITCLAIM OF PUMP STATION AND RECYCLED WATER PIPELINE EASEMENT
BEE CANYON PUMP STATION

SUMMARY:

Irvine Community Development Company LLC (ICDC) relocated the Bee Canyon Pump Station as part of its Stonegate development. As part of the relocation, new deeds for the relocated pump station are being executed and the old pump station site is to be quitclaimed to ICDC. Staff recommends that the Board approve the quitclaim for the pump station and related pipeline easement.

BACKGROUND:

The Bee Canyon Pump Station was constructed in 1989 to provide recycled water to the County's Bee Canyon Landfill, now known as the Frank R. Bowerman Landfill. It was located along a windbreak within the former Hines Nursery near Jeffrey Road. ICDC has relocated the pump station, at its sole expense, closer to the landfill to allow for their continued development of the Stonegate area. A Memorandum of Understanding was executed between IRWD, County, and ICDC outlining the process for the relocation and the form of deeds to be used as part of this process. The new pump station site will be granted to IRWD in fee along with an access easement. In exchange, IRWD will quitclaim the old pump station site and pipeline easement to ICDC. The pump station construction has recently completed and IRWD will be accepting the new facilities by April 30, 2013. The quitclaim deeds will be recorded after IRWD formally accepts the facilities. Staff recommends that the Board authorize the quitclaim of the old pump station site and pipeline easement. The resolution authorizing the quitclaim is attached as Exhibit "A", the pump station Quitclaim form is attached as Exhibit "B", the Easement Quitclaim form is attached as Exhibit "C", and a map showing the location of the quitclaim area of the pump station and easement is attached as Exhibit "D".

FISCAL IMPACT:

None.

ENVIRONMENTAL COMPLIANCE:

This project is not subject to the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15061 (b) (3), in that CEQA applies only to projects that may result in a direct physical change in the environment or reasonably foreseeable indirect physical change in the environment.

COMMITTEE REVIEW:

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

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2013 - _____

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEEDS TO
IRVINE COMMUNITY DEVELOPMENT COMPANY LLC

LIST OF EXHIBITS:

- Exhibit "A" – Resolution
- Exhibit "B" – Pump Station Site Quitclaim Deed
- Exhibit "C" – Pipeline Easement Quitclaim Deed
- Exhibit "D" – Location Map

EXHIBIT "A"

RESOLUTION NO. 2013 -

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEED TO
IRVINE COMMUNITY DEVELOPMENT COMPANY LLC

WHEREAS, Irvine Community Development Company LLC ("ICDC") is developing a residential community named Stonegate; and

WHEREAS, the existing Bee Canyon Pump Station which provides recycled water to Frank A. Bowerman Landfill lies within Stonegate; and

WHEREAS, IRWD and ICDC executed a memorandum of understanding ("MOU") regarding relocating the existing pump station in Stonegate and constructing a new pump station at another location at its sole cost and expense; and

WHEREAS, staff has confirmed that the new pump station has been constructed and the facilities accepted by IRWD; and

WHEREAS, as part of the MOU, new deeds for the relocated Bee Canyon Pump Station to IRWD have been executed by ICDC and forwarded to IRWD for acceptance and recordation; and

WHEREAS, the old pump station site and related pipeline easement are no longer needed and can be quitclaimed to ICDC; and

WHEREAS, the proposed quitclaims have been presented to this Board of Directors, copy of which is attached hereto as Exhibits "B-1" and "B-2".

NOW, THEREFORE, BE IT RESOLVED, the Quitclaim Deeds attached hereto as Exhibits "B-1" and "B-2" to Irvine Community Development Company LLC, a Delaware limited liability company, herein described and hereby is approved and execution by the District's officers is authorized.

ADOPTED, SIGNED and APPROVED this 22nd day of April 2013.

President, IRVINE RANCH WATER
DISTRICT and of the Board of Directors
thereof

Secretary, IRVINE RANCH WATER
DISTRICT and of the Board of Directors
thereof

APPROVED AS TO FORM:
BOWIE, ARNESON, WILES & GIANNONE
IRWD Legal Counsel

By _____

EXHIBIT "B"

**RECORDED AT THE REQUEST OF,
AND WHEN RECORDED MAIL TO:**

Irvine Community Development Company LLC
550 Newport Center Drive
Newport Beach, CA 92660
Attn: General Counsel's Office

WITH A CONFORMED COPY TO:

Ray Thatcher, District Right of Way Agent
Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, CA 92619-7000

ASSESSOR'S PARCEL NO.:

551-441-02

(Space Above This Line For Recorder's Use)

FREE RECORDING REQUESTED:
Essential to Acquisition By
Irvine Ranch Water District
Government Code Section 6103

Documentary Transfer Tax: \$ 0 No Consideration
[Exempt from Documentary Transfer Tax per
Rev. & Taxation Code Sec. 11911(a)]

Signature of Declarant or Agent determining tax

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, IRVINE RANCH WATER DISTRICT, a California Water District organized under and existing pursuant to Section 34000 et seq. of the California Water Code, does hereby REMISE, RELEASE AND FOREVER QUITCLAIM to IRVINE COMMUNITY DEVELOPMENT COMPANY LLC, a Delaware limited liability company,

all RIGHT, TITLE AND INTEREST in that certain real property located in the City of Irvine, County of Orange, State of California, described on Exhibit "A" and depicted on Exhibit B attached hereto and incorporated herein by this reference (the "Property").

The rights, title and interest hereby quitclaimed are not necessary or useful in the performance of the duties of said Irvine Ranch Water District.

DATED: _____

IRVINE RANCH WATER DISTRICT,
a California Water District

By: _____
Douglas J. Reinhart
President

By: _____
Leslie Bonkowski
District Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On _____, 2013, before me, _____, a Notary Public in and for said State, personally appeared **Douglas J. Reinhart and Leslie Bonkowski**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public in and for said State

(SEAL)

EXHIBIT "A"

Legal Description of the Property

That certain parcel of land situated in the City of Irvine, County of Orange, State of California being that portion of Block 106 of Irvine's Subdivision as shown on a map hereof filed in Book 1, Page 88 of Miscellaneous Record Maps as described in the Grant Deed to Irvine Ranch Water District recorded August 5, 1991 as Instrument No. 91-415040 of Official Records, both in the Office of the County Recorder of said County.

Said parcel of land is depicted on Exhibit "B" attached hereto and by this reference made a part hereof.

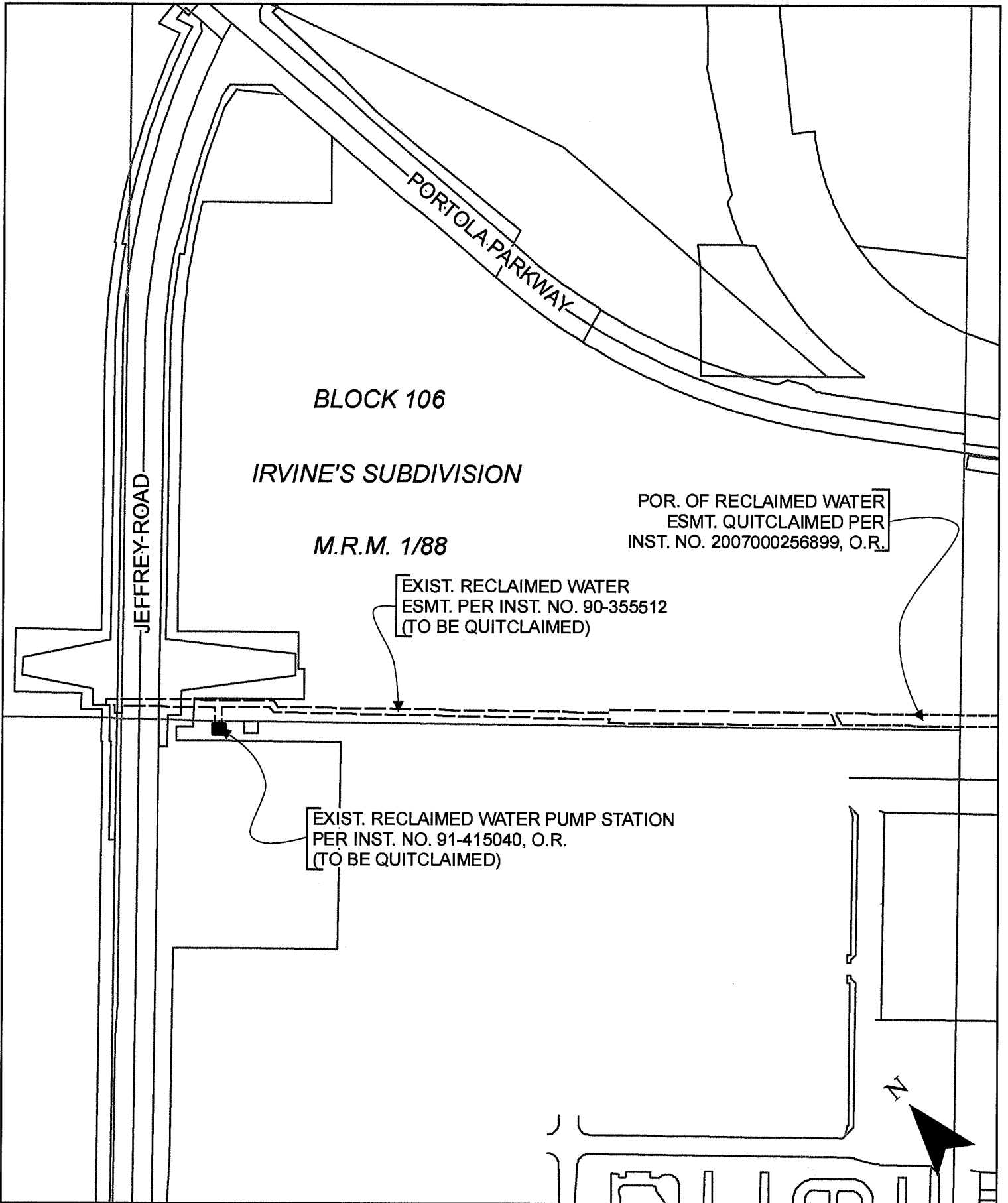
SUBJECT TO: Covenants, conditions, reservations, restrictions, rights-of-way, and easements of record, if any.

Prepared by me or under my direction:

Dated: April 3, 2013



Gregory P. Heiertz, R.C.E. 33084
License expires June 30, 2014



BEE CANYON PUMP STATION
TO BE QUITCLAIMED TO ICDC

EXHIBIT "C"

**RECORDED AT THE REQUEST OF,
AND WHEN RECORDED MAIL TO:**

Irvine Community Development Company LLC
550 Newport Center Drive
Newport Beach, CA 92660
Attn: General Counsel's Office

WITH A CONFORMED COPY TO:

Ray Thatcher, District Right of Way Agent
Irvine Ranch Water District
15600 Sand Canyon Avenue
P.O. Box 57000
Irvine, CA 92619-7000

ASSESSOR'S PARCEL NO.:

551-441-01

(Space Above This Line For Recorder's Use)

FREE RECORDING REQUESTED:
Essential to Acquisition By
Irvine Ranch Water District
Government Code Section 6103

Documentary Transfer Tax: \$0 No Consideration
[Exempt from Documentary Transfer Tax per
Rev. & Taxation Code Sec. 11911(a)]

Signature of Declarant or Agent determining tax

EASEMENT QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, IRVINE RANCH WATER DISTRICT, a California Water District organized under and existing pursuant to Section 34000 et seq. of the California Water Code, does hereby REMISE, RELEASE AND FOREVER QUITCLAIM to IRVINE COMMUNITY DEVELOPMENT COMPANY LLC, a Delaware limited liability company,

all RIGHT, TITLE AND INTEREST in that certain real property located in the City of Irvine, County of Orange, State of California, described on **Exhibit "A"** and depicted on **Exhibit B** attached hereto and incorporated herein by this reference (the "**Property**").

The rights, title and interest hereby quitclaimed are not necessary or useful in the performance of the duties of said Irvine Ranch Water District.

DATED: _____

IRVINE RANCH WATER DISTRICT,
a California Water District

By: _____
Douglas J. Reinhart
President

By: _____
Leslie Bonkowski
District Secretary

Legal Description of the Property

Those certain parcels of land situated in the City of Irvine, County of Orange, State of California being that portion of Block 106 of Irvine's Subdivision as shown on a map hereof filed in Book 1, Page 88 of Miscellaneous Record Maps described as Parcels 2, 3, 5 and 6 in the Grant of Easement to Irvine Ranch Water District recorded July 5, 1990 as Instrument No. 90-355512 of Official Records, both in the Office of the County Recorder of said County.

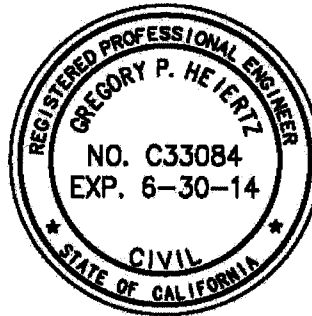
EXCEPTING THEREFROM that portion of said Parcel 5 which was quitclaimed per the Easement Quitclaim Deed recorded April 20, 2007 as Instrument No. 2007000256899 of Official Records in said Office of the County Recorder.

Said parcels of land are depicted on Exhibit "B" attached hereto and by this reference made a part hereof.

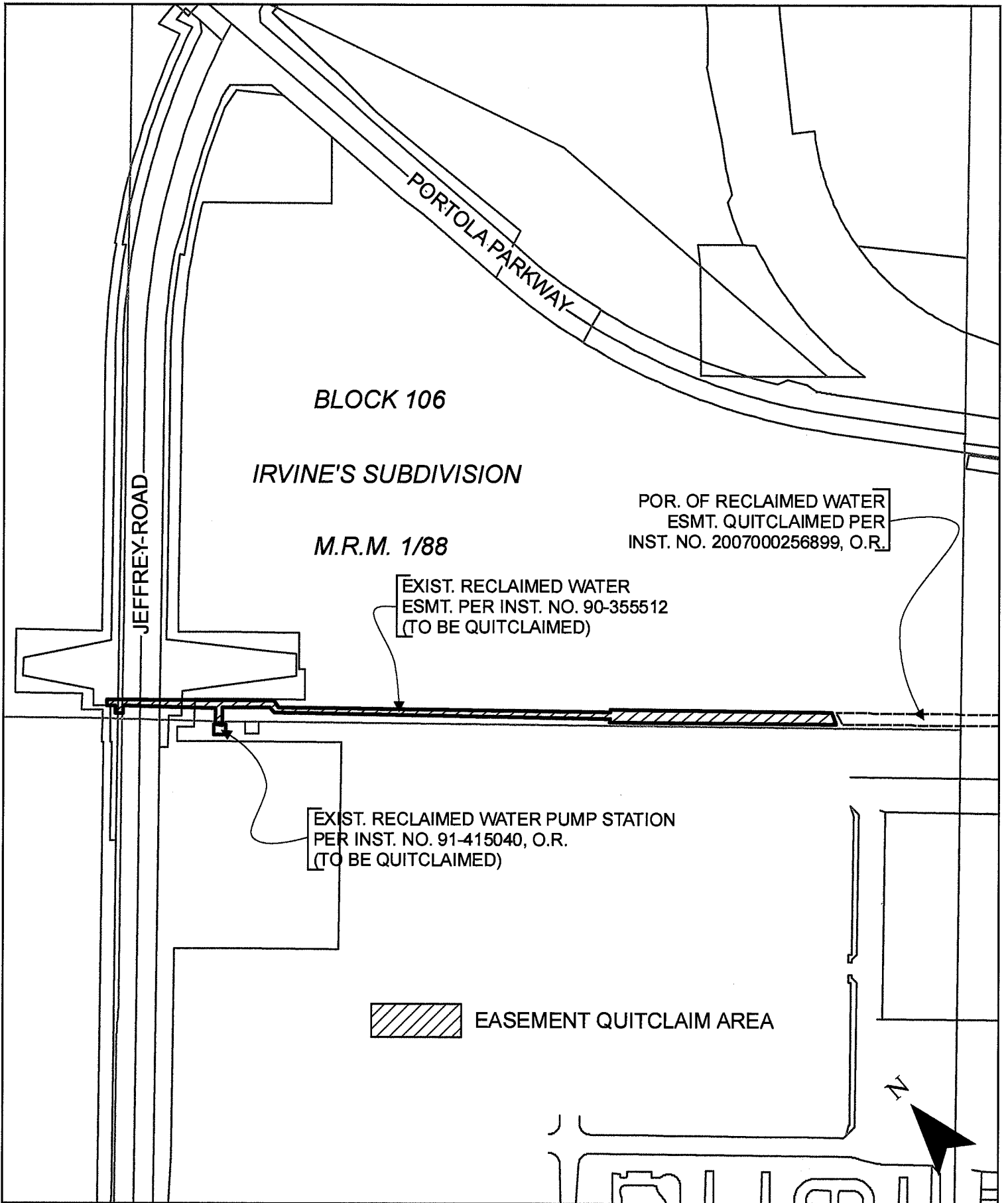
SUBJECT TO: Covenants, conditions, reservations, restrictions, rights-of-way, and easements of record, if any.

Prepared by me or under my direction:

Dated: April 3, 2013



Gregory P. Heiertz, R.C.E. 33084
License expires June 30, 2014



BLOCK 106

IRVINE'S SUBDIVISION

M.R.M. 1/88

POR. OF RECLAIMED WATER
ESMT. QUITCLAIMED PER
INST. NO. 2007000256899, O.R.

EXIST. RECLAIMED WATER
ESMT. PER INST. NO. 90-355512
(TO BE QUITCLAIMED)

EXIST. RECLAIMED WATER PUMP STATION
PER INST. NO. 91-415040, O.R.
(TO BE QUITCLAIMED)

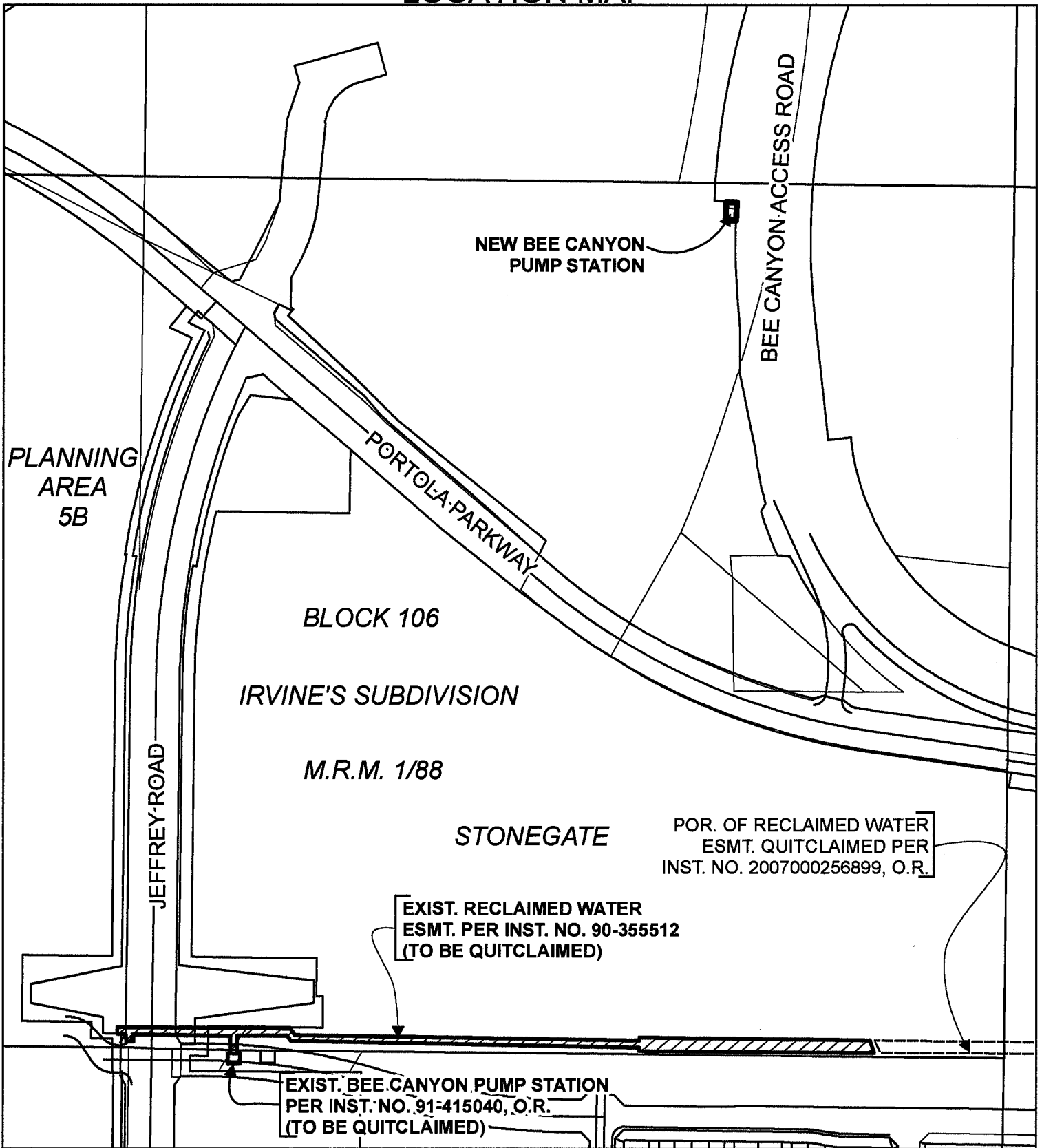


EASEMENT QUITCLAIM AREA



PIPELINE EASEMENT QUITCLAIM TO ICDC

EXHIBIT "D" LOCATION MAP



BEE CANYON PUMP STATION QUITCLAIM TO ICDC



QUITCLAIM AREA



OS
April 22, 2013
Prepared by: R. Thatcher/M. Hoolihan
Submitted by: K. Burton
Approved by: Paul Cook

CONSENT CALENDAR

QUITCLAIM OF REAL PROPERTY
ANTHONY M. FILIPPONE AND ISABELLE D. MARQUAIS
WATER PIPELINE EASEMENT PER OFFICIAL RECORDS 715/85
ORANGE PARK ACRES

SUMMARY:

When the lots in Orange Park Acres were originally sold the seller reserved a blanket easement for water pipelines and access for the benefit of Orange Park Acres Mutual Water Company (OPAMWC). The property owners of 10951 South Meads Avenue, Anthony M. Filippone and Isabelle D. Marquais, have requested that IRWD quitclaim the portion of said easement encumbering their property. Staff recommends that the Board grant this request.

BACKGROUND:

Orange Park Acres was originally subdivided in the late 1920's. When the lots were sold by the original developer, a right-of-way for water pipelines and maintenance of water pipelines was reserved for the benefit of OPAMWC over all of the lots conveyed. The purpose of this reservation was to allow the laying of pipelines to provide water to the mostly agricultural lots. The right-of-way encumbering 10951 South Meads Avenue was reserved in the grant deed recorded October 30, 1934 in Book 715, Page 85 of Official Records of Orange County. The current property owners have requested that IRWD, as successor water district to OPAMWC, quitclaim the portion of the easement that covers their property to clear title. Staff has reviewed the request and confirmed that there are no active pipelines within the property. If any new pipeline needs to be installed in the future, a new easement would be acquired. Staff recommends that the Board approve this quitclaim request. The resolution authorizing the quitclaim is attached as Exhibit "A", the Easement Quitclaim form is attached as Exhibit "B", and a map showing the location of the quitclaim area is attached as Exhibit "C".

FISCAL IMPACT:

None.

ENVIRONMENTAL COMPLIANCE:

This project is not subject to the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15061 (b) (3), in that CEQA applies only to projects that may result in a direct physical change in the environment or reasonably foreseeable indirect physical change in the environment.

COMMITTEE REVIEW:

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

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2013 - _____

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEED TO
ANTHONY M. FILIPPONE AND ISABELLE D. MARQUAIS

LIST OF EXHIBITS:

- Exhibit "A" – Resolution
- Exhibit "B" – Easement Quitclaim Deed
- Exhibit "C" – Location Map

EXHIBIT "A"

RESOLUTION NO. 2013 -

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEED TO
ANTHONY M. FILIPPONE AND ISABELLE D. MARQUAIS

WHEREAS, Anthony M. Filippone And Isabelle D. Marquais ("Property Owner") have requested that the Irvine Ranch Water District ("IRWD") Board approve the quitclaim of the existing blanket easement for water pipelines and access purposes recorded October 30, 1934 in Book 715, Page 85 of Official Records of Orange County, California; and

WHEREAS, there are no existing IRWD pipelines on Property Owner's land; and

WHEREAS, the purpose of the quitclaim is to clear title on Property Owner's land; and

WHEREAS, staff has reviewed and confirmed that the easement herein referred is no longer needed and can be quitclaimed; and

WHEREAS, the proposed quitclaim has been presented to this Board of Directors, copy of which is attached hereto as Exhibit "B".

NOW, THEREFORE, BE IT RESOLVED, the Quitclaim Deed attached hereto as Exhibit "B" to Anthony M. Filippone And Isabelle D. Marquais, Husband and Wife as Joint Tenants, herein described and hereby is approved and execution by the District's officers is authorized.

ADOPTED, SIGNED and APPROVED this 22nd day of April 2013.

President, IRVINE RANCH WATER
DISTRICT and of the Board of Directors
thereof

Secretary, IRVINE RANCH WATER
DISTRICT and of the Board of Directors
thereof

APPROVED AS TO FORM:
BOWIE, ARNESON, WILES & GIANNONE
IRWD Legal Counsel

By _____

EXHIBIT "B"

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

Isabelle D. Marquais/
Anthony M. Filippone
10951 South Meads Avenue
Orange, CA 92689-2112

ASSESSOR PARCEL NO(S):

093-451-29

(Space Above This Line For Recorder's Use)

IRWD Doc. No. E _____
IRWD Res.No. _____

DOCUMENTARY TRANSFER TAX \$ consideration less than \$100
_____ Computed on the consideration or value of property conveyed; OR
_____ Computed on the consideration or value less liens or encumbrances
remaining at time of sale.

Signature or Declarant or Agent determining tax – Firm Name

EASEMENT QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, IRVINE RANCH WATER DISTRICT, a California Water District organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code, does hereby REMISE, RELEASE, AND FOREVER QUITCLAIM to ANTHONY M. FILIPPONE and ISABELLE D. MARQUAIS, Husband and Wife as Joint Tenants, or the current owner of record,

all RIGHT, TITLE and INTEREST in the real property located in the unincorporated territory of the County of Orange, State of California, , as more particularly described on Exhibit "A" attached hereto and by this reference mad a part hereof.

The rights hereby quitclaimed are not necessary or useful in the performance of the duties of said Irvine Ranch Water District.

Dated: _____, 2013

IRVINE RANCH WATER DISTRICT,
a California Water District

By: _____
Name: Douglas J. Reinhart
Title: President

By: _____
Name: Leslie Bonkowski
Title: District Secretary

MAIL TAX STATEMENTS TO THE ABOVE ADDRESS

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 2013, before me, _____, a Notary Public in and for said State, personally appeared Douglas J. Reinhart and Leslie Bonkowski, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (SEAL)
Notary Public in and for said State

EXHIBIT "A"

LEGAL DESCRIPTION

In the unincorporated territory of the County of Orange, State of California being those certain rights of way reserved for Orange Park Acres Mutual Water Company in the Grant Deed recorded October 30, 1934 in Book 715, Page 85 of Official Records lying with Parcel 2 as shown on the map thereof filed in Book 35, Page 45 of Parcel Maps, both in the Office of the County Recorder of said County.

SUBJECT TO: Covenants, conditions, reservations, restrictions, rights-of-way, and easements of record, if any.

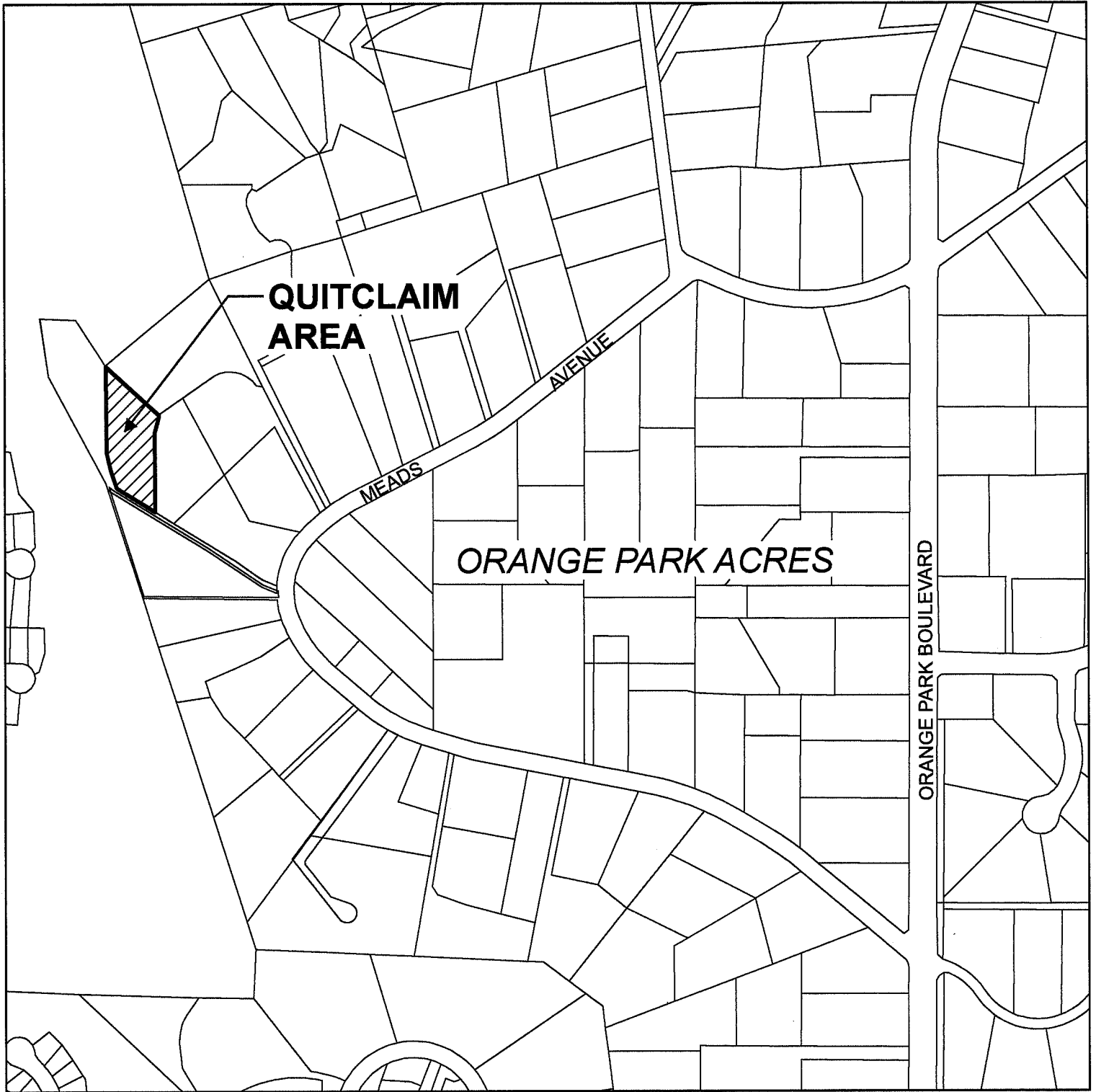
Prepared by me or under my direction:

Dated: April 2, 2013



Gregory P. Heiertz, R.C.E. 33084
License expires June 30, 2014

EXHIBIT "C"
LOCATION MAP



**QUITCLAIM OF WATER PIPELINE EASEMENT
TO FILIPPONE/MARQUAIS**



08
April 22, 2013
Prepared by: R. Thatcher/M. Hoolihan
Submitted by: K. Burton
Approved by: Paul Cook

CONSENT CALENDAR

QUITCLAIM OF SEWER EASEMENT AND AGREEMENT
TRANSFERRING SEWER FACILITIES SERVING
JAMES A. MUSICK JAIL FACILITY PROPERTY
TO COUNTY OF ORANGE

SUMMARY:

IRWD provides sewer service to the James A. Musick Jail Facility (Musick). The County of Orange (County) has requested to assume ownership of the sewer pipeline that serves Musick. Musick is the only service connected to this pipeline. An agreement between the County and IRWD regarding the transfer of the facility and quitclaim of the existing easement has been prepared and approved by both legal counsels. Staff requests that the Board approve execution of the agreement and quitclaim of the existing sewer pipeline easement.

BACKGROUND:

The County is planning the expansion of the Musick. As part of the expansion, the County is required to clear title. The County has requested that IRWD quitclaim the existing sewer pipeline easement per Book 13875, Page 1774 of Official Records of Orange County that contains a sewer pipeline serving Musick. Staff reviewed the request and determined that the sewer pipeline serving Musick is a single service pipeline and that the facility could become an onsite facility to be owned and maintained by the County. An agreement between the County and IRWD for quitclaim of easement and transfer of sewer facilities serving Musick property was prepared and reviewed by staff and legal counsels from both parties. Staff recommends that the Board authorize the quitclaim of the existing sewer pipeline easement to the County. The resolution authorizing the quitclaim is attached as Exhibit "A", the agreement, which includes the quitclaim deed and bill of sale forms, is attached as Exhibit "B", and a map showing the location of the quitclaim area is attached as Exhibit "C".

FISCAL IMPACT:

None.

ENVIRONMENTAL COMPLIANCE:

This project is not subject to the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15061 (b) (3), in that CEQA applies only to projects that may result in a direct physical change in the environment or reasonably foreseeable indirect physical change in the environment.

COMMITTEE REVIEW:

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

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2013 - _____

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEED
TO COUNTY OF ORANGE

LIST OF EXHIBITS:

- Exhibit "A" – Resolution
- Exhibit "B" – Agreement, Quitclaim Deed, and Bill of Sale
- Exhibit "C" – Location Map

EXHIBIT "A"

RESOLUTION NO. 2013 -

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT
APPROVING EXECUTION OF THE QUITCLAIM DEED TO
THE COUNTY OF ORANGE

WHEREAS, The County of Orange has requested ownership of the sewer pipeline serving the James A. Musick Jail Facility; and

WHEREAS, said sewer pipeline exclusively serves the James A. Musick Facility; and

WHEREAS, an agreement will be executed between IRWD and the County of Orange regarding the transferring of the pipeline with a Bill of Sale and quitclaiming of the existing sewer pipeline easement per Book 13875, Page 1774 of Official Records of Orange County; and

WHEREAS, staff has reviewed the request and confirmed that the sewer pipeline can become an on-site facility and the easement herein referred is no longer needed and can be quitclaimed; and

WHEREAS, the proposed quitclaim has been presented to this Board of Directors, copy of which is attached hereto as Exhibit "B".

NOW, THEREFORE, BE IT RESOLVED, the Quitclaim Deed attached hereto as Exhibit "B" to The County of Orange, a political subdivision of the State of California, herein described and hereby is approved and execution by the District's officers is authorized.

ADOPTED, SIGNED and APPROVED this 22nd day of April 2013.

President, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

Secretary, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM:
BOWIE, ARNESON, WILES & GIANNONE
IRWD Legal Counsel

By _____

EXHIBIT "B"

AGREEMENT BETWEEN COUNTY OF ORANGE AND IRVINE RANCH WATER DISTRICT FOR QUITCLAIM OF EASEMENT AND TRANSFER OF SEWER FACILITIES SERVING MUSICK CORRECTIONAL FACILITY PROPERTY

THIS AGREEMENT ("Agreement"), dated this _____ day of _____, 2013 ("Effective Date"), is made and entered into by and between the COUNTY OF ORANGE, a political subdivision of the State of California ("COUNTY") and IRVINE RANCH WATER DISTRICT, a California water district formed under and existing pursuant to Section 34000 *et seq.* of the California Water Code ("IRWD"), each sometimes individually referred to as a "Party" and together as "Parties."

RECITALS:

WHEREAS, pursuant to a grant of easement by COUNTY to IRWD recorded on December 16, 1980, at Book 13875, Page 1774 of the Official Records of the County of Orange (the "Easement"), IRWD owns and operates certain collection sewer facilities, described and depicted in Exhibit A attached hereto (the "Sewer Service Facilities"), that are used by IRWD to provide service to COUNTY's property known as the Musick Correctional Facility ("Property"); and

WHEREAS, COUNTY desires to have IRWD quitclaim the Easement and the Sewer Service Facilities to COUNTY and desires to assume the ownership and operation of the Sewer Service Facilities as customer onsite facilities under IRWD's Rules and Regulations For Water, Sewer, Recycled Water, and Natural Treatment System (as amended from time to time, the "Rules and Regulations"); and

WHEREAS, the Property is the only property receiving service by means of the Sewer Service Facilities, and IRWD has determined that operationally the Sewer Service Facilities do not need to be a part of the collection system under the control of IRWD;

NOW, THEREFORE, in consideration of the promises and covenants herein contained, the Parties agree as follows:

AGREEMENT:

Section 1. General.

1.1 **Implementation.** The Parties agree to cooperatively implement the transfer to COUNTY of the Easement and future responsibility for the Sewer Service Facilities identified in Exhibit A, attached hereto and incorporated herein by this reference, as provided herein.

1.2 **Service.** The Parties intend that this Agreement shall modify any existing

agreements between the Parties governing sewer service to the Property.

Section 2. Quitclaim.

2.1 Quitclaim of Easement and Transfer of Sewer Service Facilities. On or before December 31, 2013, the parties will record (i) a Quitclaim Deed in the form of Exhibit B, attached hereto and incorporated herein by this reference, that quitclaims to COUNTY all right, title and interest of IRWD in the Easement and (ii) a Bill of Sale in the form of Exhibit C, attached hereto and incorporated herein by this reference, that transfers and conveys to COUNTY all right, title and interest of IRWD in the Sewer Service Facilities (collectively, the "Recordation"). COUNTY acknowledges that it is familiar with the Sewer Service Facilities and the property where the Sewer Service Facilities are located, and that prior to the Recordation, COUNTY has made or will make such independent investigations as COUNTY deems necessary or appropriate concerning the condition of the Sewer Service Facilities and the property where the Sewer Service Facilities are located, including but not limited to any surface, soil, subsoil, geologic or other physical conditions of or affecting Sewer Service Facilities and any of such property, and is relying solely upon its own inspection, investigation and analyses of the foregoing matters and is not relying in any way upon any representations, warranties, studies, reports or other information furnished by IRWD or its representatives, whether oral or written, express or implied, of any nature whatsoever regarding any such matters. COUNTY will acquire the Sewer Service Facilities and the property where the Sewer Service Facilities are located "AS IS," in their present state and condition, without representation by IRWD or its representatives as to any matter.

2.2 Point of Lateral Connection. Upon the Recordation, the easterly public right-of-way boundary line of Alton Parkway as it exists on the date of this Agreement shall be the point of division between IRWD's ownership and responsibility for its collection sewer system and COUNTY's ownership and responsibility for the Sewer Service Facilities, and such point shall be the "Lateral Connection" as defined in the Rules and Regulations.

Section 3. Service Responsibility.

3.1 Transfer and Service Responsibility. Prior to the Recordation, the Sewer Service Facilities owned, maintained and operated by and under the control of IRWD received sewage discharged from COUNTY's onsite collection line serving COUNTY's buildings and improvements on the Property ("Collection Line"). Upon the Recordation, for all purposes under the Rules and Regulations, the Sewer Service Facilities shall become a part of the "Onsite Facilities" owned, maintained and operated by and under the control of COUNTY and, together with the Collection Line, shall be deemed to constitute the "Upper Lateral" serving the Property (as such terms "Onsite Facilities" and "Upper Lateral" are defined in the Rules and Regulations). COUNTY agrees that upon the Recordation, IRWD's responsibility for the Sewer Service Facilities shall terminate.

3.2 Lower Lateral; IRWD Collection System. That portion of IRWD's sewer collection line lying within the Alton Parkway right-of-way downstream of the Lateral Connection Point described in Section 2.2 and extending westerly to the point of connection with IRWD's trunk sewer pipeline in Alton Parkway shall be deemed to constitute the "lower lateral,"

as defined in the Rules and Regulations.

Section 4. Interpretation.

This Agreement shall not be construed against the Party preparing it, but shall be construed as if all of the Parties prepared it.

The Parties intend that this Agreement shall have no effect on the Easement Deed and Agreement by and between the Parties dated February 5, 1991, recorded in the Official Records of Orange County on February 13, 1991, as Instrument No. 91-065177.

Section 5. Successors and Assigns; No Third Party Beneficiaries; Relationship.

This Agreement shall be binding upon and shall inure to the benefit of each of the Parties, and each of their respective successors and assigns.

All the covenants contained in this Agreement are for the express benefit of each of the Parties. This Agreement is not intended to benefit any third parties.

This Agreement does not create, and shall not be construed or deemed to create, any agency, partnership, joint venture, landlord-tenant or other relationship between IRWD and COUNTY.

Section 6. Severability.

Should any provision of this Agreement be held invalid or illegal, such invalidity or illegality shall not invalidate the whole of this Agreement, but, rather, the Agreement shall be construed as if it did not contain the invalid or illegal part, and the rights and obligations of the Parties shall be construed and enforced accordingly.

Section 7. Governing Law.

This Agreement shall be construed and enforced pursuant to the laws of the State of California.

Section 8. Amendments.

Except as provided in this Agreement, this Agreement may be amended or supplemented only by a written agreement among the Parties.

Section 9. Entire Agreement.

Each Party represents, warrants and agree that no promise or agreement not expressed herein has been made to them, that this Agreement contains the entire agreement between them, that this Agreement supersedes any and all prior agreements or understandings between them unless otherwise provided herein, and that in executing this Agreement, each is relying solely on its own judgment and knowledge and is not relying on any statement or

representation made by the other Party or its representatives concerning the subject matter, basis or effect of this Agreement other than as set forth herein.

Section 10. Notices.

All notices that may or are required to be given pursuant to this Agreement shall be deemed sufficiently given if in writing and if either served personally upon the recipient or mailed by certified or registered mail to:

If to COUNTY: Sheriff-Coroner Department
Research & Development Division
431 The City Drive South
Orange, CA 92868
Attn: Director

If to IRWD: Irvine Ranch Water District
15600 Sand Canyon Ave.
P.O. Box 57000
Irvine, CA 92619-7000
Attn: General Manager

Section 11. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first hereinabove written.

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____
Chair of the Board of Supervisors
Orange County, California

Signed and certified that a copy of this document has been delivered to the Chair of the Board per G.C. Section 25103, Resolution 79-1535

ATTEST:

Darlene J. Bloom
Clerk of the Board of Supervisors
Orange County, California

APPROVED AS TO FORM:
Office of County Counsel
Orange County, California

By: _____
Deputy

Date: _____

IRVINE RANCH WATER DISTRICT

By _____
General Manager

By _____
Secretary

APPROVED AS TO FORM:

By _____

Exhibit A [to Agreement]

Sewer Service Facilities

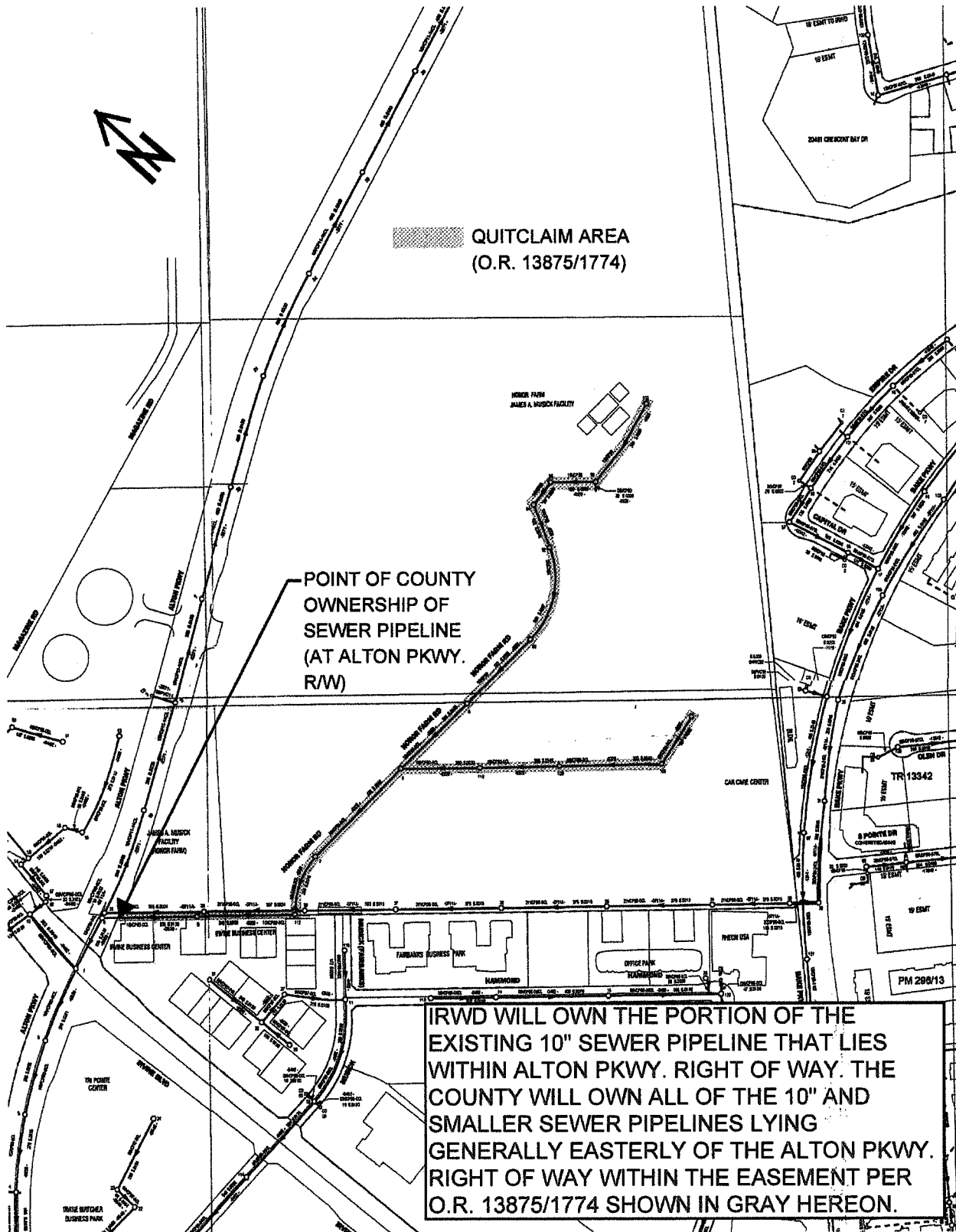


Exhibit B [to Agreement]

Form of Quitclaim

**RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:**

County of Orange
Sheriff/Financial
320 N. Flower Street, Suite 108
Santa Ana, CA 92703
Attn: Real Property Services

THIS SPACE FOR RECORDER'S USE ONLY

Mail Tax Statements as shown above

APN: por. 591-073-14
Project: Musick Jail Expansion
GA1227-90

DOCUMENTARY TRANSFER TAX \$ _____

- ___ Computed on the consideration or value of property conveyed
- X Exempt per Revenue & Taxation Code Section 11922
- X Exempt from Recording Fees per Govt. Code Section 27383

By: _____
SIGNATURE OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME

- Unincorporated area of Orange County
- Incorporated - City of

Parcel No: xx
Project: xx

(Space Above This Line For Recorder's Use)

FREE RECORDING REQUESTED:
Essential to Acquisition By
the County of Orange
Government Code Section 6103

Documentary Transfer Tax: \$ 0 No Consideration
[Exempt from Documentary Transfer Tax per
Rev. & Taxation Code Sec. 11911(a)]

Signature of Declarant or Agent determining tax

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt and adequacy of which is hereby acknowledged, the
IRVINE RANCH WATER DISTRICT, a California Water District organized under and existing pursuant
to Section 34000 et seq. Of the California Water Code (hereinafter referred to as "**GRANTOR**"),
does hereby REMISE, RELEASE AND FOREVER QUITCLAIM to the

COUNTY OF ORANGE

a political subdivision of the state of California (hereinafter referred to as "**COUNTY**"),

all RIGHTS, TITLE and INTEREST in and to that certain real property in the County of Orange, State of
California, being all of that certain easement for a trunk sewer pipeline recorded December 16, 1980 in
Book 13875, Page 1774 of Official Records in the Office of the County Recorder of said County and
more particularly described in Exhibit A and illustrated in Exhibit B, which exhibits are attached hereto
and made a part hereof.

///

GRANTOR:

IRVINE RANCH WATER DISTRICT, a California Water District organized under and existing pursuant to Section 34000 et seq. Of the California Water Code

By: _____
Douglas J. Reinhart
President

By: _____
Leslie Bonkowski
District Secretary

ACKNOWLEDGEMENT

State of California
County of Orange

On _____, 20____, before me, _____, personally appeared **Douglas J. Reinhart and Leslie Bonkowski**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within deed or grant to the COUNTY OF ORANGE, a body corporate and politic, is hereby accepted by order of the Board of Supervisors of the County of Orange, California consents to recordation thereof by its duly authorized officer.

COUNTY OF ORANGE

Dated: _____

By: _____
Chair of the Board of Supervisors
Orange County, CA

Signed and certified that a copy of this document has been delivered to the Chair of the Board per G.C. Sec. 25103, Reso 79-1535

ATTEST:

Susan Novak
Clerk of the Board of Supervisors
Orange County, California

Approved as to form:
County Counsel

By: _____ Date: _____
Deputy

Legal Description of the Property

Those portions of Block 174 of Irvine's Subdivision, in the unincorporated territory of the County of Orange, State of California, as said subdivision is shown on a map recorded in Book 1, Page 88 of Miscellaneous Maps, Records of said County, included within the land described in Parcel 1 of a deed recorded in Book 5598, Page 163 of Official Records of said County, and being described as follows:

A strip of land 20.00 feet in width lying 6.00 feet northeasterly and 14.00 feet southwesterly from the following described line:

Beginning at the intersection of the northwesterly line of said land described in Parcel 1 with a line parallel with and 14.00 feet northeasterly from the southwesterly line of said land described in Parcel 1; thence along said parallel line South 49° 16' 19" East, 690.33 feet to a point on a non-tangent curve concave southeasterly and having a radius of 294.00 feet, a radial line from said point bears South 46° 32' 34" East, said point being hereinafter referred to as Point "B"; thence continuing South 49° 16' 19" East, 10.00 feet.

Said strip of land shall be lengthened or shortened so as to terminate in the northwesterly line of said land described in Parcel 1 of a deed recorded in Book 5598, Page 163 of Official Records.

Also a strip of land 20.00 feet in width, the centerline of which is described as follows:

Beginning at said Point "B"; thence northeasterly along said curve having a radius of 294.00 feet through a central angle of 42° 32' 34" an arc distance of 218.30 feet; thence tangent from said curve North 86° 00' 00" East, 436.62 feet to a point hereinafter referred to as Point "C"; thence continuing North 86° 00' 00" East, 648.15 feet to a tangent curve concave northwesterly and having a radius of 306.00 feet; thence northeasterly along said curve through a central angle of 55° 30' 00" an arc distance of 349.82 feet; thence tangent from said curve North 20° 30' 00" East, 136.58 feet to a tangent curve concave southeasterly and having a radius of 54.00 feet; thence northeasterly along said curve through a central angle of 61° 30' 00" an arc distance of 57.96 feet; thence tangent from said curve North 82° 00' 00" East, 62.79 feet; thence South 49° 22' 00" East, 5.00 feet to a point hereinafter referred to as Point "D"; thence continuing South 49° 22' 00" East, 154.39 feet to a point hereinafter referred to as Point "E"; thence North 78° 50' 06" East, 154.93 feet; thence North 70° 06' 08" East, 183.35 feet to a point hereinafter referred to as Point "F".

Also a strip of land 20.00 feet in width, the centerline of which is described as follows:

Beginning at said Point "C"; thence South 49° 00' 00" East, 568.94 feet; thence South 51° 04' 29" East, 262.48 feet to a point herein after referred to as Point "G"; thence continuing South 51° 04' 29" East, 100.00 feet; thence North 74° 09' 52" East, 206.98 feet to a point hereinafter referred to as Point "H".

Depiction of the Property

- ① DENOTES 30' STRIP OF LAND DESCRIBED IN A GRANT OF EASEMENT TO IRVINE BAYVIEW WATER DISTRICT FOR U.G. INCLUSIVE (PCL. 2) & PROPOSED TEMPORARY CONSTRUCTION EASEMENT.
- ② TEMPORARY CONSTRUCTION EASEMENT

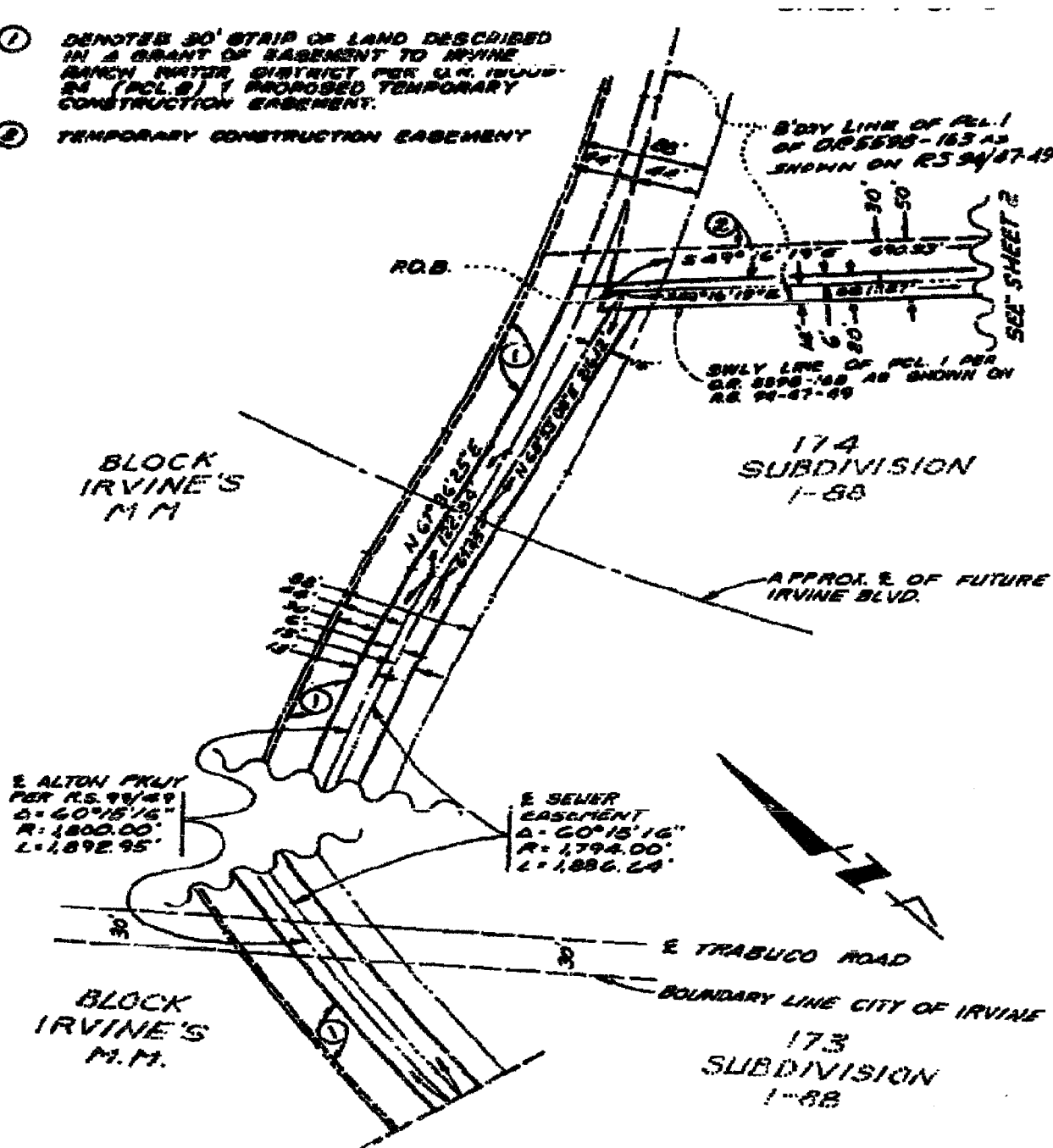


EXHIBIT 'B' — SKETCH
 TO ACCOMPANY LEGAL DESCRIPTION
 ALTON PKWY - MUSICK
 FACILITY SEWER EASEMENT

R&B Robert Bein, William First & Associates
 PROFESSIONAL ENVIRONMENTAL ENGINEERS & PLANNERS
 2000 2000 • 1401 MAIN STREET, SUITE 200, BEACH, CALIFORNIA 92606
 TEL: 949-433-1010

REVISED 10/1/80

DATE SEPT. 18, 1980	SCALE 1" = 100'	FIELD BOOK	JOB NO. 20439
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② TEMPORARY CONSTRUCTION EASEMENT

SHEET 2 OF 5

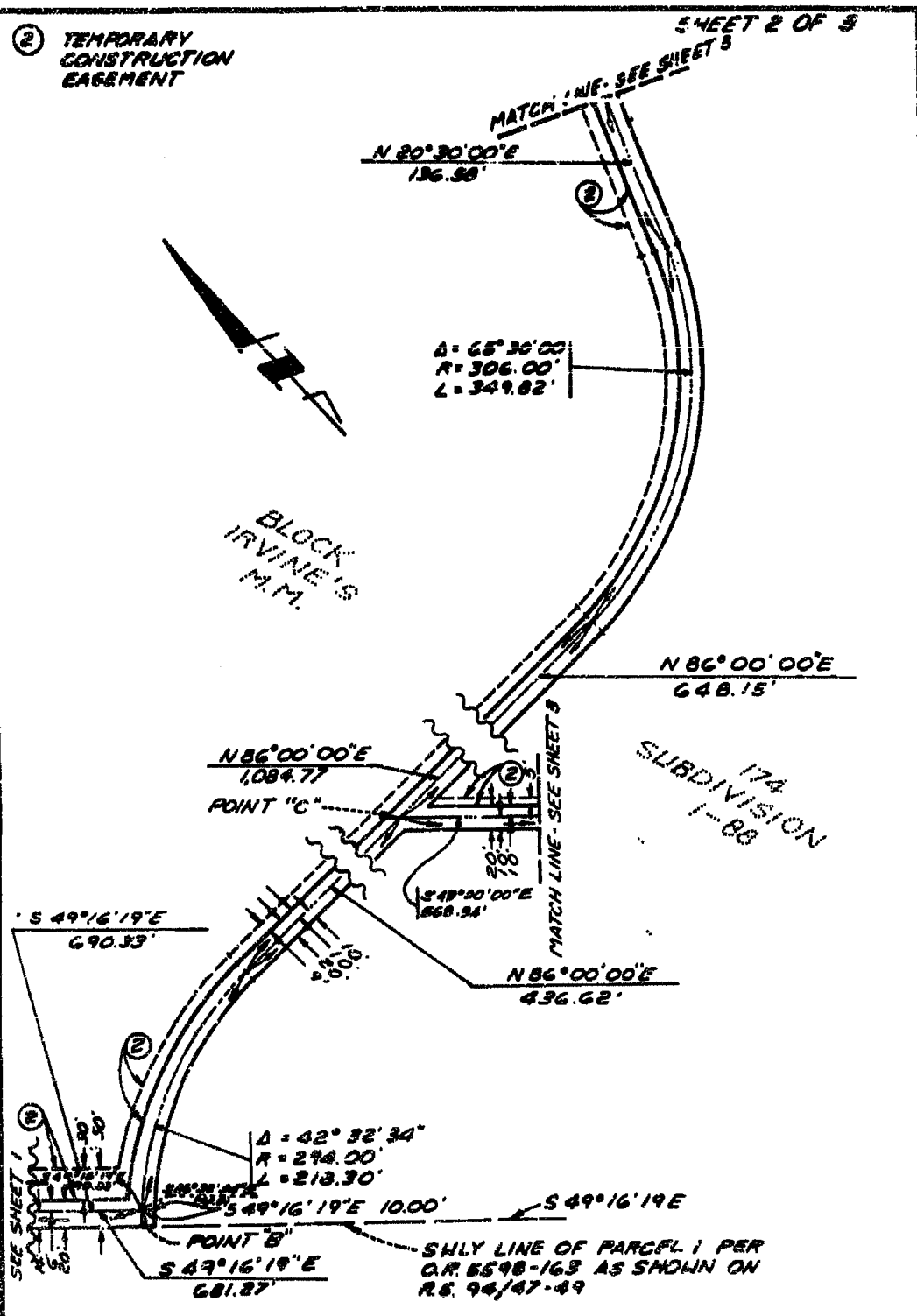


EXHIBIT 'B' SKETCH

TO ACCOMPANY LEGAL DESCRIPTION
ALTON PKWY - MUSICK FACILITY
SEWER EASEMENT



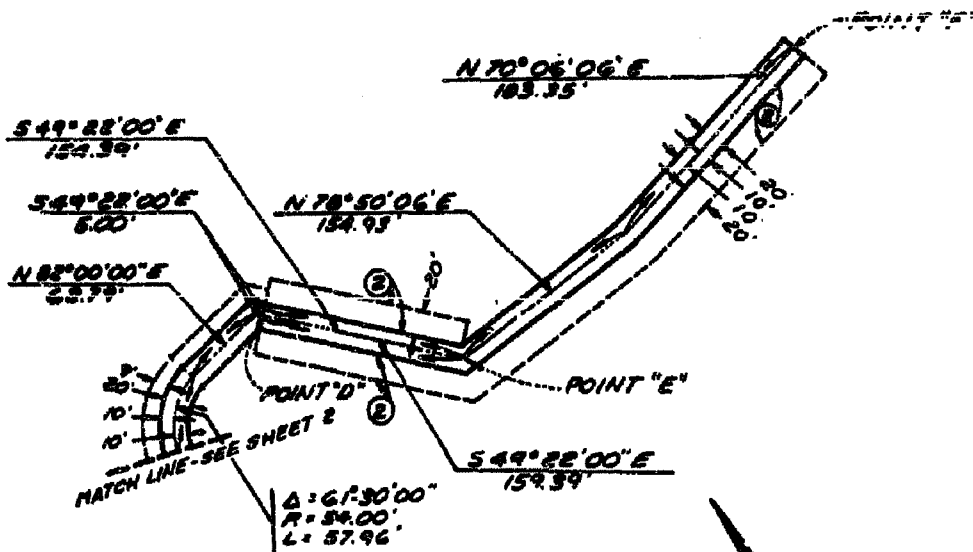
Robert Bein, William Frost & Associates
PROFESSIONAL ENVIRONMENTAL ENGINEERS & PLANNERS
PO BOX 2090 - 1401 OCEAN STREET, NEWPORT BEACH, CALIFORNIA 92660
714 223-0271

REVISED 10/1/80

DATE SEPT. 18, 1980	SCALE 1" = 100'	FIELD BOOK	JOB NO. 20439
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⑧ TEMPORARY CONSTRUCTION EASEMENT.

SHEET 3 OF 3



BLOCK 174
IRVINE'S SUBDIVISION
M.M. 1-88

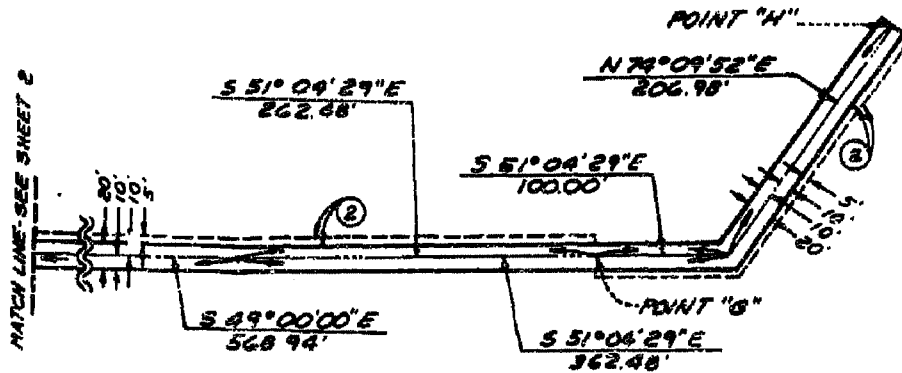


EXHIBIT 'B' SKETCH

TO ACCOMPANY LEGAL DESCRIPTION
ALTON PKWY - MUSICK FACILITY
SEWER EASEMENT



Robert Bein, William Frost & Associates
PROFESSIONAL ENVIRONMENTAL ENGINEERS & PLANNERS
PO BOX 2280 • 1201 DUAL STREET ALBANY, NEW YORK 12207

REVISED 10/1/80

DATE SEPT. 18, 1980	SCALE 1" = 100'	FIELD BOOK	JOB NO. 20439
------------------------	--------------------	------------	------------------

Exhibit C [to Quitclaim Deed]

Bill of Sale

James A. Musick Facility Sewer Facilities

For good and valuable consideration, the receipt of which is hereby acknowledged, IRVINE RANCH WATER DISTRICT, a California Water District organized under and existing pursuant to Section 34000 et seq. of the California Water Code ("IRWD"), does hereby transfer and convey to the COUNTY OF ORANGE, a political subdivision of the State of California, and its successors and assigns ("COUNTY"), all of IRWD's right, title and interest in and to the collection sewer facilities and appurtenances identified as the "Sewer Service Facilities" on Exhibit 1 attached hereto (collectively, the "Sewer Service Facilities") constructed, installed and located within certain real property owned by COUNTY (the "Property") in the approximate location depicted on Exhibit 1. IRWD warrants that the Sewer Service Facilities are free and clear of any encumbrances.

By its execution hereof, COUNTY hereby accepts the Sewer Service Facilities and acknowledges and agrees that the Sewer Service Facilities shall be the sole property of COUNTY and that COUNTY shall have the obligation to operate, maintain and repair the Sewer Service Facilities in accordance with the provisions of that certain "AGREEMENT BETWEEN COUNTY OF ORANGE AND IRVINE RANCH WATER DISTRICT FOR QUITCLAIM OF EASEMENT AND SEWER FACILITIES SERVING MUSICK CORRECTIONAL FACILITY PROPERTY" dated _____, 2013, by and between IRWD and COUNTY.

Dated: _____, 2013

IRVINE RANCH WATER DISTRICT,
a California Water District organized under and
existing pursuant to Section 34000 et seq. of the
California Water Code

By: _____

Paul Cook
General Manager

CERTIFICATE OF ACCEPTANCE

The above Bill of Sale James A. Musick Facility Sewer, dated _____, 2013, is hereby accepted by order of the Board of Supervisors of the County of Orange.

Date of Acceptance: _____.

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____
Chair of the Board of Supervisors
Orange County, California

Signed and certified that a copy of this document has been delivered to the Chair of the Board per G.C. Section 25103, Resolution 79-1535

ATTEST:


Susan Novak
Clerk of the Board of Supervisors
Orange County, California

APPROVED AS TO FORM:
Office of County Counsel
Orange County, California

By: _____
Deputy

Date: _____

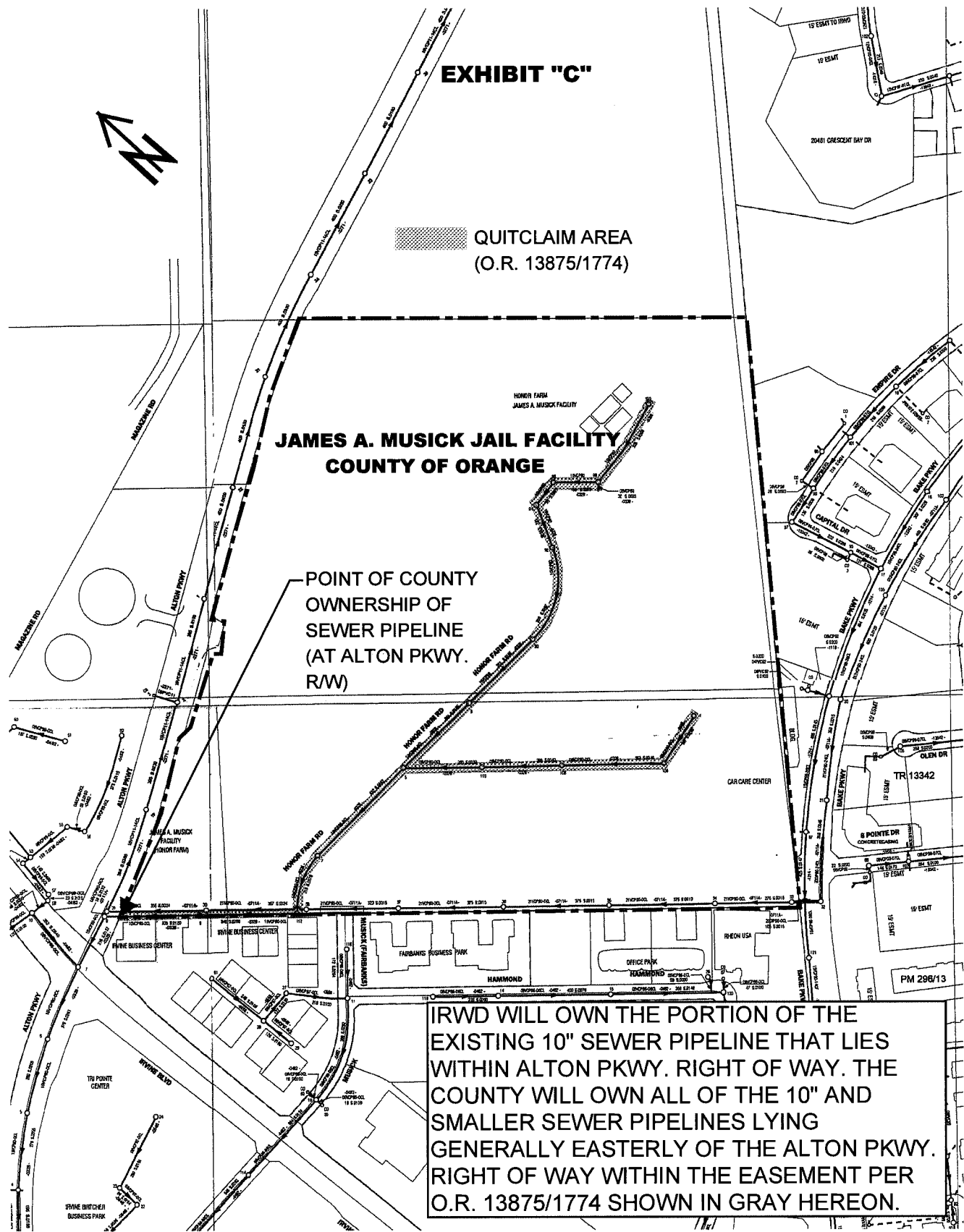
EXHIBIT "C"

 **QUITCLAIM AREA**
(O.R. 13875/1774)

JAMES A. MUSICK JAIL FACILITY
COUNTY OF ORANGE

POINT OF COUNTY
OWNERSHIP OF
SEWER PIPELINE
(AT ALTON PKWY.
R/W)

IRWD WILL OWN THE PORTION OF THE EXISTING 10" SEWER PIPELINE THAT LIES WITHIN ALTON PKWY. RIGHT OF WAY. THE COUNTY WILL OWN ALL OF THE 10" AND SMALLER SEWER PIPELINES LYING GENERALLY EASTERLY OF THE ALTON PKWY. RIGHT OF WAY WITHIN THE EASEMENT PER O.R. 13875/1774 SHOWN IN GRAY HEREON.



AS
April 22, 2013
Prepared by: T. Bonkowski/H. Cho
Submitted by: K. Burton
Approved by: Paul Cook / *[Signature]*

CONSENT CALENDAR

SANTIAGO CANYON AREA BOOSTER PUMP STATION PERMANENT GENERATORS CONTRACT CHANGE ORDER AND FINAL ACCEPTANCE

SUMMARY:

Construction of the Santiago Canyon Area Booster Pump Station Permanent Generators is complete. The contractor, Pacific Hydrotech Corporation, has completed the required work and all punch list items. The project has received a final inspection and acceptance of construction is recommended. A final Contract Change Order in the credit amount of (\$201,978.26) is required since the generator at the Manning Booster Pump Station site was not installed as the US Forest Service did not approve the required NEPA document and Special Use Permit. Staff recommends that the Board:

- Authorize the General Manager to execute Contract Change Order No. 5 with Pacific Hydrotech Corporation in the credit amount of (\$201,978.26);
- Accept construction of the Santiago Canyon Area Booster Pump Station Permanent Generators Project;
- Authorize the General Manager to file a Notice of Completion; and
- Authorize the release of retention to Pacific Hydrotech Corporation 35 days after the filing of the Notice of Completion.

BACKGROUND:

On June 25, 2012, the Board awarded the project's construction contract to Pacific Hydrotech Corporation. The project scope of work included the installation of permanent emergency generators to replace the portable generators stationed at five booster pump station (BPS) sites in the Santiago Canyon area. The BPS sites include Fleming, Manning, Read, Shaw, and Williams. The project also constructed concrete masonry unit block walls around the Read, Shaw and Williams BPS sites to help deflect radiant heat from wildfires and protect on-site equipment, replacement motor control centers at Read and Shaw, and a new SCADA radio antenna at Shaw to improve radio communications in Silverado Canyon.

The Manning site is located on Federal land and operated through a Special Use Permit with the US Forest Service (USFS), a Division of the Department of Agriculture. The Manning site requires two documents for construction: the Special Use Permit with the USFS and a NEPA document. The existing Special Use Permit is due to expire on April 30, 2013. IRWD applied for a permit renewal on February 22, 2012, and on April 6, 2012, entered into a Cost Recovery Agreement with the USFS to complete both the permit renewal and the NEPA document. Both documents have yet to be approved by the USFS.

When it became apparent that the USFS was not on a timely schedule, the work at Manning, included as an alternative bid item in the original scope of work, was not authorized. The

Consent Calendar: Santiago Canyon Area Booster Pump Station Permanent Generators Contract
Change Order and Final Acceptance

April 22, 2013

Page 2

Manning generator is currently in storage at MWRP since it was purchased with the other generators. The Manning generator installation will be re-bid after the USFS completes the NEPA document and renews the Special Use Permit. Contract Change Order No. 5, included as Exhibit "A", deletes the items not constructed at the Manning site and is in the credit amount of (\$201,978.26). All other construction is complete, and the project is ready for final acceptance by the Board.

Project Title:	Santiago Canyon Area Booster Pump Station Permanent Generators
Project No.:	11476 (1570)
Design Engineer:	Psomas
Construction Management by:	IRWD Staff and Psomas
Contractor:	Pacific Hydrotech Corporation
Original Contract Cost:	\$1,314,500
Final Contract Cost:	\$1,178,748
Original Contract Days:	240
Final Contract Days:	259
Total Budget:	\$1,577,300
Total Project Cost (Est.):	\$1,449,291

FISCAL IMPACTS:

Project 11476 (1570) is included in the FY 2012-13 Capital Budget. The existing budget and Expenditure Authorization are sufficient to complete the project.

ENVIRONMENTAL COMPLIANCE:

This project is subject to the California Environmental Quality Act (CEQA) and in conformance with California Code of Regulations Title 14, Chapter 3, Article 6, a Notice of Intent to adopt a Negative Declaration was filed with the County of Orange on November 1, 2011. The Mitigated Negative Declaration was adopted by the Irvine Ranch Water District Board of Directors on December 12, 2011.

April 22, 2013

Page 3

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE CONTRACT CHANGE ORDER NO. 5 WITH PACIFIC HYDROTECH CORPORATION IN THE CREDIT AMOUNT OF (\$201,978.26); ACCEPT CONSTRUCTION OF THE SANTIAGO CANYON AREA BOOSTER PUMP STATION PERMANENT GENERATORS, PROJECT 11476 (1570); AUTHORIZE THE GENERAL MANAGER TO FILE A NOTICE OF COMPLETION; AND AUTHORIZE THE RELEASE OF RETENTION 35 DAYS AFTER FILING OF THE NOTICE OF COMPLETION.

LIST OF EXHIBITS:

Exhibit "A" – Contract Change Order No. 5

EXHIBIT "A"

CONTRACT CHANGE ORDER

IRVINE RANCH WATER DISTRICT
 5600 Sand Canyon Avenue
 Irvine, California 92718
 (949) 453-5300



C.O. No. 5 Page 1

Final

Project No. 11476

Santiago Canyon Area Booster Pump Station Permanent Generators Project

Project Title

Date: 04/22/13

THE FOLLOWING CHANGE TO CONTRACT, DRAWINGS AND SPECIFICATIONS IS PROPOSED.	\$ ADDITIONS	\$ DELETIONS	DAYS ±
Credit Change Order to delete Manning BPS (Alternative Bid Item) from the contract work as described on cover memo dated April 22, 2013 (attached).	-0-	<\$201,978.26>	-0-
The contract completion date is extended from March 2, 2013 to March 7, 2013.			
TOTAL	-0-	<\$201,978.26>	-0-

DAYS ±

1. NET AMOUNT THIS CHANGE ORDER	=	<\$201,978.26>	+0
2. ORIGINAL CONTRACT AMOUNT	=	\$1,314,500.00	240
3. TOTAL PREVIOUS CHANGE ORDER(S)	=	\$66,226.44	+16
4. TOTAL BEFORE THIS CHANGE ORDER (2+ 3)	=	\$1,380,726.44	256
5. PROPOSED REVISED CONTRACT AMOUNT TO DATE (1+4)	=	\$1,178,748.18	256

We hereby agree to make the above change subject to the terms of this change order for the sum of:

Minus Two hundred one thousand nine hundred seventy eight and 26/100 Dollars.

April 11th, 2013
Date

Pacific Hydrotech Corporation
Contractor

By:

SIGNATURE	DATE	APPROVAL LEVEL REQUIRED
	4/11/13	Department Director Approval Required <input type="checkbox"/> General Manager Approval Required <input type="checkbox"/> Committee Approval Required <input type="checkbox"/> Board Approval Required <input checked="" type="checkbox"/>
Principal Engineer	Date	
	4/15/13	
Director of Engineering and Planning	Date	
General Manager	Date	By _____ Date _____

Purchase Order No. 509455

NOTE: The documents supporting this Change Order, including any drawings and estimates of cost, if required are attached hereto and made a part hereof. This Change Order shall not be considered as such until it has been signed by the Owner and the Contractor. Upon final approval, distribution of copies will be made as required. The parties mutually agree the pricing set forth in this Change Order are complete and fair compensation for the entirety of the work authorized under this Change Order and that no additional compensation is warranted nor shall it be allowed.

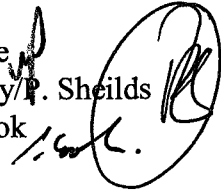
CHANGES: All workmanship and materials called for by this Order shall be fully in accord with the original Contract Documents insofar as the same may be applied without conflict to the conditions set forth by this Order. The time for completing the contract will not be extended unless expressly provided for in this Change Order.

April 22, 2013

Prepared by: K. Drake

Submitted by: W. Posey/P. Shields

Approved by: Paul Cook



CONSENT CALENDAR

LAWRP BUILDING F ELECTRICAL FEEDER REPLACEMENT – CAPITAL BUDGET ADDITION, EXPENDITURE AUTHORIZATION, AND CONSTRUCTION AWARD

SUMMARY:

The 480 volt electrical feeder cables to the Los Alisos Water Recycling Plant (LAWRP) Building F have reached the end of its service life and requires replacement. Staff recommends that the Board:

- Authorize the addition of Project 21152 in the amount of \$132,000 to the FY 2012-13 Capital Budget;
- Approve an Expenditure Authorization in the amount of \$132,000 for the LAWRP Building F Electrical Feeder Replacement Project; and
- Authorize the General Manager to execute a construction contract with Johnson-Peltier in the amount of \$119,577.

BACKGROUND:

The 480 volt electrical feeder cables to the LAWRP Building F have been in service for 21 years. The motor control center in Building F supplies power to aerators in Ponds 2, 3, and 4 and the chlorine building. Recently the main circuit breaker to Building F located in the Southern California Edison main switch gear room has been tripping. Electrical testing and visual inspection indicate that the electrical cabling has reached the end of its useful life and requires replacement. The length of the cable run is approximately 1,000 feet. A location map is attached as Exhibit "A".

This project was bid to a select list of four contractors with bids received from Halcyon Electric, Inc, Johnson-Peltier, and Morrow-Medows Corporation. The apparent low bidder was Johnson-Peltier with a low bid of \$119,577. The bid summary is attached as Exhibit "B".

FISCAL IMPACTS:

Project 21152 will need to be added to the FY 2012-13 Capital Budget. Expenditure Authorization for Project 21152 are requested to fund the construction as provided below and Exhibit "C".

Project No.	Current Budget	Addition <Reduction>	Total Budget	Exist EA	This EA Request	Total EA Request
21152	\$0-	\$132,000	\$132,000	\$0-	\$132,000	\$132,000

ENVIRONMENTAL COMPLIANCE:

This activity is categorically exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15301 (b) which provides exclusion for minor alteration of public facilities.

COMMITTEE STATUS:

This item was reviewed by the Engineering and Operations Committee on April 16, 2013.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE ADDITION OF PROJECT 21152 IN THE AMOUNT OF \$132,000 TO THE FY 2012-13 CAPITAL BUDGET, APPROVE AN EXPENDITURE AUTHORIZATION IN THE AMOUNT OF \$132,000, AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH JOHNSON-PELTIER IN THE AMOUNT OF \$119,577 FOR THE LAWRP BUILDING F ELECTRICAL FEEDER REPLACEMENT PROJECT, PROJECT 21152.

LIST OF EXHIBITS:

- Exhibit "A" – Location Map
- Exhibit "B" – Bid Summary
- Exhibit "C" – Expenditure Authorizations

LAWRP Building F Feeder Replacement

Company Name	Halcyon Electric, Inc.	Johnson-Peltier	Morrow-Medows Corp.
Bid Amount	\$155,120	\$144,557	\$222,500
Scrap Wire Credit	29,000	\$25,000	\$5,000
Total Cost	\$126,120	\$119,557	\$217,500

EXHIBIT "B"

April 22, 2013

Prepared by: M. Tetterer

Submitted by: G. Heiertz

Approved by: Paul Cook




ACTION CALENDAR

RECYCLED WATER SERVICE IN PORTOLA SPRINGS

SUMMARY:

The Irvine Company (TIC) owns and operates a 58-acre avocado orchard located along the 241 Toll Road in Portola Springs. This site, which is considered a “permanent planting” site, is currently irrigated with water from the Santiago Aqueduct Commission (SAC) pipeline. Staff has been working with TIC on the possible conversion to recycled water which would require that TIC install a new electrical service and booster pump. Staff recommends that IRWD initially pay for the cost to install recycled water service at TIC’s 58-acre avocado orchard in Portola Springs, that TIC repay IRWD in less than two years using the savings associated with converting to recycled water, and that the Board authorize the General Manager to execute an agreement with the Irvine Company for the installation of recycled water service.

BACKGROUND:

TIC owns and operates a 58-acre avocado orchard located along the 241 Toll Road in Portola Springs. This site, which is considered a “permanent planting” site, is currently irrigated with water from the SAC pipeline and uses approximately 60 acre-feet per year of water.

IRWD has a 24-inch diameter recycled water pipeline adjacent to the site which can supply recycled water although the available pressure is lower than what is needed. Staff has been working with TIC on the possible conversion of this site which requires that TIC install a new electrical service and booster pump. The cost to construct the recycled water service is \$25,000. Projected annual savings for converting the site from SAC water to recycled water is approximately \$15,000. TIC has agreed to repay the loan for constructing the recycled water service which, based on the projected annual savings, will be repaid in less than two years.

A map showing the location of the avocado orchard to be converted is attached as Exhibit “A”. Attached as Exhibit “B” is the agreement between TIC and IRWD in which TIC agrees to pay the SAC commodity rate until the loan is repaid.

FISCAL IMPACTS:

The recycled water service will be constructed by IRWD staff and charged to Capital Project No. 30378. The Expenditure Authorization was approved for this project at the June 25, 2012 Board meeting. The funds received from TIC as repayment of the loan will be returned to that Capital Project fund.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

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

RECOMMENDATION:

THAT THE BOARD RECOMMEND THAT IRWD INITIALLY PAY FOR THE COST TO INSTALL RECYCLED WATER SERVICE AT THE IRVINE COMPANY'S 58-ACRE AVOCADO ORCHARD IN PORTOLA SPRINGS, THAT THE IRVINE COMPANY REPAY IRWD IN LESS THAN TWO YEARS USING THE SAVINGS ASSOCIATED WITH CONVERTING TO RECYCLED WATER, AND THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH THE IRVINE COMPANY FOR THE INSTALLATION OF RECYCLED WATER SERVICE AT ITS 58-ACRE AVOCADO ORCHARD IN PORTOLA SPRINGS.

LIST OF EXHIBITS:

Exhibit "A" – Aerial showing location of Avocado Orchard in Portola Springs

Exhibit "B" – Agreement with the Irvine Company

Exhibit "A"



Exhibit "B"

RETROFIT FINANCING AGREEMENT FOR THE USE OF RECYCLED WATER

THIS AGREEMENT is made between IRVINE RANCH WATER DISTRICT (hereinafter "IRWD") and THE IRVINE COMPANY (hereinafter "CUSTOMER"):

RECITALS:

1. IRWD produces and distributes disinfected tertiary recycled water for non-potable applications in its service area including landscape irrigation and industrial applications;
2. CUSTOMER and IRWD have entered into an agreement (the "2002 Agreement") dated July 26, 2002 (amending and restating an agreement dated May 5, 1988), making certain provisions with respect to Irvine Sub-Basin wells and associated infrastructure, including, among other considerations, a provision establishing a rate to be charged by IRWD for furnishing non-potable water to TIC for irrigation uses, to be the lower of two rates: IRWD's then-prevailing agricultural water rate and a rate defined as the "TIC Melded Rate." As used herein, "TIC's Agricultural Rate" shall mean the lower of IRWD's then-prevailing recycled water agricultural rate or the rate defined as the "TIC Melded Rate," in the 2002 Agreement;
3. CUSTOMER has an orchard located near Small Grove in the Portola Hills portion of IRWD's service area (herein after "SITE");
4. CUSTOMER is currently using Santiago Aqueduct Commission (SAC) water, an imported supply, for non-potable purposes at SITE and would benefit from using recycled water, a local supply, which is available at a lower commodity rate;
5. Improvements need to be made at SITE, including construction of a recycled water service and meter but the cost of making the necessary improvements poses a financial impediment to CUSTOMER; and
6. In recognition of the benefit to IRWD and the region in maximizing the use of recycled water, IRWD is willing to advance the cost to construct the recycled water service and meter, with repayment by CUSTOMER of the full amount as provided herein; and
7. In consideration of the benefit to CUSTOMER in future water cost savings, CUSTOMER has agreed to the terms of repayment and other terms as provided herein.

NOW, THEREFORE, the parties do agree as follows:

A. CUSTOMER shall:

1. Submit to IRWD an application for recycled water service in accordance with IRWD's "Rules and Regulations For Water, Sewer, Recycled Water, and Natural Treatment System Service;"
2. Pay IRWD's prevailing SAC untreated water rate for all recycled water delivered to CUSTOMER through the recycled water meter until the Repayment Amount (defined below) is repaid. At the time of each recycled water billing, IRWD shall compute the difference between the SAC water rate and TIC's Agricultural Rate for the volume of water purchased by CUSTOMER and apply the difference to the outstanding balance of the reimbursement amount. When full payment of the Repayment Amount has been made, CUSTOMER shall pay TIC's Agricultural Rate for the recycled water used at SITE;
3. Notify IRWD of any and all updates or proposed changes, modifications, or additions to the on-site facilities using recycled water. Changes shall require approval by IRWD and shall be designed and constructed according to requirements, conditions, and standards set forth by IRWD. In accordance with the above referenced requirements, conditions, and standards, changes must be submitted to IRWD for review and approval prior to construction. The construction shall be inspected by IRWD, and any drawings shall be approved by IRWD;
4. Notify IRWD of intent to suspend or terminate recycled water use which must be approved by IRWD and which shall not relieve CUSTOMER of the obligation to pay the then-remaining unpaid balance of the Repayment Amount unless agreed by IRWD; and
5. Indemnify, defend and hold IRWD and its officers, employees and agents, harmless from liability for personal injury and property damage arising from the work done at CUSTOMER'S property.

B. IRWD shall:

1. Provide disinfected tertiary recycled water to CUSTOMER for approved non-potable applications;
2. Construct a 4-inch recycled water service and meter at the location mutually agreed upon by the parties;
3. Track all costs of constructing such service and meter. Such calculation of the total costs (the "Repayment Amount") will be furnished to CUSTOMER in writing;

4. Bill CUSTOMER on a monthly basis for the recycled water used at SITE;
5. Work with the regulatory agencies on behalf of CUSTOMER to insure the work completed is in compliance with State and local regulations and guidelines; and
6. At the time of each recycled water billing to CUSTOMER, IRWD shall compute the difference between the SAC untreated water rate and TIC's Melded Rate for the volume of water purchased by CUSTOMER and apply the difference to reduce the outstanding balance of the Repayment Amount. The SAC untreated water rates used in the computations described in this section shall be as established by IRWD and in effect from time to time for the applicable class of service.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date specified below, to become effective upon execution by both parties.

THE IRVINE COMPANY

By: 

Title: Peter Changala, Vice President Agriculture

Date: 7/26/13

IRVINE RANCH WATER DISTRICT

By: _____

Title: _____

Date: _____

April 22, 2013

Prepared and

Submitted by: G. Heiertz

Approved by: Paul Cook

ACTION CALENDAR

POSEIDON RESOURCES LETTER OF INTENT

SUMMARY:

Poseidon Resources is proposing to build and operate a 50-million gallon per day (MGD) seawater desalination project in Huntington Beach. IRWD is one of the original 11 water agencies that entered into a Memorandum of Understanding (MOU) with Poseidon to negotiate terms and conditions for the purchase of water from this proposed facility. Based on these negotiations, Poseidon has developed a draft term sheet as the basis for final negotiations. Poseidon is now requesting that IRWD execute an updated Letter of Intent (LOI) specifying the quantity of desalinated water that IRWD intends to purchase from the project. The current non-binding LOI issued by IRWD expressed an interest in purchasing up to 6,000 acre-feet of desalinated water subject to several conditions including the cost of water. Staff recommends that the Board revoke the current non-binding LOI to purchase water from the project based on the cost of the water and that IRWD should continue to negotiate with Poseidon Resources on water quality and other issues related to the proposed ocean desalination project that could impact IRWD. Staff also recommends that the Board adopt updated policy principles for ocean desalination projects.

BACKGROUND:

Poseidon Resources is proposing to build and operate a 50 MGD (56,000 AFY) seawater desalination plant in Huntington Beach. The desalination facility will be located at the AES Power Plant along Pacific Coast Highway at Newland Street. The proposed project will use reverse osmosis technology to treat the ocean water and will take advantage of the existing ocean intake and outlet pipes at the AES Power Plant.

Poseidon is proposing to convey the water produced by its facility through one or both of two transmission systems. The Regional North Delivery System requires approximately 10 miles of large diameter new or replacement large diameter pipeline from the desalination plant to the existing West Orange County Water Board Feeder #1. The Regional North Delivery System could not convey the entire 50 MGD by itself. The Regional South Delivery System would connect the desalination plant with OC-44 on the existing East Orange County Feeder #2 to convey water to the south county agencies. The Regional South Delivery System has been sized to convey the entire 50 MGD if necessary. To achieve this, a 48-inch diameter pipeline would need to be constructed from the Poseidon plant to the OC 44 pipeline, which is approximately eight miles away. Poseidon also expects to reconstruct or rehabilitate portions of the existing OC-44 pipeline. In addition, the South Delivery System would require new pump stations at OC-44 and at Coastal Junction in Irvine. If constructed, IRWD would receive treated water from the Poseidon plant through the Regional South Delivery System.

Poseidon estimates that as much as 50% of the desalinated water in the South Delivery System would be used in IRWD's potable water distribution system regardless of whether IRWD

participates in the project. Because the potential effects this water could have on the water quality of both the potable and the recycled water systems operated by IRWD, staff has set a number of water quality conditions on the desalinated water – specifically, that the water produced by the Poseidon plant would be of equal to or better quality than water IRWD received from MWD. Poseidon has agreed in concept to these water quality conditions.

The Environmental Impact Report (EIR) for the proposed facility was certified by the City of Huntington Beach in September 2005 and included the water quality stipulations made by IRWD. The Huntington Beach Conditional Use Permit and Coastal Development Permit, along with the NPDES discharge permit from the Regional Water Quality Control Board, were issued in 2006. A subsequent EIR for the project was certified by the City in 2010. Poseidon is in the process of completing permits from the California Coastal Commission.

Water Purchase Negotiations:

In early 2008, Poseidon approached a number of Orange County water agencies to begin negotiations for the purchase of the desalinated water from the proposed Huntington Beach plant. In May 2008, 11 agencies, including IRWD, entered into a Memorandum of Understanding (MOU) regarding the review and potential purchase of water from this facility. A number of other agencies have been added to the MOU since it was initially executed. The MOU obligated Poseidon and the Participating Agencies to negotiate in good faith for the purchase of water from the Huntington Beach desalination plant. This MOU expired June 30, 2011.

IRWD issued a “Letter of Intent Regarding Potential Water Purchase Agreement”, attached as Exhibit “A”, to Poseidon on July 9, 2009 expressing conditional interest in purchasing up to 6,000 acre-feet per year of desalinated water. The conditions included, among others, that the price of water be below the Metropolitan Water District of Southern California (MWD) Tier 1 rate and that the project meet IRWD water quality requirements.

A draft term sheet for the proposed water purchase agreement (referred to by Poseidon as a “Water Reliability Agreement”) outlining the parameters for negotiating the potential purchase of desalinated water from Poseidon Resources’ Huntington Beach Seawater Desalination Project was presented to the local retail water agencies for review and consideration on January 24, 2013. The draft term sheet is attached as Exhibit “B”.

Poseidon Resources estimates the cost of water delivered through the South Delivery System to be approximately \$1,812 per acre-foot including conveyance costs. This estimated cost includes engineering, procurement and design, construction, startup, conveyance and operation costs. The estimate does not include any financial subsidy from MWD. This cost is more than twice the current MWD Tier 1 price, which exceeds the pricing condition included in the current IRWD LOI.

The participating agencies have been requested to provide an updated non-binding LOI to Poseidon. A template for the LOI provided by Poseidon is attached as Exhibit “C”. The non-binding LOI must include an annual amount in acre-feet of ocean desalinated water that the agency intends to purchase, and is to be approved by the agency’s board or council. The LOI states the agency’s intent to participate in negotiations with Poseidon for a Water Reliability

Agreement. The sum of the annual ocean desalination potential purchases from the LOIs to be signed by the participating agencies would confirm or revise the total potential demand by the participants for desalinated water. Poseidon has requested that the agencies provide the updated LOIs by the end of May 2013.

Ocean Desalination Policy Position Paper:

In June of 2005, the IRWD Board of Directors discussed and adopted a set of policy principles regarding the use of seawater desalination for potable water supply. While many of these policy principles appear to have held up well over the years, staff is proposing a number of revisions to the District's policy position on ocean desalination, taking into account the changes in conditions that have occurred. This revised policy position paper is attached as Exhibit "D". Staff recommends that the IRWD Board adopt the revised policy position.

FISCAL IMPACTS:

Purchase of desalinated ocean water from Poseidon would increase the cost of water from other than local supplies from the current Tier 1 rate of \$847 per acre-foot to approximately \$1,812 per acre-foot. If 6,000 acre-feet per year were to be purchased from Poseidon in lieu of MWD water, IRWD's annual cost of water would increase by \$5,790,000, increasing the District's total water purchase budget (imported water purchases plus OCWD Replenishment Assessment payments) by over 20%.

Current water purchase projections for FY 2013-14 call for approximately 9,500 acre feet to be purchased from MWD for the potable system with about 7,000 acre feet serving the Los Alisos rate area because they are not included in the OCWD ground water basin. For example, based on the IRWD's current practice for setting its customers' rates, serving this water to the Los Alisos rate area would increase the current projected FY2013/2014 commodity rate of \$2.16 per ccf to \$3.53 per ccf (approximately 63%); the Irvine Ranch Water District rate area projected FY2013/2014 commodity rate would increase from \$1.26 per ccf to \$1.36 per ccf (approximately 8%).

ENVIRONMENTAL COMPLIANCE:

An EIR for the Poseidon Desalination Plant was certified by the City of Huntington Beach in 2005. A subsequent EIR for the project was certified by the City in 2010.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Policy and Communications Committee on March 7, 2013.

RECOMMENDATION:

THAT THE BOARD REVOKE THE CURRENT NON-BINDING LETTER OF INTENT TO PURCHASE WATER FROM THE PROJECT AND THAT THE DISTRICT CONTINUES TO NEGOTIATE WITH POSEIDON RESOURCES ON WATER QUALITY AND OTHER ISSUES RELATED TO THE PROPOSED OCEAN DESALINATION PROJECT AND THAT THE BOARD APPROVE THE REVISED POLICY POSITION ON DESALINATION.

LIST OF EXHIBITS:

- Exhibit "A" – IRWD Letter of Intent Regarding Potential Water Purchase Agreement dated July 9, 2009
- Exhibit "B" – Draft Term Sheet, Proposed Water Reliability Agreement
- Exhibit "C" – Draft Letter of Intent Regarding Huntington Beach Desalination Facility Water Reliability Agreement
- Exhibit "D" – Draft of the Updated IRWD Policy Position Paper on Ocean Desalination

EXHIBIT "A"



IRVINE RANCH WATER DISTRICT

15900 Sand Canyon Avenue • P.O. Box 57000 • Irvine, California 92619-7000 • (949) 453-5300 • www.irwd.com

July 9, 2009

Mr. Andrew Kingman
Chief Executive Officer
Poseidon Resources
3780 Kilroy Airport Way
Suite 200
Long Beach, CA 90806

Subject: Letter of Intent Regarding Potential Water Purchase Agreement

Dear Mr. Kingman:

The purpose of this letter (the "Letter of Intent") is to indicate the interest of Irvine Ranch Water District ("IRWD") in the potential purchase of up to 6,000 acre-feet per year of desalinated water from a seawater desalination plant to be built by Poseidon Resources ("Poseidon") at its site in the City of Huntington Beach, and to set forth certain conditions for such purchase between IRWD and Poseidon.

IRWD, along with several other Orange County retail water agencies, have entered into a Memorandum of Understanding with Poseidon to review the potential for purchasing desalinated water from the Huntington Beach Project ("Project"). IRWD has, and continues to be, interested in pursuing good faith negotiations to reach agreement on the terms to be set forth in a definitive water purchase agreement (the "Water Purchase Agreement"), based on and subject to the following key minimum conditions:

1. The cost of water from the Project, including all conveyance and delivery capital and operating costs, must be provided by Poseidon at or below IRWD's equivalent cost for obtaining Tier 1 water from the Metropolitan Water District of Southern California (MWD) through the Municipal Water District of Orange County (MWDOC).
2. The Project water must meet current and future water quality standards and have no adverse effect on IRWD's potable or recycled water production or delivery systems, the on-site potable or recycled water delivery systems of IRWD's customers, or the intended end uses of water served from the potable or recycled system by IRWD's customers.
3. The Water Purchase Agreement, to the extent permissible by law, must protect IRWD and its customers from any financial or legal liability in the event of a failure of the Project to deliver water, or material default, bankruptcy, insolvency, reorganization or similar proceeding relating to Poseidon and/or its associated Limited Liability Corporations (LLCs).

EXHIBIT "A"

Mr. Andrew Kingman
Poseidon Resources
July 9, 2009
Page 2

4. In the Water Purchase Agreement, Poseidon must agree that a reasonable share of any future reduction in Project water production costs will be passed through to IRWD or reflected in IRWD's purchase price for the Project water. This must include periodic disclosures of financial information necessary to ascertain actual Project water production cost during the term of the agreement.
5. The Project water will have no adverse effect on IRWD's ability to pump groundwater or purchase MWD imported water in the future.

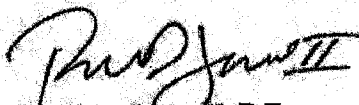
In addition, before IRWD would be willing to enter into a Water Purchase Agreement with Poseidon, IRWD will require certain information to evaluate and satisfy itself as to the Water Purchase Agreement pricing structure and other financial terms, as well as Poseidon's ability to execute and perform under the proposed Water Purchase Agreement. This information shall include, but not be limited to, a detailed financial *pro forma* for the Project (showing financing, all projected costs, profit, site lease agreements, energy contracts, etc.) and audited financial statements for Poseidon and its associated LLCs.

Except for the obligation to negotiate in good faith, nothing contained in this Letter of Intent shall be deemed or construed to be an agreement, commitment or obligation of either party to conclude negotiations or execute a Water Purchase Agreement, or to create any other obligation or any right on the part of either Party. This Letter of Intent shall be governed by and construed in accordance with the laws of the State of California without reference to the principles of conflicts of laws.

IRWD recognizes the regional supply reliability benefits that seawater desalination projects offer to IRWD and other southern California water agencies. To this extent, and with the understanding that this letter does not in any way commit IRWD to purchasing water from the project, IRWD will cooperate as it deems appropriate with Poseidon in its efforts to obtain all necessary regulatory approvals and permits to enable the timely construction of the Project.

Sincerely,

Irvine Ranch Water District



Paul D. Jones II, P.E.
General Manager

cc: Irvine Ranch Water District Board of Directors
Kevin Hunt, MWDOC

EXHIBIT "B"

Term Sheet

Proposed Water Reliability Agreement

Huntington Beach Seawater Desalination Project

**[Municipal Water District of Orange County and/or Orange
County Water District and/or Participating Retail Agencies]
and**

Poseidon Resources (Surfside) LLC

January, 2013

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TERMINOLOGY

Subject	Meaning
1. Parties	<p>Seller Poseidon Resources (Surfside) LLC ("Seller"). Seller is a special purpose project company established and controlled by Poseidon Water, LLC.</p> <p>[TBD] ("Buyer(s)").</p> <p>Together, the "Parties."</p>
2. Project	<p>A reverse osmosis seawater desalination plant, including the seawater intake, concentrate disposal facilities, product water pump station ("Product Water Pump Station"), and appurtenant facilities to be located on a site adjacent to the AES Huntington Beach Generating Station ("Plant"), capable of delivering a baseload of 56,000 acre-feet/year of desalinated water ("Product Water") to the boundary of the Project site at Newland Street ("Delivery Point") consistent with the Subsequent Environmental Impact Report (SEIR).</p>
3. Delivery Point, Product Water Booster Pump Stations and Delivery System	<p>The Delivery Point is defined as the boundary line of the Project site at Newland Street. The on-site Product Water Pump Station will be adequate to transport and deliver Product Water at the quantity and pressure required by the Contract. The Delivery System shall be defined as offsite facilities (i.e., pipeline and booster pumps) to deliver the Product Water from the Project's Delivery Point to Buyer(s). The Delivery System will be adequate to transport and deliver Product Water at all times in the quantities required by the Contract.</p> <p>The Delivery System as currently considered will be financed and constructed by Seller and owned and operated by the Buyer(s). Two different Delivery System options (i.e., pipeline routes and supporting facilities) have been studied and are currently being considered by the Seller and Buyer(s). The two delivery system options are herein defined as the "Regional South Delivery System" and the "Regional North Delivery System".</p> <p>Regional South Delivery System is defined as approximately ten (10) miles of a new 54-inch diameter pipeline located from the Plant to the existing OC-44 pipeline at Del Mar and Elden Avenue in the city of Costa Mesa.</p>

Subject	Meaning
	<p>Figure 1 provides a general illustration of the Regional South Delivery System pipeline alignment.</p> <p>The Regional North Delivery System is defined as approximately ten [10] miles of new 54, 48, 42, and 36 inch diameter pipeline located from the Plant to the existing West Orange County Water Board Feeder #1 (WOCBF #1/OC-9) in the city of Huntington Beach, and from the Plant connecting to the existing OC-44 pipeline at Harbor Boulevard and Fair Drive in the city of Costa Mesa</p> <p>Figure 2 provides a general illustration of the Regional North Delivery System pipeline alignment.</p> <p>Both the Regional South and Regional North Delivery System options will also include two off-site booster pump stations. One will be approximately located at the junction of the OC-44 and the East Orange County Feeder #2 (EOCF#2), in the city of Newport Beach and the second will be approximately located at Coastal Junction, in the city of Irvine.</p> <p>The financing of any Delivery System will be structured so that (i) Seller will be obligated to repay the financing in the event that the Delivery System and the Plant are not completed by the deadlines set forth herein and (ii) once the Project is in operation the Seller will make the debt service payments on the Delivery System financing to the extent the Plant does not produce the required amount of Product Water.</p>
4. Water Reliability Agreement	A contract ("Contract") between the Seller and the Buyer(s) under which the Seller shall construct the Project and the Delivery System and operate the Project and deliver water to the Delivery Point and the Buyer(s) shall operate the Delivery System and purchase Product Water under terms set forth in the Agreement.
5. Contract Date	The date on which the Contract is executed and delivered by the Parties.
6. EPC Contractor; EPC Contract	A proposed contract between Seller and the Project's engineering, procurement and construction contractor and with its principal process subcontractor (the "EPC

Subject	Meaning
	Contractor") for the design, construction and startup of the Plant and the Delivery System (the "EPC Contract"). The EPC Contractor will be selected by Seller from a pre-qualified list approved by the Buyer(s).
7. Operations Agreement	A proposed contract between Seller and the Operating Contractor for the operation, maintenance, repair and equipment replacement of the Plant. The Operating Contractor will be selected by Seller from a pre-qualified list approved by the Buyer(s).
8. MWD	Metropolitan Water District of Southern California.
9. MWD Agreement	The MWD Seawater Desalination Program Agreement between the Buyer(s) and MWD.
10. SEIR	The Subsequent Environmental Impact Report for the Project certified by the city of Huntington Beach in September, 2010.

NEGOTIATION AND APPROVAL PROCESS

Subject	Understanding
1. Purpose	<p>The purpose of this Term Sheet is to set forth the basis for negotiations toward a possible Contract between the Parties. The proposed terms and conditions set forth herein do not bind either Party in any manner, and in particular do not commit the Buyer(s) to purchase Product Water. It is a summary only and is not comprehensive or definitive.</p> <p>The Parties understand that substantive terms and detailed provisions not noted or fully developed in this Term Sheet are expected to be included in any final Contract.</p>
2. Schedule	<p>A. Schedule Milestones for Project</p> <p>Seller anticipates:</p> <ul style="list-style-type: none"> • that the Contract will be executed by the Parties no later than January 1, 2014; • that it shall obtain full construction financing no later than June 30, 2014 (the "Construction Finance Deadline"); • that the Commercial Operation Date will be the earlier of (1) December 31, 2017, or (2) the date that is 40 months following the actual date of financial close, as such date may be extended due to Uncontrollable Circumstances (the "Scheduled Commercial Operation Date"). <p>B. Schedule Extensions</p> <p>The Contract shall provide for extensions of such dates due to the occurrence of Uncontrollable Circumstances or Changes-in-Law and, in the absence of Uncontrollable Circumstances or Changes-in-Law, as mutually agreed to by the Parties.</p> <p>C. Failure to Meet Deadlines</p> <p>In the event that, after extensions that may be provided for in the Contract, Seller has not been able to meet the Construction Finance Deadline, Buyer(s) may terminate the Contract. If the Scheduled Commercial Operation Date is not met, and/or if Seller has notified Buyer(s) of its intent to abandon the Project, the Buyer(s) may terminate the Contract and shall have the right, but not the obligation, to purchase the Project from Seller on terms and conditions that will be set forth in the Contract.</p>
3. Contract Negotiations	<p>The Parties acknowledge that either Party may suspend, terminate or renew negotiations at any time and for any reason</p>

Subject	Understanding
	without consequence.
4. Buyer(s) Due Diligence	<p>During the negotiating periods and ending prior to the execution of the Contract, the Buyer(s) intend to conduct a complete due diligence examination of Seller and the Project. Seller intends to fully cooperate with the examination, and provide all documents and information requested by the Buyer(s) in connection therewith. Due diligence will address, among other things, (1) Seller's investors, ownership structure, management, financial condition and contingent liabilities; (2) any existing agreements, commitments, understandings, rights and claims of any other Party pertaining to Seller and the Project; (3) Plant design specifications, (4) the proposed EPC Agreement and EPC Contractor; (5) the proposed Operations Agreement and Operating Contractor; (6) legal entitlements; (7) litigation; (8) development equity, construction and term equity and debt arrangements, participation and terms; (9) financial projections for the Project; (10) all procurements, negotiations and discussions Seller has engaged in for contractors and subcontractors for the Project; (11) and any and all land leases for property or appurtenant facilities including, but not limited to, the site lease with AES and land lease with the State Lands Commission.</p>
5. No Buyer(s) Responsibility for the Project	<p>Seller understands and acknowledges Buyer(s) do not assume any responsibility for the Project whatsoever. Any Contract resulting from the negotiations will be a contract solely for the purchase of Product Water. Seller has planned and developed and will implement the Project completely at its own risk. Seller will be solely responsible for the efficacy of the Project and its permitting, financing, design, construction, commissioning and capability of successfully passing acceptance tests producing Product Water to the standards of the Contract. No due diligence performed by the Buyer(s) shall constitute any transfer of liability to the Buyer(s) for the Project or its performance.</p>

**TERMS AND CONDITIONS OF
THE PROPOSED WATER PURCHASE CONTRACT**

Subject	Proposed Term/Condition
1. Term	<p><u>A. Initial Term</u> The initial term ("Initial Term") of the Contract shall begin upon the execution of the Contract and shall terminate 30 years from the Commercial Operation Date.</p> <p><u>B. Renewal</u> The Contract may be renewed at the sole option of Buyer(s) for two additional 15-year terms ("Renewal Terms"). Buyer(s) shall notify Seller no later than 3 years prior to the expiration of the Initial Term (or, as the case may be, a Renewal Term) of its intentions regarding renewal. With the exception of Product Water Quantity, Product Water Quality and Water Purchase Price (each of which shall be subject to negotiation), the terms and conditions of the Initial Term will carry forward into any Renewal Terms, provided however that Product Water Quantity, Product Water Quality and Water Purchase Price negotiations shall be concluded no later than 18 months prior to the expiration date, and, if not, the Contract shall expire at the end of the Initial Term or Renewal Term, as applicable.</p> <p><u>C. Responsibility for Plant Upon Expiration of Term.</u> Buyer(s) shall have no responsibility for any costs or the obligations with respect to decommissioning the Plant at the end of the Initial Term or Renewal Term, as applicable.</p>
2. Roles of the Parties	<p><u>A. Seller</u> Seller shall design, permit, construct, start-up and acceptance test the Project and the Delivery System all in conformity to applicable law, prudent industry practices and the requirements of the Contract. Seller shall finance the Project and cooperate with Buyer(s) in the financing of the Delivery System. Upon the commencement of the commercial operation of the Project ("Commercial Operation Date"), Seller shall operate and maintain the Project in accordance with prudent industry practices and applicable laws and regulations sufficient to meet the reliability, Product Water Quality, permitting and regulatory requirements of the Contract.</p>

Subject	Proposed Term/Condition
	<p><u>B. Buyer(s)</u> Buyer(s) shall cooperate with Seller during the period of Project, as necessary and appropriate, with respect to activities such as permitting, financing and public information, but shall have no responsibility or liability regarding such activities of Seller.</p> <p>Buyer(s) shall finance and operate the Delivery System.</p> <p>Upon the achievement of the Commercial Operation Date, Buyer(s) shall purchase Product Water as provided for under the Contract and accept delivery of the Product Water at the Delivery Point and operate and maintain the Delivery System.</p>
3. Financing Period	<p><u>A. Construction Finance Deadline</u> In the event a Contract is successfully negotiated and executed, Seller shall achieve financial close (with all construction financing in place for the Project and the Delivery System) by the Construction Finance Deadline.</p> <p><u>B. Failure to Achieve Financial Close by the Construction Finance Deadline</u> If Seller fails to achieve financial close for the Project by the Construction Finance Deadline, the Buyer(s) may terminate the Water Purchase Contract.</p> <p><u>C. Achievement of Financial Close</u> If Seller succeeds in achieving financial close before the Construction Finance Deadline Seller will proceed to construct the Project and the Delivery System.</p>
4. Financing Plan	<p><u>A. Seller Responsibilities</u> Seller will be solely responsible for the financing of the Project. Seller will keep the Buyer(s) regularly informed of its progress in executing the plan of financing.</p> <p><u>B. Amount of Financing</u> Seller may not issue additional Project debt without the approval of the Buyer(s), except (1) debt for Project completion, (2) refinancing debt, (3) debt necessary to pay capital costs resulting from uninsured force majeure events and Changes in Laws, and (4) debt for other purposes to be negotiated.</p>

Subject	Proposed Term/Condition
	<p><u>C. Capital Amortization Period</u> Unless mutually agreed by the Parties, the amortization term of any Project debt financing or refinancing undertaken will not exceed the term of the Contract.</p> <p><u>D. Buyer Responsibilities</u> The Delivery System will be constructed by Seller and owned and operated by the Buyer(s). The construction of the Delivery System will be financed by the Buyer(s). The financing will be structured so that (i) Seller will be obligated to repay the financing in the event that the Delivery System and the Plant are not completed by the deadlines set forth herein and (ii) once the Project is in operation the Seller will make the debt service payments on the Delivery System financing to the extent the Plant does not produce the required amount of Product Water.</p>
<p>5. Design and Construction of the Plant and Delivery System</p>	<p><u>A. Construction Period Design Reviews for the Plant and the Delivery System</u> During the Construction Period, the Buyer(s) will have the right, but not the obligation, to periodically review the design of the Plant and the Delivery System for compliance with the EPC Agreement and design specifications as set forth in the Contract. The Buyer(s) will not have approval authority over the design of the Plant, except as such may relate to compliance with the requirements of the Contract. Seller will agree to consider and respond to material comments or concerns made by the Buyer(s). The Buyer(s) will have the right to provide design specifications for the Delivery System.</p> <p><u>B. Construction Period Reporting and Review for the Project</u> Seller will attend monthly progress meetings with the Buyer(s) and will provide the Buyer(s) access to information regarding the Project and the Delivery System. Seller will consider and respond to material comments or concerns made by the Buyer(s). The Buyer(s) will have the right to observe and inspect construction of the Project and the Delivery System at any reasonable time. The Contract will detail the Buyer(s) inspection rights and requirements, and Seller's obligations during the construction of the Project and the Delivery System. The</p>

Subject	Proposed Term/Condition
	<p>Buyer(s) shall have the right to review information regarding the construction of the Project and the Delivery System to the extent reasonably necessary to confirm Seller's compliance with the requirements of the Contract.</p> <p><u>C. Start-Up and Acceptance Testing of the Plant and Delivery System</u> The Contract will set forth acceptance test standards and procedures designed to assure the Buyer(s) that the Plant and the Delivery System will be capable, on a long term basis, of meeting the requirements of the Contract. The Buyer(s) will have the right to review and comment on the acceptance test protocol to be developed in accordance with the requirements of the Contract, and to observe Plant and the Delivery System start-up and acceptance testing.</p> <p><u>D. Modifications Due to Changes in Law During the Construction Period</u> In the event that capital improvements or modifications are required due to a Change in Law occurring during the Construction Period, Seller will inform the Buyer(s) of such need and of the schedule for and an estimated cost of addressing such need. Seller will mitigate the effects of the Change in Law, and minimize the delay in design or construction and minimize the cost of such capital improvements or modifications. The Buyer(s) will be responsible for such costs, but only if: (1) the Commercial Operation Date is achieved; and (2) such Change in Law is not imposed as the result of the acts or omissions of Seller.</p>
<p>6. Scheduled Commercial Operation Date</p>	<p>If Seller fails to achieve the Commercial Operation Date by the Scheduled Commercial Operation Date, and/or if Seller has notified Buyer(s) of its intent to abandon the Project, the Buyer(s) may terminate the Contract and shall have the right, but not the obligation, to purchase the Project from Seller terms and conditions that will be set forth in the Contract.</p>
<p>7. Operation and Maintenance</p>	<p><u>A. Seller's Obligation to Operate the Plant</u> Upon the achievement of the Commercial Operation Date, Seller will operate, maintain, repair and replace the Plant in accordance with the terms of the Contract, prudent industry practices and applicable laws and regulations</p>

Subject	Proposed Term/Condition
	<p>sufficient to meet the contractual performance and regulatory requirements.</p> <p><u>B. Operation and Maintenance of the Delivery System</u> The Delivery System will be operated and maintained by Buyer(s).</p> <p><u>C. Operator</u> Seller will, prior to the Contract Date, contract for the operation, maintenance, repair and equipment replacement of the Plant with the Operating Contractor. The Operating Contractor will not be replaced without the Buyer(s) approval, which shall not be unreasonably withheld. Seller will deliver a copy of the proposed Operations Agreement to the Buyer(s) for review and comment prior to execution.</p> <p><u>D. Operations and Maintenance Manual</u> Two months prior to the Commercial Operation Date, Seller will provide the Buyer(s) with a draft copy of the Plant's operation and maintenance manual for review and comment.</p> <p><u>E. Life-Cycle Maintenance</u> The Contract will contain all necessary assurances that the Plant will be properly maintained, repaired and replaced over the term of the Contract. These will include a requirement to have a CMMS system and use it to perform ordinary and capital maintenance, and periodic maintenance inspections.</p> <p><u>F. Restoration of the Plant</u> In the event of damage to the Plant, Seller will be obligated to repair or replace damaged components to enable the restoration of full operations and the full performance of its obligations under the Contract, whether through the application of insurance proceeds or Seller's own capital. In order to provide for the circumstance under which Seller is not able to restore the Plant, Seller agrees that the Project's financing documentation will enable the Buyer(s), at the Buyer(s) sole option, to purchase the Plant for an amount equal to Seller's outstanding indebtedness, net of available insurance proceeds.</p>

Subject	Proposed Term/Condition
	<p><u>G. Buyer(s) Right to Monitor</u> The Buyer(s) will have the right to monitor the operation and maintenance of the Plant in order to confirm compliance with the requirements of the Contract. The Buyer(s) will have the right to conduct periodic inspections of the Plant, and will notify Seller of any operations and maintenance deficiencies found for rectification by Seller. The Buyer(s) will have the right to engage consultants and advisors for inspections to review Seller performance and performance reports and to provide recommendations to the Seller.</p>
8. Plant Expansions	<p>The Buyer(s) shall have the first right to propose to purchase any additional Product Water, subject to mutual agreement between Seller and the Buyer(s) as to terms and conditions.</p>
9. Water Quantity	<p><u>A. Water Quantity Commitments</u> Seller will agree to produce and deliver, and the Buyer(s) will agree to take (on a "take-if-delivered" basis), [56,000] acre-feet per year of Product Water (the "Committed Amount"). The aggregate of the individual commitments of each of the Buyer(s) shall equal the Committed Amount. For the actual quantity of Product Water taken, the Buyer(s) will pay a per-acre foot unit charge as set forth in Item 14.</p> <p><u>B. Payment for Available Water that is Not Taken</u> In the event that the Buyer(s) do not take the Product Water required to be taken under Item 9A, the Buyer(s) will nonetheless pay Seller a per-acre foot charge to be set forth in the Contract, based on the Delivery Schedule.</p> <p><u>C. Delivery Schedule</u> The schedule for periodic deliveries of Product Water (daily, monthly, quarterly) will be mutually agreed to by the Parties on an annual basis.</p> <p><u>D. Operating Committee</u> Seller, the Operating Contractor, and the Buyer(s) will establish an Operating Committee to address daily flow changes and operations and other items to be set forth in the Contract.</p>

Subject	Proposed Term/Condition
	<p><u>E. Water Ownership</u> The Buyer(s) will own all Product Water received and accepted at the Delivery Point.</p> <p><u>F. Product Water Pressure and Hydraulic Transients Guarantee</u> Seller will guarantee Product Water pressure, and will operate the Product Water Pump Station within agreed upon protocols so to minimize hydraulic transients in the Buyer(s) Delivery System.</p> <p><u>G. Distribution System Emergencies</u> In the event of emergencies in its distribution system (a "Distribution System Emergency"), the Buyer(s) may demand a curtailment of Plant operation and Product Water deliveries, excusing the impacted Buyer(s) from its purchase obligation for the duration of the emergency.</p> <p><u>H. Product Water Not Delivered Due to Uncontrollable Circumstances/Distribution System Emergency</u> Product Water which Seller would have delivered to the Buyer(s) but which Seller is unable to deliver due to an Uncontrollable Circumstance or a Distribution System Emergency shall be delivered by Seller and purchased by the Buyer(s) from any excess Product Water on a negotiated basis, or during an extension of the term of the Water Purchase Contract not to exceed three years.</p> <p><u>I. Respective Cost Obligations of the Parties</u> Seller will be responsible for all costs incurred in producing and delivering Product Water to the Delivery Point, and the Buyer(s) will be responsible for all costs incurred in receiving and distributing Product Water after the Delivery Point.</p>
10.Product Water Quality	<p><u>A. Product Water Quality Requirements Generally</u> Product Water delivered by Seller will meet all legal potable water quality requirements and not exceed regulatory or maximum contaminant levels established by the state, federal, and local agencies. A detailed set of water quality specifications will be incorporated in the Contract per Attachment A to this Term Sheet.</p>

Subject	Proposed Term/Condition
	<p><u>B. Third Party Claims Regarding Product Water Quality</u> Seller will be solely liable for any fines, penalties or damages that may be incurred by either Party due to Seller's failure to meet water quality requirements. Seller will indemnify the Buyer(s) against any fines, penalties or damages (including third party tort claims) that may be incurred by the Buyer(s) due to the delivery of Product Water that does not meet the Product Water quality requirements.</p> <p><u>C. Limitation on the Buyer(s) Obligation to Accept Product Water</u> The Buyer(s) will not be obligated to accept or pay for Product Water that does not meet the Product Water quality requirements.</p>
11.Performance Liquidated Damages	<p><u>A. Product Water Quantity Failures</u> The Contract will specify liquidated damages for failure to deliver 85 percent of Product Water quantities specified in the Contract during any Contract Year (any period running from July 1 to the following June 30 during the term of the Contract) after the first full year of operation. Seller will be afforded a reasonable opportunity to make up delivery failures prior to the imposition of liquidated damages.</p> <p><u>B. Product Water Quality Failures</u> The Contract will specify liquidated damages for Product Water quality non-compliance.</p>
12.Raw Water Risks	<p>The Contract will set forth the assumed raw water quality parameters upon which Seller's performance guarantees are based. If (1) actual raw water quality parameters are outside those assumed, or (2) specific negotiated events occur affecting raw water quality (such as pollution events), Seller will be entitled to relief from its water quantity production guarantee.</p>
13.AES	<p>Seller shall bear all risks relating to AES and AES's generating plant and property, except (1) the occurrence of force majeure events damaging or destroying the raw water intake, outfall and any other AES facilities necessary for the conveyance of raw water to the Plant and the discharge from the Plant or other events effecting the construction and operations of the Project, and (2) other reasonable</p>

Subject	Proposed Term/Condition
	<p>exceptions negotiated by the Parties in which event Seller shall be entitled to relief from its water quantity production guarantee. Such AES risks include AES sale, merger or bankruptcy; AES lease breach, default and termination; changes in law, permit modifications or denials, or regulatory orders affecting AES.</p>
<p>14. Water Purchase Price</p>	<p><u>A. Buyer(s) Obligation to Pay for Product Water</u> The Buyer(s) will only pay for Product Water that meets the Product Water quality requirements and is actually delivered or ready to be delivered to the Delivery Point.</p> <p><u>B. Water Purchase Price</u> The price payable by the Buyer(s) for Product Water shall consist of (1) the negotiated Unit Price per acre-foot, multiplied by (2) the number of acre-feet of Product Water purchased by the Buyer(s). Any extraordinary items (such as costs payable by the Buyer(s) associated with Changes in Law and amounts payable by Seller for non-compliance with the MWD Agreement, liquidated damages or indemnity payments) shall be paid or credited as a separate element of the Water Purchase Price, or shall be reflected in a revised Unit Price, as appropriate.</p> <p><u>C. Unit Price</u> The negotiation of the Unit Price (to be finalized prior to execution of the Contract) will be determined in accordance with the following principles:</p> <ol style="list-style-type: none"> 1. The Unit Price will be based on the capital and operating costs of the Project (as opposed to the "avoided cost" of water). 2. Seller will provide full transparency to the Buyer(s) with respect to capital costs, operating costs, and financial returns to Seller. 3. The Unit Price will support the financing, construction and operation of a high-quality desalination facility that operates in a highly reliable manner. 4. The Unit Price will provide financial incentive to Seller for efficient plant operations. Operational

Subject	Proposed Term/Condition
	<p>improvements and energy consumption savings during the Term will be for the benefit of the Seller. The Buyer(s) will reserve the right to provide wholesale power to the Project.</p> <p>5. The Unit Pricing structure will determine how actual debt service costs, and future refinancing savings will be reflected in the Unit Price.</p> <p>6. The Unit Price will not be finalized until the underlying capital and operational costs of the Project have been established through binding contracts, and these contracts and the financing costs and draft financing documents have been received, reviewed and accepted as reasonable by the Buyer(s).</p> <p>7. Charges:</p> <ul style="list-style-type: none"> a. Capital Charge. The Capital Charge for each Contract Year shall be a per-Acre-Foot amount set to cover annual debt service and provide a return to equity. b. Operating Charges. <ul style="list-style-type: none"> i. Fixed Operating Charge. The Fixed Operating Charge shall be a per-Acre Foot amount index linked. It will be set to cover operating expenses that do not vary with water production. ii. Variable Operating Charge. The Variable Operating Charge shall be a per-Acre Foot amount index linked. It will be set to cover operating expenses that vary with water production. c. Electricity Charges. <ul style="list-style-type: none"> i. Fixed Electricity Charge. The Fixed Electricity Charge shall be a per-Acre Foot amount index linked. It will be set to cover electricity costs that do not vary with water production. It will be

Subject	Proposed Term/Condition
	<p>based on the electricity consumption guaranteed by the Operating Contractor.</p> <p>ii. Variable Electricity Charge. The Variable Electricity Charge shall be a per-Acre Foot amount index linked. It will be set to cover electricity costs that vary with water production. It will be based on the electricity consumption guaranteed by the Operating Contractor.</p> <p>The Unit Price associated with the Plant and determined in accordance with the foregoing principles is estimated to be \$1,424AF [January 2013 dollars]. This estimate is based on a number of key assumptions including the following: a financing structure with 82% debt and 18% equity on the total capital budget (Plant + Delivery System); the current estimated Plant EPC Contract costs and design, construction and startup period costs; an interest rate of 5.15% on the Plant bonds; SoCal Edison electricity rates applicable as of January 2013; \$250 per acre foot financial incentive under the MWD Agreement; and estimated other costs (e.g. financing, mitigation, reserves, contingency, operations and maintenance, etc.). Unit Price associated with the Delivery System would vary depending on the option selected. The Regional South Delivery System is estimated to be \$138/AF, assuming a debt rate of 4.90% and an EPC cost of \$101,200,000. The Regional North Delivery System is estimated to be \$94/AF, assuming a debt rate of 4.90% and an EPC cost of \$66,900,000. Electricity, operations and maintenance costs related to the Delivery System have not been included in the above Unit Cost estimates, as the financing approach assumes that the Delivery System will be owned and operated by the Buyer(s). The Unit Prices above are estimates subject to change.</p> <p><u>D. Plant Site Conditions Risk</u> Seller shall bear all price risk associated with any differing site conditions and regulated site conditions (such as hazardous substances and cultural resources).</p>

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	<p><u>E. Grants and Subsidies Benefit Buyer(s)</u> Any subsidy, grant or contribution received directly or indirectly by the Buyer(s) or Seller from the MWD or any other local, regional, state or federal governmental agency will be for the full benefit of the Buyer(s). The Parties will also consider alternative approaches regarding federal, state, regional and local financial support to help reduce the cost of the Product Water.</p> <p><u>F. Notification of Annual Price Adjustments</u> For budgetary purposes, Seller will notify the Buyer(s) no later than a date to be specified in the Contract prior to the start of the next succeeding Contract Year of the Water Purchase Price that will be in effect for the coming Contract Year based on the specified index adjustments.</p> <p><u>G. Additional Sales of Product Water</u> In the event that Seller sells Product Water to third parties (excluding Buyer(s)) for a per acre foot price that is less than the Unit Price but is otherwise on substantially the same terms and conditions as contained in the Contract, the Unit Price for the Buyers shall be lowered to such lesser price during the period in which Seller makes such sales of Product Water to third parties. Any sales to the City of Huntington Beach as described in the Amended and Restated Owner's Participation Agreement dated September 2010 are excluded from this provision on Additional Sales of Product Water</p>
<p>15.No Payment Obligation Before Commercial Operation Date; Exception</p>	<p><u>A. General</u> The Buyer(s) will have no obligation to purchase Product Water or make any payment whatsoever to Seller prior to the Commercial Operation Date. If that date does not occur, the Buyer(s) will not have any payment obligations. If Change in Law costs are incurred prior to the Commercial Operation Date, the Buyer(s) will be obligated to pay such costs only as an increase in the Water Purchase Price payable after the Commercial Operation Date, on a negotiated, amortized basis.</p> <p><u>B. Exception</u> Following approval by the State Department of Public Health of the introduction of Product Water into the</p>

Subject	Proposed Term/Condition
	Buyer(s) distribution system and prior to the Commercial Operation Date, the Buyer(s) will purchase Product Water meeting quality standards. The price of the water will be equal to the Unit Price minus the debt service portion of the Capital Charge described in Section 14.C.7.a and the duration of this commitment will be negotiated.
16.Site Access	<p><u>A. Plant Tours</u> Seller will make the Plant available for Buyer(s) tours after start of commercial operations, subject to reasonable notice by the Buyer(s).</p> <p><u>B. Site Access</u> Buyer(s) staff, consultants and contractors will be provided access to the site and all facilities owned or leased by Seller during the construction period and after the start of commercial operations, subject to reasonable notice by the Buyer(s).</p>
17.Insurance	<p><u>A. Seller Insurance Obligations</u> Seller will obtain and maintain, in amounts to be agreed upon with the Buyer(s), insurance as follows: commercial general liability insurance; builder's risk (including earthquake coverage with an agreed sublimit) and property and casualty insurance that will provide for the full replacement value of the Project; motor vehicle insurance; workers compensation; business interruption insurance in an amount sufficient to cover a minimum of one year of fixed operating and financing costs and, as appropriate, pollution liability insurance.</p> <p><u>B. Insurance Costs and Risks</u> Seller will bear all costs associated with any insurance deductibles, and replacement cost exceedences associated with builders' risk and property insurance coverage. Seller will also bear the risk of any insurance unavailability.</p> <p><u>C. The Buyer(s) Right to Obtain Insurance</u> The Buyer(s) may purchase such insurance on behalf of Seller, if Seller fails to do so, and will be reimbursed by Seller for any costs so incurred.</p>
18.Uncontrollable Circumstances/	<p><u>A. Defined</u> Uncontrollable Circumstances are force majeure and other</p>

Subject	Proposed Term/Condition
Performance Relief	<p>events beyond Seller's reasonable control (after exercising diligence to prevent the occurrence and to mitigate the effect of the occurrence) that materially and adversely affects Seller. Inclusions and exclusions will be negotiated. Changes in Law are handled separately from Uncontrollable Circumstances.</p> <p><u>B. Seller Performance Relief</u> An Uncontrollable Circumstance will entitle Seller to schedule and water quantity guarantee relief, to the extent that they are adversely affected by Uncontrollable Circumstances.</p> <p><u>C. No Seller Price or Water Quality Relief</u> Unless otherwise stated in the Contract, an Uncontrollable Circumstance will not entitle Seller to any price relief or any water quality guarantee relief.</p> <p><u>D. Mitigation and Restoration</u> In the event of an Uncontrollable Circumstance, Seller will use commercially reasonable efforts to respond to the event and to mitigate its effects and, as soon as is practicable, to restore conditions to the level at which it can fully perform its obligations under the Contract.</p> <p><u>E. Buyer(s) Performance Relief</u> The Buyer(s) will be entitled to relief from its obligation to take and purchase Product Water to the extent its ability to receive delivery of Product Water is adversely affected by a Distribution System Emergency. The Buyer(s) will purchase "make-up" Product Water following any such occurrence as described in Item 9H.</p>
19.Changes in Law	<p><u>A. Defined</u> A Change in Law is the enactment of a new law, or an amendment to an existing law, after the Contract date that materially delays completion of the Project or increases the cost of producing Product Water, because of new or different equipment, construction, or processes required to comply with the new or amended law. "Law" includes any federal, state or local laws, statutes, codes and regulations; and all governmental approvals, such as licenses, permits, consents and entitlements.</p>

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	<p><u>B. General Exclusions</u> Changes in Law do not include: (1) any law enacted or adopted on or before the Contract date to take effect after the Contract date; (2) any change in tax law (other than changes which have a discriminatory effect on Seller); (3) any increases in fines or penalties for violation of applicable law; (4) any increase in the severity of enforcement actions typically taken by a regulatory agency; (5) any change in law that does not require greater stringency than the Contract itself requires; and (6) changes in permits (except as a result of a change in law after the Contract Date), approval, entitlements in consequence of enforcement, lapse, or invalidation of an existing permit.</p> <p><u>C. Changes in Law Affecting AES's Facility</u> If a Change in Law occurs that requires the Plant's raw water intake system, wastewater discharge system and related pumping facilities to be modified and operated on a "stand-alone" basis, separate from AES facility operations, the Water Purchase Price will be increased to reflect the capital and operating costs necessary to respond to the change in law up to maximum amounts to be set forth in the Contract.</p> <p><u>D. Changes in Law Affecting AES's Seawater Intake Structure</u> Other than that provided in paragraph C above, a Change in Law will not include any change in law pertaining to the operation by AES of its existing seawater intake structure, including any requirement under Section 316(b) of the federal Clean Water Act or similar regulation.</p> <p><u>E. Changes in Law Affecting AES Discharge Facility Operations</u> Other than that provided in paragraph C above, a Change in Law also will not include any change in law pertaining to the operation by AES of its discharge facilities under its NPDES permit, similar permit or any provision of the federal Clean Water Act or California Porter- Cologne Act.</p> <p><u>F. Compliance With Environmental Mitigation Measures</u> Seller will bear the risk of complying with all</p>

Subject	Proposed Term/Condition
	<p>environmental mitigation measures required by or in connection with the SEIR and governmental approvals for the Project, excluding measures required due to a Change in Law.</p> <p><u>G. Construction Government Approval Risk</u> Seller will be responsible for obtaining and maintaining all governmental approvals required for the Project during construction and acceptance testing (including the California Department of Public Health's drinking water permit) through the Commercial Operation Date. Other than schedule relief, Seller will bear the risk of the denial, delay in issuance of, or imposition of any term or condition in connection with any such governmental approval and of compliance with all such governmental approvals. The occurrence of any such risk will not be Change in Law unless it is caused by the enactment of a statute or the promulgation of regulations of general applicability.</p> <p><u>H. Operating Governmental Approvals</u> Seller will also be responsible for obtaining and maintaining all governmental approvals required during the operating period, through the end of the Contract term. Other than schedule relief, Seller will bear the risk of the denial, delay in issuance of or imposition of any term or condition in connection with any such governmental approval.</p> <p><u>I. Relief</u> Seller will be entitled to both performance relief (excluding, however, water quality guarantee relief) and price relief (including increases in the Water Purchase Price to reflect mitigated cost increases) associated with responses to Changes in Law. Seller will be responsible for an initial amount (index linked and to be negotiated and included in the Contract) of such costs in each Contract Year. Seller will use all commercially reasonable efforts to implement responses to Changes in Law at the lowest cost practicable.</p> <p><u>J. Water Purchase Price Increase Limitation</u> There will be a maximum Water Purchase Price increase limitation that will cap the Buyer(s) exposure to Change in Law costs to 10 % of the Unit Price in any Contract Year</p>

Subject	Proposed Term/Condition
	<p>and 30 % of the Unit Price in the aggregate over the Initial Term.</p> <p><u>K. Seller Actions</u> No relief of any kind will be permitted for Changes in Law which are imposed as the result of the acts or omissions of Seller.</p>
<p>20. Events of Default and Termination</p>	<p><u>A. Events of Default</u> The Contract will include negotiated events of default.</p> <p><u>B. Remedies</u> Upon the occurrence of an event of default, the non-defaulting Party may pursue any remedies available at law or in equity.</p> <p><u>C. Buyer(s) Step-In Rights</u> The Buyer(s) will have the right to step in and cure defaults that are not cured by Seller or Seller's debt holders.</p>
<p>21. Record Keeping, Reporting</p>	<p><u>A. Seller Maintenance and Retention of Records</u> Seller will maintain records pertaining to its performance under the Contract. The Buyer(s) will have the right to inspect such records during regular business hours (including audit rights for up to five years after each year of the Contract, or as provided for under applicable law, whichever is longer), to verify performance, quantity, quality, delivery of Product Water to the Delivery Point and price. Seller will establish and maintain accounting records of all costs in conformance with the MWD Agreement between the Buyer(s) and MWD. MWD and the Buyer(s) will have the right to audit in accordance with the MWD Agreement.</p> <p><u>B. Seller Reporting Requirements</u> Seller will provide monthly and annual reports to the Buyer(s) regarding Plant performance, including: Product Water quantities produced; Product Water quality (subject to additional water quality reporting requirements); maintenance and capital repairs and replacements performed; any operating problems encountered and</p>

Subject	Proposed Term/Condition
	<p>corrective measures taken; regulatory and Contract compliance.</p> <p><u>C. Measurement Devices Inspection</u> The Buyer(s) will have the right to inspect Seller's measurement devices periodically during regular business hours to verify that calibration is accurate. The Buyer(s) will also have the right to conduct independent verification of calibration. If Seller's measurement devices are found to be in need of recalibration, Seller will pay for and undertake such recalibration, and will also reimburse the Buyer(s) for all costs associated with the Buyer(s) inspection and testing.</p>
<p>22. Buyer(s) Plant Purchase Options</p>	<p><u>A. The Buyer(s) Purchase Option Upon Seller Event of Default</u> Upon a material uncured Seller default ("Seller Event of Default"), the Buyer(s) may terminate the Contract and may, but will not be obligated to, purchase the Plant for a negotiated purchase. Seller's Plant financing, lease and other agreements and arrangements will accommodate this purchase option.</p> <p><u>B. Fair Market Plant Purchase Option During the Term</u> The Buyer(s) will have the right to purchase the Plant at five year intervals commencing on the tenth anniversary of the Commercial Operation Date. The purchase price will be for the fair market value of the project at the time of the exercise of the option. If there are multiple Buyers this purchase option may only be exercised collectively by all the Buyers acting together.</p>

Subject	Proposed Term/Condition
23. Security for Performance by Project Contractors	<p><u>A. Construction Bond</u> Seller will obtain and maintain or will cause the EPC contractor to obtain and maintain performance and payment bonds in an amount sufficient to obtain non-recourse financing (or as otherwise agreed to by the Parties) for the construction of the Project.</p> <p><u>B. Operations Bond</u> Seller will obtain and maintain or will cause the Operations Contractor to obtain and maintain an operations performance bond in an amount sufficient to obtain non-recourse financing (or as otherwise agreed to by the Parties) for the operation and maintenance of the Plant.</p>
24. Security for Performance by Seller	At a date no later than the Construction Financing Deadline, and for the Initial Term and any Renewal Term(s), Seller shall provide to Buyer(s) an annually renewable letter of credit in the amount of \$5 million, which amount shall escalate annually with the CPI up to a maximum of \$8.5 million or as the Parties negotiate in the Contract, as security for its obligations to Buyer(s) under the Contract.
25. General Indemnity	The Parties will indemnify the other Party for claims arising from misrepresentation, negligence or breach of the Contract.
26. Litigation Risk Indemnity	Seller will also indemnify the Buyer(s) against third party litigation of the kind typically initiated by opponents of projects similar to the Project seeking to prevent project construction and operation (such as litigation) involving environmental reviews, permits, and legal entitlements, other than third party lawsuits challenging the Buyer(s) power or authorization to enter into the Contract, or resulting from a Buyer(s) breach of the Contract.
27. Representations and Warranties	The Contract will include customary representations and warranties regarding: legal standing in California; legal authority to enter into the Contract; absence of material adverse litigation or legal conditions; no conflict with other agreements or commitments; proper approvals of Contract. Seller will make representations and warranties as to

Subject	Proposed Term/Condition
	CEQA compliance.
28. Tax Risks	Except as described elsewhere in this Term Sheet, Seller will bear all tax risks. This includes all existing taxes payable with respect to construction, operation, maintenance, management, services on water purchases; income, sales, possessory interest, excise and value added taxes; tax law changes; new taxes; and adverse tax law determinations pertaining to tax accounting treatment, tax credit depreciation, amortization or otherwise. A tax is a governmental imposition of any kind, and includes fees and charges.
29. Liability Limitations	The Contract will contain no stated dollar limitation on damages for non-performance. Special, consequential and punitive damages will be mutually waived.
30. Dispute Resolution	The Parties will agree to attempt to resolve disputes, first, through negotiation and non-binding mediation and, if negotiations and mediation are unsuccessful, then to pursue other remedies available in law or in equity.
31. Assignment	Neither Party will assign the Contract without the prior written approval of the other Party, which approval may not be unreasonably withheld. Notwithstanding the foregoing, Seller will have the right to collaterally assign the Contract to its lenders, and the Buyer(s) will reasonably consent to such assignment.
32. Seller's Contractors and Subcontractors	The Contract will specify minimum financial, technical and experience qualifications, standards and requirements for any Seller contractors and material subcontractors, and for any party it may engage to replace or substitute for such contractor or subcontractors. Seller will provide adequate information to the Buyer(s) regarding the qualifications of any proposed initial or substitute contractor or contractor. Notwithstanding the above, Seller may not replace or substitute the EPC Contractor or the Operations Contractor without the Buyer(s) approval, which will not be unreasonably withheld.
33. Governing Law	California

EXHIBIT "C"

[Agency letterhead]

[Date]

Mr. Scott Maloni
Vice President
Poseidon Resources (Surfside) LLC
5780 Fleet Street, Suite 140
Carlsbad, CA 92008

Re: Letter of Intent Regarding Huntington Beach Seawater Desalination Facility Water Reliability Agreement

Dear Mr. Maloni:

The purpose of this letter (the "Letter of Intent") is to set forth certain non-binding commitments between the _____ ("_____") and Poseidon Resources (Surfside) LLC ("Poseidon") relating to an intent to purchase _____ acre feet per year of desalinated water from a seawater desalination plant to be built by Poseidon at its site in the City of Huntington Beach (the "Project").

1. Water Reliability Agreement. _____ agrees to begin good faith negotiations with Poseidon of a long term water reliability agreement (the "Water Reliability Agreement") with the proposed terms and conditions described in Exhibit A hereto (the "January 2013 Term Sheet") to be used as parameters for negotiations.

2. No Liability. Except for the obligation to negotiate in good faith and for Section 3 below, the provisions of this Letter of Intent are non-binding and do not constitute and will not give rise to any legally binding obligation on the part of the parties hereto. Nothing contained in this Letter of Intent (including the January 2013 Term Sheet) shall be deemed or construed to be an agreement or obligation of either party to conclude negotiations by the execution of the Water Reliability Agreement. The provisions of this Letter of Intent (including the January 2013 Term Sheet) do not create any rights on the part of either party.

3. Costs. Each of the parties shall be responsible for its own costs and expenses relating to the review, negotiation and documentation and of a Water Reliability Agreement except as may otherwise be agreed upon by the parties.

4. Permitting. Poseidon and _____ each currently have an interest in the timely development of the Project. _____ will cooperate with Poseidon as appropriate in Poseidon's efforts to obtain all necessary regulatory approvals and permits to enable the timely construction of the Project.

5. Representations. Each party represents that this Letter of Intent is duly authorized. _____ represents that its [Board of Directors or City Council] has approved of the terms of this Letter of Intent (including the January 2013 Term Sheet) and has authorized _____ to negotiate the Water Reliability Agreement with Poseidon.

6. Governing Law. This Letter of Intent shall be governed by and construed in accordance with the laws of the State of California without reference to its conflicts of laws principles.

7. Counterparts. This Letter of Intent may be executed in one or more counterparts, each of which, when executed and delivered, shall be an original, but all of which together shall constitute but one and the same instrument.

If this Letter of Intent properly reflects our understanding, please indicate by signing in the space provided below and returning a copy to the undersigned.

Sincerely,

_____ [Water District or City]

By: _____
[Name and Title]

AGREED AND ACCEPTED:
Poseidon Resources (Surfside) LLC

By: _____

Scott Maloni
Vice President

DRAFT

EXHIBIT "D"

IRVINE RANCH WATER DISTRICT POLICY POSITION DESALINATION

Revised: ~~June 3, 2005~~ March 11, 2013

Issue Summary:

Locally available water sources with otherwise unacceptably high levels of salts or minerals may provide an alternative supply of water once treated to acceptable standards. Desalination projects should be implemented when costs for treatment and distribution are competitive with existing supplies or for developing other supplies or alternative supplies under development. Funding should be recovered on a beneficiary pays basis. Efforts to develop desalination projects, technologies, and outside funding sources should move forward.

Background:

Desalination is the process of converting water with high salts and mineral concentrations into water usable for drinking water or irrigation. The process typically involves treatment with membrane systems (such as reverse osmosis), ion exchange, or thermal distillation. Using current technology, Desalination could provide southern California with a supplemental supply of high quality drinking water that is reliable, though expensive. This water supply would be locally available, and not as vulnerable to hydrological and other uncertainties. Developing desalination facilities would diversify the region's water supply portfolio leading to greater overall reliability. Metropolitan Water District (MWD) recognizes desalination in its Integrated Resources Plan as a key future water supply component for the region.

Without substantial outside subsidies, desalination is generally not cost effective at this time. Much less expensive water supply options are available including water transfers, treatment of impaired groundwater, and wastewater recycling. However, due to technological improvements that reduce the cost of reverse osmosis membranes and the amount of energy used by the membrane process, the cost of desalinated ocean water is steadily declining. In addition, siting these facilities at certain power plants that use seawater for cooling have sea water intake and discharge facilities can reduce the cost of permitting, building, and operating desalination plants. This is why the water industry, including IRWD, should support development of desalination technologies, regulatory streamlining, and public acceptance.

~~In October 2003, an Ocean Water Desalination Program concept paper was prepared by Orange County Water District (OCWD) and Municipal Water District of Orange County (MWDOC). This paper discussed the potential for developing Poseidon Resources Corporation, a private company, is proposing to develop an ocean water desalination facility in Huntington Beach. The project concept developed in this paper advanced by Poseidon envisioned envisions development of a 50-50 MGD ocean water desalination plant at the AES power plant in Huntington Beach. This site is also the basis of current planning efforts by Poseidon Resources Corporation is soliciting interest from local water agencies for firm commitments to purchase desalinated water from the Huntington Beach Plant. The Municipal Water District of Orange County (MWDOC) is also investigating the feasibility of developing an ocean water desalination project at in two other sites: Dana Point and the San Onofre Nuclear Generating Station.~~

A key issue in Orange County affecting the implementation and acceptance of ocean desalination by MWDOC or others is cost recovery. Currently, MWDOC ~~and OCWD have~~ has committed, and ~~in MWDOC's case are continuing~~ continues to commit, considerable financial resources in ocean desalination planning and project development. ~~These costs are being uniformly recovered through MWDOC's and OCWD's rates and charges.~~ Clearly, some retail agencies may receive greater benefit from ocean desalination than others. Moreover, some agencies may have other more cost effective supply options and may not want to have any participation in a desalinated supply. As such, an acceptable financial participation mechanism, such as a voluntary Joint Powers Authority (JPA), needs to be established to appropriately recover and allocate past and future costs. This will not only resolve cost recovery issues related to these projects, but will build focused support at the retail level for implementation of desalination projects.

Policy Principles:

- IRWD supports the development of desalination technologies, regulatory streamlining, public acceptance and the pursuit of regional (MWD), state, and federal funding programs to ensure the future feasibility of this future water supply.
- Based upon the diversity and reliability of IRWD's existing and planned water supplies and IRWD's current and projected cost of water, the IRWD may consider participation in ocean desalination projects when economics become more favorable and delivered costs to IRWD's system become comparable to alternative supplies then available to IRWD.
- ~~MWDOC and/or OCWD should seek to develop desalination program(s) through a framework of willing retail water agency participant beneficiaries. This approach will clarify cost recovery arrangements and build focused support for implementation.~~
- ~~MWDOC and/or OCWD should recover past and future costs attributable to ocean desalination through the participating agencies, rather than through overall rates and charges.~~
- Projects utilizing ocean desalination for a new water supply should be funded exclusively by the retail water agencies that specifically benefit from, and voluntarily participate in, the projects.
- Participating retail agencies, ~~MWDOC and/or OCWD~~ should continue efforts to evaluate a desalination projects at ~~all feasible sites including~~ the Huntington Beach ~~and San Onofre power plants, and the Dana Point~~ site.
- Desalination product water must meet all applicable drinking water standards, and must not create water quality impacts that impair the production of recycled water.

April 22, 2013

Prepared by: C. Compton

Submitted by: G. Heiertz

Approved by: Paul Cook 

ACTION CALENDAR

SENATE BILL 658 (CORREA) UPDATE

SUMMARY:

This report provides an update on SB 658 (Correa): Orange County Water District Act. Staff recommends that the Board take a position of “SUPPORT IN CONCEPT” on SB 658 (Correa).

BACKGROUND:

State Senator Lou Correa has introduced SB 658. The bill was originally introduced as a spot bill, and on April 11, 2013 the bill was amended to make changes to the Orange County Water District (OCWD) Act. Specifically, the bill makes changes to Section 8 of the District Act which grants OCWD authority over pollution and contamination of surface water and groundwater.

Existing OCWD District Act:

The Orange County Water District Act established OCWD and granted it specific powers. Section 8 of the District Act provided OCWD with the authority to:

1. Conduct any investigations of the quality of the surface and groundwater within OCWD to determine whether those waters are contaminated or polluted (Section 8(a)); and
2. Expend funds to perform any cleanup, abatement, or remedial work required to prevent, abate, or contain any threatened or existing contamination or pollution to the surface or groundwater of OCWD even if it is in addition to remedial work by the person who caused the contamination or pollution (Section 8(b)).

The OCWD District Act also provides that the entity or entities causing or threatening to cause contamination or pollution shall be liable to OCWD to the extent of the reasonable costs actually incurred in cleaning up or containing the contamination or pollution, abating the effects of the contamination or pollution, or taking other remedial action (Section 8(c)). The necessity of the actions taken and reasonableness of the costs incurred by OCWD are presumed, unless the defendant proves otherwise. The party would also be responsible for court costs and reasonable attorney’s fees.

A copy of the current version of Section 8 is included as Exhibit “A”.

Changes to the OCWD Act as Proposed in SB 658:

SB 658, as amended on April 11, proposes changes to Section 8 of the OCWD District Act. The changes proposed are in addition to the authority OCWD currently has under Section 8. The bill would:

1. Enact legislative findings that the Legislature's intent in adding Section 8 to the District Act in 1989 was, and that existing law is, that (i) the costs incurred by OCWD in conducting investigations of existing or threatened contamination would be part of the costs recoverable by OCWD, and (ii) OCWD would be entitled to commence a lawsuit against and recover damages from the person causing or threatening to cause the contamination at the time the liability of the person was determined in litigation regardless of whether OCWD had completed all of its investigative, cleanup, abatement, and remedial work (Section 1 of SB 658);
2. Provide OCWD with additional authority to expend funds to perform any investigation required to prevent, abate, or contain any threatened or existing contamination or pollution to the surface or groundwater of OCWD even if it is in addition to remedial work by the person who caused the contamination or pollution (Section 2 of SB 658);
3. Provide that the entity or entities causing or threatening to cause contamination or pollution of the surface and groundwater shall also be liable to the district for the costs OCWD incurs in investigating the caused or threatened contamination or pollution (Section 2 of SB 658);
4. Adds investigation costs to those costs that are presumed to be necessary and reasonable if incurred by OCWD (Section 2 of SB 658);
5. Provides that OCWD's remedies under Section 8 are in addition to all other legal or equitable remedies available to OCWD under statute or common law, including declaratory relief regarding liability for OCWD's future costs (Section 2 of SB 658); and
6. Declares these changes an urgency statute (Section 3 of SB 658).

A redline version of the current language in SB 658 is included as Exhibit "B".

Stated Purposed Behind SB 658:

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

According to OCWD's factsheet on the bill, the purpose behind SB 658 is to "bring parity to Orange County ratepayers by clarifying that the Orange County Water District has authority to recover all costs related to remediating contaminated groundwater from established polluters."

A copy of OCWD's factsheet on SB 658 is included as Exhibit "C".

Recent Actions:

This past Thursday, April 18, the Municipal Water District of Orange County (MWDOC) held a Special Meeting where it discussed SB 658. After receiving public comments from OCWD and members of the business community, the MWDOC Board took a "Support with Amendment" position on the bill. This position was taken because the MWDOC Board fundamentally supports the concept that polluters, not the ratepayer, should pay for the cost of cleaning up contamination. The MWDOC Board stated that the amendments MWDOC would seek include the removal of the urgency clause, and that OCWD work with the business community to address their concerns with the bill. The business community voiced concerns regarding the intent language in Section 1 of SB 658 in that it would make the bill retroactive.

IRWD Staff Recommendation:

IRWD staff had recommended that the Board take a position in support of OCWD's efforts at the April 4, 2013 Water Resources Policy and Communications Committee meeting and at the April 8 Board meeting. In response to concerns raised by the business community, the Board tabled discussion of the bill so that the amended bill could be reviewed and more information provided to the Board.

Given the challenge OCWD has faced with clean-up costs, the importance of protecting Orange County's groundwater basin and the business community's concerns, staff recommends that the Board consider taking a "SUPPORT IN CONCEPT" position on SB 658.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

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

RECOMMENDATION:

THAT THE BOARD HAVE IRWD TAKE A "SUPPORT IN CONCEPT" POSITION ON SB 658.

LIST OF EXHIBITS:

Exhibit "A" – Section 8 of the Orange County Water District Act

Exhibit "B" – Text of SB 658

Exhibit "C" – OCWD Factsheet on SB 658

EXHIBIT "A"

Orange County Water District Act

Section 8. Pollution or contamination of groundwaters

(a) The district may conduct any investigations of the quality of the surface and groundwaters within the district which the district determines to be necessary and appropriate to determine whether those waters are contaminated or polluted.

(b) The district may expend available funds to perform any cleanup, abatement, or remedial work required under the circumstances which, in the determination of the board of directors, is required by the magnitude of the endeavor or the urgency of prompt action needed to prevent, abate, or contain any threatened or existing contamination of, or pollution to, the surface or groundwaters of the district. This action may be taken in default of, or in addition to, remedial work by the person causing the contamination or pollution, or other persons. The district may perform the work itself, by contract, or by or in cooperation with any other governmental agency.

(c) If, pursuant to subdivision (b), the contamination or pollution is cleaned up or contained, the effects thereof abated, or in the case of threatened contamination or pollution, other necessary remedial action is taken, the person causing or threatening to cause that contamination or pollution shall be liable to the district to the extent of the reasonable costs actually incurred in cleaning up or containing the contamination or pollution, abating the effects of the contamination or pollution, or taking other remedial action. The amount of those costs, together with court costs and reasonable attorneys' fees, shall be recoverable in a civil action by, and paid to, the district. In any such action, the necessity for the cleanup, containment, abatement, or remedial work, and the reasonableness of the costs incurred therewith, shall be presumed, and the defendant shall have the burden of proving that the work was not necessary, and the costs not reasonable.



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SB-658 Orange County Water District Act: investigation, cleanup, and liability. (2013-2014)

Text	Votes	History	Bill Analysis	Today's Law As Amended ⓘ	Status	Comments To Author
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AMENDED IN SENATE APRIL 11, 2013

CALIFORNIA LEGISLATURE— 2013–2014 REGULAR SESSION

SENATE BILL

No. 658

**Introduced by Senator Correa
(Coauthor(s): Senator Wyland)
(Coauthor(s): Assembly Member Hagman, Harkey, Mansoor, Wagner)**

February 22, 2013

An act to amend ~~Section 13304 of the Water Code~~ *Section 8 of the Orange County Water District Act (Chapter 924 of the Statutes of 1933)*, relating to water quality, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 658, as amended, Correa. ~~Water quality: cleanup and abatement orders.~~ *Orange County Water District Act: investigation, cleanup, and liability.*

Existing law, the Municipal Water District Law of 1911, authorizes the formation of a municipal water district to acquire and sell water, and specifies the powers and purposes of a municipal water district. The Municipal Water District of Orange County is a district established pursuant to that law.

The Orange County Water District Act establishes the Orange County Water District, consisting of specified lands in the County of Orange, including the Cities of Anaheim, Fullerton, and Santa Ana. The act authorizes the district to investigate the quality of the surface and groundwaters within the district to determine whether the waters are contaminated or polluted and authorizes the district to expend funds to perform any cleanup, abatement, or remedial work to prevent, abate, or contain the contamination of, or pollution to, the surface or groundwaters of the district. The act requires the person causing or threatening to cause the contamination or pollution to be liable to the district for reasonable costs actually incurred in cleaning up or containing the contamination or pollution, abating the effects of the contamination or pollution, or taking other remedial action.

This bill would require the person also to be liable for the costs actually incurred in investigating the contamination or pollution. The bill would provide that these remedies are in addition to all other legal and equitable remedies available to the water district, including declaratory relief.

This bill would declare that it is to take effect immediately as an urgency statute.

~~The Porter-Cologne Water Quality Control Act requires a person who discharges waste into the waters of the state in violation of waste discharge requirements or an order or prohibition issued by a California regional water quality control board or the State Water Resources Control Board to clean up the waste or to abate the effects of the waste. The act authorizes a regional water quality control board to expend available money to perform any cleanup, abatement, or remedial work required under those circumstances, and provides for the recovery of costs associated with cleanup, abatement, and remedial actions.~~

~~This bill would make technical, nonsubstantive changes to these provisions.~~

Vote: ~~majority~~2/3 Appropriation: no Fiscal Committee: no Local Program: no

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

SECTION 1. *The Legislature finds and declares that, in adding Section 8 to the Orange County Water District Act in 1989, the Legislature intended that (1) the costs incurred by the district in conducting investigations to study, monitor, and evaluate the cause, and the nature and extent of any existing or threatened contamination, would be part of the cleanup, abatement, and remedial costs recoverable against the persons causing, or threatening to cause, contamination of the surface or groundwaters within the district, and (2) the district would be entitled to commence a civil action against, and recover damages from, the persons causing, or threatening to cause, the contamination, investigation, cleanup, abatement, and remedial costs incurred, or to be incurred, by the district at the time the liability of the persons was determined in litigation, regardless of whether all investigative, cleanup, abatement, and remedial work was completed by that time. The Legislature further finds and declares that this act is declaratory of existing law.*

SEC. 2. *Section 8 of the Orange County Water District Act (Chapter 924 of the Statutes of 1933), as added by Section 4 of Chapter 802 of the Statutes of 1989, is amended to read:*

Sec. 8. (a) The district may conduct any ~~investigations~~ *investigation* of the quality of the surface and groundwaters within the district ~~which that~~ the district determines to be necessary and appropriate to determine whether those waters are contaminated or polluted.

(b) The district may expend available funds to perform any *investigation* cleanup, abatement, or remedial work required under the circumstances ~~which that~~, in the determination of the board of directors, is required by the magnitude of the endeavor or the urgency of prompt action needed to prevent, abate, or contain any threatened or existing contamination of, or pollution to, the surface or groundwaters of the district. This action may be taken in default of, or in addition to, remedial work by the person causing the contamination or pollution, or other persons. The district may perform the work itself, by contract, or by or in cooperation with ~~any other~~ *another* governmental agency.

(c) If, pursuant to subdivision (b), ~~the any~~ contamination or pollution is *investigated*, cleaned ~~up~~ *up*, or contained, the effects ~~thereof~~ *of the contamination or pollution* abated, or in the case of threatened

contamination or pollution, other necessary remedial action is taken, the person causing or threatening to cause that contamination or pollution shall be liable to the district to the extent of the reasonable costs actually incurred in *investigating*, ~~cleaning up~~ *up*, or containing the contamination or pollution, abating the effects of the contamination or pollution, or taking other remedial action. The amount of those costs, together with court costs and reasonable ~~attorneys'~~ *attorney's* fees, shall be recoverable in a civil action by, and paid to, the district. In ~~any such~~ *this* action, the necessity for the *investigation*, cleanup, containment, abatement, or remedial work, and the reasonableness of the costs incurred therewith, shall be presumed, and the defendant shall have the burden of proving that the work was not necessary, and the costs not reasonable.

(d) The remedies provided under this section are in addition to all other legal or equitable remedies available to the district under statute or common law, including declaratory relief regarding liability for the district's future costs.

SEC. 3. *This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:*

In order to ensure that the Orange County Water District may, at the earliest possible opportunity, investigate, clean up, and remediate groundwater contamination that affects the quality of drinking water resources of approximately 2,400,000 Orange County residents, it is necessary that this act take effect immediately.

~~SECTION 1. Section 13304 of the Water Code is amended to read: 13304.~~

~~(a) Any person who has discharged or discharges waste into the waters of this state in violation of a waste discharge requirement or other order or prohibition issued by a regional board or the state board, or who has caused or permitted, causes or permits, or threatens to cause or permit any waste to be discharged or deposited where it is, or probably will be, discharged into the waters of the state and creates, or threatens to create, a condition of pollution or nuisance, shall upon order of the regional board, clean up the waste or abate the effects of the waste, or, in the case of threatened pollution or nuisance, take other necessary remedial action, including, but not limited to, overseeing cleanup and abatement efforts. A cleanup and abatement order issued by the state board or a regional board may require the provision of, or payment for, uninterrupted replacement water service, which may include wellhead treatment, to each affected public water supplier or private well owner. Upon failure of any person to comply with the cleanup or abatement order, the Attorney General, at the request of the board, shall petition the superior court for that county for the issuance of an injunction requiring the person to comply with the order. In the suit, the court shall have jurisdiction to grant a prohibitory or mandatory injunction, either preliminary or permanent, as the facts may warrant.~~

~~(b)(1) The regional board may expend available money to perform any cleanup, abatement, or remedial work required under the circumstances set forth in subdivision (a), including, but not limited to, supervision of cleanup and abatement activities that, in its judgment, is required by the magnitude of the endeavor or the urgency for prompt action to prevent substantial pollution, nuisance, or injury to any waters of the state. The action may be taken in default of, or in addition to, remedial work by the waste discharger or other persons, and regardless of whether injunctive relief is being sought.~~

~~(2) The regional board may perform the work itself, or with the cooperation of any other governmental agency, and may use rented tools or equipment, either with operators furnished or unoperated. Notwithstanding any other law, the regional board may enter into oral contracts for the work, and the contracts, whether written or oral, may include provisions for equipment rental and in addition the furnishing of labor and materials necessary to accomplish the work. The contracts are not subject to approval by the Department of General Services.~~

~~(3) The regional board shall be permitted reasonable access to the affected property as necessary to perform any cleanup, abatement, or other remedial work. The access shall be obtained with the consent of the owner or possessor of the property or, if the consent is withheld, with a warrant duly issued pursuant to the procedure described in Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil~~

~~Procedure. However, in the event of an emergency affecting public health or safety, the regional board may enter the property without consent or the issuance of a warrant:~~

~~(4)The regional board may contract with a water agency to perform, under the direction of the regional board, investigations of existing or threatened groundwater pollution or nuisance. The agency's cost of performing the contracted services shall be reimbursed by the regional board from the first available funds obtained from cost recovery actions for the specific site. The authority of a regional board to contract with a water agency is limited to a water agency that draws groundwater from the affected aquifer, a metropolitan water district, or a local public agency responsible for water supply or water quality in a groundwater basin.~~

~~(c)(1)If the waste is cleaned up or the effects of the waste are abated, or, in the case of threatened pollution or nuisance, other necessary remedial action is taken by any governmental agency, the person or persons who discharged the waste, discharges the waste, or threatened to cause or permit the discharge of the waste within the meaning of subdivision (a), are liable to that governmental agency to the extent of the reasonable costs actually incurred in cleaning up the waste, abating the effects of the waste, supervising cleanup or abatement activities, or taking other remedial action. The amount of the costs is recoverable in a civil action by, and paid to, the governmental agency and the state board to the extent of the state board's contribution to the cleanup costs from the State Water Pollution Cleanup and Abatement Account or other available funds.~~

~~(2)The amount of the costs constitutes a lien on the affected property upon service of a copy of the notice of lien on the owner and upon the recordation of a notice of lien, that identifies the property on which the condition was abated, the amount of the lien, and the owner of record of the property, in the office of the county recorder of the county in which the property is located. Upon recordation, the lien has the same force, effect, and priority as a judgment lien, except that it attaches only to the property posted and described in the notice of lien, and shall continue for 10 years from the time of the recording of the notice, unless sooner released or otherwise discharged. Not later than 45 days after receiving a notice of lien, the owner may petition the court for an order releasing the property from the lien or reducing the amount of the lien. In this court action, the governmental agency that incurred the cleanup costs shall establish that the costs were reasonable and necessary. The lien may be foreclosed by an action brought by the state board on behalf of the regional board for a money judgment. Money recovered by a judgment in favor of the state board shall be deposited in the State Water Pollution Cleanup and Abatement Account.~~

~~(d)If, despite reasonable effort by the regional board to identify the person responsible for the discharge of waste or the condition of pollution or nuisance, the person is not identified at the time cleanup, abatement, or remedial work is required to be performed, the regional board is not required to issue an order under this section.~~

~~(e)For purposes of this section, "threaten" means a condition creating a substantial probability of harm, when the probability and potential extent of harm make it reasonably necessary to take immediate action to prevent, reduce, or mitigate damages to persons, property, or natural resources.~~

~~(f)Replacement water provided pursuant to subdivision (a) shall meet all applicable federal, state, and local drinking water standards, and shall have comparable quality to that pumped by the public water system or private well owner prior to the discharge of waste.~~

~~(g)(1)A public water supplier or private well owner receiving replacement water by reason of an order issued pursuant to subdivision (a), or a person or entity that is ordered to provide replacement water pursuant to subdivision (a), may request nonbinding mediation of all replacement water claims:~~

~~(2)If so requested, the public water suppliers receiving the replacement water and the persons or entities ordered to provide the replacement water, within 30 days of the submittal of a water replacement plan, shall engage in at least one confidential settlement discussion before a mutually acceptable mediator.~~

~~(3)Any agreement between parties regarding replacement water claims resulting from participation in the nonbinding mediation process shall be consistent with the requirements of any cleanup and abatement order.~~

~~(4) A regional board or the state board is not required to participate in nonbinding mediation requested pursuant to paragraph (1).~~

~~(5) The party or parties requesting the mediation shall pay for the costs of the mediation.~~

~~(h) As part of any cleanup and abatement order that requires the provision of replacement water, a regional board or the state board shall request a water replacement plan from the discharger in cases where replacement water is to be provided for more than 30 days. The water replacement plan is subject to the approval of the regional board or the state board prior to its implementation.~~

~~(i) For purposes of this section, "water replacement plan" means a plan pursuant to which the discharger will provide replacement water in accordance with a cleanup and abatement order.~~

~~(j) This section does not impose any new liability for acts occurring before January 1, 1981, if the acts were not in violation of existing laws or regulations at the time they occurred.~~

~~(k) This section does not limit the authority of any state agency under any other law or regulation to enforce or administer any cleanup or abatement activity.~~

~~(l) The Legislature declares that the amendments made to subdivision (a) of this section by Senate Bill 1004 of the 2003-04 Regular Session do not constitute a change in, but are declaratory of, existing law.~~

ORANGE COUNTY WATER DISTRICT ACT AMENDMENT PROPOSAL



IN BRIEF

SB 658 (Correa) brings parity to Orange County ratepayers by clarifying that the Orange County Water District (OCWD) has authority to recover all costs related to remediating contaminated groundwater from established polluters.

In 1989, Section 8 of the Orange County Water District Act (the “OCWD Act”) was amended to allow the District to recover from parties who contaminate groundwater the District’s costs in remediating contamination. These remediation costs were intended to include all costs of investigation, cleanup, and abatement.

SB 658 amends the OCWD Act to clarify that the California Legislature intended to provide that OCWD may recover from polluters, through court proceedings, all the costs of remediating contamination caused by those polluters without having to wait decades for remediation to be complete.

THE ISSUE

The California Legislature enacted the OCWD Act in 1933 to create OCWD. The Act authorizes OCWD to manage and protect the groundwater basin. The district’s jurisdictional boundary underlies north and central Orange County and provides two-thirds of the drinking water to approximately 2.4 million residents.

OCWD has detected significant contamination of groundwater at various locations throughout the basin. This contamination has already forced the closure of a number of drinking water wells. The contamination resulted from the use and storage of chemical solvents and petroleum products by industrial and manufacturing facilities. Since clean groundwater is critical to water users in the basin, OCWD has determined that the contamination must be remediated without delay, and has initiated regional remediation projects.

Recent judicial decisions have misinterpreted the OCWD Act as excluding investigatory work from remedial expenses recoverable under the OCWD Act, despite the fact that hazardous waste statutes and remediation professionals consider such investigatory work to be an integral part of the remediation process.

As a result of these recent rulings water rate payers in the District may have to pay as much as \$300 million to remediate contamination caused by known polluters. The District would then have to wait up to thirty years, until remediation has been completed, before seeking to recover these costs from polluters. If OCWD has to wait thirty years before it can even seek to recover from polluters, as a practical matter it will be nearly impossible for the District to succeed in such actions. Evidence will have gone stale, parties will have disappeared, and ultimately rate payers will be stuck paying the costs related to remediation.

THE SOLUTION

Existing hazardous waste state law in California, including the Hazardous Substances Account Act, recognizes that investigatory work, such as determining the sources, extent and movement of the contamination, identifying the existing and projected future impacts of the contamination, evaluating alternative methods of remediating the contamination, and designing remedial solutions, is a critical component of the groundwater remediation process. SB 658 clarifies that investigation costs must necessarily be incurred as part of the remediation process and were never intended by the Legislature to be *excluded* as recoverable costs under the OCWD Act. SB 658 ensures that Section 8 will be applied in a manner that is consistent with the other hazardous waste laws in California.

SB 658 also clarifies that OCWD may proceed in accordance with existing law to recover the costs and legal expenses it has incurred as of the time of the litigation and may also obtain equitable (i.e., declaratory) relief to assign liability for OCWD’s future costs and expenses. This is a simple acknowledgement that, in adopting Section 8, the Legislature never intended to *exclude* other available remedies, such as declaratory relief, because without such a remedy, OCWD would have to file multiple lawsuits to recover its incremental costs of remediating contaminated groundwater over a period of two or three decades.

SB 658 protects local taxpayers and the regions valuable groundwater basin by ensuring that OCWD can recover from polluters the costs associated with remediating groundwater contamination, including investigatory costs, without having to wait decades for remediation to be complete.

FOR MORE INFORMATION

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