

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

April 8, 2019

PLEDGE OF ALLEGIANCE

CALL TO ORDER

5:00 p.m., Board Room, District Office
15600 Sand Canyon Avenue, Irvine, California

ROLL CALL

Directors Reinhart, Matheis, Swan, and Withers and President LaMar

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 three 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:

2. ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

PUBLIC HEARING

3. EVALUATING A CHANGE IN THE ELECTIONS PROCESS FOR THE
IRVINE RANCH WATER DISTRICT BOARD OF DIRECTORS AND
ESTABLISHING DIVISION BOUNDARIES

- A. Declare the Board meeting to be the time and place for the fourth public hearing since the drafting and publication of draft maps;
- B. Announce the hearing was noticed by publication;
- C. Receive and file the Affidavits of Posting and Proof of Publications;
- D. Request legal counsel to describe the nature of the proceedings, and purpose;
- E. Open the hearing to solicit and accept comments on the proposed move to by-division elections;
- F. Request that the Government Relations Officer provide a report to the Board regarding the draft division maps and on any written comments received;

PUBLIC HEARING (CONTINUED)

- G. Inquire whether there is any person present who wishes to provide comments;
- H. Inquire whether there are any comments or questions from the members of the Board; and
- I. Request that the Board close the Public Hearing and take one of the following actions:
 - 1) That the Board agendize an additional public hearing for April 8, 2019, for the Board of Directors to consider final action on a transition to by-division elections, and to consider adoption of a final map of division boundaries based on map ___ (*a, a-1, b, b-1, c, c-1, d, d-1, or e*), and a sequence of elections with the election for division numbers ___ and ___ (*1, 2, 3, 4, or 5*) to be held in 2020 and the election for division numbers ____, ___ and ___ (*1, 2, 3, 4, or 5*) to be held in 2022, or
 - 2) That the Board revise the draft map(s) or develop additional map(s), and agendize an additional public hearing for April 8, 2019, for the Board of Directors to solicit and accept comment on the proposed move to by-division elections, the composition of divisions, draft division maps, and sequence of elections.

BOARD WORKSHOP

4. FISCAL YEARS 2019-20 AND 2020-21 OPERATING BUDGETS AND PROPOSED RATES AND CHARGES

Recommendation: That the Board review and provide comments on the proposed FY 2019-20 and FY 2020-21 Operating Budgets and proposed rates and charges.

CONSENT CALENDAR

Resolution No. 2019-9

Items 5-10

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

Recommendation: That the Board ratify/approve the meetings and events for Mary Aileen Matheis, Peer Swan and John Withers, as described.

CONSENT CALENDAR

Items 5-10

6. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the March 25, 2019 Regular Board meeting be approved as presented.

7. IRWD APARTMENT CONSULTANT CONTRACT RENEWAL

Recommendation: That the Board authorize the General Manager to execute a two-year contract with Market-THINK as IRWD's apartment consultant at a total fee not to exceed \$55,000 for 2019-2020 and \$56,500 in 2020-2021, which includes monthly out-of-pocket expenses estimated at \$50 per month.

8. 2018 IRWD SALARY SURVEY RESULTS

Recommendation: That the Board approve the salary grade changes recommended and authorize the General Manager to implement the competitive wage adjustments based on the 2018 IRWD salary survey results.

9. MEMORANDUM OF UNDERSTANDING BETWEEN THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL #47 NON-EXEMPT SUPERVISOR UNIT EMPLOYEES AND IRWD – JULY 1, 2018 – JUNE 30, 2021

Recommendation: That the Board authorize the General Manager to execute a Memorandum of Understanding between IRWD and the International Brotherhood of Electrical Workers Local #47 Non-exempt Supervisor Unit Employees effective July 1, 2018 through June 30, 2021, subject to non-substantive changes.

10. ADOPTION OF REVISED IRWD SCHEDULE OF POSITIONS AND SALARY RATE CHANGES

Recommendation: That the Board adopt a resolution superseding Resolution No. 2019-5 and adopting a Revised Schedule of Positions and Salary Rate Ranges.

Reso. No. 2019-

ACTION CALENDAR

11. EDUCATIONAL PROGRAM AGREEMENT WITH DISCOVERY CUBE ORANGE COUNTY

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement with Discovery Cube Orange County to implement educational programs in the amount of \$191,542 per year for a total cost of \$383,084 for a two-year period covering Fiscal Years 2019-20 and 2020-21.

12. AUTHORIZATION TO PURCHASE WATER FROM BUENA VISTA WATER STORAGE DISTRICT

Recommendation That the Board authorize the General Manager to enter into an agreement to purchase water supplies from Buena Vista Water Storage District in an amount not to exceed \$1,650,000 for storage at the Strand Ranch and Stockdale West Integrated Banking Projects.

OTHER BUSINESS

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

13. General Manager's Report
14. Directors' Comments
15. Receive oral update(s) from District liaison(s) regarding communities within IRWD's service area and provide information on relevant community events.
16. Adjourn

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Irvine Ranch Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection in the District's office, 15600 Sand Canyon Avenue, Irvine, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available at the entrance to the Board of Directors Room of the District Office. The Irvine Ranch Water District Board Room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.), please contact the District Secretary at (949) 453-5300 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in alternative format upon written request to the District Secretary at least seventy-two (72) hours prior to the scheduled meeting.

April 8, 2019

Prepared and

submitted by: C. Compton

Approved by: Paul A. Cook

PUBLIC HEARING

EVALUATING A CHANGE IN THE ELECTIONS PROCESS FOR THE IRVINE RANCH WATER DISTRICT BOARD OF DIRECTORS AND ESTABLISHING DIVISION BOUNDARIES

SUMMARY:

Pursuant to Water Code section 35180, IRWD uses an at-large method to elect the members of its Board of Directors. The at-large method allows for voters from the entire service area to elect each of the five members of the Board of Directors. The California Voting Rights Act favors a by-division method of election instead of an at-large method of election for electing members of local government governing bodies. A by-division method divides a service area into separate divisions and allows the voters from each division, as opposed to voters from the entire service area, to elect a member of the Board of Directors. In a by-division method of election, the elected individual serves as the division's representative on the board and must reside in that division.

Since 2017, Elections Code section 10650 has authorized special districts such as IRWD to move from an at-large method of election to a by-division method of election in furtherance of the purposes of the California Voting Rights Act. Elections Code section 10010 governs the process for evaluating and transitioning to a by-division method of election. The first step in initiating the process is the adoption of a resolution of "Intent to Initiate the Process of Establishing Divisions and Elections by Divisions." The IRWD Board of Directors adopted a resolution of "Intent to Initiate the Process of Establishing Divisions and Elections by Divisions" on April 2, 2018. The next steps involved a series of public hearings.

Pursuant to Elections Code section 10010, an additional public hearing, the fourth public hearing since the drafting and publication of draft maps, is now being held on April 8, 2019, after the drawing of draft maps. The first hearing after the drawing of draft maps was held on December 10, 2018. The second hearing after the drawing of draft maps was held on January 14, 2019, while a third hearing after the drawing of draft maps was held on March 11, 2019. The purpose of these hearings, and the current hearing, is to invite and solicit public comments on the draft division maps, which have been published by the District on its website, and the potential sequence of elections for the directors from each division at different times to provide for staggered terms of office.

RECOMMENDED HEARING PROCEDURE:

President: Declare the Board meeting of April 8, 2019, to be the time and place for a hearing on evaluating a change in the elections process for the Irvine Ranch Water District Board of Directors and establishing division boundaries, and ask the Board Secretary to announce how the hearing was noticed.

Public Hearing: Evaluating a Change in the Elections Process for the Irvine Ranch Water District Board of Directors and Establishing Division Boundaries

April 8, 2019

Page 2

Board Secretary: Announce that the hearing was noticed by publication in the *Orange County Register* on Sunday, March 24, 2019; by publication in Spanish in the *Excelsior Unidos* on Friday, March 29, 2019; by publication in Korean in the *Korea Times* on Saturday, March 23, 2019; by publication in English and Traditional Chinese in the *World Journal* on Saturday, March 23, 2019, and Sunday, March 24, 2019; by publication in Farsi in *Hafteh Bazaar* on Friday, March 29, 2019; by electronic posting in English, Farsi, Korean, Traditional Chinese, and Spanish on the IRWD website, which can be translated into approximately 20 languages; and by physical posting at IRWD's headquarters. Announce that two additional draft maps — Map E-1 and Map E-2 — were published on IRWD's website on March 26, 2019. The Board Secretary presents affidavits of posting and proof of publication to the Board related to the hearing.

Board of Directors: The Board of Directors receives and files the affidavits of posting and proof of publication as presented by the Board Secretary.

President: Request legal counsel to describe the nature of the proceedings, and to explain the purpose of the hearing.

Legal Counsel: Describe the nature of the proceedings, and explain the purpose of the hearing as being the opportunity to invite and solicit public comment on the draft division maps, which have been published by the District on its website at least seven days prior to the hearing, and the potential sequence of elections for the directors from each division at different times to provide for staggered terms of office.

Board of Directors: Open the hearing by taking the following recommended action:

RECOMMENDED MOTION: THAT THE PUBLIC HEARING BE OPENED TO SOLICIT AND ACCEPT COMMENT ON THE PROPOSED MOVE TO BY-DIVISION ELECTIONS, THE COMPOSITION OF DIVISIONS, THE DRAFT DIVISION MAPS, AND SEQUENCE OF ELECTIONS.

President: Request that the Government Relations Officer/Deputy General Counsel provide a report to the Board regarding the draft division maps, and on any written comments received.

Government
Relations Officer/
Deputy General
Counsel:

Provide a report to the Board regarding the draft division maps, and on any written comments received.

President: Inquire whether there is any person present who wishes to provide comments on the proposed move to by-division elections, the composition of divisions, the draft maps, and the sequence of elections.

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

Board of Directors: Close the hearing. Take one of the following recommended actions:

RECOMMENDED MOTION: THAT THIS PUBLIC HEARING BE CLOSED AND THAT THE BOARD AUTHORIZE STAFF TO AGENDIZE AN ADDITIONAL PUBLIC HEARING FOR MAY 13, 2019, FOR THE BOARD OF DIRECTORS TO CONSIDER FINAL ACTION ON A TRANSITION TO BY-DIVISION ELECTIONS, AND TO CONSIDER ADOPTION OF A FINAL MAP OF DIVISION BOUNDARIES BASED ON MAP ___ (C, C-1, D, D-1, E, E-1 OR E-2), AND A SEQUENCE OF ELECTIONS WITH THE ELECTION FOR DIVISION NUMBERS ___ AND ___ (1, 2, 3, 4, OR 5) TO BE HELD IN 2020 AND THE ELECTION FOR DIVISION NUMBERS ____, ____ AND ___ (1, 2, 3, 4, OR 5) TO BE HELD IN 2022.

OR

RECOMMENDED MOTION: THAT THIS PUBLIC HEARING BE CLOSED, AND THAT THE BOARD AUTHORIZE STAFF TO REVISE THE DRAFT MAP(S) OR DEVELOP ADDITIONAL MAP(S), AND AGENDIZE AN ADDITIONAL PUBLIC HEARING FOR MAY 13, 2019, FOR THE BOARD OF DIRECTORS TO SOLICIT AND ACCEPT COMMENT ON THE PROPOSED MOVE TO BY-DIVISION ELECTIONS, THE COMPOSITION OF DIVISIONS, DRAFT DIVISION MAPS, AND SEQUENCE OF ELECTIONS.

BACKGROUND:

In 2002, Governor Gray Davis signed the California Voting Rights Act (CVRA) into law. The CVRA states that an at-large method of election may not be used to elect local governing boards if it “impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election.” (Elections Code §14027)

A violation of the CVRA may be established if it is shown that racially polarized voting, combined with an at-large voting system, impairs the ability of a protected class of voters to elect candidates of its choice or to influence the outcome of an election. (Elections Code §14028(a)) Under the CVRA, “racially polarized voting” means voting in which there is a difference between the choice of candidates or other electoral choices that are preferred by voters in a

protected class, and in the choice of candidates and electoral choices that are preferred by voters in the rest of the electorate. (Elections Code §14026(e))

As of the writing of this report, IRWD has not been presented with any evidence of racially polarized voting in its elections, but many local governments have had their at-large method of election challenged under the CVRA. Additionally, many local governments have voluntarily moved to a by-division method of election because it is the only election method not vulnerable to a challenge under the CVRA.

Statutorily Mandated Process for Evaluating a By-Division Method of Election:

While the current at-large method of election used by IRWD pursuant to Water Code section 35180 has served the District's customers and constituents well, Elections Code section 10650 allows the board of a special district, like IRWD, to move from an at-large method of election to a by-division method of election in furtherance of the purposes of the CVRA.

Elections Code section 10010 provides the process for evaluating divisions and a transition to by-division elections. That process requires, at a minimum, that a special district:

- Adopt a resolution of intent to change the election system;
- Hold at least four public hearings to discuss division maps and the sequence of the division elections;
 - The first and second hearings must be held within 30 days of each other and the public is invited to provide input regarding the composition of the divisions and sequence of elections;
 - After draft division maps are drawn, one or more proposed maps are published at least seven days before the third hearing. Any further revisions to the proposed map(s) would be published at least seven days before being adopted; and
 - The third and fourth public hearings are held within 45 days of each other; and
- Hold at least one more public hearing at which it considers final action to transition to by-division elections and considers adoption of a final map of division boundaries.

Legally Required Factors Considered When Evaluating Division Boundaries:

While a number of federal and state laws govern the drawing of division boundaries, the U.S. Constitution establishes the fundamental principle which governs the drawing of division boundaries. Above all else, the Constitution requires that divisions be equal, or nearly equal, in total population. Federal courts have ruled that this means that the population difference between the most and least populous divisions may not exceed ten percent. California Elections

Code section 22000 further suggests that divisions should be drawn to be, “as far as practicable, equal in population” using the population numbers from the last federal decennial census.

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

IRWD Process to Evaluate Establishment of Divisions and Elections by Divisions:

On April 2, 2018, the IRWD Board of Director adopted a resolution of “Intent to Initiate the Process of Establishing Divisions and Elections by Divisions.” In its adoption of the resolution, the Board determined that the public interest was best served by initiating the process to evaluate divisions and a transition to by-division elections. The Board authorized the General Manager, or his designee, to initiate a public evaluation process that complies with Elections Code section 10010, and encourages and allows for full public participation, careful consideration and input into an evaluation of divisions and a transition to by-division elections within IRWD.

The first step in the District’s evaluation process was the release of data related to the population characteristics of the IRWD’s service area. That data was presented to the Board during a Board workshop on May 14, 2018. Attached as Exhibit “A” is a copy of the summary of “Existing Conditions for Irvine Ranch Water District” provided to the Board.

The second step in the District’s evaluation process was to hold two public hearings, which were held on June 4 and June 18. These hearings were conducted before the drawing of a draft map or maps of proposed division boundaries. The purpose of the hearings was to invite and solicit public comment on the proposed move to by-division elections, the composition of divisions and the sequence of elections prior to the drawing of draft maps.

The third step in the District’s evaluation process was for the Board to discuss criteria to be used by the District when drawing proposed director division boundaries. The criteria was discussed at a Board Workshop held on August 13, 2018. The criteria discussed at the August 13 workshop is included in the presentation materials attached as Exhibit “B” and was presented to the Board at its December 10, 2018, and January 14, 2019, meetings.

Following the workshop, prior to the drawing of potential division area maps, the District invited the public to submit additional comments on the composition of possible divisions and to submit conceptual maps for consideration as the potential division area maps were drawn. That public comment period ran from August 15 to October 15, 2018. During the comment period, the District received two comments and maps from the public. Those comments and maps were provided to the Board at its last Board meeting and are posted on IRWD’s website.

On December 10, 2018, January 14, 2019, and March 11, 2019, respectively, IRWD held a third, fourth and fifth public hearing to invite and solicit public comment on the draft division maps, which have been published by the District on its website, and the potential sequence of elections for the directors from each division at different times to provide for staggered terms of office.

IRWD is now holding an additional public hearing to invite and solicit public comment on the draft division maps, which have been published by the District on its website, and the potential sequence of elections for the directors from each division at different times to provide for staggered terms of office. The nine draft maps presented for discussion and comment are attached as Exhibit “C”. The presentation, which will be made to the Board, is attached as Exhibit “B”.

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

FISCAL IMPACTS:

Due to the adoption of a resolution of “Intent to Initiate the Process of Establishing Divisions and Elections by Divisions” and by undertaking the Elections Code section 10010 process to evaluate by-divisions elections, the District is incurring costs of a demographer and special legal counsel in addition to potentially other costs.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

LIST OF EXHIBITS:

- Exhibit “A” – Existing Conditions for Irvine Ranch Water District
- Exhibit “B” – Presentation Materials for the April 8, 2019, Public Hearing
- Exhibit “C” – Draft Division Maps C, C-1, D, E, E-1, and E-2

Existing Conditions for Irvine Ranch Water District

Table 1. Population by Race/Ethnicity for IRWD

	Number	Percent
2010 Total Population	337,151	100.0%
Hispanic or Latino of any Race	40,325	12.0%
Non-Hispanic White	171,195	50.8%
Non-Hispanic Asian	104,775	31.1%
Non-Hispanic Black or African-American	5,173	1.5%
All Other Non-Hispanic Races/Ethnicities	15,681	4.7%
2010 Population 18 Years and Older	261,651	100.0%
Hispanic or Latino of any Race	28,531	10.9%
Non-Hispanic White	138,759	53.0%
Non-Hispanic Asian	81,062	31.0%
Non-Hispanic Black or African-American	4,029	1.5%
All Other Non-Hispanic Races/Ethnicities	9,266	3.5%
2016 Citizen Voting Age Population (CVAP)	244,343	100.0%
Hispanic or Latino of any Race	27,413	11.2%
Non-Hispanic White	135,507	55.5%
Non-Hispanic Asian	68,731	28.1%
Non-Hispanic Black or African-American	4,810	2.0%
All Other Non-Hispanic Races/Ethnicities	7,879	3.2%

Sources: 2010 Decennial Census P.L. 94-171 Redistricting Data;

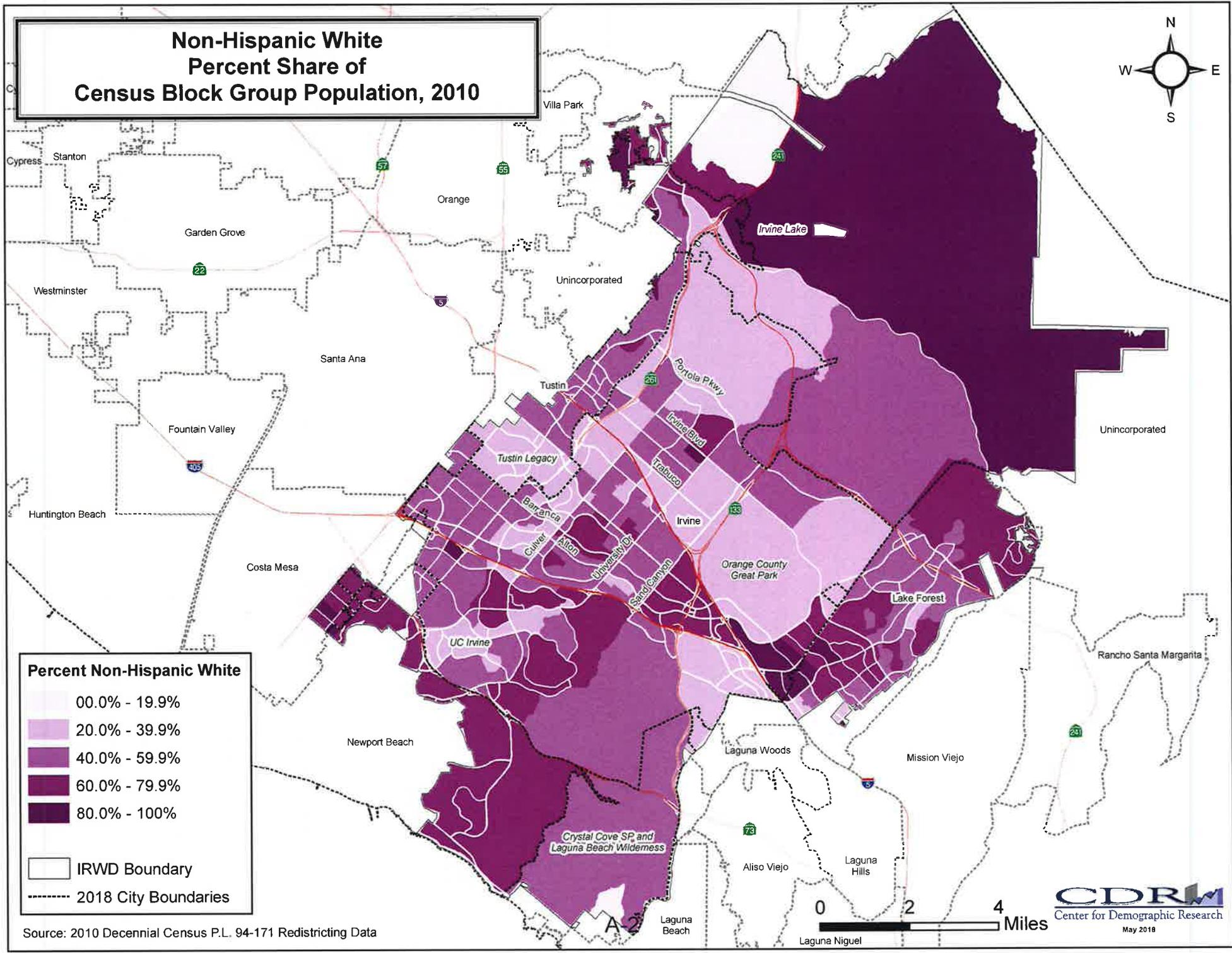
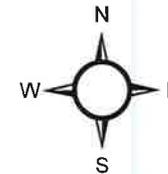
U.S. Census Bureau American Community Survey 5-year estimates, 2012-2016

The target director division population is calculated by dividing the total population by the number of board members.

Table 2. Target Population for Division Scenarios

Division ID	Division Type	Total 2010 Population	Target Population for Each Division	Division Majority (50% + 1)	Majority of CVAP (50% +1)
5	5-Division Plan	337,151	67,430	33,716	24,435

Non-Hispanic White Percent Share of Census Block Group Population, 2010



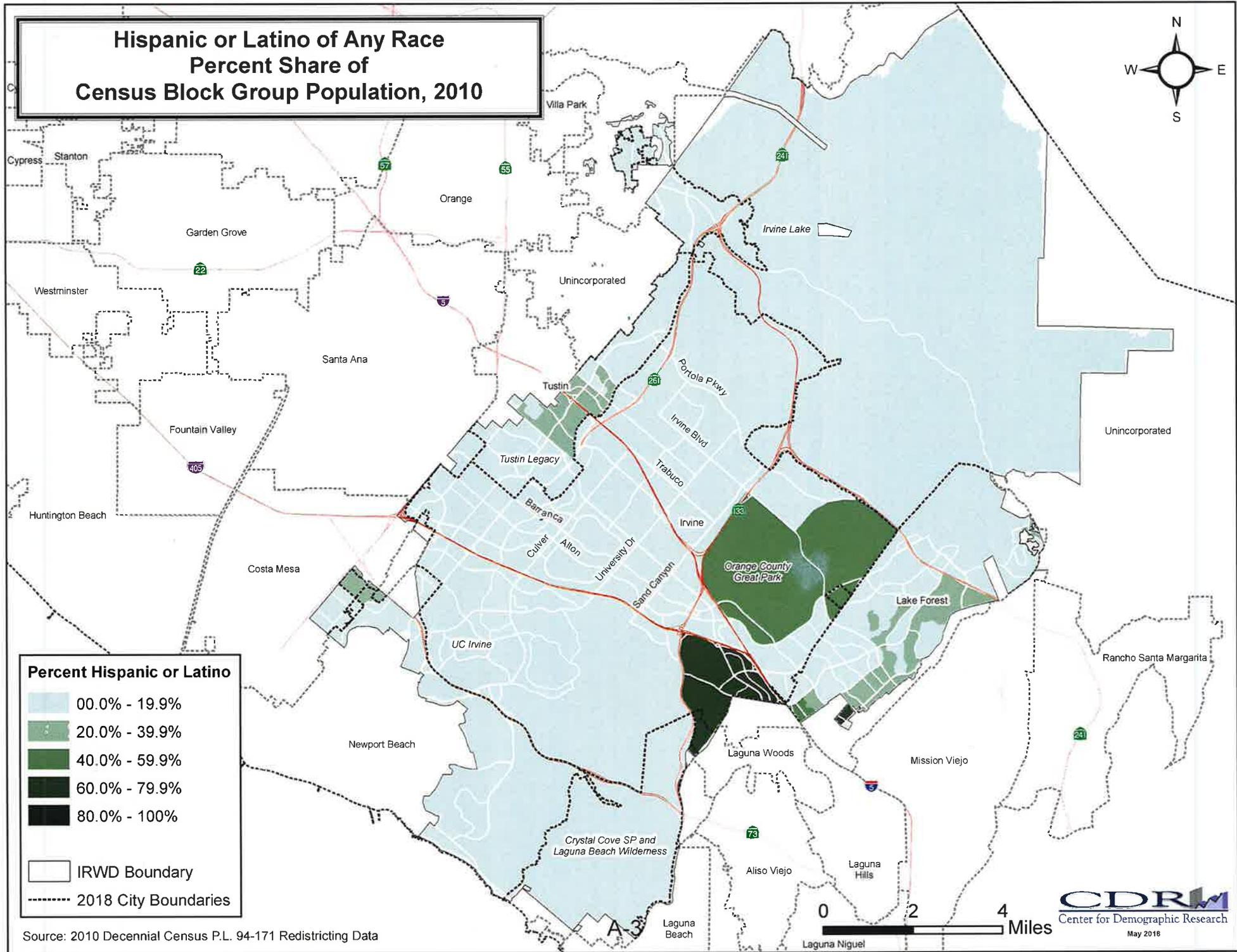
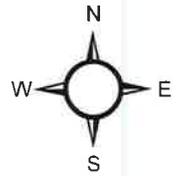
Percent Non-Hispanic White

- 00.0% - 19.9%
- 20.0% - 39.9%
- 40.0% - 59.9%
- 60.0% - 79.9%
- 80.0% - 100%

IRWD Boundary
 2018 City Boundaries

Source: 2010 Decennial Census P.L. 94-171 Redistricting Data

Hispanic or Latino of Any Race Percent Share of Census Block Group Population, 2010



Percent Hispanic or Latino

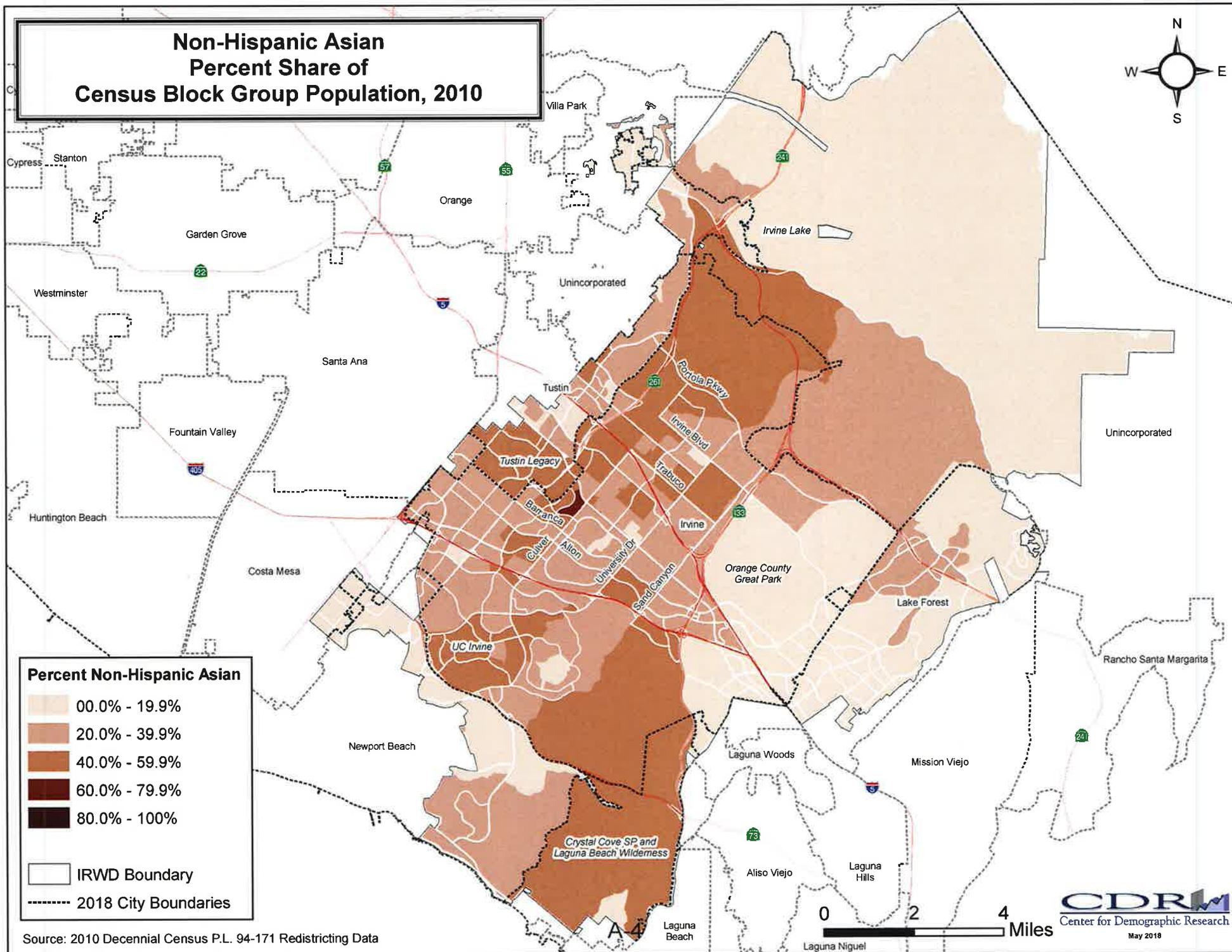
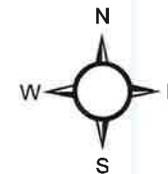
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- 80.0% - 100%

- IRWD Boundary
- 2018 City Boundaries

Source: 2010 Decennial Census P.L. 94-171 Redistricting Data



Non-Hispanic Asian Percent Share of Census Block Group Population, 2010



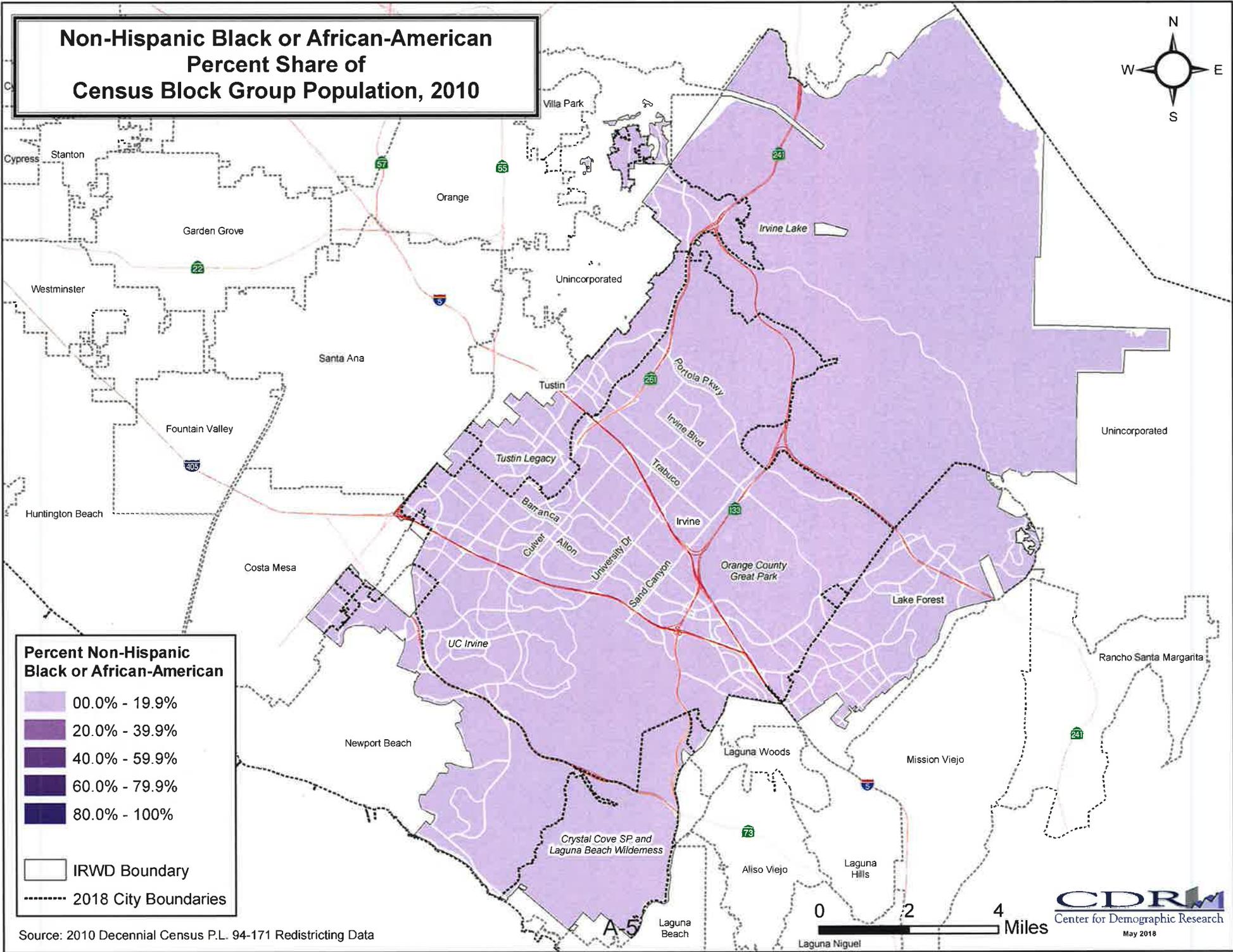
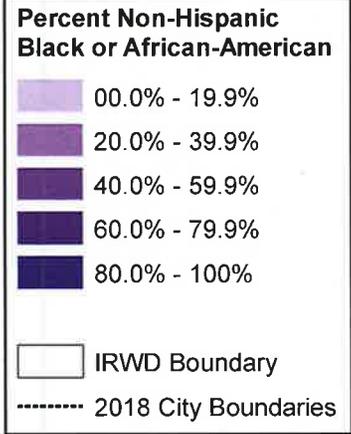
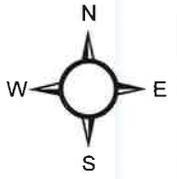
Percent Non-Hispanic Asian

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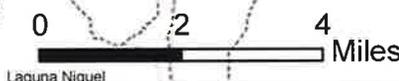
- IRWD Boundary
- 2018 City Boundaries

Source: 2010 Decennial Census P.L. 94-171 Redistricting Data

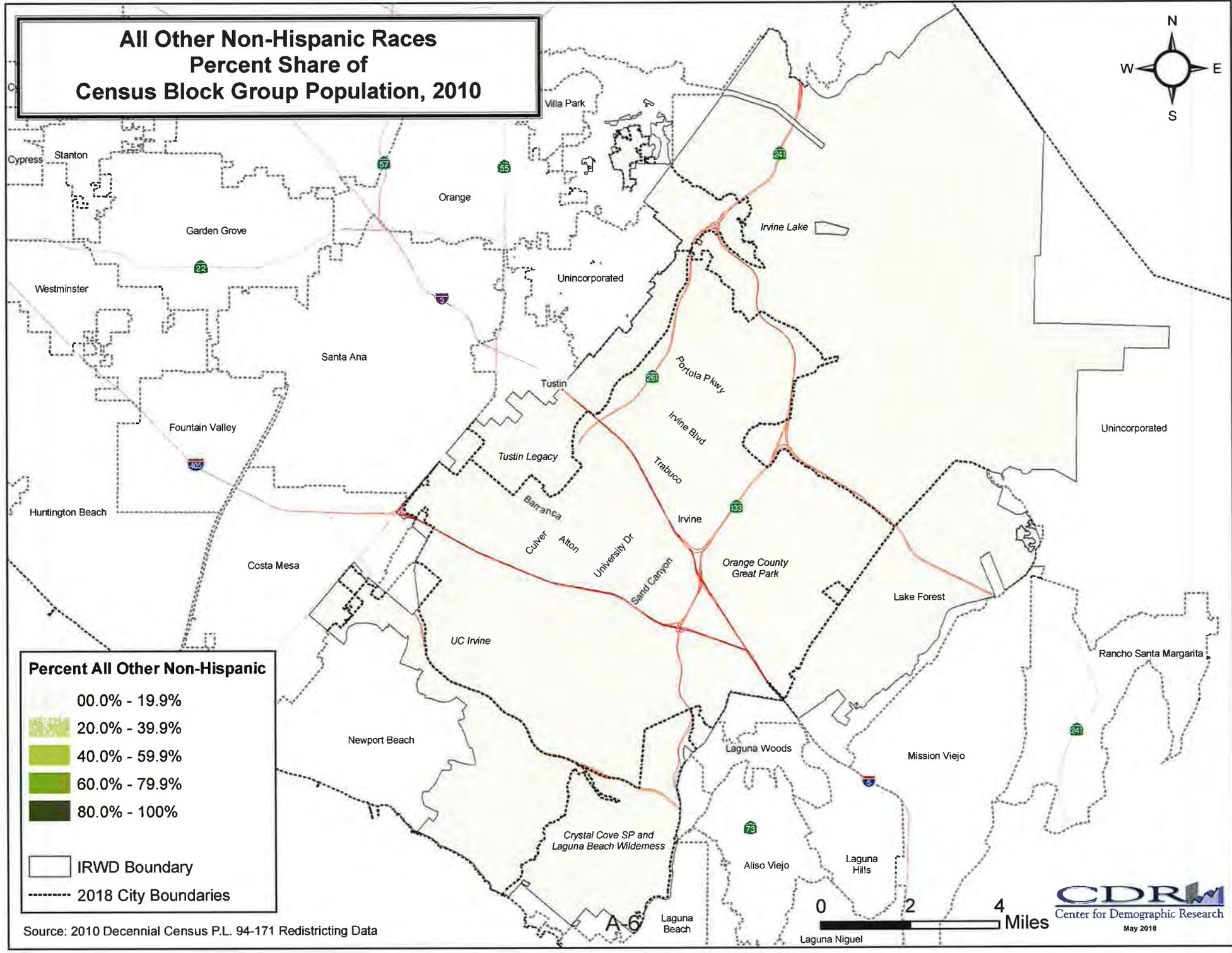
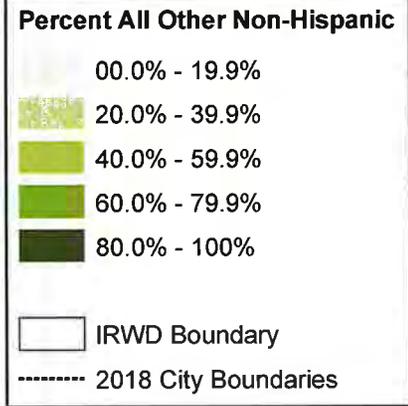
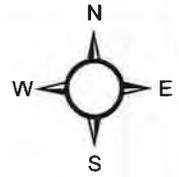
Non-Hispanic Black or African-American Percent Share of Census Block Group Population, 2010



Source: 2010 Decennial Census P.L. 94-171 Redistricting Data

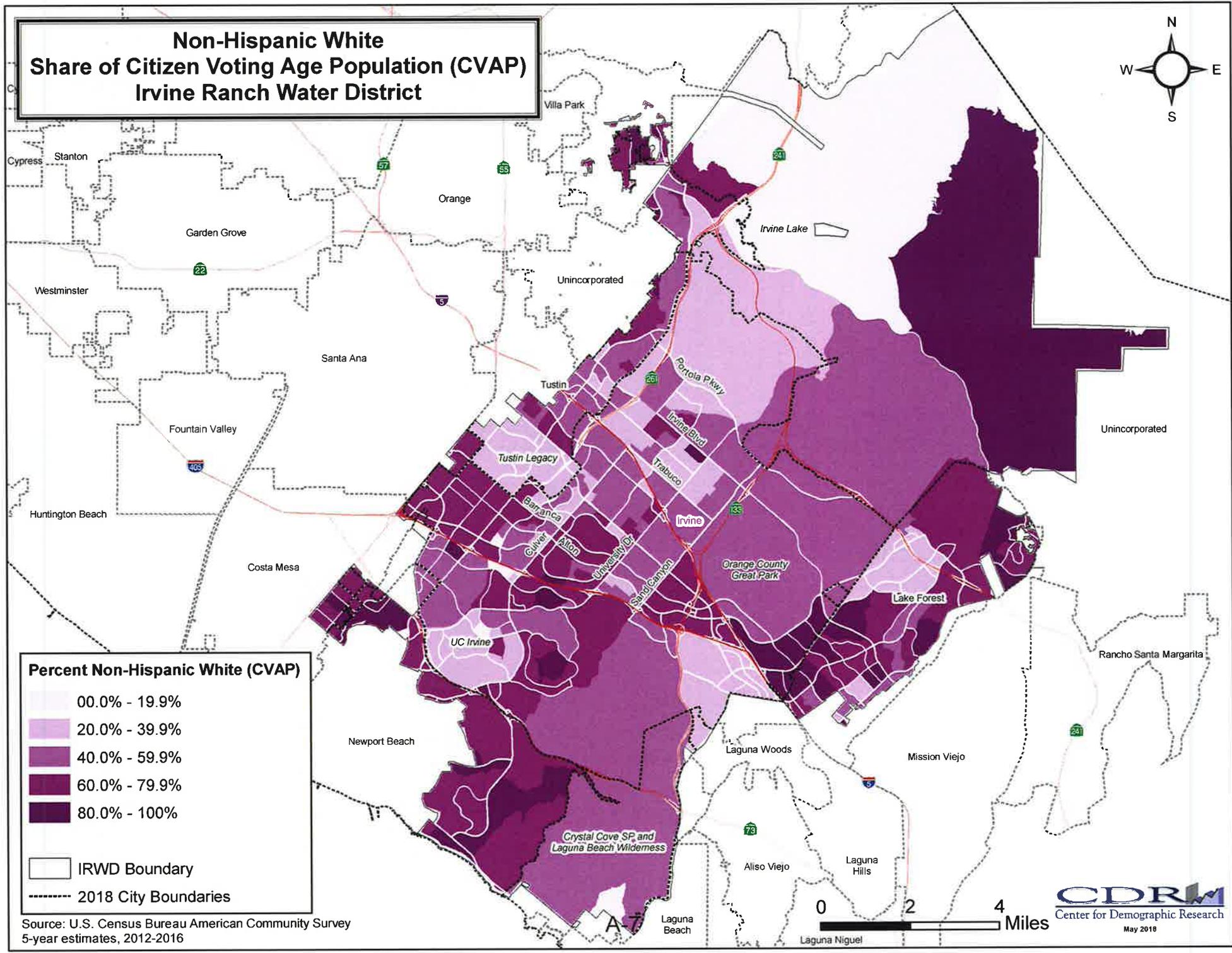
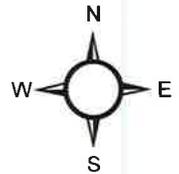


All Other Non-Hispanic Races Percent Share of Census Block Group Population, 2010



Source: 2010 Decennial Census P.L. 94-171 Redistricting Data

Non-Hispanic White Share of Citizen Voting Age Population (CVAP) Irvine Ranch Water District



Percent Non-Hispanic White (CVAP)

- 00.0% - 19.9%
- 20.0% - 39.9%
- 40.0% - 59.9%
- 60.0% - 79.9%
- 80.0% - 100%

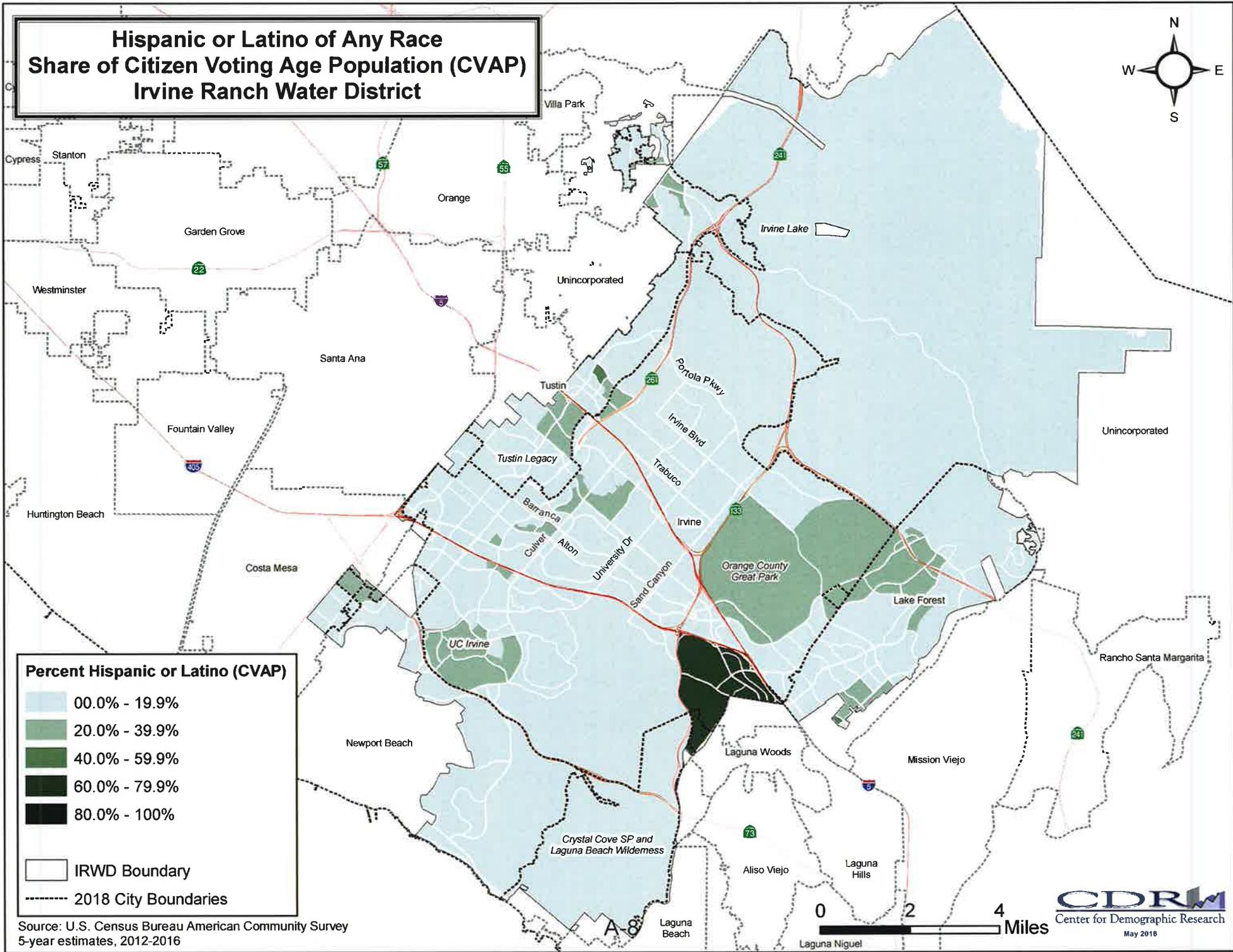
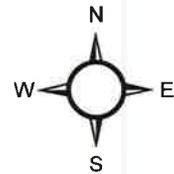
- IRWD Boundary
- 2018 City Boundaries

Source: U.S. Census Bureau American Community Survey
5-year estimates, 2012-2016



CDRM
Center for Demographic Research
May 2018

Hispanic or Latino of Any Race Share of Citizen Voting Age Population (CVAP) Irvine Ranch Water District

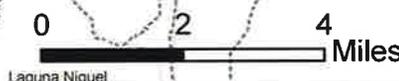


Percent Hispanic or Latino (CVAP)

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- 80.0% - 100%

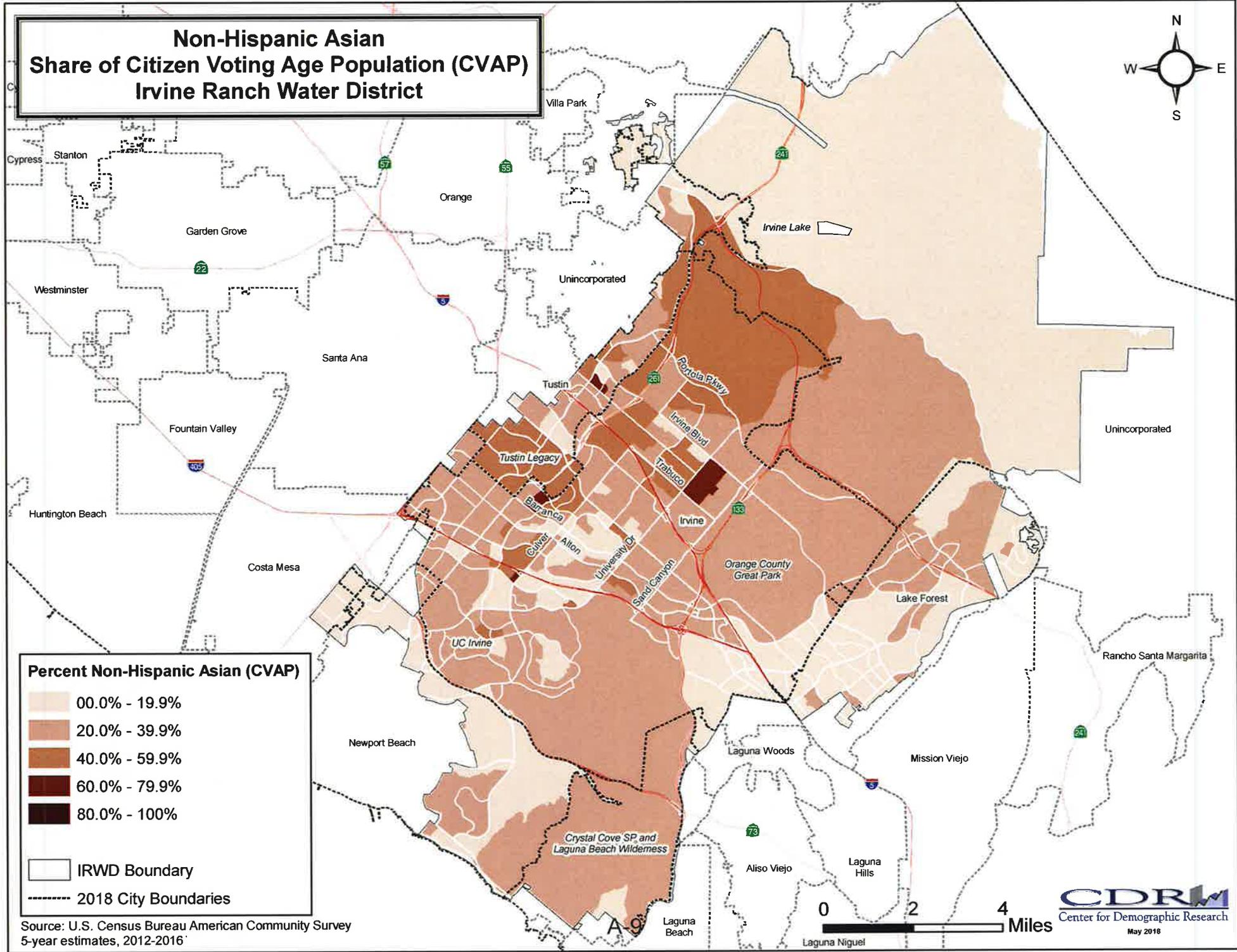
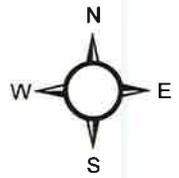
- IRWD Boundary
- 2018 City Boundaries

Source: U.S. Census Bureau American Community Survey
5-year estimates, 2012-2016



CDRM
Center for Demographic Research
May 2018

Non-Hispanic Asian Share of Citizen Voting Age Population (CVAP) Irvine Ranch Water District

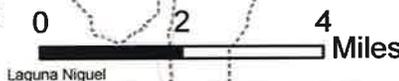


Percent Non-Hispanic Asian (CVAP)

- 00.0% - 19.9%
- 20.0% - 39.9%
- 40.0% - 59.9%
- 60.0% - 79.9%
- 80.0% - 100%

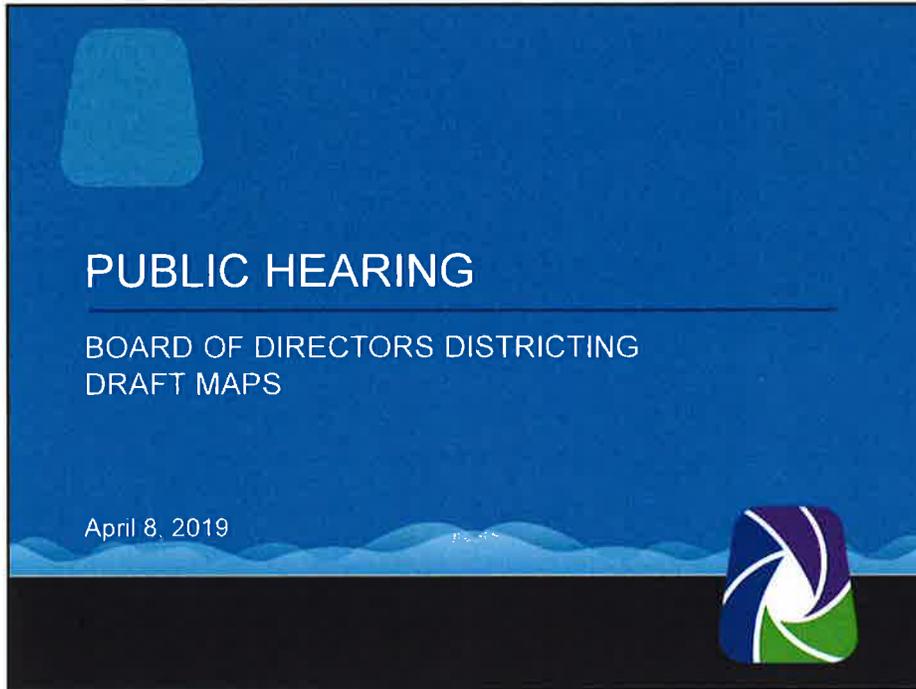
- IRWD Boundary
- 2018 City Boundaries

Source: U.S. Census Bureau American Community Survey
5-year estimates, 2012-2016



CDRM
Center for Demographic Research
May 2016

EXHIBIT "B"

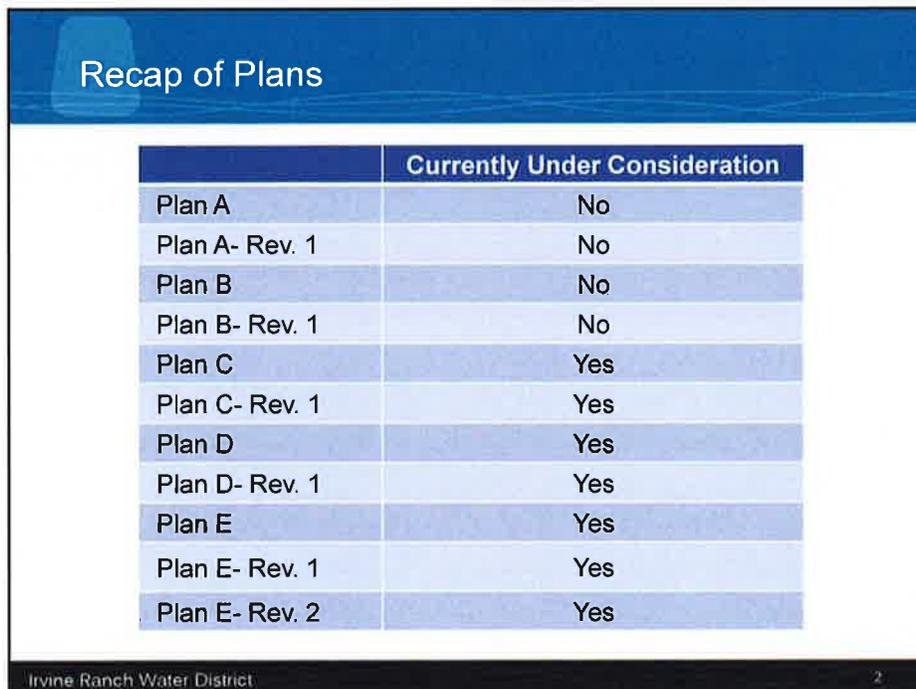


A blue title slide for a public hearing. The text is white and centered. At the bottom right is a logo with purple, blue, and green curved shapes. The date 'April 8, 2019' is in the bottom left.

PUBLIC HEARING

BOARD OF DIRECTORS DISTRICTING
DRAFT MAPS

April 8, 2019

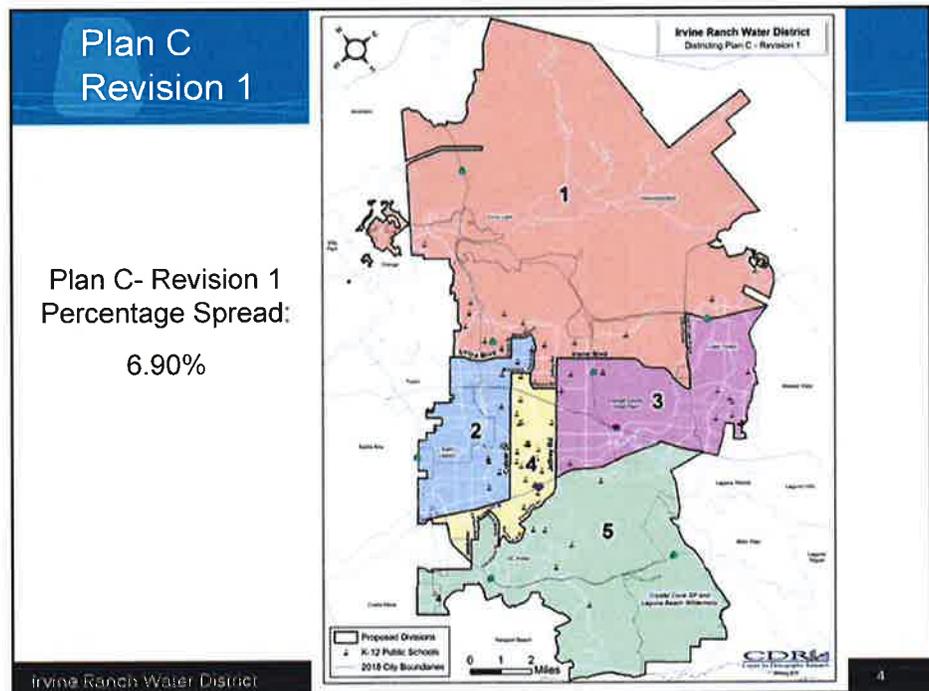
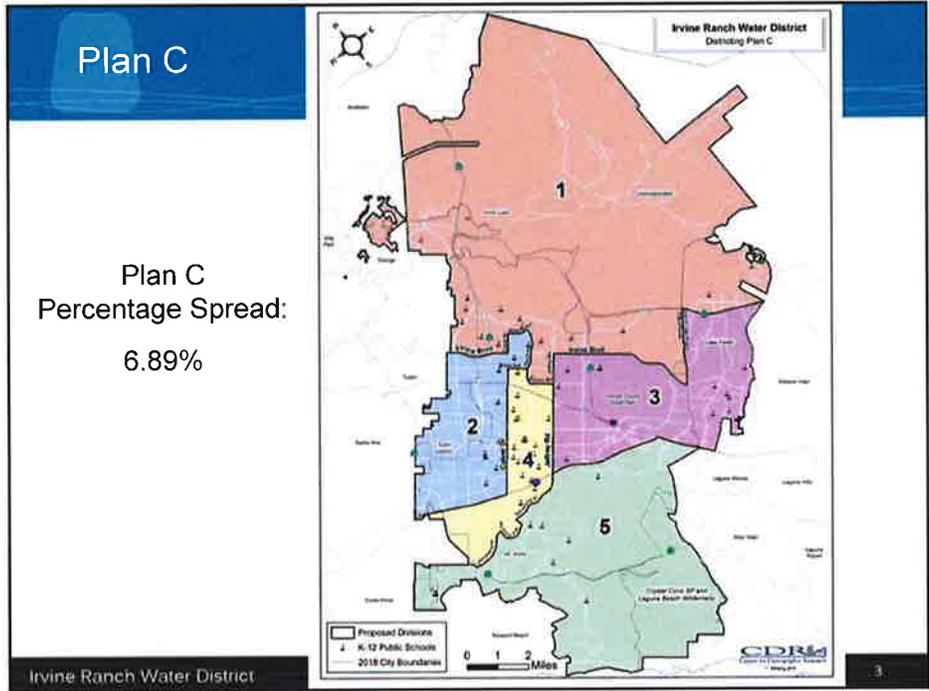


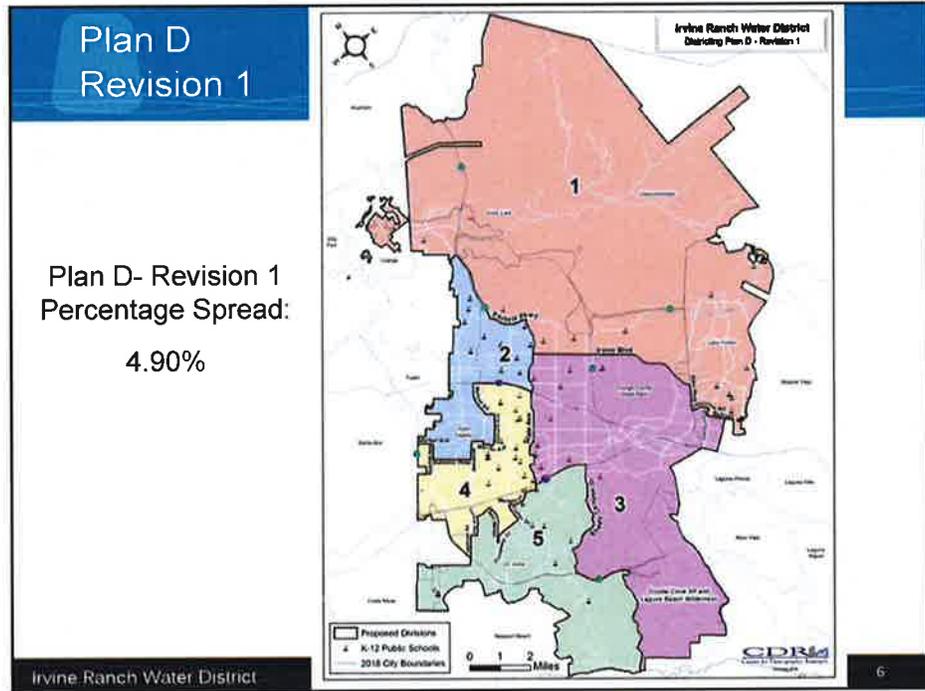
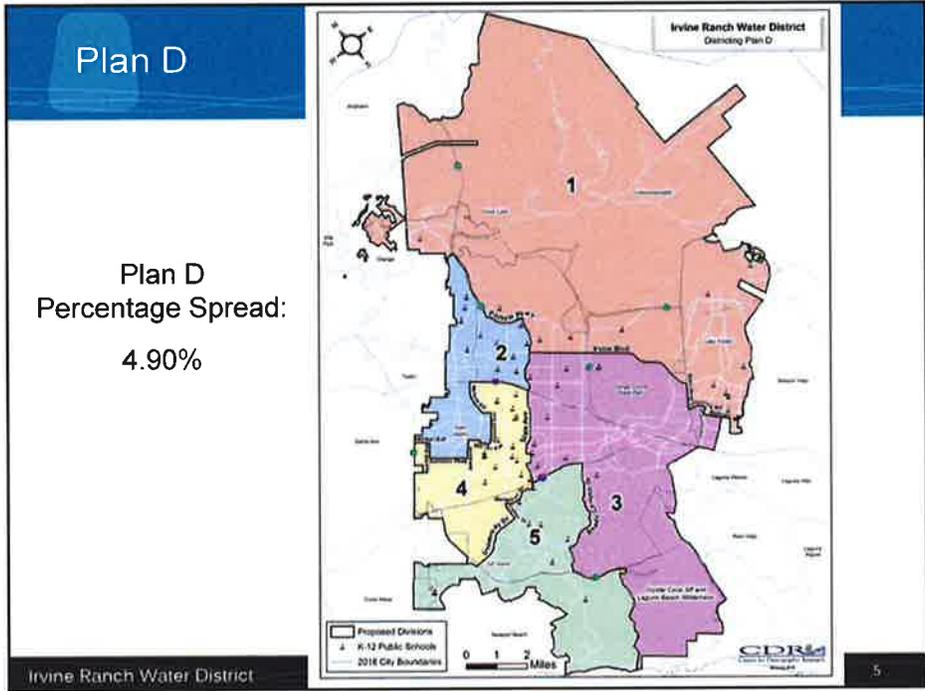
A slide titled 'Recap of Plans' containing a table. The table has two columns: the first lists plan names, and the second, titled 'Currently Under Consideration', lists 'Yes' or 'No'. The table is set against a white background with a blue header.

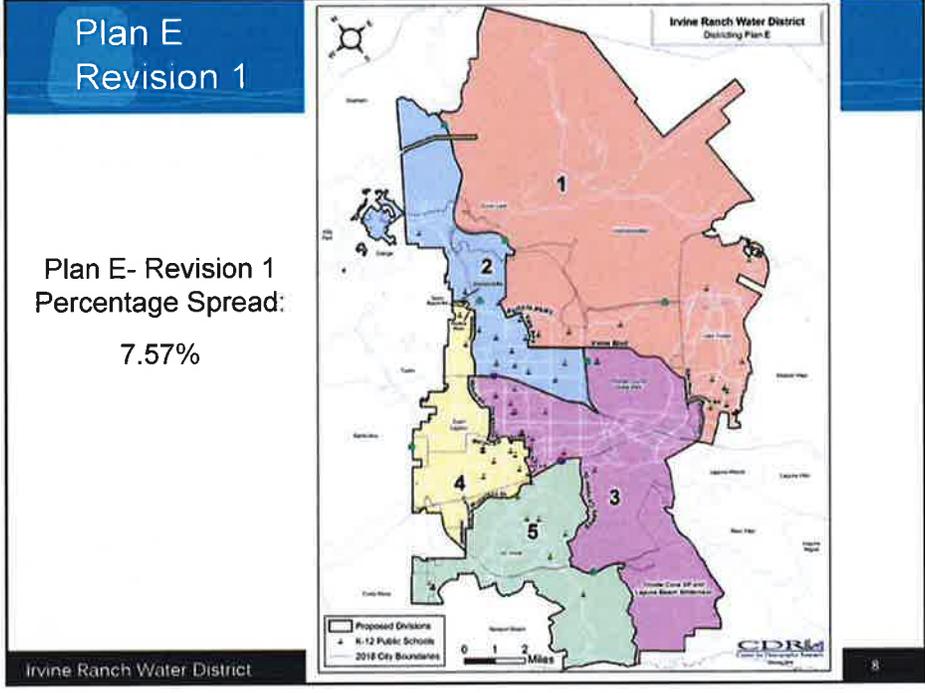
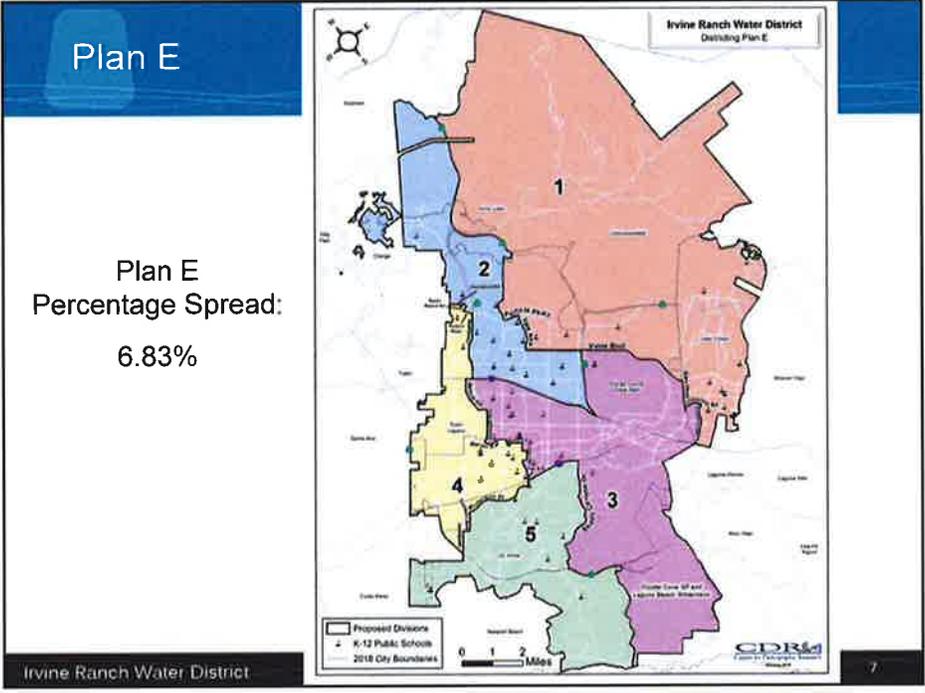
Recap of Plans

	Currently Under Consideration
Plan A	No
Plan A- Rev. 1	No
Plan B	No
Plan B- Rev. 1	No
Plan C	Yes
Plan C- Rev. 1	Yes
Plan D	Yes
Plan D- Rev. 1	Yes
Plan E	Yes
Plan E- Rev. 1	Yes
Plan E- Rev. 2	Yes

Irvine Ranch Water District 2

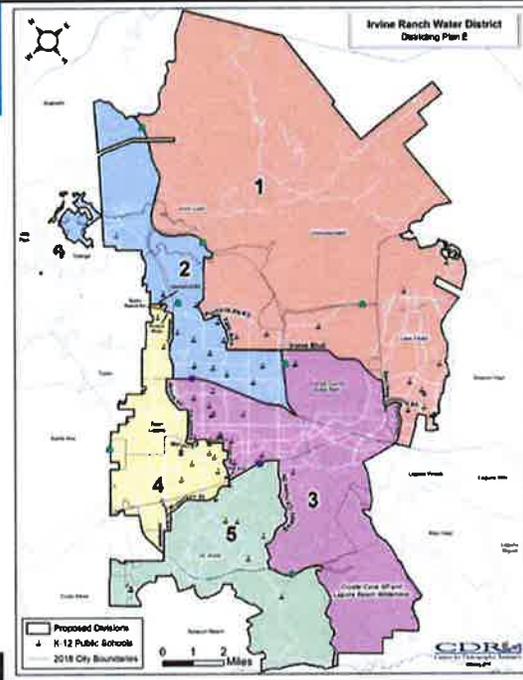






Plan E Revision 2

Plan E- Revision 2
Percentage Spread:
5.44%

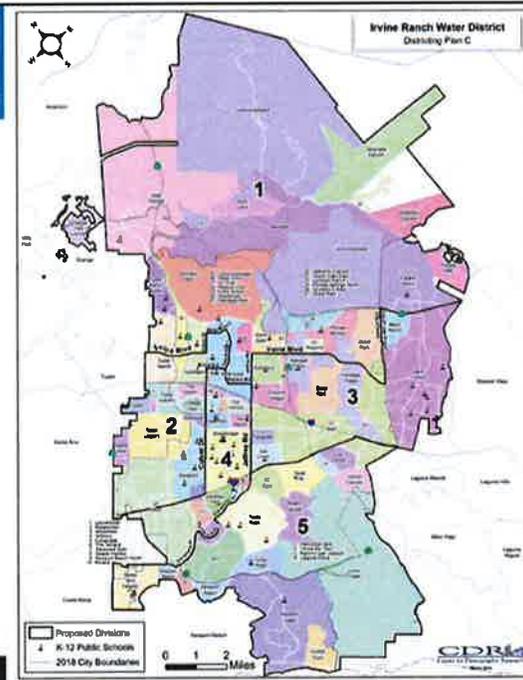


Irvine Ranch Water District

9

Plan C

Plan C
Percentage Spread:
6.89%



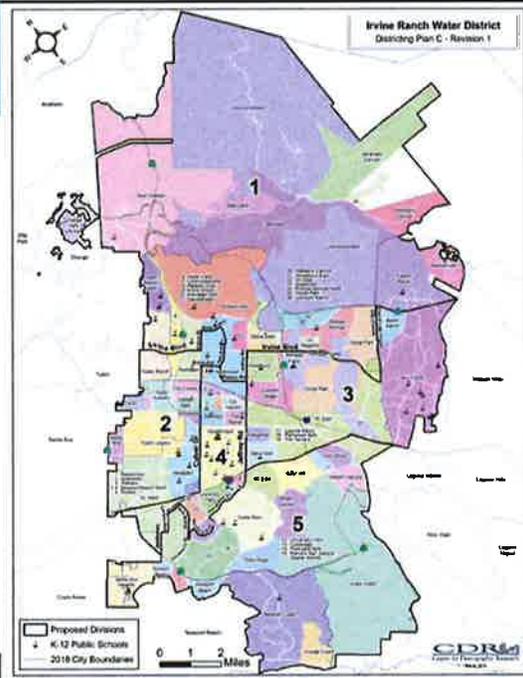
Irvine Ranch Water District

10

Plan C Revision 1

Plan C- Revision 1
Percentage Spread:
6.90%

Irvine Ranch Water District

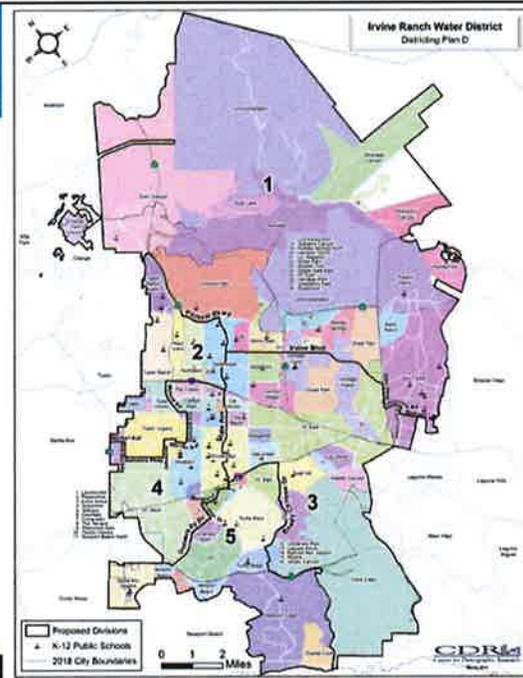


11

Plan D

Plan D
Percentage Spread:
4.90%

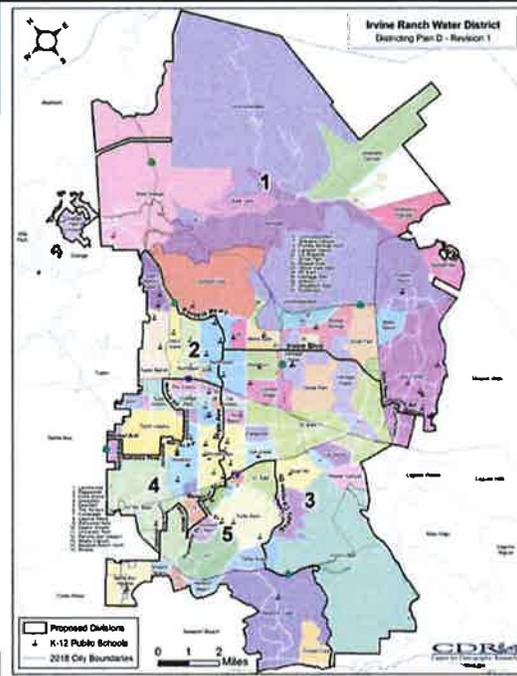
Irvine Ranch Water District



12

Plan D Revision 1

Plan D- Revision 1
Percentage Spread:
4.90%

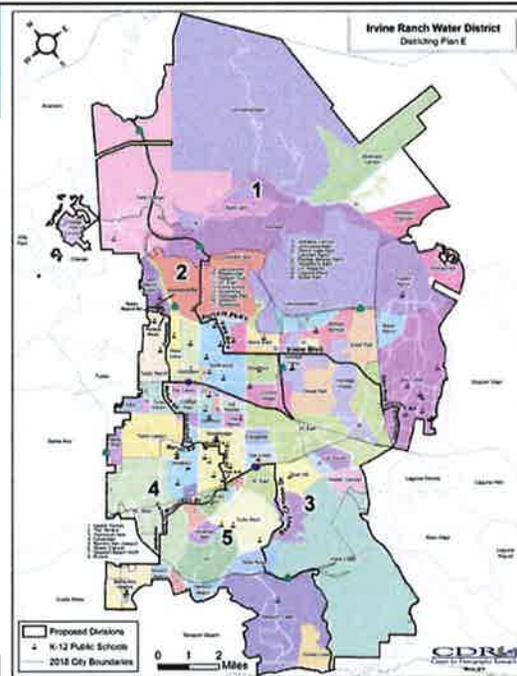


Irvine Ranch Water District

13

Plan E

Plan E
Percentage Spread:
6.83%

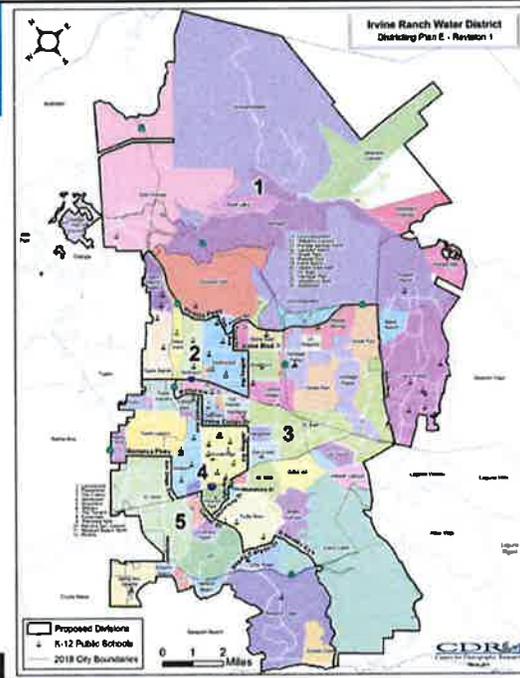


Irvine Ranch Water District

14

Plan E Revision 1

Plan E- Revision 1
Percentage Spread:
7.57%

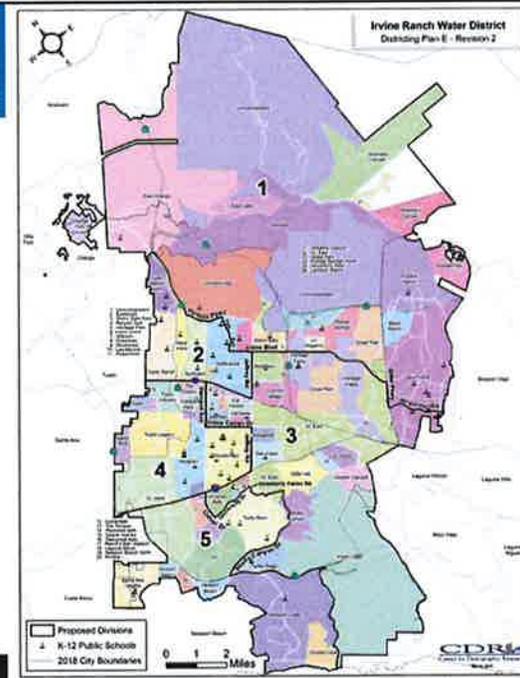


Irvine Ranch Water District

15

Plan E Revision 2

Plan E- Revision 2
Percentage Spread:
5.44%



Irvine Ranch Water District

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IRWD Criteria for Drawing Division Boundaries

- 1) Each director division shall contain a nearly equal number of inhabitants as reflected in the most recent decennial census.
- 2) Divisions shall be drawn in a manner that complies with the Federal Voting Rights Act.
- 3) Divisions shall consist of contiguous territory.
- 4) Divisions will be in as compact a form as possible given the other criteria set forth.
- 5) Division boundaries will respect communities of interest as much as possible.
- 6) Division boundaries will consider jurisdictional boundaries as much as possible.
- 7) Division boundaries will observe topography and geography such as man-made and natural geographic features insofar as practicable.
- 8) Division boundaries will attempt to allow the voters to retain current Directors if they choose by avoiding placing Directors in the same division insofar as this does not conflict with federal or state law requirements.
- 9) To the extent proposed divisions do not contain equal population as reflected in the most recent decennial census, population growth since the last decennial census and anticipated population growth before the next decennial census may be considered so long as population deviation remains within the parameters allowed by law.

Population Spread by Proposed Plan

	Population Spread
Plan C	6.89%
Plan C- Rev. 1	6.90%
Plan D	4.90%
Plan D- Rev. 1	4.90%
Plan E	6.83%
Plan E- Rev. 1	7.57%
Plan E- Rev. 2	5.44%

Proposed Divisions with Largest Share of Citizen Voting Age Population (CVAP)

	Division with largest Hispanic CVAP	Share	Division with largest NH Asian CVAP	Share
Plan C	5	12.7%	2	37.1%
Plan C- Rev. 1	5	12.7%	2	37.1%
Plan D	1	13.0%	2	40.0%
Plan D- Rev. 1	1	13.0%	2	40.0%
Plan E	1 & 5	12.7%	2	41.6%
Plan E- Rev. 1	5	13.7%	2	40.7%
Plan E- Rev. 2	5	13.3%	2	40.9%

How many current board members are in each proposed division?

	1	2	3	4	5
Plan C	1	1	1	1	1
Plan C- Rev. 1	1	1	1	1	1
Plan D	1	1	1	1	1
Plan D- Rev. 1	1	1	1	1	1
Plan E	1	1	1	1	1
Plan E- Rev. 1	1	1	1	1	1
Plan E- Rev. 2	1	1	1	1	1

Questions, Public Comment, & Next Steps

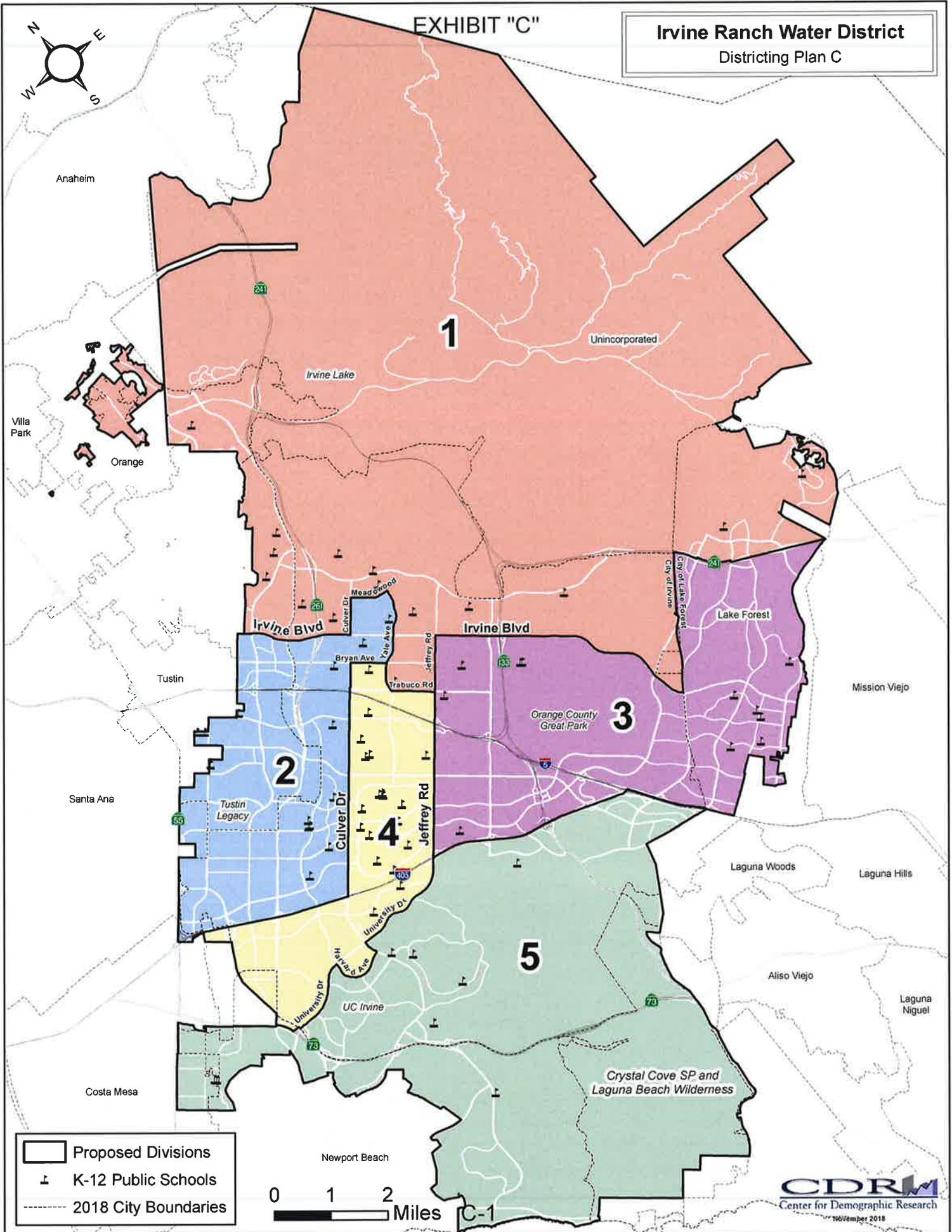


Irvine Ranch Water District

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EXHIBIT "C"

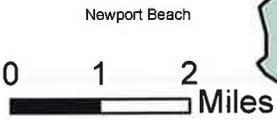
Irvine Ranch Water District
Districting Plan C



Proposed Divisions

 K-12 Public Schools

 2018 City Boundaries



Irvine Ranch Water District- Plan C

Table 1. Population by Division and Race/Ethnicity

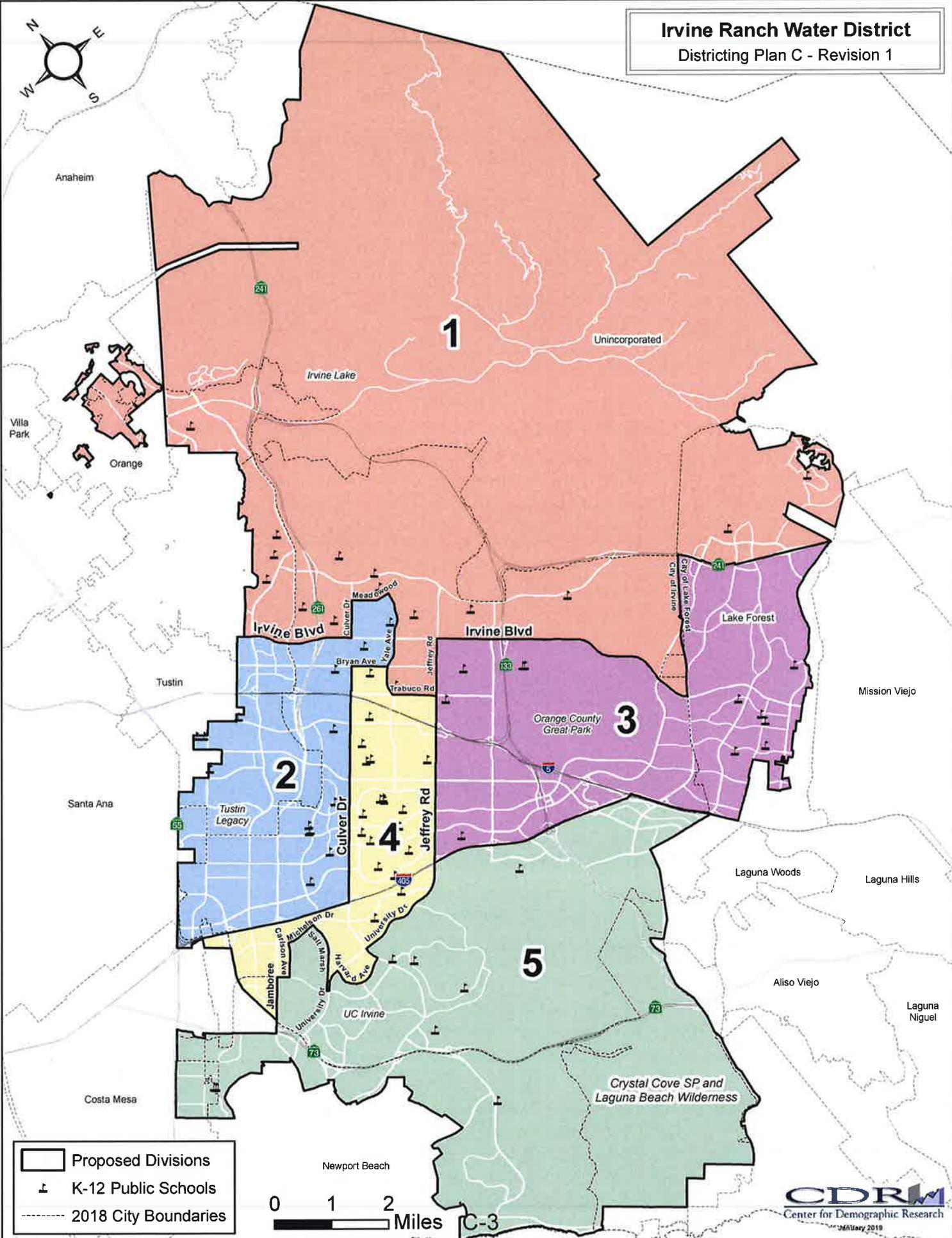
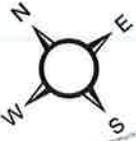
	DIVISION					Total
	1	2	3	4	5	
Total Population	67,287	68,734	64,489	67,504	69,137	337,151
Hispanic or Latino of any Race	7,207	8,366	11,970	6,565	6,217	40,325
Non-Hispanic White	34,971	27,775	34,295	34,978	39,178	171,197
Non-Hispanic Asian	21,208	27,914	14,497	21,318	19,838	104,775
Non-Hispanic Black or African-American	882	1,285	1,065	1,217	724	5,173
All Other Non-Hispanic Races/Ethnicities	3,019	3,394	2,662	3,426	3,180	15,681
Population 18 Years and Older	49,198	52,320	49,821	53,898	56,414	261,651
Hispanic or Latino of any Race	4,994	5,738	8,157	4,759	4,883	28,531
Non-Hispanic White	26,753	22,422	28,090	29,237	32,261	138,763
Non-Hispanic Asian	15,298	21,233	11,188	16,792	16,551	81,062
Non-Hispanic Black or African-American	681	988	846	904	610	4,029
All Other Non-Hispanic Races/Ethnicities	1,472	1,939	1,540	2,206	2,109	9,266
Citizen Voting Age Population (CVAP)	49,766	45,063	47,919	49,264	52,331	244,343
Hispanic or Latino of any Race	4,740	5,511	5,614	4,908	6,640	27,413
Non-Hispanic White	25,854	19,822	29,236	29,019	31,579	135,510
Non-Hispanic Asian	16,698	16,710	10,470	12,856	11,997	68,731
Non-Hispanic Black or African-American	889	1,160	1,328	971	462	4,810
All Other Non-Hispanic Races/Ethnicities	1,585	1,860	1,271	1,510	1,653	7,879

Target Division Population	67,430					
Division Difference from Target Population	-143	1,304	-2,941	74	1,707	
Percent Difference from Target Population	-0.21%	1.93%	-4.36%	0.11%	2.53%	
Percentage Spread	6.89%					

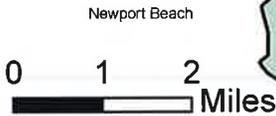
Table 2. Share of Division Populations

	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	10.7%	12.2%	18.6%	9.7%	9.0%
Non-Hispanic White	52.0%	40.4%	53.2%	51.8%	56.7%
Non-Hispanic Asian	31.5%	40.6%	22.5%	31.6%	28.7%
Non-Hispanic Black or African-American	1.3%	1.9%	1.7%	1.8%	1.0%
All Other Non-Hispanic Races/Ethnicities	4.5%	4.9%	4.1%	5.1%	4.6%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	10.2%	11.0%	16.4%	8.8%	8.7%
Non-Hispanic White	54.4%	42.9%	56.4%	54.2%	57.2%
Non-Hispanic Asian	31.1%	40.6%	22.5%	31.2%	29.3%
Non-Hispanic Black or African-American	1.4%	1.9%	1.7%	1.7%	1.1%
All Other Non-Hispanic Races/Ethnicities	3.0%	3.7%	3.1%	4.1%	3.7%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	9.5%	12.2%	11.7%	10.0%	12.7%
Non-Hispanic White	52.0%	44.0%	61.0%	58.9%	60.3%
Non-Hispanic Asian	33.6%	37.1%	21.8%	26.1%	22.9%
Non-Hispanic Black or African-American	1.8%	2.6%	2.8%	2.0%	0.9%
All Other Non-Hispanic Races/Ethnicities	3.2%	4.1%	2.7%	3.1%	3.2%

Irvine Ranch Water District
Districting Plan C - Revision 1



Proposed Divisions
 K-12 Public Schools
 2018 City Boundaries



C-3

Irvine Ranch Water District- Plan C- Revision 1

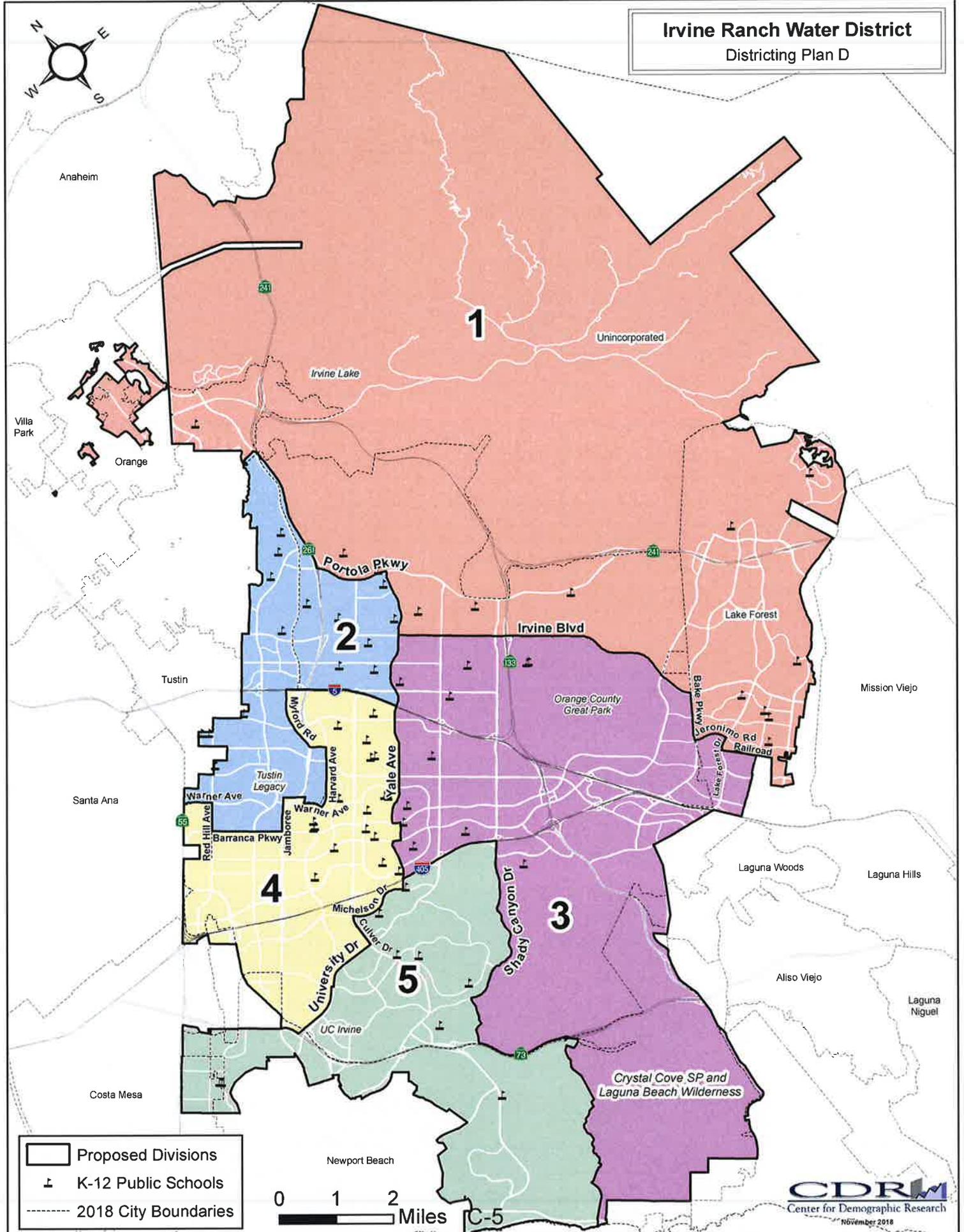
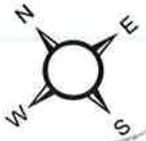
Table 1. Population by Division and Race/Ethnicity

	DIVISION					Total
	1	2	3	4	5	
Total Population	67,287	68,734	64,489	67,501	69,140	337,151
Hispanic or Latino of any Race	7,207	8,366	11,970	6,565	6,217	40,325
Non-Hispanic White	34,971	27,775	34,295	34,975	39,181	171,197
Non-Hispanic Asian	21,208	27,914	14,497	21,318	19,838	104,775
Non-Hispanic Black or African-American	882	1,285	1,065	1,217	724	5,173
All Other Non-Hispanic Races/Ethnicities	3,019	3,394	2,662	3,426	3,180	15,681
Population 18 Years and Older	49,198	52,320	49,821	53,896	56,416	261,651
Hispanic or Latino of any Race	4,994	5,738	8,157	4,759	4,883	28,531
Non-Hispanic White	26,753	22,422	28,090	29,235	32,263	138,763
Non-Hispanic Asian	15,298	21,233	11,188	16,792	16,551	81,062
Non-Hispanic Black or African-American	681	988	846	904	610	4,029
All Other Non-Hispanic Races/Ethnicities	1,472	1,939	1,540	2,206	2,109	9,266
Citizen Voting Age Population (CVAP)	49,766	45,063	47,919	49,262	52,333	244,343
Hispanic or Latino of any Race	4,740	5,511	5,614	4,908	6,640	27,413
Non-Hispanic White	25,854	19,822	29,236	29,017	31,581	135,510
Non-Hispanic Asian	16,698	16,710	10,470	12,856	11,997	68,731
Non-Hispanic Black or African-American	889	1,160	1,328	971	462	4,810
All Other Non-Hispanic Races/Ethnicities	1,585	1,860	1,271	1,510	1,653	7,879
Target Division Population	67,430					
Division Difference from Target Population	-143	1,304	-2,941	71	1,710	
Percent Difference from Target Population	-0.21%	1.93%	-4.36%	0.10%	2.54%	
Percentage Spread	6.90%					

Table 2. Share of Division Populations

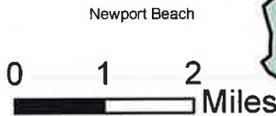
	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	10.7%	12.2%	18.6%	9.7%	9.0%
Non-Hispanic White	52.0%	40.4%	53.2%	51.8%	56.7%
Non-Hispanic Asian	31.5%	40.6%	22.5%	31.6%	28.7%
Non-Hispanic Black or African-American	1.3%	1.9%	1.7%	1.8%	1.0%
All Other Non-Hispanic Races/Ethnicities	4.5%	4.9%	4.1%	5.1%	4.6%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	10.2%	11.0%	16.4%	8.8%	8.7%
Non-Hispanic White	54.4%	42.9%	56.4%	54.2%	57.2%
Non-Hispanic Asian	31.1%	40.6%	22.5%	31.2%	29.3%
Non-Hispanic Black or African-American	1.4%	1.9%	1.7%	1.7%	1.1%
All Other Non-Hispanic Races/Ethnicities	3.0%	3.7%	3.1%	4.1%	3.7%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	9.5%	12.2%	11.7%	10.0%	12.7%
Non-Hispanic White	52.0%	44.0%	61.0%	58.9%	60.3%
Non-Hispanic Asian	33.6%	37.1%	21.8%	26.1%	22.9%
Non-Hispanic Black or African-American	1.8%	2.6%	2.8%	2.0%	0.9%
All Other Non-Hispanic Races/Ethnicities	3.2%	4.1%	2.7%	3.1%	3.2%

Irvine Ranch Water District Districting Plan D



Legend:

- Proposed Divisions
- K-12 Public Schools
- 2018 City Boundaries



C-5

Irvine Ranch Water District- Plan D

Table 1. Population by Division and Race/Ethnicity

	DIVISION					Total
	1	2	3	4	5	
Total Population	68,657	67,602	65,350	67,537	68,005	337,151
Hispanic or Latino of any Race	12,543	7,853	7,213	6,607	6,109	40,325
Non-Hispanic White	41,197	28,932	30,824	30,538	39,706	171,197
Non-Hispanic Asian	11,168	26,688	23,012	25,545	18,362	104,775
Non-Hispanic Black or African-American	1,026	1,045	1,082	1,310	710	5,173
All Other Non-Hispanic Races/Ethnicities	2,723	3,084	3,219	3,537	3,118	15,681
Population 18 Years and Older	51,839	49,715	50,426	53,280	56,391	261,651
Hispanic or Latino of any Race	8,542	5,293	5,073	4,749	4,874	28,531
Non-Hispanic White	32,446	22,525	25,379	25,332	33,081	138,763
Non-Hispanic Asian	8,565	19,542	17,249	19,971	15,735	81,062
Non-Hispanic Black or African-American	811	774	834	1,009	601	4,029
All Other Non-Hispanic Races/Ethnicities	1,475	1,581	1,891	2,219	2,100	9,266
Citizen Voting Age Population (CVAP)	50,644	44,570	50,582	45,490	53,057	244,343
Hispanic or Latino of any Race	6,593	4,568	4,832	4,656	6,764	27,413
Non-Hispanic White	32,329	19,404	26,910	24,296	32,571	135,510
Non-Hispanic Asian	9,180	17,843	16,566	13,602	11,540	68,731
Non-Hispanic Black or African-American	967	1,124	1,084	1,173	462	4,810
All Other Non-Hispanic Races/Ethnicities	1,575	1,631	1,190	1,763	1,720	7,879

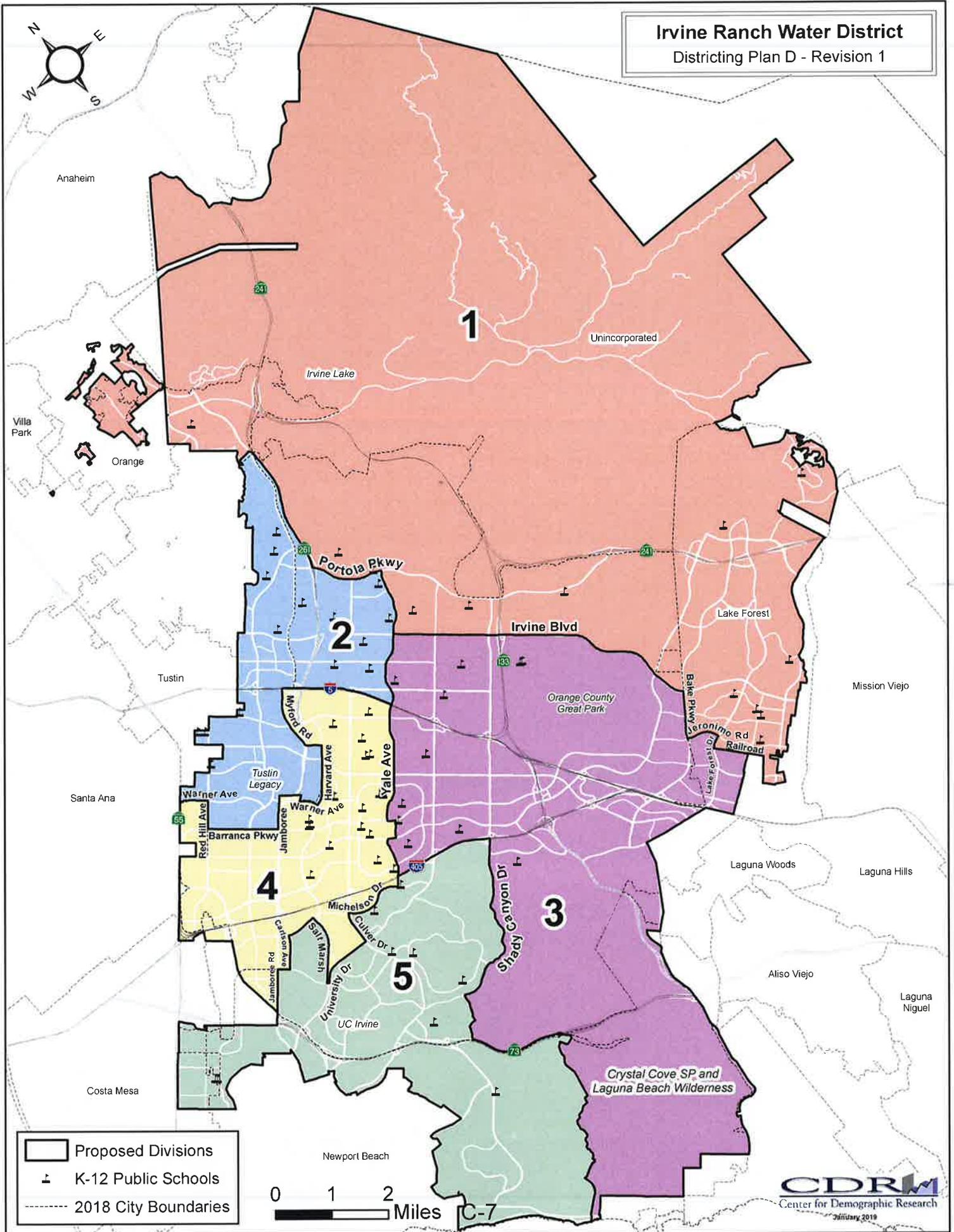
Target Division Population	67,430					
Division Difference from Target Population	1,227	172	-2,080	107	575	
Percent Difference from Target Population	1.82%	0.25%	-3.08%	0.16%	0.85%	
Percentage Spread	4.90%					

Table 2. Share of Division Populations

	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	18.3%	11.6%	11.0%	9.8%	9.0%
Non-Hispanic White	60.0%	42.8%	47.2%	45.2%	58.4%
Non-Hispanic Asian	16.3%	39.5%	35.2%	37.8%	27.0%
Non-Hispanic Black or African-American	1.5%	1.5%	1.7%	1.9%	1.0%
All Other Non-Hispanic Races/Ethnicities	4.0%	4.6%	4.9%	5.2%	4.6%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	16.5%	10.6%	10.1%	8.9%	8.6%
Non-Hispanic White	62.6%	45.3%	50.3%	47.5%	58.7%
Non-Hispanic Asian	16.5%	39.3%	34.2%	37.5%	27.9%
Non-Hispanic Black or African-American	1.6%	1.6%	1.7%	1.9%	1.1%
All Other Non-Hispanic Races/Ethnicities	2.8%	3.2%	3.8%	4.2%	3.7%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	13.0%	10.2%	9.6%	10.2%	12.7%
Non-Hispanic White	63.8%	43.5%	53.2%	53.4%	61.4%
Non-Hispanic Asian	18.1%	40.0%	32.8%	29.9%	21.8%
Non-Hispanic Black or African-American	1.9%	2.5%	2.1%	2.6%	0.9%
All Other Non-Hispanic Races/Ethnicities	3.1%	3.7%	2.4%	3.9%	3.2%

Irvine Ranch Water District

Districting Plan D - Revision 1



Irvine Ranch Water District- Plan D- Revision 1

Table 1. Population by Division and Race/Ethnicity

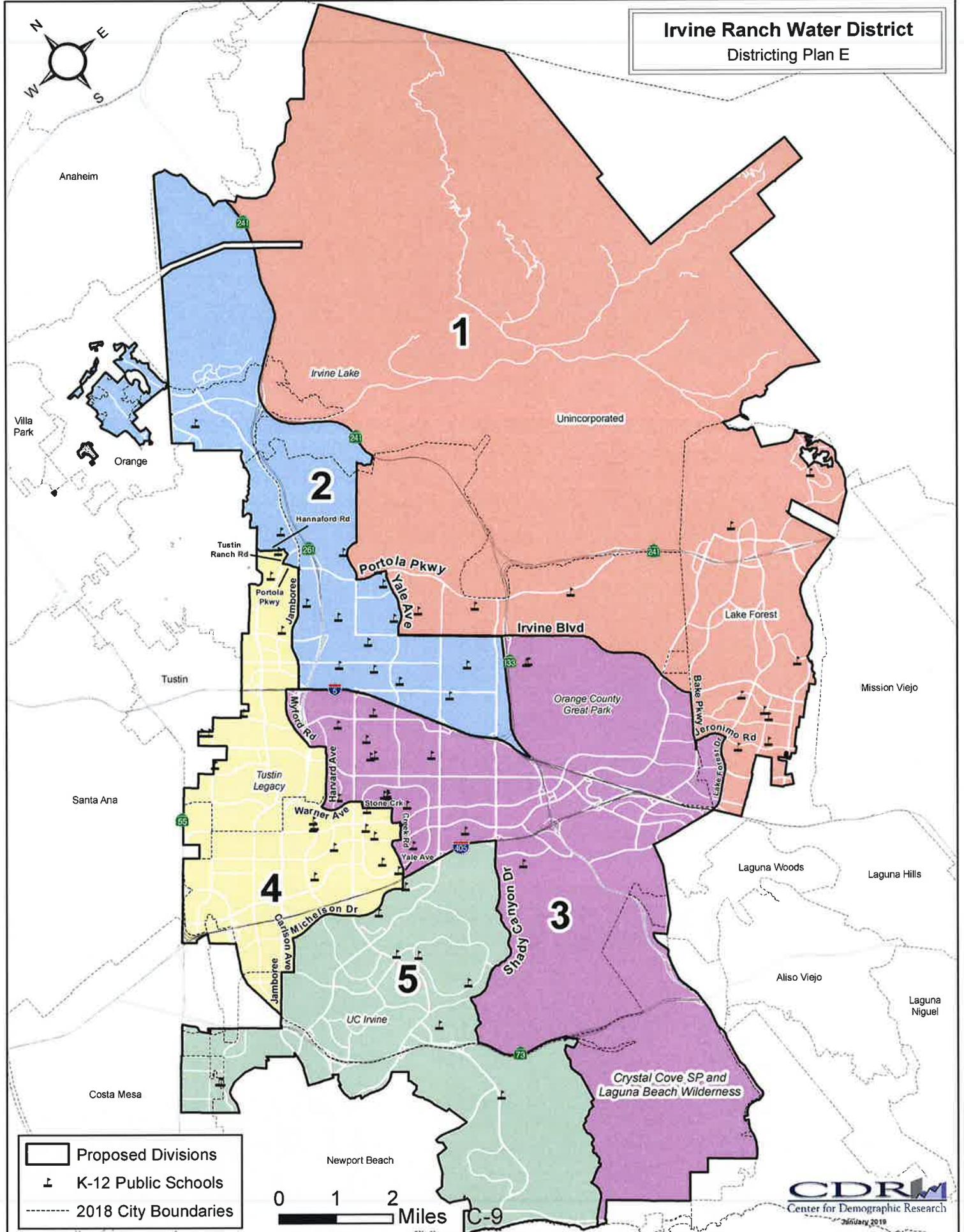
	DIVISION					Total
	1	2	3	4	5	
Total Population	68,657	67,602	65,350	67,534	68,008	337,151
Hispanic or Latino of any Race	12,543	7,853	7,213	6,607	6,109	40,325
Non-Hispanic White	41,197	28,932	30,824	30,535	39,709	171,197
Non-Hispanic Asian	11,168	26,688	23,012	25,545	18,362	104,775
Non-Hispanic Black or African-American	1,026	1,045	1,082	1,310	710	5,173
All Other Non-Hispanic Races/Ethnicities	2,723	3,084	3,219	3,537	3,118	15,681
Population 18 Years and Older	51,839	49,715	50,426	53,278	56,393	261,651
Hispanic or Latino of any Race	8,542	5,293	5,073	4,749	4,874	28,531
Non-Hispanic White	32,446	22,525	25,379	25,330	33,083	138,763
Non-Hispanic Asian	8,565	19,542	17,249	19,971	15,735	81,062
Non-Hispanic Black or African-American	811	774	834	1,009	601	4,029
All Other Non-Hispanic Races/Ethnicities	1,475	1,581	1,891	2,219	2,100	9,266
Citizen Voting Age Population (CVAP)	50,644	44,570	50,582	45,488	53,059	244,343
Hispanic or Latino of any Race	6,593	4,568	4,832	4,656	6,764	27,413
Non-Hispanic White	32,329	19,404	26,910	24,294	32,573	135,510
Non-Hispanic Asian	9,180	17,843	16,566	13,602	11,540	68,731
Non-Hispanic Black or African-American	967	1,124	1,084	1,173	462	4,810
All Other Non-Hispanic Races/Ethnicities	1,575	1,631	1,190	1,763	1,720	7,879

Target Division Population	67,430					
Division Difference from Target Population	1,227	172	-2,080	104	578	
Percent Difference from Target Population	1.82%	0.25%	-3.08%	0.15%	0.86%	
Percentage Spread	4.90%					

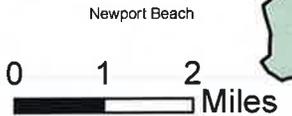
Table 2. Share of Division Populations

	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	18.3%	11.6%	11.0%	9.8%	9.0%
Non-Hispanic White	60.0%	42.8%	47.2%	45.2%	58.4%
Non-Hispanic Asian	16.3%	39.5%	35.2%	37.8%	27.0%
Non-Hispanic Black or African-American	1.5%	1.5%	1.7%	1.9%	1.0%
All Other Non-Hispanic Races/Ethnicities	4.0%	4.6%	4.9%	5.2%	4.6%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	16.5%	10.6%	10.1%	8.9%	8.6%
Non-Hispanic White	62.6%	45.3%	50.3%	47.5%	58.7%
Non-Hispanic Asian	16.5%	39.3%	34.2%	37.5%	27.9%
Non-Hispanic Black or African-American	1.6%	1.6%	1.7%	1.9%	1.1%
All Other Non-Hispanic Races/Ethnicities	2.8%	3.2%	3.8%	4.2%	3.7%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	13.0%	10.2%	9.6%	10.2%	12.7%
Non-Hispanic White	63.8%	43.5%	53.2%	53.4%	61.4%
Non-Hispanic Asian	18.1%	40.0%	32.8%	29.9%	21.7%
Non-Hispanic Black or African-American	1.9%	2.5%	2.1%	2.6%	0.9%
All Other Non-Hispanic Races/Ethnicities	3.1%	3.7%	2.4%	3.9%	3.2%

Irvine Ranch Water District Districting Plan E



Proposed Divisions
K-12 Public Schools
2018 City Boundaries



Irvine Ranch Water District- Plan E

Table 1. Population by Division and Race/Ethnicity

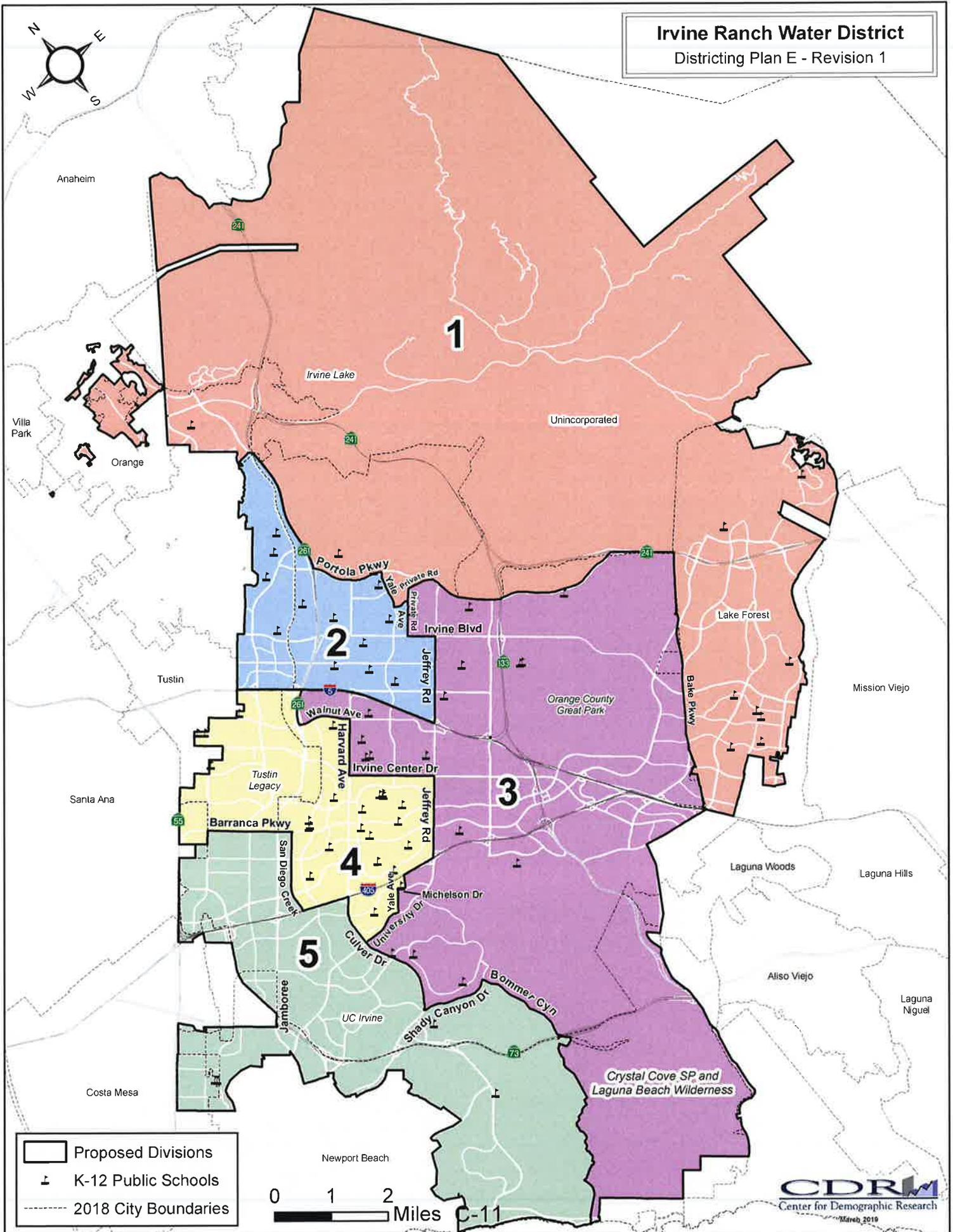
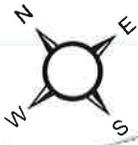
	DIVISION					Total
	1	2	3	4	5	
Total Population	66,378	67,029	65,115	68,908	69,721	337,151
Hispanic or Latino of any Race	13,083	6,186	5,997	8,839	6,220	40,325
Non-Hispanic White	38,945	28,934	31,021	31,496	40,801	171,197
Non-Hispanic Asian	10,662	27,676	23,955	23,684	18,798	104,775
Non-Hispanic Black or African-American	1,030	1,028	976	1,411	728	5,173
All Other Non-Hispanic Races/Ethnicities	2,658	3,205	3,166	3,478	3,174	15,681
Population 18 Years and Older	50,065	49,292	49,901	54,461	57,932	261,651
Hispanic or Latino of any Race	8,863	4,224	4,239	6,239	4,966	28,531
Non-Hispanic White	30,749	22,583	25,149	26,174	34,108	138,763
Non-Hispanic Asian	8,188	20,133	17,932	18,717	16,092	81,062
Non-Hispanic Black or African-American	816	747	746	1,101	619	4,029
All Other Non-Hispanic Races/Ethnicities	1,449	1,605	1,835	2,230	2,147	9,266
Citizen Voting Age Population (CVAP)	48,305	48,274	46,449	47,060	54,255	244,343
Hispanic or Latino of any Race	6,133	4,422	4,395	5,578	6,885	27,413
Non-Hispanic White	31,135	21,206	25,410	24,356	33,403	135,510
Non-Hispanic Asian	8,528	20,090	14,241	14,136	11,736	68,731
Non-Hispanic Black or African-American	1,102	1,225	940	1,061	482	4,810
All Other Non-Hispanic Races/Ethnicities	1,407	1,331	1,463	1,929	1,749	7,879
Target Division Population	67,430					
Division Difference from Target Population	-1,052	-401	-2,315	1,478	2,291	
Percent Difference from Target Population	-1.56%	-0.59%	-3.43%	2.19%	3.40%	
Percentage Spread	6.83%					

Table 2. Share of Division Populations

	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	19.7%	9.2%	9.2%	12.8%	8.9%
Non-Hispanic White	58.7%	43.2%	47.6%	45.7%	58.5%
Non-Hispanic Asian	16.1%	41.3%	36.8%	34.4%	27.0%
Non-Hispanic Black or African-American	1.6%	1.5%	1.5%	2.0%	1.0%
All Other Non-Hispanic Races/Ethnicities	4.0%	4.8%	4.9%	5.0%	4.6%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	17.7%	8.6%	8.5%	11.5%	8.6%
Non-Hispanic White	61.4%	45.8%	50.4%	48.1%	58.9%
Non-Hispanic Asian	16.4%	40.8%	35.9%	34.4%	27.8%
Non-Hispanic Black or African-American	1.6%	1.5%	1.5%	2.0%	1.1%
All Other Non-Hispanic Races/Ethnicities	2.9%	3.3%	3.7%	4.1%	3.7%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	12.7%	9.2%	9.5%	11.9%	12.7%
Non-Hispanic White	64.5%	43.9%	54.7%	51.8%	61.6%
Non-Hispanic Asian	17.7%	41.6%	30.7%	30.0%	21.6%
Non-Hispanic Black or African-American	2.3%	2.5%	2.0%	2.3%	0.9%
All Other Non-Hispanic Races/Ethnicities	2.9%	2.8%	3.1%	4.1%	3.2%

Irvine Ranch Water District

Districting Plan E - Revision 1



Irvine Ranch Water District- Plan E- Revision 1

Table 1. Population by Division and Race/Ethnicity

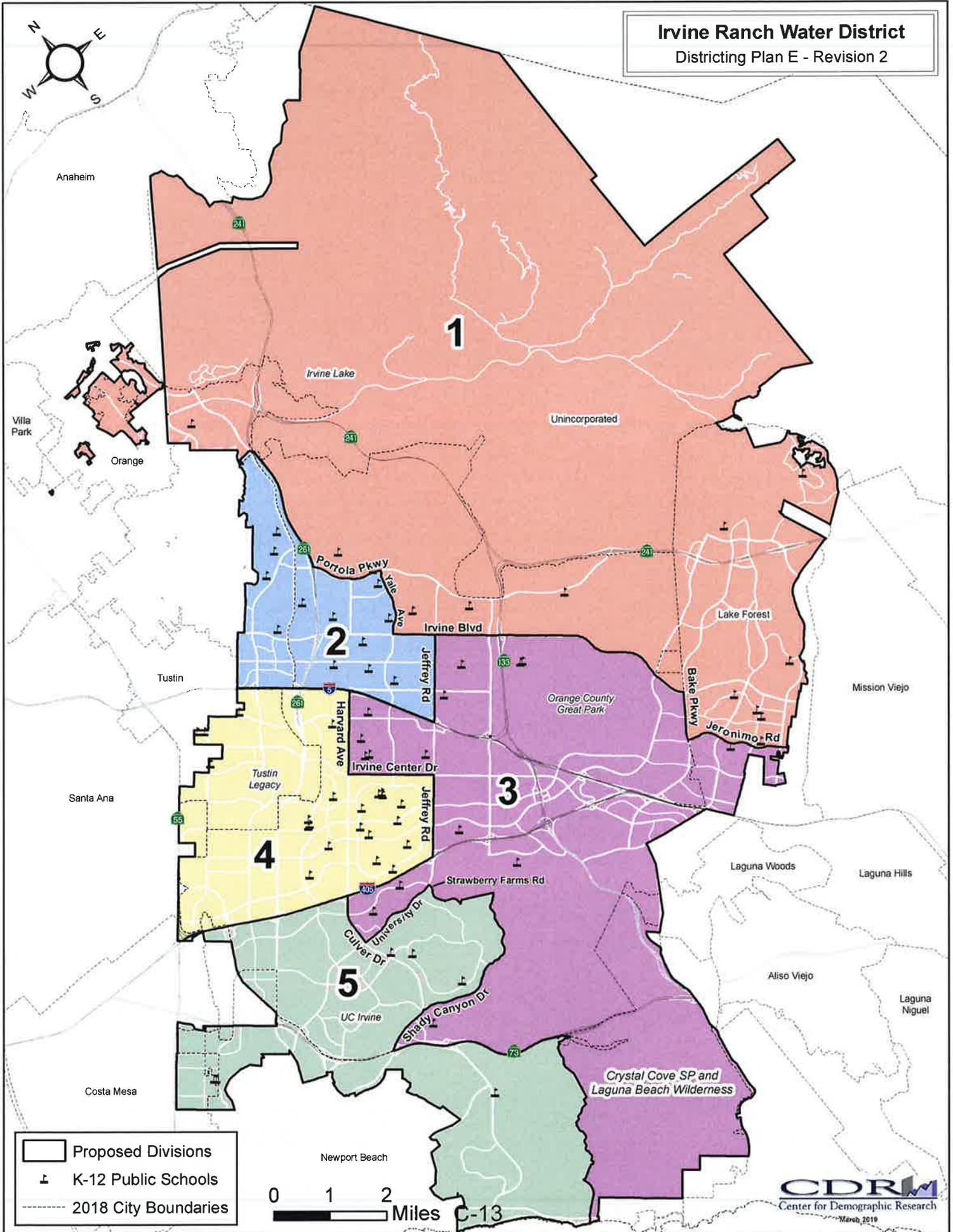
	DIVISION					Total
	1	2	3	4	5	
Total Population	70,011	68,796	65,507	67,933	64,904	337,151
Hispanic or Latino of any Race	13,445	7,069	5,925	7,334	6,552	40,325
Non-Hispanic White	42,386	30,048	30,477	31,889	36,397	171,197
Non-Hispanic Asian	10,444	27,207	25,081	24,088	17,955	104,775
Non-Hispanic Black or African-American	1,016	1,180	947	1,090	940	5,173
All Other Non-Hispanic Races/Ethnicities	2,720	3,292	3,077	3,532	3,060	15,681
Population 18 Years and Older	52,707	50,833	50,938	52,043	55,130	261,651
Hispanic or Latino of any Race	9,005	4,779	4,408	5,031	5,308	28,531
Non-Hispanic White	33,403	23,585	25,220	25,759	30,796	138,763
Non-Hispanic Asian	8,060	19,909	18,760	18,340	15,993	81,062
Non-Hispanic Black or African-American	798	869	761	797	804	4,029
All Other Non-Hispanic Races/Ethnicities	1,441	1,691	1,789	2,116	2,229	9,266
Citizen Voting Age Population (CVAP)	50,306	48,026	49,422	44,771	51,818	244,343
Hispanic or Latino of any Race	6,559	4,693	4,454	4,594	7,113	27,413
Non-Hispanic White	33,428	20,985	25,517	24,721	30,859	135,510
Non-Hispanic Asian	7,779	19,544	16,991	13,093	11,324	68,731
Non-Hispanic Black or African-American	1,088	1,244	909	663	906	4,810
All Other Non-Hispanic Races/Ethnicities	1,452	1,560	1,551	1,700	1,616	7,879
Target Division Population	67,430					
Division Difference from Target Population	2,581	1,366	-1,923	503	-2,526	
Percent Difference from Target Population	3.83%	2.03%	-2.85%	0.75%	-3.75%	
Percentage Spread	7.57%					

Table 2. Share of Division Populations

	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	19.2%	10.3%	9.0%	10.8%	10.1%
Non-Hispanic White	60.5%	43.7%	46.5%	46.9%	56.1%
Non-Hispanic Asian	14.9%	39.5%	38.3%	35.5%	27.7%
Non-Hispanic Black or African-American	1.5%	1.7%	1.4%	1.6%	1.4%
All Other Non-Hispanic Races/Ethnicities	3.9%	4.8%	4.7%	5.2%	4.7%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	17.1%	9.4%	8.7%	9.7%	9.6%
Non-Hispanic White	63.4%	46.4%	49.5%	49.5%	55.9%
Non-Hispanic Asian	15.3%	39.2%	36.8%	35.2%	29.0%
Non-Hispanic Black or African-American	1.5%	1.7%	1.5%	1.5%	1.5%
All Other Non-Hispanic Races/Ethnicities	2.7%	3.3%	3.5%	4.1%	4.0%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	13.0%	9.8%	9.0%	10.3%	13.7%
Non-Hispanic White	66.4%	43.7%	51.6%	55.2%	59.6%
Non-Hispanic Asian	15.5%	40.7%	34.4%	29.2%	21.9%
Non-Hispanic Black or African-American	2.2%	2.6%	1.8%	1.5%	1.7%
All Other Non-Hispanic Races/Ethnicities	2.9%	3.2%	3.1%	3.8%	3.1%

Irvine Ranch Water District

Districting Plan E - Revision 2



Irvine Ranch Water District- Plan E-Revision 2

Table 1. Population by Division and Race/Ethnicity

	DIVISION					Total
	1	2	3	4	5	
Total Population	65,531	67,021	66,202	69,195	69,202	337,151
Hispanic or Latino of any Race	11,310	6,870	7,958	7,627	6,560	40,325
Non-Hispanic White	39,723	29,069	31,455	31,427	39,523	171,197
Non-Hispanic Asian	10,843	26,733	22,801	25,391	19,007	104,775
Non-Hispanic Black or African-American	1,003	1,147	939	1,177	907	5,173
All Other Non-Hispanic Races/Ethnicities	2,652	3,202	3,049	3,573	3,205	15,681
Population 18 Years and Older	49,405	49,390	51,356	53,018	58,482	261,651
Hispanic or Latino of any Race	7,716	4,622	5,635	5,259	5,299	28,531
Non-Hispanic White	31,167	22,750	25,975	25,381	33,490	138,763
Non-Hispanic Asian	8,296	19,540	17,220	19,364	16,642	81,062
Non-Hispanic Black or African-American	793	845	734	882	775	4,029
All Other Non-Hispanic Races/Ethnicities	1,433	1,633	1,792	2,132	2,276	9,266
Citizen Voting Age Population (CVAP)	48,698	46,786	47,761	46,099	54,999	244,343
Hispanic or Latino of any Race	6,146	4,562	4,656	4,707	7,342	27,413
Non-Hispanic White	31,176	20,384	26,419	24,548	32,983	135,510
Non-Hispanic Asian	8,940	19,138	14,440	14,207	12,006	68,731
Non-Hispanic Black or African-American	925	1,208	1,009	820	848	4,810
All Other Non-Hispanic Races/Ethnicities	1,511	1,494	1,237	1,817	1,820	7,879
Target Division Population	67,430					
Division Difference from Target Population	-1,899	-409	-1,228	1,765	1,772	
Percent Difference from Target Population	-2.82%	-0.61%	-1.82%	2.62%	2.63%	
Percentage Spread	5.44%					

Table 2. Share of Division Populations

	DIVISION				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	17.3%	10.3%	12.0%	11.0%	9.5%
Non-Hispanic White	60.6%	43.4%	47.5%	45.4%	57.1%
Non-Hispanic Asian	16.5%	39.9%	34.4%	36.7%	27.5%
Non-Hispanic Black or African-American	1.5%	1.7%	1.4%	1.7%	1.3%
All Other Non-Hispanic Races/Ethnicities	4.0%	4.8%	4.6%	5.2%	4.6%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	15.6%	9.4%	11.0%	9.9%	9.1%
Non-Hispanic White	63.1%	46.1%	50.6%	47.9%	57.3%
Non-Hispanic Asian	16.8%	39.6%	33.5%	36.5%	28.5%
Non-Hispanic Black or African-American	1.6%	1.7%	1.4%	1.7%	1.3%
All Other Non-Hispanic Races/Ethnicities	2.9%	3.3%	3.5%	4.0%	3.9%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	12.6%	9.8%	9.7%	10.2%	13.3%
Non-Hispanic White	64.0%	43.6%	55.3%	53.3%	60.0%
Non-Hispanic Asian	18.4%	40.9%	30.2%	30.8%	21.8%
Non-Hispanic Black or African-American	1.9%	2.6%	2.1%	1.8%	1.5%
All Other Non-Hispanic Races/Ethnicities	3.1%	3.2%	2.6%	3.9%	3.3%

April 8, 2019

Prepared by: C. Smithson / D. Pardee

Submitted by: C. Clary *CC*

Approved by: Paul A. Cook *[Signature]*

BOARD WORKSHOP

FISCAL YEARS 2019-20 AND 2020-21 OPERATING BUDGETS
AND PROPOSED RATES AND CHARGES

SUMMARY:

The proposed Fiscal Year (FY) 2019-20 Operating Budget for IRWD is \$167.0 million, representing an increase of \$9.8 million, or 6.3%, when compared to the Operating Budget for FY 2018-19. The proposed FY 2020-21 Operating Budget for IRWD is \$174.0 million, representing an increase of \$7.1 million, or 4.2%, when compared to the proposed Operating Budget for FY 2019-20.

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. IRWD continues to aggressively pursue reductions in expenses to offset uncontrollable expenses such as pass-through rate increases from outside agencies. The proposed budgets reflect the full cost of operating the Baker Water Treatment Plant in the individual line items with the reimbursement to IRWD for 76% of the operating expenses by the Baker Plant partners shown as a "reimbursement from Baker Partners" below. One of the largest operational changes reflected in the FY 2019-20 operating budget is the start-up of the Michelson Biosolids and Energy Recovery Project in 2019 with the majority of the facility on-line by December 2019.

The proposed increase over last year's budget is driven primarily by the following:

Primary Drivers	Variance	
	FY 2018-19 vs. 2019-20	FY 2019-20 vs. 2020-21
Increase in regular labor:		
- COLA		
- Promotions/upgrades/merit	\$1.7M	\$2.0M
- Proposed additions		
Increase in overtime labor	\$0.3M	\$0.0M
Increase (decrease) in contract labor	\$0.4M	(\$0.4M)
Increase in employee benefits:		
- PERS and health insurance	\$1.1M	\$1.8M
Increase in purchased water:		
- Pass through rate increases anticipated	\$1.8M	\$5.4M
Increase in electricity	\$2.5M	\$1.5M
Increase in fuel	\$0.4M	\$0.1M
Increase in chemicals	\$0.8M	\$0.6M
Increase in operating supplies	\$1.1M	\$0.1M
Decrease in OCSD & others repairs and maintenance	(\$3.3M)	(\$5.0M)
Increase in IRWD repairs and maintenance	\$1.0M	\$0.5M
Increase (decrease) in legal fees	\$0.8M	(\$0.3M)

(continued)	Variance	
	FY 2018-19 vs. 2019-20	FY 2019-20 vs. 2020-21
Primary Drivers		
Increase (decrease) in data processing	\$0.5M	(\$0.1M)
Increase in other professional fees	\$0.3M	\$0.0M
Increase in biosolids disposal	\$0.6M	\$0.4M
Decrease in conservation	(\$1.1M)	\$0.0M
Other net changes less than \$0.25	\$0.9M	\$0.5M
<i>Total proposed budget increases in FY 2019-20 and 2020-21</i>	<i>\$9.8M</i>	<i>\$7.1M</i>

Key Assumptions

The assumptions driving the proposed budgets and associated rates include both uncontrollable and controllable increases. Uncontrollable expenses are pass-through costs from outside agencies that the District has no control over. Controllable costs are those expenses that the District can affect. Some of the key assumptions driving the budgets include:

Assumptions	FY 2018-19	FY 2019-20	FY 2020-21
Uncontrollable			
Sales in Acre Feet (AF)	82,335	85,117	86,434
Customer growth rate	3.0%	3.0%	3.0%
OCWD RA rate/AF - 5%	\$462	\$487	\$511
MWDOC potable rate /AF - 3% (effective January 1)	\$1,050	\$1,078	\$1,110
MWDOC non-potable rate /AF - 3% (effective January 1)	\$734	\$758	\$781
MWDOC Meter Surcharge (per meter)	\$12.25	\$12.45	\$12.65
Electricity Rate Increase	0.0%	0.0%	4.5%
Controllable			
Biosolids facility startup in FY 2019-20			
No change in customer budget allocation			
No BEA			
PERS funding and Excess Contribution to ARC tied to Labor	26.4%	25.0%	26.2%
COLA - Labor	3.0%	3.0%	3.0%
Headcount - New positions	16	9	6

Rates

The District's rate-setting strategy provides for volume fluctuations in commodity sales without forcing rate increases to make up for the reduced sales. Rate increases are driven by operational expenses, many of which are a direct result of higher pass-through expenses from outside

agencies and not a result of reduced commodity sales. Rate increases are necessary to provide for cost of service equity.

In FY 2019-20, the proposed adjustment to rates include a low volume increase of \$0.07 per hundred cubic feet (ccf) and a base commodity rate increase of \$0.11 per ccf, with no change to the monthly service charge for water and \$0.30 increase in the monthly service charge for sewer. Based on the recommendation, a typical residential customer will experience an increase of \$1.42 or 2.6%, from \$53.78 to \$55.20 per month.

In FY 2020-21, the proposed adjustment to rates include a low volume increase of \$0.08 per ccf and a base commodity rate increase of \$0.13 per ccf, with an increase of \$0.05 in the monthly service charge for water and \$0.20 increase in the monthly service charge for sewer. Based on the recommendation, a typical residential customer will experience an increase of \$1.56 or 2.8%, from \$55.20 to \$56.76 per month.

Staff recommends the Board review and provide comments on the initial Operating Budgets and changes to the District's rates and charges for further review by the full Board at its workshop on April 22, 2019. Staff also intends to present Proposition 218 notices at the April 22, 2019 Board meeting.

BACKGROUND:

The initial proposed Operating Budgets, attached as Exhibit "A", have been organized into 10 major functional areas, including separate sections for proposed general plant purchases and labor changes:

- Assumptions;
- Consolidated Operating Budgets;
- Revenues and Expenses by System;
- Non-operating Net Income;
- Current and Proposed Residential Rates;
- Budgeted Revenue Summaries by System;
- Budgeted Cost of Water by System;
- Individual tabs with Major Goals, Proposed Organization Chart and FY 2019-20 and 2020-21 Expense Budgets by Department;
- General Plant; and
- Summary of Labor and Proposed Changes.

Budget Based Rate Structure:

The District moved to a budget-based rate structure in 1991 and initially established the over-allocation use tiers to incentivize water conservation. This approach immediately resulted in a decrease of water consumption that exceeded 10% and laid the groundwork for the efficient use of water by IRWD customers that is firmly established today. The rate structure continues to align excessive use with a marked increase in rates over the base rate

to fund costs including recycled water conversions. This helps reduce the District's need to purchase expensive imported water, the District's conservation efforts, and urban runoff treatment (NTS) which is a byproduct of wasteful water usage. The District's rate-setting methodology utilizes four tiers that include a low volume tier, a base rate and two over-allocation tiers. Sales in each tier are based on a three-year historical average. The potable system has several different sources of water and the tiered rates assume use of the lowest cost source first for each tier. The rate structure is based on the cost of service to provide water to each tier.

The budget-based rate structure is designed to promote conservation and the District's rate-setting process utilizes approved legislation included in Chapter 3.4 (sections 370-374) of the California Water Code that provides for the ability to add a conservation charge for uses beyond the reasonable use basic allocation. The proposed FY 2019-20 and 2020-21 Operating Budgets and recommended rate increases follow these guidelines. The District's rate-setting process provides for the determination of the nexus between the revenue generated from the proposed rates and the costs driving those rates, and between the rates and the estimated benefit from the additional associated costs.

Over-allocation revenue can fluctuate significantly from year to year; weather is typically the least predictable factor. During wet years, over-allocation revenue is reduced while dry years generate more as consumption increases. Consistent with the District's practice, as weather and consumption cannot be predicted, this fund is to be considered cyclical for use over a three-year to five-year period. The proposed FY 2019-20 and 2020-21 Operating Budgets include prioritized programs and expenditures that will utilize the fund and provide a benefit to the District during drier than normal years.

On an annual basis, over-allocation revenue provides for many programs that preserve the District's water conservation approach established years ago. Specifically, over-allocation revenue / funds provide for annual expenses that include:

- Conservation programs and incentives that provide a blended benefit to all over-allocation users;
- Outreach from District staff through programs with local schools and through WaterSmart;
- Conservation outreach efforts that include identifying and working with Inefficient and Wasteful tier users;
- Operation, maintenance, and management of water banking sites, which provide additional water in an allocation; and
- Operation, maintenance, and management of Natural Treatment System sites, which are designed to treat the runoff from over-irrigation, with additional sites added annually.

FY 2019-20 Revenue Requirements and Rates

The following table shows a year-over-year comparison between FY 2018-19 and FY 2019-20, identifying the change by system with the rate increases necessary to meet operating demands:

System Requirements		Water	Sewer	Recycled	Conserve and NTS	Total	Capital & Non-Oper
(in thousands)							
FY 2018-19		\$ 76,481	\$ 51,893	\$ 22,785	\$ 11,012	\$ 162,171	\$ 21,178
FY 2019-20		82,061	55,060	27,129	13,310	177,560	19,743
Total Change to Offset		(5,580)	(3,167)	(4,344)	(2,298)	(15,389)	
Revenue Applied:							
Usage Change from Prior Year		2,771	2,544	1,502	1,838	8,655	
Rate Increases		2,809	623	2,842	460	6,734	
Total Additional Revenue		\$ 5,580	\$ 3,167	\$ 4,344	\$ 2,298	\$ 15,389	
Net		-	-	-	-	-	

In the table below, staff has provided the detailed methodology for allocating costs to the budget-based rates consistent with Proposition 218 and Article X requirements.

FY 2019-20 Potable Water				
Allocation of Acre Feet by Source of Supply				
Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Sales by Tier in AF	18,646	28,964	2,817	2,197
Sources of Water				
Dyer Road Wellfield	(18,646)	(7,954)		
Orange Park Acres Well 1		(10)		
Deep Aquifer Treatment System		(7,820)		
Irvine Desalter Domestic		(4,603)		
Wells 21 & 22 Desalter Treatment		(1,956)		
Baker Treatment Facilities		(6,621)	(249)	
Imported Water		-	(2,568)	(2,197)
Net Allocation	-	-	-	-

FY 2019-20 Potable Water				
Rates per ccf Based on Cost of Service				
Building Tiered Rates	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.47			
Melded Cost of Water		\$1.97		
Blended Cost of Baker and Potable Import			\$3.06	
Loaded Cost of Imported Water				\$3.17
District Wide Conservation		\$0.03	\$0.03	\$0.03
Water Banking				\$1.87
Targeted Conservation			\$1.37	\$5.75
Natural Treatment Systems (NTS)			\$0.40	\$2.81
Total Cost per Tier	\$1.47	\$2.00	\$4.86	\$13.63
FY 2018-19 Rates by Tier	\$1.40	\$1.89	\$4.73	\$13.35
Change	\$0.07	\$0.11	\$0.13	\$0.28

No increase is proposed to the current \$10.35 monthly potable water fixed service charge.

The proposed increase to the current monthly sewer service charge of \$23.20 is \$0.30 per month for a typical residential customer.

The recycled system has three sources of water and the same approach is applied in establishing cost of service rates. The allocated costs associated with the recycled tiers for FY 2019-20 are as follows:

FY 2019-20 Recycled Water				
Allocation of Acre Feet by Source of Supply				
Tiers	Low Volume	Base Rate	Inefficient	Waste ful
Sales by Tier in AF	14,947	15,921	975	650
Sources of Water				
Produced	(14,947)	(7,257)		
Groundwater		(4,503)		
Imported Water		(4,161)	(975)	(650)
Net Allocation	-	-	-	-

FY 2019-20 Recycled Water				
Rates per ccf Based on Cost of Service				
Building Tiered Rates	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.19			
Melded Cost of Water		\$1.54		
Loaded Cost of Imported Water			\$2.73	\$2.73
District Wide Conservation		\$0.03	\$0.03	\$0.03
Targeted Conservation			\$0.00	\$1.05
Natural Treatment Systems (NTS)			\$0.39	\$2.81
Total Cost per Tier	\$1.19	\$1.57	\$3.15	\$6.62
FY 2018-19 Rates by Tier	\$1.13	\$1.47	\$3.11	\$6.44
Change	\$0.06	\$0.10	\$0.04	\$0.18

No increase is proposed to the current monthly recycled water fixed service charge.

FY 2020-21 Revenue Requirements and Rates

The following table shows a year-over-year comparison between FY 2019-20 and FY 2020-21, identifying the change by system with the rate increases necessary to meet operating demands:

System Requirements	Water	Sewer	Recycled	Conserve and NTS	Total	Capital & Non-Oper
(in thousands)						
FY 2019-20	\$ 82,061	\$ 55,060	\$ 27,129	\$ 13,310	\$ 177,560	\$ 19,743
FY 2020-21	87,581	55,568	29,006	13,645	185,800	20,408
Total Change to Offset	(5,520)	(508)	(1,877)	(335)	(8,240)	
Revenue Applied:						
Usage Change from Prior Year	2,196	38	916	228	3,378	
Rate Increases	3,324	470	961	107	4,862	
Total Additional Revenue	\$ 5,520	\$ 508	\$ 1,877	\$ 335	\$ 8,240	
Net	-	-	-	-	-	

The allocation of costs associated with the tiers for FY 2020-21 are as follows:

FY 2020-21 Potable Water				
Allocation of Acre Feet by Source of Supply				
Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Sales by Tier in AF	19,112	29,688	2,887	2,252
Sources of Water				
Dyer Road Wellfield	(19,112)	(7,488)		
Orange Park Acres Well 1		(10)		
Deep Aquifer Treatment System		(7,820)		
Irvine Desalter Domestic		(4,603)		
Wells 21 & 22 Desalter Treatment		(1,956)		
Baker Treatment Facilities		(6,870)		
Imported Water		(941)	(2,887)	(2,252)
Net Allocation	-	-	-	-
Rates per ccf Based on Cost of Service				
Building Tiered Rates	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.55			
Melded Cost of Water		\$2.10		
Loaded Cost of Imported Water			\$3.22	\$3.22
District Wide Conservation		\$0.03	\$0.03	\$0.03
Water Banking				\$1.79
Targeted Conservation			\$1.24	\$5.42
Natural Treatment Systems (NTS)			\$0.43	\$3.21
Total Cost per Tier	\$1.55	\$2.13	\$4.92	\$13.67
FY 2019-20 Rates by Tier	\$1.47	\$2.00	\$4.86	\$13.63
Change	\$0.08	\$0.13	\$0.06	\$0.04

The potable fixed water service charge is proposed to increase by \$0.05 per month to \$10.40 for a 5/8" meter.

The proposed increase to the FY 2019-20 monthly sewer service charge of \$23.50 is \$0.20 per month for a typical residential customer.

The allocated costs associated with the recycled tiers for FY 2020-21 are as follows:

FY 2020-21 Recycled Water				
Allocation of Acre Feet by Source of Supply				
Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Sales by Tier in AF	14,947	15,923	975	650
Sources of Water				
Produced	(14,947)	(7,257)		
Groundwater		(4,503)		
Imported Water		(4,163)	(975)	(650)
Net Allocation	-	-	-	-
Rates per ccf Based on Cost of Service				
Building Tiered Rates	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.26			
Melded Cost of Water		\$1.70		
Loaded Cost of Imported Water			\$2.81	\$2.81
District Wide Conservation		\$0.03	\$0.03	\$0.03
Targeted Conservation			\$0.00	\$0.99
Natural Treatment Systems (NTS)			\$0.45	\$3.15
Total Cost per Tier	\$1.26	\$1.73	\$3.29	\$6.98
FY 2019-20 Rates by Tier	\$1.19	\$1.57	\$3.15	\$6.62
Change	\$0.07	\$0.16	\$0.14	\$0.36

Pumping Surcharges:

The District's pumping surcharges are being updated through the Embedded Energy Study during the rate-setting process for FY 2019-20 and FY 2020-21. The study provides a nexus between the surcharge and the cost associated with moving the water to higher elevations. Proposed rates will be presented to the Board in a PowerPoint presentation.

Non-Operating Net Income:

Exhibit "A" also includes the Non-Operating Net Income budget for FY 2019-20 and FY 2020-21. The budget assumes \$92.7 million of net income in FY 2019-20, an increase of \$10.8 million over FY 2018-19 and \$95.7 million in FY 2020-21. Non-operating net income is not included in the operating rates generation process because it provides funding for the capital program and existing debt which are not included in operating expenses.

FISCAL IMPACTS:

The FY 2019-20 Proposed Operating Budget reflects an increase of \$9.8 million from the adopted Operating Budget for FY 2018-19. The FY 2020-21 Proposed Operating Budget reflects an increase of \$7.0 million from the Proposed Operating Budget for FY 2019-20. The budgets and staff's proposed rate increases were reviewed at Finance and Personnel Committee meetings on March 5, 2019, March 19, 2019 and April 2, 2019. It is expected that the proposed rate increases will result in contributions to the enhancement and replacement funds in FY 2019-20 as follows: potable water, \$8.7 million; sewer, \$19.7 million; recycled water, \$1.1 million; the total contribution is \$29.5 million. Expected contributions in FY 2020-21 are as follows: potable water, \$8.8 million; sewer, \$20.4 million; recycled water, \$1.2 million; the total contribution is \$30.4 million. The conservation fund is expected to generate and use approximately \$13.3 million in FY 2019-20 and \$13.6 million in FY 2020-21.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on March 5, 2019, March 19, 2019 and April 2, 2019.

RECOMMENDATION:

THAT THE BOARD REVIEW AND PROVIDE COMMENTS ON THE PROPOSED FY 2019-20 AND 2020-21 OPERATING BUDGETS AND PROPOSED RATES AND CHARGES.

LIST OF EXHIBITS:

Exhibit "A" – Proposed Operating Budgets FY 2019-20 and 2020-21

Exhibit "A"

***IRVINE RANCH WATER DISTRICT
OPERATING BUDGET
FISCAL YEAR 2019-20 and 2020-21***



Irvine Ranch
WATER DISTRICT

"PROPOSED"

April 8, 2019



BUDGET

Key Assumptions Fiscal Years 2019-20 and 2020-21

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. The District aggressively pursues 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, electricity and the treatment of sewage. One of the largest operational changes reflected in the Fiscal Years (FY) 2019-20 and 2020-21 operating budget is the start-up of the Michelson (MWRP) Biosolids and Energy Recovery Facility in 2019 with the majority of the facility on-line by December 2019. The FY 2019-20 and 2020-21 recommended rate increases are primarily associated with pass through rate increases from outside agencies.

This document is a summary of the major assumptions driving the development of the operating and non–operating budgets for FY 2019-20 and 2020-21.

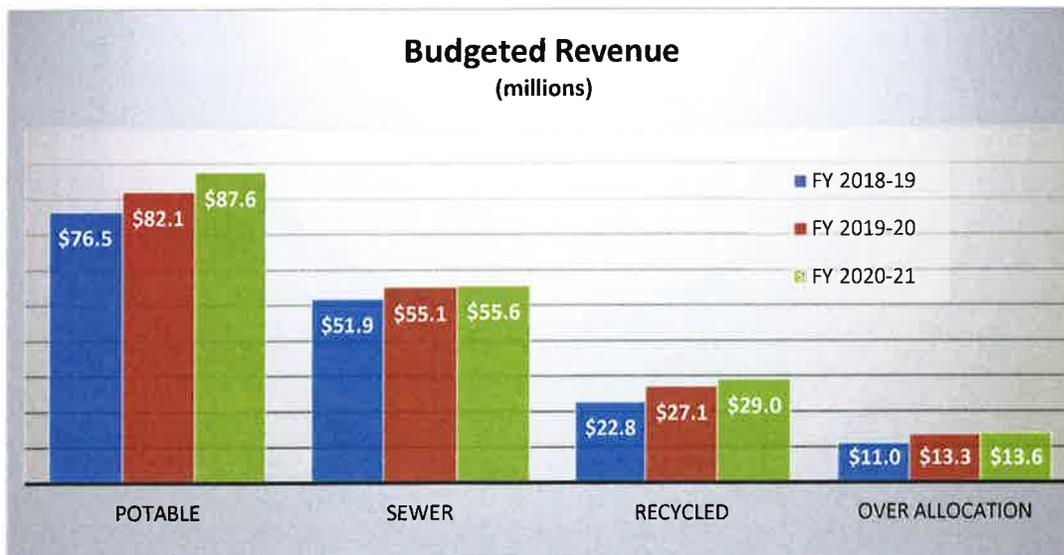
I. OPERATING REVENUES

Growth Estimates:

Residential development growth includes both apartments and single family homes for FY 2019-20 and 2020-21. The unit estimate is based on current projections received from major developers throughout the service area. Estimates identify approximately 3,200 mixed units coming online in each year for FY 2019-20 and 2020-21. As a result, the growth factor is estimated at 3.0% for FY 2019-20 and 2020-21.

Development projections for the commercial/industrial sector identify 40 acres of development occurring in FY 2019-20 and 2020-21. Revenue assumptions used to estimate sewer revenue are consistent with the assumptions included for potable water.

FY 2019-20 and 2020-21 Estimate for Operating Revenue Sources, by System (in millions):





BUDGET

Key Assumptions Fiscal Years 2019-20 and 2020-21

Total Residential, Landscape, Commercial, and Industrial revenue constitute over 85% of the total operating revenues for both water and sewer.

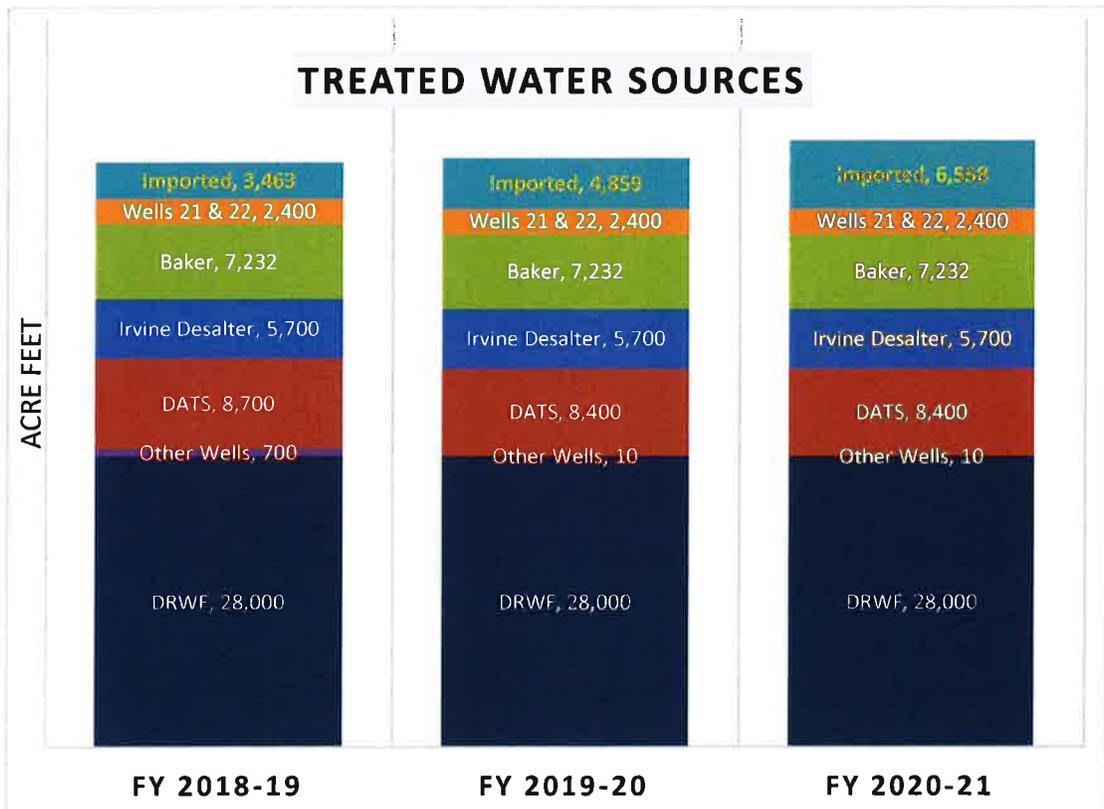
II. OPERATING EXPENSES

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

A. Water

The District continues to make efforts in encouraging its customers to conserve. The District intends to continue encouraging conservation through its rate structure, which provides an incentive for customers to limit water use to their base allocation and customers have responded well to this messaging.

The FY 2019-20 and 2020-21 budget anticipates no significant change in use from FY 2018-19. The assumption is normal rainfall, consistent with last year. The District is budgeting potable sales for FY 2019-20 and 2020-21 of 52,624 acre feet (AF) and 53,939, respectively, compared to a budget of 52,118 AF in FY 2018-19. The additional potable demand will be met with increased imported supply. The water sources, before process loss and shrinkage, used to meet potable sales are:





BUDGET

Key Assumptions Fiscal Years 2019-20 and 2020-21

The increase in cost for source of supply is one of the District's largest uncontrollable expenses. Groundwater provides over 49,000 acre feet and the District generates nearly 23,000 acre feet of recycled water with the remaining demand coming from imported supply or native water (rainfall and related runoff), as available. The table below identifies the various sources and associated costs.

Source Cost per Acre Foot (AF)	FY 2018-19	FY 2019-20	FY 2020-21
Orange County Water District (OCWD) Replenishment Assessment (RA)			
Groundwater	\$462	\$487	\$511
Metropolitan Water District (MWD)/MWDOC			
Imported Potable	\$1,050	\$1,078	\$1,110
Imported Nonpotable	\$734	\$758	\$781
Native Water	\$291	\$300	\$309

- The RA is expected to increase by 5.0% per AF each year. The District's basin production percentage (BPP) is set at a maximum of 70%, per the OCWD / IRWD Annexation Agreement executed in 2013.
- Actual energy usage will increase with the demands from the MWRP Biosolids and Energy Recovery Facility coming online and the rate is expected to increase 4.5% in FY 2020-21.
- MWD is expected to increase its treated and untreated rates by 3% on January 1, 2020 and again on January 1, 2021.
- Native water cost will increase annually by 3% based on the Irvine Lake Yield agreement.
- Staff assumes no substantial change to the costs associated with the IRWD Reservoir Management Systems.
- For FY 2019-20 and 2020-21, the budgets assume the untreated demand will shift to the recycled system. The Irvine Lake Pipeline project is expected to come online in 2019. The system will deliver recycled water to Orange and northern Irvine, primarily for landscape irrigation. This project is part of the IRWD strategic plan to increase recycled water use and reduce reliance on imported water.

B. Sewer and Biosolids

The MWRP Biosolids and Energy Recovery Facility is expected to be substantially online by December 2019. Costs associated with operating the facility are included in FY 2019-20 and 2020-21. Previously, biosolids produced at MWRP were sent to the Orange County Sanitation District (OCSD) for processing. The FY 2020-21 budget assumes no solids handling expense for OCSD.



BUDGET

Key Assumptions Fiscal Years 2019-20 and 2020-21

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.

- Salary assume an increase for merit and projected promotions.
- There are eight new positions budgeted in FY 2019-20 (including two hired mid-year) and five and a half in FY 2020-21.
- In July of each year, a COLA and promotional factor are applied to salaries - Assumed at 3.0% and 0.6%, respectively.
- Assumes a 7% vacancy factor.

The following table reflects salaries and wages included in each budget.

Regular Salaries and Wages	
FY 2018-19	\$34,981
FY 2019-20	\$36,681
FY 2020-21	\$38,641

The following table identifies the current and proposed contribution of the District toward employee benefits. The PERS in Excess of ARC will be used to repay the Replacement Fund borrowing to fund the 115 Trust. Beginning in FY 2020-21, the PERS in Excess of ARC will be increased to begin paying back the Replacement Fund anticipated over the next 25 years.

Additional Contributions Provided by the District			
	FY 2018-19	FY 2019-20	FY 2020-21
PERS Employer Contribution (ARC)	19.3%	21.2%	21.2%
PERS in Excess of ARC	<u>7.1%</u>	<u>3.8%</u>	<u>5.0%</u>
Combined Total	26.4%	25.0%	26.2%
 District Direct 401A Match	 3.0%	 3.0%	 3.0%
401A Matching Contribution of 3%	2.8%	2.8%	2.8%

For FY 2018-19, there was an additional 1.4% contribution representing the excess RA due to a lower final rate from OCWD than budgeted. The PERS in Excess of ARC will be used to payback the Replacement Fund borrowing primarily associated with funding of the Pension Benefits Trust.

III. RATES

Rates are based on actual cost of service and are split into a commodity charge and a monthly fixed service charge for most customers.



BUDGET

Key Assumptions *Fiscal Years 2019-20 and 2020-21*

A. Commodity Charge

Each tier is assigned a rate based on the cost of service, which varies according to the sources of water. Each source has a different cost of water. Local groundwater from the Dyer Road Well Field is IRWD's lowest-cost water while imported water is the highest-cost water. The tables below reflect the budgeted sales by tier allocated to the various sources of water. The sources are arranged in order of the lowest to highest cost. The budgeted sales by tier are based on a three year historical average. Sales are applied to the lowest cost source of water first until the source is fully utilized. The rates per hundred cubic feet (ccf) are developed based on the volume and cost of the blended sources.

FY 2019-20 Potable Water

Allocation of Acre Feet by Source of Supply
--

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Sales by Tier in AF	18,646	28,964	2,817	2,197
Sources of Water				
Dyer Road Wellfield	(18,646)	(7,954)		
Orange Park Acres Well 1		(10)		
Deep Aquifer Treatment System		(7,820)		
Irvine Desalter Domestic		(4,603)		
Wells 21 & 22 Desalter Treatment		(1,956)		
Baker Treatment Facilities		(6,621)	(249)	
Imported Water		-	(2,568)	(2,197)
Net Allocation	-	-	-	-

Rates per ccf Based on Cost of Service

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.47			
Melded Cost of Water		\$1.97		
Blended Cost of Baker and Potable Import			\$3.06	
Loaded Cost of Imported Water				\$3.17
District Wide Conservation		\$0.03	\$0.03	\$0.03
Water Banking				\$1.87
Targeted Conservation			\$1.37	\$5.75
Natural Treatment Systems (NTS)			\$0.40	\$2.81
Total Cost per Tier	\$1.47	\$2.00	\$4.86	\$13.63

All customers pay for District wide conservation programs as they benefit. Cost associated with water banking, NTS, and targeted conservation are paid for by customers in the inefficient and wasteful tiers. The District would not need these programs if all customers remained within budget.



BUDGET

Key Assumptions Fiscal Years 2019-20 and 2020-21

FY 2020-21 Potable Water

Allocation of Acre Feet by Source of Supply
--

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Sales by Tier in AF	19,112	29,688	2,887	2,252
Sources of Water				
Dyer Road Wellfield	(19,112)	(7,488)		
Orange Park Acres Well 1		(10)		
Deep Aquifer Treatment System		(7,820)		
Irvine Desalter Domestic		(4,603)		
Wells 21 & 22 Desalter Treatment		(1,956)		
Baker Treatment Facilities		(6,870)		
Imported Water		(941)	(2,887)	(2,252)
Net Allocation	-	-	-	-

Rates per ccf Based on Cost of Service

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.55			
Melded Cost of Water		\$2.10		
Loaded Cost of Imported Water			\$3.22	\$3.22
District Wide Conservation		\$0.03	\$0.03	\$0.03
Water Banking				\$1.79
Targeted Conservation			\$1.24	\$5.42
Natural Treatment Systems (NTS)			\$0.43	\$3.21
Total Cost per Tier	\$1.55	\$2.13	\$4.92	\$13.67

A similar approach is used for setting the recycled rates. Water banking is not included in rate generation for the recycled system because this source of water becomes necessary during an allocation as a result of an extended drought and the watering restrictions do not apply to recycled water. Cost associated with NTS and targeted conservation are paid for by customers in the inefficient and wasteful tiers because the District would not need these programs if all customers remained within budget.



BUDGET

Key Assumptions *Fiscal Years 2019-20 and 2020-21*

FY 2019-20 Recycled Water

Allocation of Acre Feet by Source of Supply

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Sales by Tier in AF	14,947	15,921	975	650
Sources of Water				
Produced	(14,947)	(7,257)		
Groundwater		(4,503)		
Imported Water		(4,161)	(975)	(650)
Net Allocation	-	-	-	-

Rates per ccf Based on Cost of Service

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.19			
Melded Cost of Water		\$1.54		
Loaded Cost of Imported Water			\$2.73	\$2.73
District Wide Conservation		\$0.03	\$0.03	\$0.03
Targeted Conservation			\$0.00	\$1.05
Natural Treatment Systems (NTS)			\$0.39	\$2.81
Total Cost per Tier	\$1.19	\$1.57	\$3.15	\$6.62

FY 2020-21 Recycled Water

Allocation of Acre Feet by Source of Supply

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Sales by Tier in AF	14,947	15,923	975	650
Sources of Water				
Produced	(14,947)	(7,257)		
Groundwater		(4,503)		
Imported Water		(4,163)	(975)	(650)
Net Allocation	-	-	-	-

Rates per ccf Based on Cost of Service

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.26			
Melded Cost of Water		\$1.70		
Loaded Cost of Imported Water			\$2.81	\$2.81
District Wide Conservation		\$0.03	\$0.03	\$0.03
Targeted Conservation			\$0.00	\$0.99
Natural Treatment Systems (NTS)			\$0.45	\$3.15
Total Cost per Tier	\$1.26	\$1.73	\$3.29	\$6.98



BUDGET

Key Assumptions *Fiscal Years 2019-20 and 2020-21*

B. Monthly Fixed Service Charge

The monthly fixed service charge for water and sewer is based on cost of service and there are separate charges for each. These charges are used to pay for operations and maintenance costs, including the inevitable infrastructure replacements.

The fixed water service charge is based on the meter size. The current monthly service charge for a typical residential customer is \$10.35 and will remain unchanged for FY 2019-20. The service charge will increase by \$0.05 to \$10.40 for FY 2020-21 to cover increased operating expenses.

The sewer service charge for a typical residential customer is based on the average water usage in the lowest three months of the prior calendar year. This eliminates increased usage in warmer months for landscape. There are three tiers based on average usage.

- 0.0 and 5.0 ccf's;
- 5.1 and 10.0 ccf's; and
- Over 10.0 ccf's.

The District's average usage for a typical residential customer is 12 ccf's and would fall within the second tier based on the average lowest three months.

The current monthly service charge for a typical residential customer in the second tier is \$23.20. Sewer expenses will increase and the result is an increase of \$0.30 and \$0.20, respectively, to the monthly service charge for FY 2019-20 and 2020-21.

IV. **USE OF OTHER FUNDS**

A. Over-Allocation Revenue

Over-allocation revenue is generated by customers in the inefficient and wasteful tiers. This revenue offsets the following expenses:

- The cost associated with additional imported water purchases;
- Customers who receive the \$2 low volume capacity rebate on the fixed service charge;
- Budgeted conservation expenses including operational expenses (customer service, fleet management, etc.);
- Urban runoff (NTS) and San Joaquin Marsh maintenance expenses; and
- Water banking expenses that exceed associated revenue.

Total conservation expense is expected to meet over allocation revenue in FY 2019-20 and 2020-21. The conservation fund is projected to be approximately \$8 million at the end of FY 2019-20 and 2020-21.



BUDGET

Key Assumptions *Fiscal Years 2019-20 and 2020-21*

B. Enhancement Fund User Rate Component

The current enhancement fund contribution for both the water and sewer system for FY 2018-19 was a combined \$1.52 per month (\$0.70 for water and \$0.82 for sewer) for the average residential customer. There was no increase built into these rates for FY 2019-20 and 2020-21. It is estimated that the fund balance will be approximately \$60 million at the end of FY 2020-21. The enhancement user component provides funding for new capital in developed improvement districts that no longer have connection fees.

C. Replacement Fund User Rate Component

The current replacement water service charge is \$2.10. The sewer service charge is \$9.31 per month for the average residential customer in both FY 2019-20 and 2020-21. It is estimated that the fund balance will be approximately \$410 million at the end of FY 2020-21. The fund is used to pay for the inevitable future replacement of the District's infrastructure.

V. **NON-OPERATING REVENUES AND EXPENSES**

The District's non-operating revenues are related to income generated from sources other than user rates, which include property taxes, investment income, connection fees, and real estate. A portion of the non-operating revenues pay the debt service for debt issued by the District. Property taxes and connection fees help pay for new infrastructure. Some of the non-operating revenues contribute to the replacement fund, which is used to pay for the inevitable replacement of existing infrastructure. The District sets the replacement fund monies aside in advance to avoid significant potential future rate impacts.

A. Revenues

Primary assumptions for FY 2019-20 and 2020-21 for each of the revenue categories are as follows:

- Property taxes – 6.0% and 4.0% growth respectively, in projected assessed values.
- Investment income – 2.25% and 2.40% average interest rate and an average cash balance of \$366.8 million and \$422.0 million, respectively.
- Connection fees – Based on current projections received from major developers.
- Real estate income – 2.0% growth for each fiscal year on commercial and residential income and ten (10) months of interest on the Serrano Summit promissory note at a weighted average interest of 4.26%. Note maturity in April 2020. FY 2020-21 includes income from the Sand Canyon Professional Center building.



BUDGET

Key Assumptions *Fiscal Years 2019-20 and 2020-21*

- Real estate fair value change – 2.0% growth for each fiscal year on commercial properties including the Sand Canyon Professional Center (half year for FY 2019-20) and 2.5% for each fiscal year on the Sycamore Canyon Apartment property. Fair value change for Wood Canyon Villa Apartment property is based on the partnership agreement; and
- Other income – includes lease revenue and grants.

B. Expenses

Primary assumptions for FY 2019-20 and 2020-21 are as follows:

- Interest expense – 3.70% average fixed debt rate for each fiscal year. 2.0% and 2.25% average variable debt rate, respectively; and
- Real estate expense – 2.0% growth for each fiscal year excluding depreciation as real estate is based on fair market value. The budget for each fiscal year reflects expenses for the Sand Canyon Professional Center building, including commission expense for leasing the building.



Irvine Ranch Water District Consolidated Operating Budget FY 2019-20

(in thousands)	Actual		Budget		Budget to Budget Variance Incr(Decr)	
	Actual	FY 2018-19 (6 Months)	FY 2018-19	FY 2019-20	FY 2018-19 vs 2019-20	% Variance
Expense Name						
Salaries & Benefits						
Regular Labor	\$ 33,410	\$ 16,103	\$ 34,981	\$ 36,681	\$ 1,699	4.9%
Overtime Labor	2,144	1,149	2,104	2,413	309	14.7%
Contract Labor	1,891	1,018	1,846	2,204	358	19.4%
Employee Benefits	17,396	9,138	19,124	20,224	1,101	5.8%
Salaries & Benefits Total	\$ 54,841	\$ 27,408	\$ 58,055	\$ 61,522	\$ 3,467	6.0%
Purchased Water & Utilities						
Water	39,933	21,168	37,454	39,242	1,788	4.8%
Electricity	13,405	8,299	14,537	17,064	2,527	17.4%
Fuel	626	370	559	946	387	69.3%
Telecommunication	634	305	627	767	140	22.3%
Other Utilities	182	95	182	194	12	6.6%
Purchased Water & Utilities Total	\$ 54,781	\$ 30,237	\$ 53,360	\$ 58,214	\$ 4,854	9.1%
Materials & Supplies						
Chemicals	3,345	1,565	3,146	3,930	785	24.9%
Operating Supplies	1,538	1,070	1,498	2,642	1,144	76.3%
Printing	229	78	401	303	(98)	(24.5%)
Postage	565	322	520	644	124	23.9%
Permits, Licenses and Fees	1,764	1,215	1,749	1,869	119	6.8%
Office Supplies	98	65	96	104	9	9.3%
Duplicating Equipment	188	90	174	188	14	8.0%
Equipment Rental	112	50	73	120	47	64.8%
Materials & Supplies Total	\$ 7,839	\$ 4,455	\$ 7,656	\$ 9,800	\$ 2,144	28.0%
Professional Services						
Rep & Maint OCSD & Others	9,421	6,891	13,704	10,391	(3,313)	(24.2%)
Rep & Maint IRWD	9,497	4,175	10,254	11,268	1,014	9.9%
Insurance	501	541	1,085	1,317	231	21.3%
Legal Fees	2,016	605	1,865	2,690	825	44.2%
Engineering Fees	978	468	967	885	(82)	(8.4%)
Accounting Fees	106	50	102	100	(2)	(2.0%)
Data Processing	2,897	1,287	2,857	3,331	474	16.6%
Personnel Training	1,123	583	1,267	1,489	223	17.6%
Personnel Physicals	19	18	41	43	2	4.9%
Other Professional Fees	3,879	1,948	5,087	5,422	335	6.6%
Directors' Fees	153	79	168	177	9	5.4%
Professional Services Total	\$ 30,592	\$ 16,645	\$ 37,396	\$ 37,113	\$ (283)	(0.8%)
Other						
Mileage Reimbursement	148	73	148	150	2	1.4%
Collection Fees	2	1	7	13	7	100.0%
Election Expense	145	73	145	150	5	3.4%
Safety	175	118	122	142	20	16.1%
Alarm and Patrol Services	551	369	751	800	50	6.6%
Biosolids Disposals	16	9	20	670	650	3248.1%
Commuter Program	192	113	156	240	84	54.0%
Computer Backup Storage	16	9	6	12	6	100.0%
Contract Meter Reading	1,510	595	1,390	1,432	42	3.0%
Other	(110)	97	129	127	(2)	(1.9%)
Conservation	1,542	229	2,050	963	(1,087)	(53.0%)
Other Total	\$ 4,187	\$ 1,686	\$ 4,923	\$ 4,698	\$ (225)	(4.6%)
Total	\$ 152,240	\$ 80,431	\$ 161,390	\$ 171,347	\$ 9,957	6.2%
Less: Reimbursement from Baker Partners	(4,225)	(2,125)	(4,269)	(4,378)	(110)	2.6%
Grand Total	\$ 148,015	\$ 78,306	\$ 157,121	\$ 166,969	\$ 9,848	6.3%



**Irvine Ranch Water District
Consolidated Operating Budget
FY 2020-21**

(in thousands)	Actual		Budget		Budget to Budget Variance Incr(Decr)	
	Actual	FY 2018-19 (6 Months)	FY 2019-20	FY 2020-21	FY 2019-20 vs 2020-21	% Variance
Salaries & Benefits						
Regular Labor	\$ 33,410	\$ 16,103	\$ 36,681	\$ 38,641	\$ 1,961	5.3%
Overtime Labor	2,144	1,149	2,413	2,426	13	0.6%
Contract Labor	1,891	1,018	2,204	1,851	(353)	(16.0%)
Employee Benefits	17,396	9,138	20,224	22,057	1,833	9.1%
Salaries & Benefits Total	\$ 54,841	\$ 27,408	\$ 61,522	\$ 64,976	\$ 3,454	5.6%
Purchased Water & Utilities						
Water	39,933	21,168	39,242	44,681	5,439	13.9%
Electricity	13,405	8,299	17,064	18,537	1,473	8.6%
Fuel	626	370	946	1,074	128	13.5%
Telecommunication	634	305	767	775	7	0.9%
Other Utilities	182	95	194	194	-	0.0%
Purchased Water & Utilities Total	\$ 54,781	\$ 30,237	\$ 58,214	\$ 65,261	\$ 7,047	12.1%
Materials & Supplies						
Chemicals	3,345	1,565	3,930	4,529	599	15.2%
Operating Supplies	1,538	1,070	2,642	2,707	65	2.4%
Printing	229	78	303	357	54	17.9%
Postage	565	322	644	669	25	3.9%
Permits, Licenses and Fees	1,764	1,215	1,869	1,872	4	0.2%
Office Supplies	98	65	104	113	8	7.9%
Duplicating Equipment	188	90	188	188	-	0.0%
Equipment Rental	112	50	120	123	3	2.7%
Materials & Supplies Total	\$ 7,839	\$ 4,455	\$ 9,800	\$ 10,557	\$ 757	7.7%
Professional Services						
Rep & Maint OCSD & Others	9,421	6,891	10,391	5,398	(4,993)	(48.1%)
Rep & Maint IRWD	9,497	4,175	11,268	11,742	474	4.2%
Insurance	501	541	1,317	1,552	236	17.9%
Legal Fees	2,016	605	2,690	2,440	(250)	(9.3%)
Engineering Fees	978	468	885	823	(62)	(7.0%)
Accounting Fees	106	50	100	111	11	11.0%
Data Processing	2,897	1,287	3,331	3,224	(107)	(3.2%)
Personnel Training	1,123	583	1,489	1,541	52	3.5%
Personnel Physicals	19	18	43	45	2	4.7%
Other Professional Fees	3,879	1,948	5,422	5,391	(31)	(0.6%)
Directors' Fees	153	79	177	186	9	5.0%
Professional Services Total	\$ 30,592	\$ 16,645	\$ 37,113	\$ 32,454	\$ (4,659)	(12.6%)
Other						
Mileage Reimbursement	148	73	150	150	-	0.0%
Collection Fees	2	1	13	13	0	3.1%
Election Expense	145	73	150	155	5	3.3%
Safety	175	118	142	143	1	0.9%
Alarm and Patrol Services	551	369	800	850	50	6.2%
Biosolids Disposals	16	9	670	1,044	374	55.9%
Commuter Program	192	113	240	260	20	8.3%
Computer Backup Storage	16	9	12	12	-	0.0%
Contract Meter Reading	1,510	595	1,432	1,550	118	8.2%
Other	(110)	97	127	129	2	1.9%
Conservation	1,542	229	963	1,003	40	4.2%
Other Total	\$ 4,187	\$ 1,686	\$ 4,698	\$ 5,309	\$ 611	13.0%
Total	\$ 152,240	\$ 80,431	\$ 171,347	\$ 178,558	\$ 7,210	4.2%
Less: Reimbursement from Baker Partners	(4,225)	(2,125)	(4,378)	(4,518)	(139)	3.2%
Grand Total	\$ 148,015	\$ 78,306	\$ 166,969	\$ 174,040	\$ 7,071	4.2%



REVENUES AND EXPENSES BY SYSTEM

FY 2019-20

(in thousands)

	Water	Sewer	Recycled	Conserve & NTS	Consolidated
Revenue:					
Commodity	\$ 45,467	\$ -	\$ 20,293	\$ -	\$ 65,760
Service	36,594	55,060	6,836	-	98,490
Over Allocation	-	-	-	13,310	13,310
Rate Stabilization	-	-	-	-	-
Total Revenues	\$ 82,061	\$ 55,060	\$ 27,129	\$ 13,310	\$ 177,560
Contribution to Enhancement and Replacement Funds	(8,691)	(19,695)	(1,120)	-	(29,506)
Net Revenues	\$ 73,370	\$ 35,365	\$ 26,009	\$ 13,310	\$ 148,054
Expenses:					
Cost of Water	\$ 46,743	\$ -	\$ 14,757	\$ -	\$ 61,500
Operations	12,613	14,843	6,587	7,462	41,505
Water Banking	-	-	-	1,614	1,614
OCSD - O&M	-	9,124	-	-	9,124
Total Direct	\$ 59,356	\$ 23,967	\$ 21,344	\$ 9,076	\$ 113,743
Customer Records and Collections	4,375	2,431	972	972	8,750
General & Admin Expense	9,009	8,215	3,375	3,163	23,762
Total Indirect	\$ 13,384	\$ 10,646	\$ 4,347	\$ 4,135	\$ 32,512
General Plant	630	752	318	99	1,799
Total Expenses	\$ 73,370	\$ 35,365	\$ 26,009	\$ 13,310	\$ 148,054
Net Operating Position	\$ -	\$ -	\$ -	\$ -	\$ -



REVENUES AND EXPENSES BY SYSTEM

FY 2020-21

(in thousands)

	Water	Sewer	Recycled	Conserve & NTS	Consolidated
Revenue:					
Commodity	\$ 49,864	\$ -	\$ 21,991	\$ -	\$ 71,855
Service	37,717	55,568	7,015	-	100,300
Over Allocation	-	-	-	13,645	13,645
Rate Stabilization	-	-	-	-	-
Total Revenues	\$ 87,581	\$ 55,568	\$ 29,006	\$ 13,645	\$ 185,800
Contribution to Enhancement and Replacement Funds	(8,776)	(20,432)	(1,154)	-	(30,362)
Net Revenues	\$ 78,805	\$ 35,136	\$ 27,852	\$ 13,645	\$ 155,438
Expenses:					
Cost of Water	\$ 50,434	\$ -	\$ 12,729	\$ -	\$ 63,163
Operations	13,187	17,785	9,535	7,532	48,039
Water Banking	-	-	-	1,539	1,539
OCSD - O&M	-	4,124	-	-	4,124
Total Direct	\$ 63,621	\$ 21,909	\$ 22,264	\$ 9,071	\$ 116,865
Customer Records and Collections	4,521	3,014	1,507	1,005	10,047
General & Admin Expense	9,647	9,855	3,776	3,434	26,712
Total Indirect	\$ 14,168	\$ 12,869	\$ 5,283	\$ 4,439	\$ 36,759
General Plant	1,016	358	305	135	1,814
Total Expenses	\$ 78,805	\$ 35,136	\$ 27,852	\$ 13,645	\$ 155,438
Net Operating Position	\$ -				



NON-OPERATING

FY 2019-20

Net Income

(in thousands)

	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Change</u>
Non-operating Revenue:			
Property Taxes	\$ 59,300	\$ 66,000	\$ 6,700
Investment Income	4,768	8,200	3,432
Connection Fees	20,000	19,000	(1,000)
Real Estate Income	17,000	17,400	400
Real Estate Fair Value Change	6,300	6,600	300
Other Income	8,000	8,000	-
Total Revenue	<u>\$ 115,368</u>	<u>\$ 125,200</u>	<u>\$ 9,832</u>
Non-operating Expenses:			
Interest Expense	\$ 26,294	\$ 24,700	\$ (1,594)
Real Estate Expense	5,170	5,800	630
Other Expenses	2,000	2,000	-
Total Expense	<u>\$ 33,464</u>	<u>\$ 32,500</u>	<u>\$ (964)</u>
Net Income	<u><u>\$ 81,904</u></u>	<u><u>\$ 92,700</u></u>	<u><u>\$ 10,796</u></u>



NON-OPERATING

FY 2020-21

Net Income

(in thousands)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>Change</u>
Non-operating Revenue:			
Property Taxes	\$ 66,000	\$ 68,700	\$ 2,700
Investment Income	8,200	10,000	1,800
Connection Fees	19,000	18,000	(1,000)
Real Estate Income	17,400	16,600	(800)
Real Estate Fair Value Change	6,600	7,000	400
Other Income	8,000	8,000	-
Total Revenue	<u>\$ 125,200</u>	<u>\$ 128,300</u>	<u>\$ 3,100</u>
Non-operating Expenses:			
Interest Expense	\$ 24,700	\$ 24,900	\$ 200
Real Estate Expense	5,800	5,700	(100)
Other Expenses	2,000	2,000	-
Total Expense	<u>\$ 32,500</u>	<u>\$ 32,600</u>	<u>\$ 100</u>
Net Income	<u><u>\$ 92,700</u></u>	<u><u>\$ 95,700</u></u>	<u><u>\$ 3,000</u></u>



Current and Proposed Residential Rates

Before Rate Adjustment:	FY 2019-20		FY 2020-21	
	Potable	Sewer	Potable	Sewer
Current Residential Rates:	Water (1)	Sewer (2)	Water (1)	Sewer (2)
Low Volume	\$1.40		\$1.47	
Commodity Rate	\$1.89		\$2.00	
Residential Service	\$10.35	\$23.20	\$10.35	\$23.50
Operations	\$7.55	\$13.07	\$7.55	\$13.37
Replacements	\$2.10	\$9.31	\$2.10	\$9.31
Enhancements	\$0.70	\$0.82	\$0.70	\$0.82
Total Service Charge	\$10.35	\$23.20	\$10.35	\$23.50
Commodity (12 ccf)	\$20.23		\$21.35	
Current Monthly	<u>\$53.78</u>		<u>\$55.20</u>	
Proposed Residential Rate Adjustment:				
Low Volume	\$1.47		\$1.55	
Base Commodity Rate	\$2.00		\$2.13	
Operations	\$7.55	\$13.37	\$7.60	\$13.57
Replacements	\$2.10	\$9.31	\$2.10	\$9.31
Enhancements	\$0.70	\$0.82	\$0.70	\$0.82
Total Service Charge	\$10.35	\$23.50	\$10.40	\$23.70
Commodity	\$21.35		\$22.66	
Proposed Monthly	\$55.20		\$56.76	
Current Monthly	<u>\$53.78</u>		<u>\$55.20</u>	
Difference	\$1.42		\$1.56	
Change %	<u>2.6%</u>		<u>2.8%</u>	

- (1) Water - District Average usage assumes 12 ccf's per month.
- (2) Sewer - District average usage assumes 6-10 ccf for lowest 3 months.
- (3) Water - OCWD Replenishment Assessment at \$487 / acre foot and \$511 / acre foot.



POTABLE REVENUE

FY 2019-20

<i>(in thousands)</i>	Usage			<u>FY 2019-20</u>
	<u>FY 2018-19</u>	<u>Change</u>	<u>Rate Inc.</u>	
Water				
Service	\$ 24,050	\$ 1,817	\$ -	\$ 25,867
Enhancement	2,170	43	-	2,213
Replacement	6,350	127	-	6,477
Pumping Surcharge	756	31	-	787
Miscellaneous	996	254	-	1,250
Commodity	42,159	499	2,809	45,467
	<u>\$ 76,481</u>	<u>\$ 2,771</u>	<u>\$ 2,809</u>	<u>\$ 82,061</u>
AF Sales	52,118			52,624
User Type				
Residential	\$ 44,574	\$ 1,939	\$ 2,079	\$ 48,592
Commercial	10,781	277	309	11,367
Industrial	5,614	166	169	5,949
Public Authority	4,197	55	56	4,308
Construction/Temp.	1,258	28	28	1,314
Fire Protection	4,190	139	-	4,329
Landscape Irrigation	4,820	139	140	5,099
Agriculture Irrigation	1,047	28	28	1,103
	<u>\$ 76,481</u>	<u>\$ 2,771</u>	<u>\$ 2,809</u>	<u>\$ 82,061</u>



POTABLE REVENUE

FY 2020-21

<i>(in thousands)</i>		Usage		
	<u>FY 2019-20</u>	<u>Change</u>	<u>Rate Inc.</u>	<u>FY 2020-21</u>
Water				
Service	\$ 25,867	\$ 887	\$ 141	\$ 26,895
Enhancement	2,213	22	-	2,235
Replacement	6,477	64	-	6,541
Pumping Surcharge	787	-	-	787
Miscellaneous	1,250	9	-	1,259
Commodity	45,467	1,214	3,183	49,864
	<u>\$ 82,061</u>	<u>\$ 2,196</u>	<u>\$ 3,324</u>	<u>\$ 87,581</u>
AF Sales	52,624			53,939
User Type				
Residential	\$ 48,592	\$ 1,536	\$ 2,428	\$ 52,556
Commercial	11,367	220	366	11,953
Industrial	5,949	132	199	6,280
Public Authority	4,308	44	66	4,418
Construction/Temp.	1,314	22	33	1,369
Fire Protection	4,329	110	33	4,472
Landscape Irrigation	5,099	110	166	5,375
Agriculture Irrigation	1,103	22	33	1,158
	<u>\$ 82,061</u>	<u>\$ 2,196</u>	<u>\$ 3,324</u>	<u>\$ 87,581</u>



SEWER REVENUE

FY 2019-20

<i>(in thousands)</i>	<u>FY 2018-19</u>	<u>Usage Change</u>	<u>Rate Inc.</u>	<u>FY 2019-20</u>
Sewer				
Service	\$ 32,093	\$ 2,349	\$ 623	\$ 35,065
Enhancement	1,500	15	-	1,515
Replacement	18,000	180	-	18,180
Miscellaneous	300	-	-	300
	<u>\$ 51,893</u>	<u>\$ 2,544</u>	<u>\$ 623</u>	<u>\$ 55,060</u>
User Type				
Residential	\$ 37,274	\$ 1,907	\$ 468	\$ 39,649
Commercial	8,766	382	93	9,241
Industrial	4,201	204	62	4,467
Public Authority	1,653	51	-	1,704
	<u>\$ 51,893</u>	<u>\$ 2,544</u>	<u>\$ 623</u>	<u>\$ 55,060</u>



SEWER REVENUE

FY 2020-21

<i>(in thousands)</i>	<u>FY 2019-20</u>	<u>Usage Change</u>	<u>Rate Inc.</u>	<u>FY 2020-21</u>
Sewer				
Service	\$ 35,065	\$ (214)	\$ 470	\$ 35,321
Enhancement	1,515	19	-	1,534
Replacement	18,180	233	-	18,413
Miscellaneous	300	-	-	300
	<u>\$ 55,060</u>	<u>\$ 38</u>	<u>\$ 470</u>	<u>\$ 55,568</u>
User Type				
Residential	\$ 39,649	\$ 28	\$ 352	\$ 40,029
Commercial	9,241	6	80	9,327
Industrial	4,467	3	38	4,508
Public Authority	1,704	1		1,705
	<u>\$ 55,060</u>	<u>\$ 38</u>	<u>\$ 470</u>	<u>\$ 55,568</u>



RECYCLED REVENUE

FY 2019-20

<i>(in thousands)</i>	<u>FY 2018-19</u>	<u>Usage Change</u>	<u>Rate Inc.</u>	<u>FY 2019-20</u>
Recycled				
Service	\$ 5,093	\$ 3	\$ -	\$ 5,096
Enhancement	300	3	-	303
Replacement	700	7	-	707
Pumping Surcharge	200	10	-	210
Commodity	15,972	1,479	2,842	20,293
Reimbursements*	520	-		520
	<u>\$ 22,785</u>	<u>\$ 1,502</u>	<u>\$ 2,842</u>	<u>\$ 27,129</u>
AF	28,261			30,270
User Type				
Residential	\$ 655	\$ 60	\$ 114	\$ 829
Commercial	674	90	171	935
Industrial	72	-	-	72
Public Authority	-	-	-	0
Landscape Irrigation	18,312	1,202	2,273	21,787
Recycled Loans	-	-	-	0
Agriculture Irrigation	1,754	150	284	2,188
Construction/Temp.	798	-	-	798
Reimbursements*	520	-	-	520
	<u>\$ 22,785</u>	<u>\$ 1,502</u>	<u>\$ 2,842</u>	<u>\$ 27,129</u>

* Reimbursement from the Navy for operating costs associated with recycled IDP was moved to the Recycled system.



RECYCLED REVENUE

FY 2020-21

<i>(in thousands)</i>	<u>FY 2019-20</u>	<u>Usage Change</u>	<u>Rate Inc.</u>	<u>FY 2020-21</u>
Recycled				
Service	\$ 5,096	\$ 67	\$ 29	\$ 5,192
Enhancement	303	27	-	330
Replacement	707	48	-	755
Pumping Surcharge	210	8	-	218
Commodity	20,293	766	932	21,991
Reimbursements*	520	-		520
	<u>\$ 27,129</u>	<u>\$ 916</u>	<u>\$ 961</u>	<u>\$ 29,006</u>
AF	30,270			32,004
User Type				
Residential	\$ 829	\$ 41	\$ 43	\$ 913
Commercial	935	50	53	1,038
Industrial	72	-	-	72
Public Authority	-	-	-	0
Landscape Irrigation	21,787	733	769	23,289
Recycled Loans	-	-	-	0
Agriculture Irrigation	2,188	92	96	2,376
Construction/Temp.	798	-	-	798
Reimbursements*	520	-	-	520
	<u>\$ 27,129</u>	<u>\$ 916</u>	<u>\$ 961</u>	<u>\$ 29,006</u>

* Reimbursements - Reimbursement from the Navy for operating costs associated with recycled IDP was moved to the Recycled system.



OVER-ALLOCATION REVENUE

FY 2019-20

<i>(in thousands)</i>	FY 2018-19	Usage Change	Proposed Rate Inc.	FY 2019-20
Tier				
Universal Conservation	\$ 1,932	\$ (576)	\$ -	\$ 1,356
Inefficient	2,414	(191)	97	2,320
Wasteful	6,666	2,605	363	9,634
	<u>\$ 11,012</u>	<u>\$ 1,838</u>	<u>\$ 460</u>	<u>\$ 13,310</u>

Source or System

Residential	\$ 9,603	\$ 1,603	\$ 401	\$ 11,607
Commercial	241	40	10	291
Industrial	124	21	5	150
Public Authority	56	9	2	68
Landscape Irrigation	847	141	35	1,024
Agriculture Irrigation	115	19	5	139
Construction / Temp.	26	4	1	31
	<u>\$ 11,012</u>	<u>\$ 1,838</u>	<u>\$ 460</u>	<u>\$ 13,310</u>



OVER-ALLOCATION REVENUE

FY 2020-21

<i>(in thousands)</i>	Usage			
	FY 2019-20	Change	Rate Inc.	FY 2020-21
Tier				
Universal Conservation	\$ 1,356	\$ (41)	\$ -	\$ 1,315
Inefficient	2,320	89	83	2,492
Wasteful	9,634	180	24	9,838
	<u>\$ 13,310</u>	<u>\$ 228</u>	<u>\$ 107</u>	<u>\$ 13,645</u>

Source or System

Residential	\$ 11,609	\$ 198	\$ 94	\$ 11,901
Commercial	291	5	2	298
Industrial	150	3	1	154
Public Authority	67	1	1	69
Landscape Irrigation	1,023	18	8	1,049
Agriculture Irrigation	139	2	1	142
Construction / Temp.	31	1	-	32
	<u>\$ 13,310</u>	<u>\$ 228</u>	<u>\$ 107</u>	<u>\$ 13,645</u>



COST OF WATER

FY 2019-20

<i>(in thousands)</i>	FY 2018-19			FY 2019-20			Change	
	Acre Feet	Total	Cost / AF	Acre Feet	Total	Cost / AF	Acre Feet	Total
<u>TREATED</u>								
Purchased from MWDOC	3,463	\$ 4,965	\$1,434	4,859	\$ 6,470	\$1,331	1,396	\$ 1,505
Dyer Road Well Field	28,000	16,082	\$574	28,000	17,358	\$620	-	1,276
Other Wells	700	487	\$696	10	6	\$625	(690)	(481)
Deep Aquifer Treatment System	8,700	6,374	\$733	8,400	6,379	\$759	(300)	5
Lost to Production	(174)			(168)			6	
Wells 21 & 22 Desalter	2,400	2,281	\$950	2,400	2,497	\$1,040	-	216
Lost to Production	(432)			(360)			72	
Baker WTP	7,232	7,440	\$1,029	7,232	6,819	\$943	-	(621)
Lost to Production	-			(145)			(145)	
Well Water	-	-		0	-		-	-
Irvine Desalter Project	5,700	4,252	\$746	5,700	4,893	\$858	-	641
Lost to Production	(1,026)			(855)			171	
Total Shrinkage	(2,444)			(2,450)			(6)	
Total Irvine Ranch Potable	52,118	\$ 41,881		52,624	\$ 44,422		505	\$ 2,541
<u>RECYCLED *</u>								
Purchased from MWDOC	2,835	\$ 2,472	\$872	360	\$ 789		(2,475)	\$ (1,683)
Native Water	1,000	245	\$245	5,790	1,735	\$300	4,790	1,490
Santiago Aqueduct Commission	175	153	\$874	175	148	\$846	-	(5)
Groundwater	435	201	-	435	212	-	-	11
Irvine Desalter Project	4,165	3,032	\$738	4,165	3,233	\$776	0	201
Lost to Production	(625)			(625)			-	
SAC Water	0	0	\$0	0	0	\$0	-	-
MWRP / LAWRP Production	22,890	5,251	\$229	22,890	6,231	\$272	-	980
Total Shrinkage	(658)			(697)			(39)	
Total Recycled	30,217	\$ 11,354		32,493	\$ 12,349		2,276	\$ 994
Total Cost of Water for Billed Usage	82,335	\$ 53,235		85,117	\$ 56,770		2,781	\$ 3,535

* The Irvine Lake Pipeline Project anticipated completion is June 2019. The budget assumes untreated customers will move to the recycled system.



COST OF WATER

FY 2020-21

<i>(in thousands)</i>	FY 2019-20			FY 2020-21			Change	
	Acre Feet	Total	Cost / AF	Acre Feet	Total	Cost / AF	Acre Feet	Total
<u>TREATED</u>								
Purchased from MWDOC	4,859	\$6,470	\$1,331	6,558	\$ 8,787	\$1,340	1,698	\$ 2,317
Dyer Road Well Field	28,000	17,358	\$620	28,000	18,228	\$651	-	870
Other Wells	10	6	\$625	10	6	\$649	-	0
Deep Aquifer Treatment System	8,400	6,379	\$759	8,400	6,668	\$794	-	289
Lost to Production	(168)			(168)			-	
Wells 21 & 22 Desalter	2,400	2,497	\$1,040	2,400	2,600	\$1,083	-	104
Lost to Production	(360)			(360)			-	
Baker WTP	7,232	6,819	\$943	7,232	7,899	\$1,092	-	1,080
Lost to Production	(145)			(145)			-	
Well Water	-	-		-	-		-	-
Irvine Desalter Project	5,700	4,893	\$858	5,700	5,117	\$898	-	224
Lost to Production	(855)			(855)			-	
Total Shrinkage	(2,450)			(2,833)			(383)	
Total Irvine Ranch Potable	52,624	\$ 44,422		53,939	\$ 49,306		1,316	\$ 4,885
<u>RECYCLED</u>								
Purchased from MWDOC	360	\$789		4,652	\$ 3,995	\$859	4,292	\$ 3,206
Native Water	5,790	1,735	\$300	1,500	463	\$309	(4,290)	(1,272)
Santiago Aqueduct Commission	175	148	\$846	175	144	\$821	-	(4)
Groundwater	435	212	-	435	222	-	-	10
Irvine Desalter Project	4,165	3,233	\$738	4,165	3,433	\$824	-	200
Lost to Production	(625)			(625)			-	
MWRP / LAWRP Production	22,890	6,231	\$272	22,890	6,564	\$287	-	333
Total Shrinkage	(697)			(697)			-	
Total Recycled	32,493	\$ 12,349		32,495	\$ 14,822		2	\$ 2,474
Total Cost of Water for Billed Usage	85,117	\$ 56,770		86,434	\$ 64,128		1,318	\$ 7,358



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 office also includes Government Relations which develops and advocates for policies at the federal, state and local levels that promote a reliable high quality and cost effective water supply for Irvine Ranch Water District (IRWD) customers, and demonstrates the efficient use of resources. The Government Relations staff represents IRWD's policies and provides technical expertise to the legislative process, particularly on issues of water recycling, water use efficiency, water rates, water supply reliability and governance, among others.

The General Manager's Office also:

- Provides direct services to and communications with the Board of Directors;
- Produces and distributes Board and Board Committee meeting packets;
- Schedules all Board and Board 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;
- Shapes, guides and engages on local, state and federal policies, legislation and regulations;
- Manages and coordinates the legal resources utilized by the District;
- Responds to, or directs response to, all media inquiries; and,
- Responds to, or directs response to, all public information requests and subpoenas.

The General Manager's Office works with the Board of Directors and staff to establish the District's strategic vision for all departments. On December 17, 2018, staff reviewed the 2019 Goals and Target Activities with the Board. The Goals and Target Activities described below reflect the *Strategic Objectives*, as well as the *Mission, Vision and Values* of Irvine Ranch Water District as adopted by the Board. The Goals (numbered) and the Target Activities (lettered) approved for calendar year 2019 are summarized as follows:



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Major Goals

1. Optimize and protect local groundwater utilization:
 - a. Conduct well treatment and conveyance study for Wells 51, 52, and two Tustin Legacy well sites
 - b. Include IRWD's recycled water demands in OCWD's total water demand calculations
 - c. Collaborate with OCWD on South Basin Clean-up Project
 - d. Work with OCWD on Green Acres Project water supply opportunities

2. Evaluate and invest in projects and programs that will enhance future long-term water supply reliability:
 - a. Implement agreements with MWD and MWDOC that will provide water supply reliability from high priority water rights during periods of drought and supply interruptions
 - b. Advocate methods for filling the Orange County Groundwater Basin, including development of concepts to promote exchanges
 - c. Advocate for regional potable reuse projects including Metropolitan's Carson Regional Potable Reuse Project
 - d. Secure Title XVI funding for the Syphon Reservoir Improvement Project

3. Optimize use of Irvine Lake as a water resource facility for IRWD and its partners
 - a. Resolve property issues between the County, the Irvine Company, Serrano Water District, and IRWD
 - b. Develop agreement with Serrano Water District and with the Baker Plant Partners for providing water system reliability utilizing Irvine Lake
 - c. Complete final design of sloped outlet pipe to replace the Irvine Lake Outlet Tower

4. Develop water banking recharge, storage, and extraction capacity for IRWD and water banking partners, and store water as it becomes available:
 - a. Execute long-term unbalanced exchange agreements for Stockdale West
 - b. Execute long-term exchange agreements to maximize benefits of non-State Water Project water
 - c. Identify and procure additional supplies of water for banking purposes
 - d. Integrate IRWD's Strand Ranch and Stockdale West properties into the Kern Fan Groundwater Sustainability Agency (GSA)

5. Develop and implement the Kern Fan Groundwater Storage Project
 - a. Finalize and execute Agreement and Bylaws with Rosedale to establish the Kern Fan Groundwater Storage Project JPA
 - b. Identify and secure land as needed for the Kern Fan Groundwater Storage Project



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- c. Complete planning and environmental compliance work for the Kern Fan Groundwater Storage Project
 - d. Execute Agreements with State Agencies for the operation of the Kern Fan Groundwater Storage Project
 - e. Secure water storage investment funding for the Kern Fan Groundwater Storage Project and advocate to include the project on the Bureau of Reclamation 's Report to Congress
6. Develop water recycling facilities and applications for optimal benefit:
- a. Complete construction of Irvine Lake Pipeline North Conversion
 - b. Complete Sewage Treatment Master Plan, including consideration of Irvine Business Complex flows
 - c. Update the Salt Management Plan to assess impacts of seawater desalination on water recycling and other issues
 - d. Perform California Environmental Quality Act, alternatives analysis and preliminary design for the Syphon Reservoir Improvement Project
 - e. Determine costs and benefits associated with procuring approximately 700 AF of recycled water storage in Santa Margarita Water District's Upper Oso Reservoir
 - f. Complete IRWD Potable Reuse Feasibility Study to explore surface, ground, raw and treated water augmentation options
 - g. Work with other agencies on recycled water use opportunities
 - h. Design and construct recycled water filtration facilities for San Joaquin Reservoir
 - i. Develop customer guidelines for using recycled water
7. Maximize resource recovery from fully functional biosolids and other resource recovery facilities:
- a. Biosolids Class A Facilities operational and commissioned
 - b. Secure agreements with multiple outlets for biosolids pellets
 - c. Develop partnerships with others to utilize surplus capacity
 - d. Develop and implement plan to introduce fats, oils, and grease to the IRWD Biosolids Facilities
 - e. Develop plan to introduce food waste to the IRWD Biosolids Facilities
8. Improve energy service reliability, manage demands, and control costs:
- a. Coordinate the construction and commissioning of energy storage installations with Advanced Microgrid Solutions
 - b. Finalize contract to outsource operation and maintenance of biogas treatment and micro-turbine systems
 - c. Complete design and installation of compressed natural gas fueling station at the Operations Center
 - d. Complete new water/sewer agency electricity tariff research in partnership with Southern California Edison that will reduce IRWD energy costs



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- e. Coordinate with SunPower to complete the installation of the photovoltaic (solar) energy system at the Baker Plant

9. Maximize watershed protection:

- a. Work with the County and others, permit and implement the Selenium Total Maximum Daily Load offset trading program
- b. Complete feasibility study of project to capture and treat urban runoff flows downstream from the San Joaquin Marsh utilizing funding from Measure M
- c. Implement in-house pre-treatment program elements: permitting, agreements, and monitoring reports
- d. Implement in-house fats, oil, and grease program, including billing
- e. Continue to work with Orange County Flood Control District to ensure appropriate capacity in San Diego Creek
- f. Complete construction of Michelson Water Recycling Program recycled water emergency diversion facilities to San Diego Creek.
- g. Obtain riparian rights to divert water from San Diego Creek to ensure continued protection of water quality in Newport Bay
- h. Work with the County, Orange County Water District, Orange County Sanitation District, and others to obtain a recycled water emergency diversion connection to the Santa Ana River
- i. Obtain approval for the Total Nitrogen Total Phosphorus Offset Plan from the Santa Ana Regional Quality Control Board
- j. Participate in the Fecal Coliform Task Force to assist in the development of a reasonable total maximum daily load

10. Ensure financial and rate stability:

- a. Evaluate development and/or sale opportunities at IRWD properties
- b. Complete development and leasing on remaining Sand Canyon campus and other facilities
- c. Document outstanding deed, access, and other contractual restrictions related to real property
- d. Update Cost of Service Study for the IRWD sewer system that includes the Biosolids Project operating expenses
- e. Develop approach for implementing a two-year budget and Proposition 218 process
- f. Develop an updated policy for funding the IRWD Infrastructure Replacement Program
- g. Develop updated facility and pipeline unit costs into IRWD's Replacement Planning Model



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

11. Identify, assess and implement new technologies, systems, and facilities to improve operating efficiency:
 - a. Complete addition of linear assets to the Enterprise Asset Management system; prepare scope for maintenance management mobility solution
 - b. Implement findings of IT-related existing/new technology opportunity assessment while maintaining District security
 - c. Assess the District's overall cybersecurity risk profile; establish overall plan for addressing cybersecurity awareness, education, response, and prevention at IRWD
 - d. Assess availability of data systems under certain service outage scenarios and implement program to strengthen systems
 - e. Convert IRWD email system from GroupWise to Outlook
 - f. Develop plan to assess IRWD's future warehousing needs
 - g. Evaluate office space needs to the Sand Canyon headquarters building and develop plan as needed
 - h. Develop plan for overall management of IRWD data (technical, financial other)

12. Enhance customer communications:
 - a. Enhance customer communication through an improved customer web access portal
 - b. Develop and implement Phase 3 of the Water Use Efficiency Outreach Program based on findings of the 2018 program
 - c. Implement redesigned customer bill to improve customers' understanding of IRWD rate structure; explain IRWD rate structure to customers through direct communications
 - d. Design and implement the Syphon Reservoir Improvement Project Outreach Program from environmental impact report through design phase

13. Maximize water use efficiency in the community:
 - a. Complete a study to assess the potential for additional water use efficiency in IRWD's service area
 - b. Implement automated methodology for quantifying irrigated areas and meter locations by linking aerial image data to meter and parcel data
 - c. Expand/enhance water use efficiency demonstration gardens within the IRWD service area

14. Recruit, develop, and retain a highly skilled, motivated, and educated work force:
 - a. Assess the experience and training of IRWD employees to ensure a continued supply of highly-skilled labor, and develop programs, for example an Apprenticeship Program, to close any labor skills gaps identified.
 - b. Complete triennial Benchmark Salary Survey to ensure District salaries remain competitive to market rates
 - c. Negotiate a new labor agreement with represented personnel
 - d. Complete implementation of District-wide corporate values initiative



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

15. Guide and lead local, state, and federal policies and legislation:

- a. Advocate for legislation or regulations that protects local investments in water recycling and extraordinary supplies, and protects IRWD's ability to access those supplies, without penalty, during times of drought or shortage
- b. Advocate for an alternative funding source for safe and accessible drinking water in California, which is inconsistent with the Board's adopted policy on a statewide public goods charge; oppose a statewide tax on water
- c. Engage in discussions surrounding water and wastewater rates in order to protect the District's ability to design and use a water budget-based tiered rate structure, including discussions related to Low Income Rate Assistance programs and Proposition 218 reforms consistent with Board direction
- d. Seek reauthorization of the Bureau of Reclamation's Title XVI and the Water Storage Investment Programs

16. Engage and shape policies and regulations put forth by local, state, and federal agencies:

- a. Engage productively with stakeholders, industry associations, and state agencies to effectively implement the enacted long-term water use efficiency legislation
- b. Obtain revisions to the State Water Resources Control Board's proposed amendments to the Recycled Water Policy
- c. Engage in discussions and provide input to the State Water Resources Control Board on development of water loss standards

17. Collaborate with other agencies and entities through leadership and innovation:

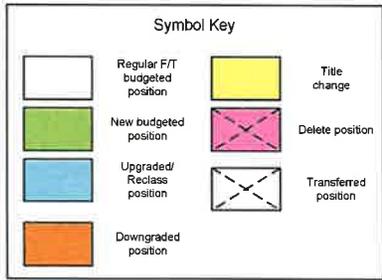
- a. Advocate for IRWD's Desalination Policy Principles
- b. Evaluate and promote opportunities for shared services such as third party billing for UC Irvine and Tustin
- c. Support enhanced engagement and leadership roles within Association of California Water Agencies, WaterReuse, California Association of Sanitation Agencies, and other District associations
- d. Coordinate with interested entities to update South County Emergency Interconnect Agreement
- e. Work with other agencies to maximize Orange County benefits from IRWM processes, including capture of urban runoff by Orange County Sanitation District for use in Groundwater Replenishment System
- f. As part of the IRWD Sewage Treatment Master Plan, work with Orange County Sanitation District to identify mutually beneficial opportunities for use of IRWD sewer flows
- g. Complete the annexation process to bring sewer flows from Lake Forest into Orange County Sanitation District Revenue Area 14



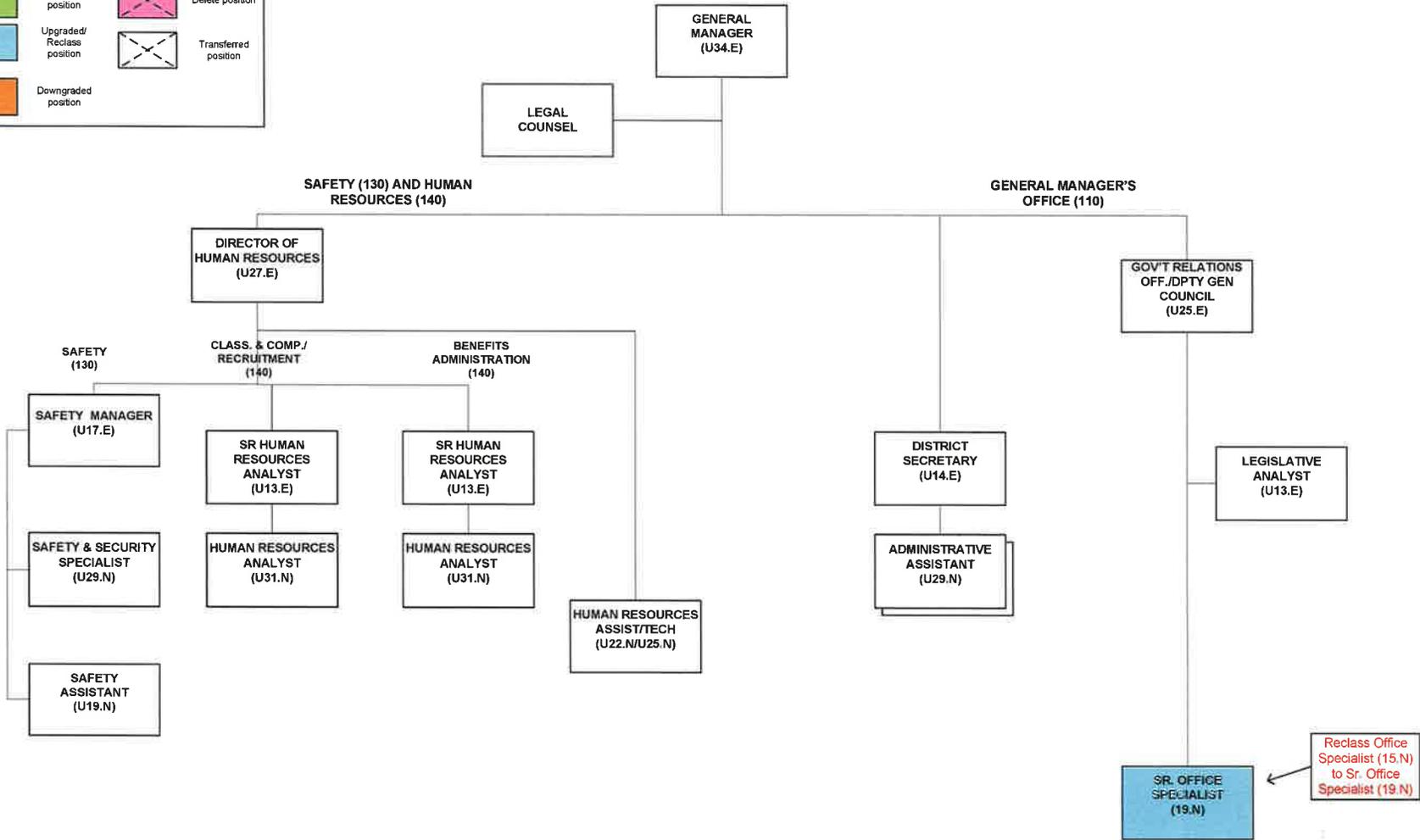
GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

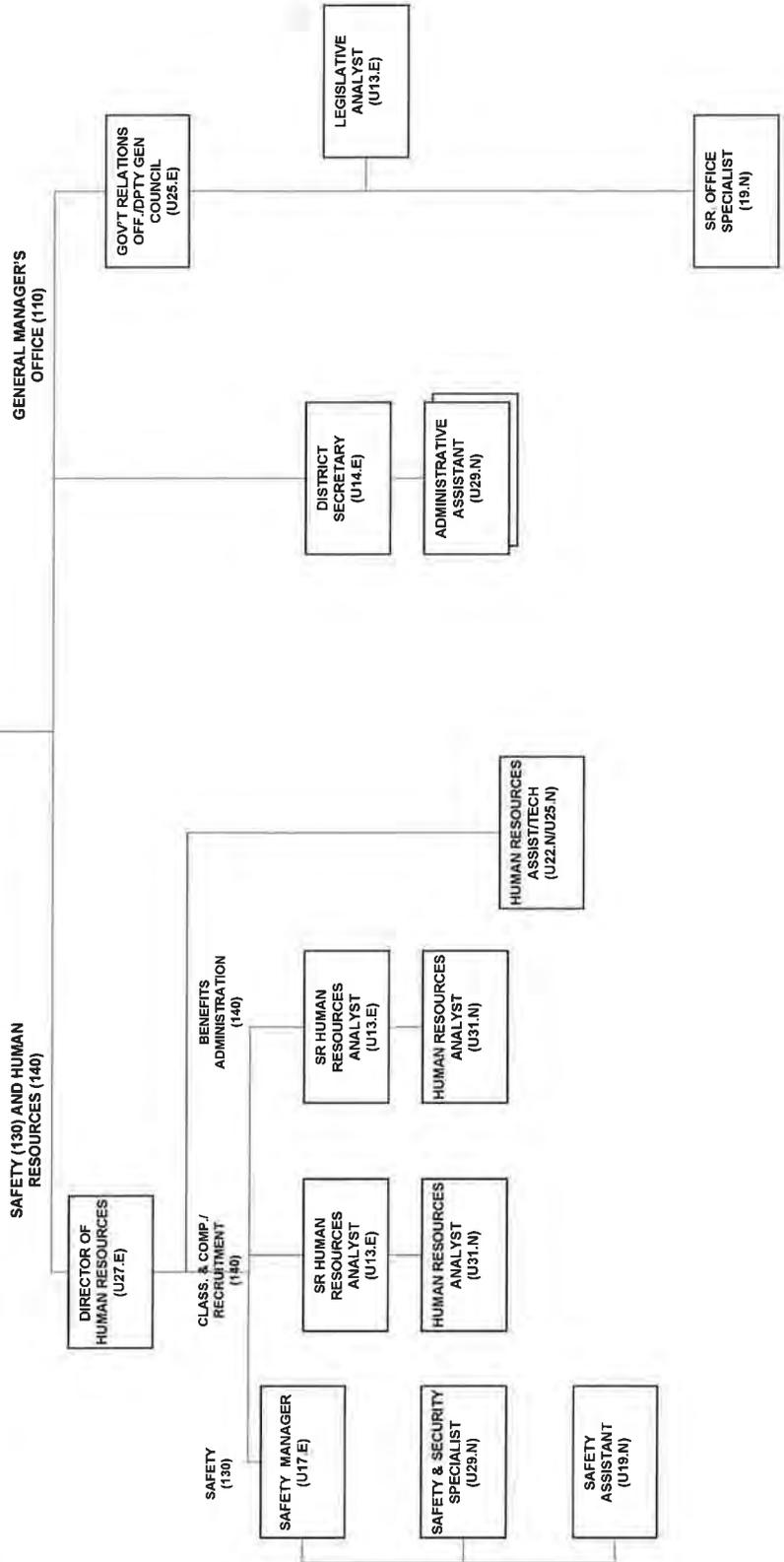
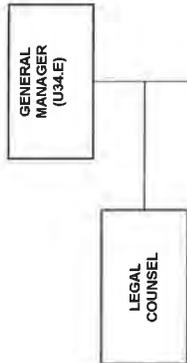
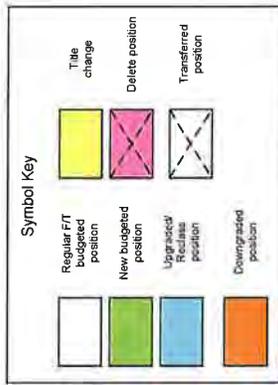
- h. Finalize agreements for a pilot program through which Municipal Water District of Orange County can participate in IRWD's water banking program
18. Implement opportunities that enhance safety, security, and emergency preparedness throughout the District:
- a. Install security improvements at the MWRP
 - b. Evaluate security enhancements at other District facilities
 - c. Design and construct improvements to eliminate the use of chlorine gas at preliminary disinfection facility
 - d. Update District Emergency Operations Plan, including training for certain high-risk scenarios
 - e. Develop Safety Training Management System
 - f. Assess IRWD's ability to continue operation of key facilities during short- and long-term power outage scenarios
 - g. Conduct assessment for dedicated IRWD Emergency Operations Center
 - h. Revise all District energy control procedures and integrate with Maximo service work order system.



**IRVINE RANCH WATER DISTRICT
ADMINISTRATION
FISCAL YEAR 2019-20**



IRVINE RANCH WATER DISTRICT
ADMINISTRATION
FISCAL YEAR 2020-21



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Administration		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>General Managers Office</u>						
110	Regular Labor	1,032,188	485,576	896,898	917,830	20,932
110	Overtime Labor	4,206	3,667	0	7,500	7,500
110	Operating Supplies	9	0	0	0	0
110	Printing	70	80	8,000	15,000	7,000
110	Postage	174	84	400	200	(200)
110	Permits, Licenses and Fees	37,146	27,356	55,000	68,650	13,650
110	Office Supplies	3,219	605	4,000	4,000	0
110	Legal Fees	1,816,893	533,104	1,720,000	2,550,000	830,000
110	Personnel Training	393,246	282,082	412,000	446,250	34,250
110	Other Professional Fees	501,466	307,243	753,880	888,865	134,985
110	Directors' Fees	153,426	78,624	168,000	177,000	9,000
110	Election Expense	145,000	72,500	145,000	150,000	5,000
110	Other	(211,094)	0	0	0	0
Total General Managers Office		3,875,949	1,790,921	4,163,178	5,225,295	1,062,117

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Administration		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>General Managers Office</u>						
110	Regular Labor	1,032,188	485,576	917,830	957,642	39,812
110	Overtime Labor	4,206	3,667	7,500	7,800	300
110	Operating Supplies	9	0	0	0	0
110	Printing	70	80	15,000	15,000	0
110	Postage	174	84	200	250	50
110	Permits, Licenses and Fees	37,146	27,356	68,650	70,350	1,700
110	Office Supplies	3,219	605	4,000	4,200	200
110	Legal Fees	1,816,893	533,104	2,550,000	2,300,000	(250,000)
110	Personnel Training	393,246	282,082	446,250	465,349	19,099
110	Other Professional Fees	501,466	307,243	888,865	916,150	27,285
110	Directors' Fees	153,426	78,624	177,000	185,900	8,900
110	Election Expense	145,000	72,500	150,000	155,000	5,000
110	Other	(211,094)	0	0	0	0
Total General Managers Office		3,875,949	1,790,921	5,225,295	5,077,640	(147,654)



SAFETY

OPERATING BUDGET SUMMARY

Program Description

The Safety program provides necessary resources to promote a safe work environment for employees through mandated and pro-active training and ensures the District is prepared for response to emergency and disaster incidents.

With a commitment to provide on-going employee training to facilitate safe job performance, the Safety function continually monitors and stays abreast of current and pending changes and improvements for safe work practices in the water industry. Appropriate policies are regularly developed or revised to ensure the constant pursuit and maintenance of a safe operational environment, in compliance with all applicable laws and regulations.

Through the use of safety awareness programs, the Safety function works to increase employee involvement at all organizational levels via All Hands Meetings, Tailgate Safety Meetings, classroom and on-site training sessions, workplace evaluations, industrial hygiene evaluations and employee Safety Committee meetings.

The Safety program coordinates emergency preparedness and disaster response operations, oversees the maintenance and administration of the Emergency Operations Center and administers the Commuter Trip Reduction (Ridesharing) program.

Major Goals

- Evaluate opportunities that enhance safety and emergency preparedness throughout the District;
- Complete the development of the Specific Hazard Response Plans as a part of the District's overall Emergency Operations Plan;
- Administer the Safety Training Management System to ensure timely safety training of all District staff; and,
- Provide continual disaster response training drills for District staff, including high-risk scenarios.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Administration		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
Safety						
130	Regular Labor	243,723	118,204	272,136	270,285	(1,851)
130	Overtime Labor	15,188	8,091	4,000	14,000	10,000
130	Contract Labor	0	0	0	51,400	51,400
130	Fuel	21	0	0	0	0
130	Operating Supplies	203,797	58,085	110,900	133,600	22,700
130	Printing	4,474	10,027	2,000	4,000	2,000
130	Postage	310	270	500	500	0
130	Permits, Licenses and Fees	46,473	19,232	55,600	52,000	(3,600)
130	Office Supplies	36,929	34,482	28,100	32,000	3,900
130	Personnel Training	220,936	98,767	153,500	244,000	90,500
130	Personnel Physicals	3,282	1,963	21,000	8,000	(13,000)
130	Other Professional Fees	219,987	184,789	187,000	330,000	143,000
130	Equipment Usage	0	0	0	0	0
130	Safety	123,100	105,848	45,000	69,000	24,000
130	Alarm and Patrol Services	550,711	54,738	750,560	0	(750,560)
130	Commuter Program	191,934	114,445	0	0	0
Total Safety		1,860,865	808,941	1,630,296	1,208,785	(421,511)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Administration		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
Safety						
130	Regular Labor	243,723	118,204	270,285	282,601	12,316
130	Overtime Labor	15,188	8,091	14,000	14,000	0
130	Contract Labor	0	0	51,400	76,400	25,000
130	Fuel	21	0	0	0	0
130	Operating Supplies	203,797	58,085	133,600	124,700	(8,900)
130	Printing	4,474	10,027	4,000	4,000	0
130	Postage	310	270	500	500	0
130	Permits, Licenses and Fees	46,473	19,232	52,000	55,000	3,000
130	Office Supplies	36,929	34,482	32,000	39,000	7,000
130	Personnel Training	220,936	98,767	244,000	240,000	(4,000)
130	Personnel Physicals	3,282	1,963	8,000	8,000	0
130	Other Professional Fees	219,987	184,789	330,000	343,000	13,000
130	Equipment Usage	0	0	0	0	0
130	Safety	123,100	105,848	69,000	70,000	1,000
130	Alarm and Patrol Services	550,711	54,738	0	0	0
130	Commuter Program	191,934	114,445	0	0	0
Total Safety		1,860,865	808,941	1,208,785	1,257,201	48,416



HUMAN RESOURCES

OPERATING BUDGET SUMMARY

Program Description

The Human Resources function provides comprehensive organizational development and personnel management services to maximize the potential of the District's human resources and overall employee efficiency, effectiveness and satisfaction. The Human Resources program is responsible for attracting and recruiting a highly qualified work force and working in concert with the organization leadership to develop and sustain a motivated, productive organization.

Human Resources ensures the delivery of a competitive compensation and benefits package; continuous improvement through employee training; fair and consistent employee policies, procedures and guidelines; and an ongoing employee reward and recognition program tied to the achievement of stated goals and objectives. Human Resources is responsible for the employee relations and labor relations processes and facilitates communication and trust with staff through collaboration and the open exchange of ideas.

Major Goals

- Recruit, develop and retain a highly skilled and educated workforce;
- Assess the experience and training of IRWD employees to ensure a continued supply of highly skilled labor;
- Develop programs to close any identified labor skill gaps; and,
- Implement District-wide Organizational Values Development initiative.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Administration		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
Human Resources						
140	Regular Labor	580,331	279,704	631,862	640,943	9,081
140	Overtime Labor	12,766	10,765	2,000	5,000	3,000
140	Employee Benefits	17,396,129	9,138,031	19,123,550	20,224,261	1,100,711
140	Contract Labor	4,423	12,496	3,000	3,000	0
140	Postage	11	348	0	500	500
140	Office Supplies	5,436	827	2,500	2,500	0
140	Rep & Maint IRWD	0	0	1,000	0	(1,000)
140	Legal Fees	199,213	72,113	145,000	140,000	(5,000)
140	Personnel Training	343,161	102,490	399,600	423,100	23,500
140	Personnel Physicals	15,826	16,017	20,000	35,000	15,000
140	Other Professional Fees	154,379	105,517	174,200	220,500	46,300
140	Equipment Usage	0	0	0	0	0
140	Commuter Program	0	(161)	156,000	240,000	84,000
Total Human Resources		18,711,675	9,738,146	20,658,712	21,934,804	1,276,092
Total Administration		24,448,489	12,338,008	26,452,186	28,368,884	1,916,698

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Administration		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Human Resources</u>						
140	Regular Labor	580,331	279,704	640,943	670,675	29,732
140	Overtime Labor	12,766	10,765	5,000	5,000	0
140	Employee Benefits	17,396,129	9,138,031	20,224,261	22,057,016	1,832,755
140	Contract Labor	4,423	12,496	3,000	3,000	0
140	Postage	11	348	500	500	0
140	Office Supplies	5,436	827	2,500	2,500	0
140	Rep & Maint IRWD	0	0	0	0	0
140	Legal Fees	199,213	72,113	140,000	140,000	0
140	Personnel Training	343,161	102,490	423,100	428,100	5,000
140	Personnel Physicals	15,826	16,017	35,000	37,000	2,000
140	Other Professional Fees	154,379	105,517	220,500	225,500	5,000
140	Equipment Usage	0	0	0	0	0
140	Commuter Program	0	(161)	240,000	260,000	20,000
Total Human Resources		18,711,675	9,738,146	21,934,804	23,829,291	1,894,487
Total Administration		24,448,489	12,338,008	28,368,884	30,164,132	1,795,249



FINANCE, TREASURY AND PROCUREMENT

OPERATING BUDGET SUMMARY

Program Description

The Finance Department is responsible for ensuring the financial and rate stability of the District. This includes developing rates and fees that support the long-term sustainability of the District. Finance maintains the official accounting records of the Irvine Ranch Water District and provides financial management of the District's income and real estate investments, new and existing debt issues, and deferred compensation programs. The department provides a wide range of accounting and financial services including payroll, accounts payable, accounts receivable, project accounting, financial analysis, financial reporting, coordination of the District's annual operating budget and preparation of the Comprehensive Annual Financial Report (CAFR). The Finance Department also oversees risk management claims and insurance issues as well as District security.

The mission of the Finance Department is to safeguard assets and provide financial and accounting services in a timely, reliable, and cost-effective manner that meet the requirements of the District's internal and external 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 reports to the Finance and Personnel Committee and the District's Board of Directors;
- Coordinate the District's annual financial statement audit;
- Prepare the annual CAFR;
- Prepare the Operating Budget for Board of Director approval including setting adequate rates to ensure long-term financial strength and stability;
- Ensure user rates are proportional with costs of service and support the current rate structure;
- Lead customer noticing effort for Proposition 218 compliance (operating budget, rates and charges);
- Ensure all payments and payroll checks are accurate and timely; and,
- Identify and implement enhanced financial reporting and business intelligence capabilities.

LONG-TERM FINANCIAL PLANNING

- Continue to refine and update the cash flow strategic model to ensure sufficient funding for future capital needs;
- Provide analytical support and analysis to Finance, other departments and outside constituents as requested; and,
- Explore financial modeling for acquisition, financing and construction of major projects.



FINANCE, TREASURY AND PROCUREMENT

OPERATING BUDGET SUMMARY

INVESTMENTS AND CASH MANAGEMENT

- Invest District funds in a prudent and professional manner that will provide maximum security of principal, sufficient liquidity to meet working capital requirements and an optimal rate of return;
- Prepare accurate investment reports and the annual investment policy for the Board of Directors and other interested parties within established time frames; and,
- Maintain and enhance short and long-term cash flow models and cash management practices.

REAL ESTATE

- Monitor and report on the performance of all real estate investment assets;
- Manage leasing and related property management activities for all District commercial and residential real estate investments;
- Evaluate development and disposition opportunities of other District properties;
- Complete construction and leasing of the Sand Canyon campus in Irvine;
- Assist with acquisition and agricultural leasing activities related to water reliability properties; and,
- Resolve outstanding deed, access and other contractual restrictions related to real property.

DEBT ISSUANCE AND ADMINISTRATION

- Issue long-term debt to fund capital projects as needed, and evaluate and recommend refunding opportunities for current District debt issues when appropriate;
- Manage District letters of credit supporting variable rate debt; evaluate new credit support opportunities when appropriate;
- Prepare and submit required continuing disclosure materials for District debt issues to appropriate parties;
- Manage variable rate debt portfolio including periodic remarketings, monitoring remarketing agents of District debt and making adjustments as appropriate; and,
- Execute, manage and report on interest rate swap positions and transactions as appropriate.

RISK MANAGEMENT/INSURANCE

- Ensure the District has adequate insurance to appropriately safeguard assets; and,
- Manage the claims process and coordinate legal matters in a timely manner.

SECURITY

- Assess and implement measures to ensure the security of District employees, facilities and customers;
- Manage third-party security contractor relationships including monitoring and response to field and incident reports;
- Monitor alarm and security access systems for all District facilities;
- Respond to reported incidents to provide security assistance as required; and,
- Act as District liaison with law enforcement and federal security agencies.



FINANCE, TREASURY AND PROCUREMENT

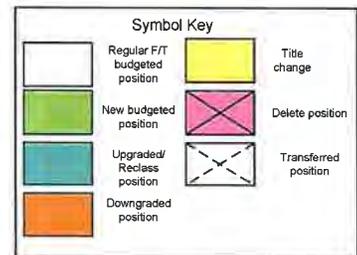
OPERATING BUDGET SUMMARY

PENSION/DEFERRED COMPENSATION

- Maintain and invest Pension Benefits Trust assets and report portfolio performance and recommendations to the Retirement Board;
- Evaluate and monitor Trust Advisor performance; recommend changes in advisory services as appropriate; review additional opportunities to optimize Pension Benefits Trust performance; and,
- Oversee investment performance, reporting and employee education activities related to the District's deferred compensation plans.

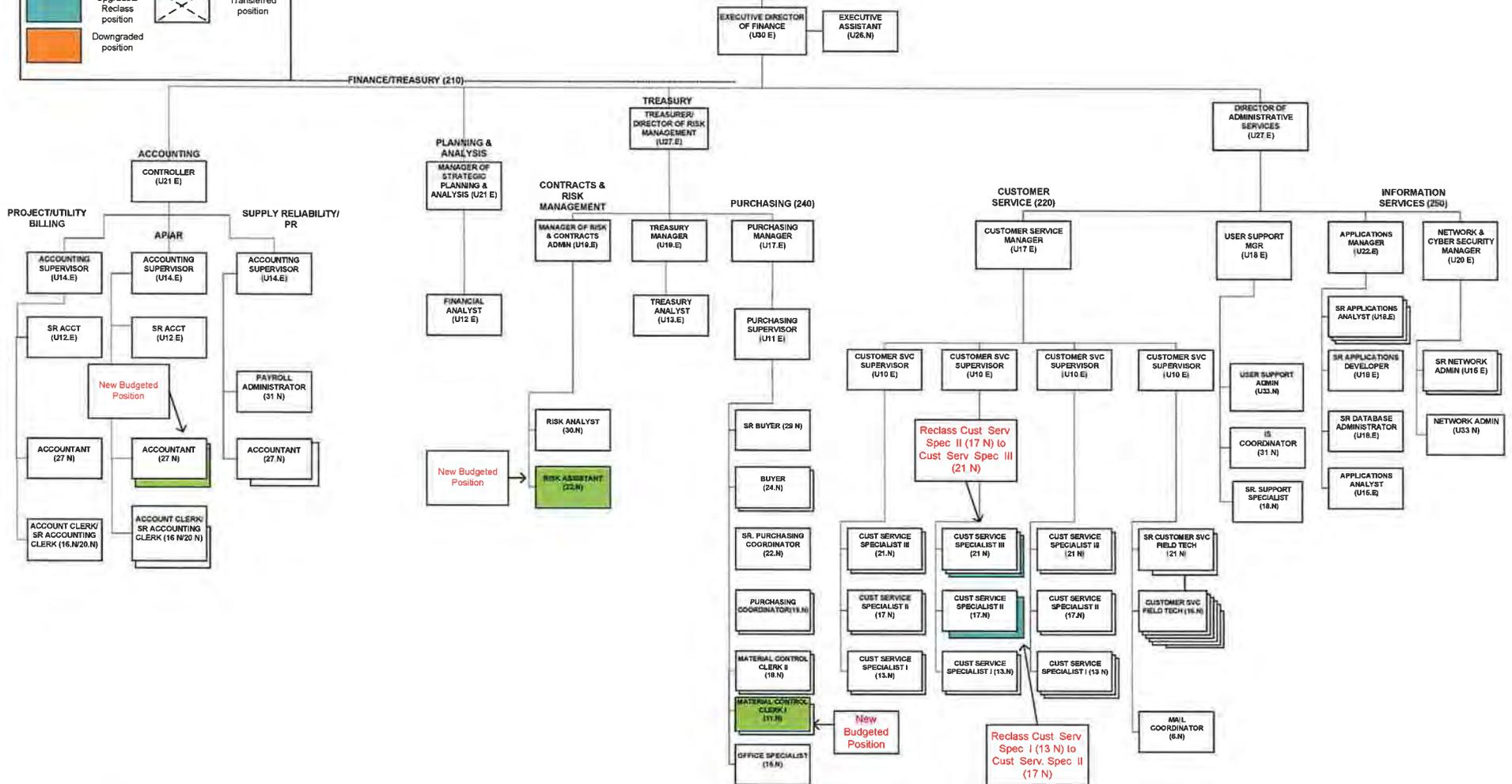
PURCHASING

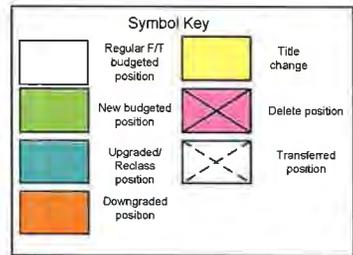
- Purchase materials, supplies and services in a timely manner with appropriate consideration given to quality and best pricing;
- Process all material/service requests timely and efficiently;
- Optimize Maximo system; maintain appropriate warehouse inventory and review/adjust slow moving inventory;
- Streamline business procurement processes and documentation while ensuring appropriate controls on all warehouses;
- Explore opportunities for expanded warehouse capabilities;
- Lead the District record retention efforts;
- Provide ongoing customer support for procurement and inventory systems; and,
- Evaluate and expand participation in cooperative purchasing agreements as appropriate.



**IRVINE RANCH WATER DISTRICT
FINANCE AND ADMINISTRATION
FISCAL YEAR 2019-20**

General Manager



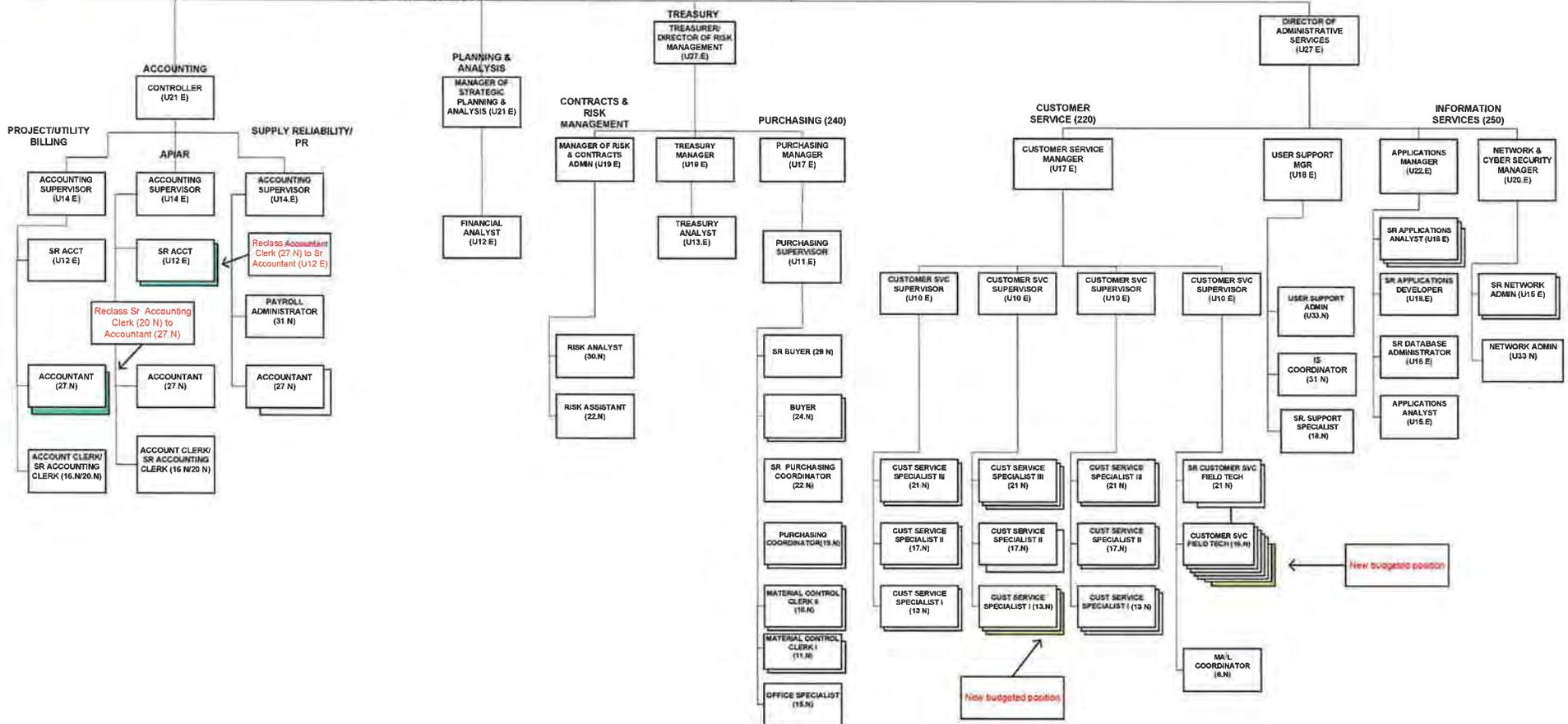


**IRVINE RANCH WATER DISTRICT
FINANCE AND ADMINISTRATION
FISCAL YEAR 2020-21**

General Manager



FINANCE/TREASURY (210)



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Finance & Administrative Services		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>Finance and Treasury</u>						
210	Regular Labor	2,500,973	1,210,378	2,460,066	2,671,079	211,013
210	Overtime Labor	31,425	7,937	16,500	17,500	1,000
210	Contract Labor	63,309	23,041	39,600	12,000	(27,600)
210	Other Utilities	142	0	0	0	0
210	Operating Supplies	1,350	205	1,200	1,000	(200)
210	Printing	65,170	16,739	70,000	8,000	(62,000)
210	Postage	6,192	3,145	6,500	6,500	0
210	Permits, Licenses and Fees	37,364	4,123	15,500	7,200	(8,300)
210	Office Supplies	5,141	3,643	6,000	7,200	1,200
210	Insurance	500,840	541,173	1,085,400	1,316,502	231,102
210	Accounting Fees	106,370	49,905	102,000	100,000	(2,000)
210	Data Processing	50,940	25,860	52,400	80,800	28,400
210	Personnel Training	26,122	14,761	28,000	40,400	12,400
210	Other Professional Fees	218,013	80,691	272,000	318,100	46,100
210	Equipment Usage	0	0	0	0	0
210	Mileage Reimbursement	0	7	0	0	0
210	Collection Fees	137	0	5,500	11,000	5,500
210	Alarm and Patrol Services	0	314,651	0	800,080	800,080
210	Other	0	45,000	0	0	0
Total Finance and Treasury		3,613,488	2,341,259	4,160,666	5,397,361	1,236,695

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Finance & Administrative Services

<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
Finance and Treasury						
210	Regular Labor	2,500,973	1,210,378	2,671,079	2,780,462	109,383
210	Overtime Labor	31,425	7,937	17,500	18,100	600
210	Contract Labor	63,309	23,041	12,000	12,000	0
210	Other Utilities	142	0	0	0	0
210	Operating Supplies	1,350	205	1,000	1,000	0
210	Printing	65,170	16,739	8,000	83,300	75,300
210	Postage	6,192	3,145	6,500	6,700	200
210	Permits, Licenses and Fees	37,364	4,123	7,200	7,300	100
210	Office Supplies	5,141	3,643	7,200	7,400	200
210	Insurance	500,840	541,173	1,316,502	1,552,403	235,901
210	Accounting Fees	106,370	49,905	100,000	111,000	11,000
210	Data Processing	50,940	25,860	80,800	82,400	1,600
210	Personnel Training	26,122	14,761	40,400	42,708	2,308
210	Other Professional Fees	218,013	80,691	318,100	251,450	(66,650)
210	Equipment Usage	0	0	0	0	0
210	Mileage Reimbursement	0	7	0	0	0
210	Collection Fees	137	0	11,000	11,400	400
210	Alarm and Patrol Services	0	314,651	800,080	850,000	49,920
210	Other	0	45,000	0	0	0
Total Finance and Treasury		3,613,488	2,341,259	5,397,361	5,817,623	420,262

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Finance & Administrative Services

<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
Purchasing						
240	Regular Labor	709,921	375,898	997,007	1,037,152	40,145
240	Overtime Labor	19,240	36,614	44,000	44,400	400
240	Contract Labor	25,793	34,596	12,600	0	(12,600)
240	Operating Supplies	388,743	84,825	148,000	159,900	11,900
240	Printing	16,779	7,174	10,000	10,400	400
240	Postage	4,331	2,737	6,000	6,000	0
240	Office Supplies	14,351	5,701	12,000	12,400	400
240	Duplicating Equipment	187,284	88,316	185,000	185,000	0
240	Equipment Rental	2,312	6,919	18,000	20,000	2,000
240	Personnel Training	4,146	(79)	13,000	13,000	0
240	Other Professional Fees	96	4,235	2,000	2,000	0
240	Equipment Usage	0	0	0	0	0
240	Commuter Program	0	(161)	0	0	0
Total Purchasing		1,372,995	646,775	1,447,607	1,490,252	42,645



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

Program Description

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

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

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

Major Goals

CUSTOMER SERVICE

- Deliver exceptional customer service both internally and externally;
- Review and resolve billing inquiries and adjustments in a timely manner including education of customers on water budgets;
- Receive and process all orders for new service and discontinuation of service;
- Process new meter applications;
- Process payments for temporary construction meters, fire flow tests, and customer water bills;
- Coordinate and process all meter reads to ensure accurate billing;
- Process variance requests for additional water budgets;
- Respond to field problems (leaks, no water complaints, high/low pressure, water quality, sewer problems, line breaks, etc.) with a sense of urgency;
- Manage delinquent customer accounts and perform shut-offs as required;
- Provide customers with an accurate bill that is easy to read;
- Distribute customer satisfaction surveys and maintain 90% customer satisfaction;
- Remain compliant with all State, Local and Federal laws pertaining to utility billing;
- Ensure that customers have an accurate understanding of the IRWD rate structure; and,
- Maintain accurate customer data to ensure timely billing and notification.



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

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, mobile devices, printers and software applications that meet the needs of District staff;
- Provide reliable voice, data and wireless communications services;
- Implement new and improve existing software applications to meet the requirements of District staff;
- Complete scheduled hardware and software upgrades to District servers, personal computers, mobile devices, printers, network equipment and software applications;
- Implement the billing function for the Fats, Oils, and Greases (FOG) permitting and inspection program;
- Continue technical upgrade of Oracle Customer Care and Billing software;
- Complete the migration from GroupWise messaging to Microsoft Office 365 in the cloud;
- Complete development of additional Business Intelligence reports and dashboards;
- Implement recommendations from the Cyber Security Risk Assessment and Response Plan;
- Support Part 2 implementation of the Enterprise Asset Management System (EAM);
- Conduct customer web access portal upgrade assessment; and,
- Monitor industry trends for best practices and opportunities for improved system related technologies.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Finance & Administrative Services

<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Customer Service</u>						
220	Regular Labor	1,853,638	870,692	2,056,740	2,126,785	70,045
220	Overtime Labor	116,566	47,739	60,000	96,000	36,000
220	Contract Labor	279,773	114,902	215,800	366,400	150,600
220	Operating Supplies	8,167	7,213	15,000	15,000	0
220	Printing	64,352	25,435	170,800	170,000	(800)
220	Postage	544,276	312,195	500,000	620,000	120,000
220	Office Supplies	5,051	3,853	5,500	7,300	1,800
220	Equipment Rental	44,250	25,297	0	38,000	38,000
220	Rep & Maint IRWD	97	4,793	0	0	0
220	Personnel Training	2,359	0	8,000	12,500	4,500
220	Other Professional Fees	950	1,670	2,000	2,500	500
220	Collection Fees	2,218	679	1,000	2,000	1,000
220	Contract Meter Reading	1,509,984	595,179	1,390,000	1,432,000	42,000
Total Customer Service		4,431,681	2,009,647	4,424,840	4,888,485	463,645

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Finance & Administrative Services

<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Customer Service</u>						
220	Regular Labor	1,853,638	870,692	2,126,785	2,328,311	201,526
220	Overtime Labor	116,566	47,739	96,000	60,000	(36,000)
220	Contract Labor	279,773	114,902	366,400	251,000	(115,400)
220	Operating Supplies	8,167	7,213	15,000	15,000	0
220	Printing	64,352	25,435	170,000	176,800	6,800
220	Postage	544,276	312,195	620,000	645,000	25,000
220	Office Supplies	5,051	3,853	7,300	7,700	400
220	Equipment Rental	44,250	25,297	38,000	38,000	0
220	Rep & Maint IRWD	97	4,793	0	0	0
220	Personnel Training	2,359	0	12,500	12,500	0
220	Other Professional Fees	950	1,670	2,500	2,800	300
220	Collection Fees	2,218	679	2,000	2,000	0
220	Contract Meter Reading	1,509,984	595,179	1,432,000	1,550,000	118,000
Total Customer Service		4,431,681	2,009,647	4,888,485	5,089,111	200,626

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Finance & Administrative Services		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Information Services</u>						
250	Regular Labor	1,756,794	814,292	1,870,116	1,949,273	79,157
250	Overtime Labor	20,333	12,582	30,000	30,000	0
250	Contract Labor	288,651	112,067	240,000	240,000	0
250	Telecommunication	531,871	259,364	516,100	641,100	125,000
250	Operating Supplies	25	49	0	0	0
250	Printing	2,449	154	1,000	0	(1,000)
250	Office Supplies	0	0	1,000	1,000	0
250	Rep & Maint IRWD	320,093	156,974	402,400	230,800	(171,600)
250	Data Processing	2,846,311	1,260,703	2,792,200	3,250,600	458,400
250	Personnel Training	1,372	494	35,800	46,500	10,700
250	Other Professional Fees	2,647	51,011	150,000	220,000	70,000
250	Equipment Usage	0	0	0	0	0
250	Mileage Reimbursement	138	0	0	0	0
250	Computer Backup Storage	16,400	9,472	6,000	12,000	6,000
Total Information Services		5,787,084	2,677,162	6,044,616	6,621,273	576,657
Total Finance & Administrative Services		15,205,249	7,674,843	15,904,492	18,354,726	2,450,234

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Finance & Administrative Services

<u>Dept No</u> <u>Expense Name</u>		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Information Services</u>						
250	Regular Labor	1,756,794	814,292	1,949,273	2,024,787	75,514
250	Overtime Labor	20,333	12,582	30,000	30,000	0
250	Contract Labor	288,651	112,067	240,000	245,000	5,000
250	Telecommunication	531,871	259,364	641,100	641,100	0
250	Operating Supplies	25	49	0	0	0
250	Printing	2,449	154	0	0	0
250	Office Supplies	0	0	1,000	1,000	0
250	Rep & Maint IRWD	320,093	156,974	230,800	307,300	76,500
250	Data Processing	2,846,311	1,260,703	3,250,600	3,141,800	(108,800)
250	Personnel Training	1,372	494	46,500	61,500	15,000
250	Other Professional Fees	2,647	51,011	220,000	220,000	0
250	Equipment Usage	0	0	0	0	0
250	Mileage Reimbursement	138	0	0	0	0
250	Computer Backup Storage	16,400	9,472	12,000	12,000	0
Total Information Services		5,787,084	2,677,162	6,621,273	6,684,487	63,214
<hr/>						
Total Finance & Administrative Services		15,205,249	7,674,843	18,354,726	19,081,473	726,747



ENGINEERING

OPERATING BUDGET SUMMARY

Program Description

The Engineering Department provides planning, design and construction coordination to develop the water, sewage and recycled water facilities necessary to provide the highest level of service to the customers of the District. The Engineering Department also provides technical support to other District departments.

Planning: The Planning and Geographic Information Systems (GIS) group of the Department is responsible for all master planning, water, sewage and recycled water demand projections, water supply planning, preliminary facility planning studies for new facilities, and preparation of the District's annual and long-term Capital Programs. The Planning group provides GIS services to other District departments including the development and support of GIS based applications and facility and atlas maps, maintenance of the District's digital record drawings plan system, and spatial analysis. The Planning group is also responsible for managing the District's real property and rights of way.

Capital Projects: The Capital Projects group designs and manages construction of major water, sewage and recycled water treatment, distribution and transmission facilities necessary to provide the quality and reliability of service to existing and future customers of the District. The Capital Projects group is responsible for the expansion and improvement of water and sewage treatment facilities; the design and construction of wells, pipelines, storage facilities, pump stations, and sewage lift stations; and the design and construction of integration facilities for areas acquired through agency consolidations.

Development Services: The Development Services group facilitates the land development process within the District by designing the water, sewage and recycled water facilities necessary to support land development. The construction of these facilities is coordinated to ensure that the facilities are available to meet development schedule requirements. Temporary and interim facilities, when necessary, are also coordinated through this group. The Development Services group also reviews developer submittals for quality and conformance with District requirements and assesses and collects appropriate fees.

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



ENGINEERING

OPERATING BUDGET SUMMARY

Operations Support: The Operations Support group is responsible for providing engineering support to other District departments. The Operations Support group generally focuses on the expansion and rehabilitation of existing District facilities and provides design and construction management of small to medium size water, sewage and recycled water facilities.

This group also includes the process control team that conducts research, develops projects and provides process control and technical support to enhance the performance of the District's domestic and recycled water supply, treatment, distribution, and storage facilities. The process control team also provides similar support to the District's sewage collection/treatment, recycled water and urban runoff treatment systems and supports District-wide regulatory compliance objectives.

Michelson Water Recycling Plant (MWRP) Construction: The MWRP Construction group is responsible for the construction of the MWRP Biosolids and Energy Recovery Facilities. The group ensures that sewage and biosolids treatment facilities are properly designed and constructed to meet District requirements.

Major Goals

PLANNING

- Provide Inter-agency technical support;
- Develop alternative water supplies;
- Implement Criticality Based Replacement Planning Model;
- Evaluate Alternatives for Developing Groundwater from Wells 51/52 and Tustin Legacy Sites;
- Complete the Lake Forest Area OCSD LAFCO Annexation; and
- Expand GIS based applications and cloud infrastructure.

CAPITAL PROJECTS

- MWRP Biosolids and Energy Recovery Facilities construction;
- Syphon Reservoir Improvements design;
- Santiago Creek Dam Outlet Tower Replacement design;
- Eastwood Recycled Water Pump Stations construction;
- Zone 1 Reservoir construction;
- Zone A to Rattlesnake Reservoir Pump Station design;
- Primary Disinfection Facility Sodium Hypochlorite Storage and Feed design and construction;
- Santiago Canyon Fleming Reservoir and Pump Station design; and,
- Sewage Treatment Plant Master Plan update.



ENGINEERING

OPERATING BUDGET SUMMARY

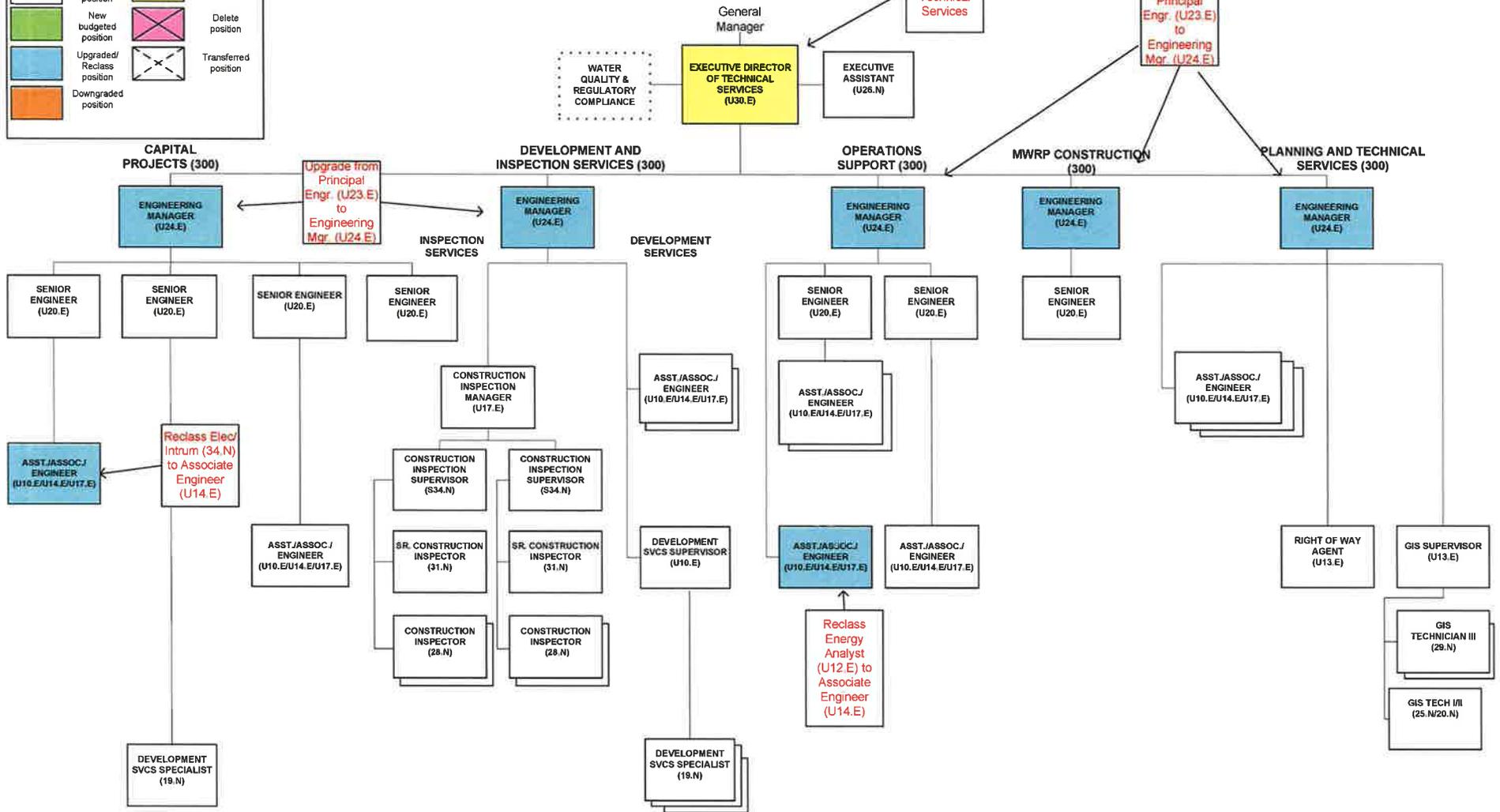
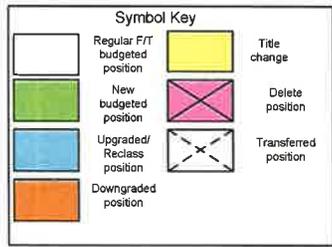
DEVELOPMENT SERVICES

- Heritage Fields Infrastructure design and construction;
- Orchard Hills Infrastructure design and construction;
- Los Olivos Infrastructure design and construction;
- Portola Springs Infrastructure design and construction;
- Tustin Legacy Infrastructure design and construction; and,
- Irvine Business Complex Redevelopment Infrastructure design and construction.

OPERATIONS SUPPORT

- Santiago Canyon Area Pipeline and Pump Stations Improvements design and construction;
- MWRP Emergency Diversion construction;
- Pipe rehabilitation construction of Laguna Canyon and Turtle Ridge;
- Well Rehabilitation design and construction;
- Sewer Siphons Improvements design and construction;
- San Joaquin Recycled Water Reservoir Filtration design and construction;
- Pelican Hills Golf Course Sewer Rehabilitation design and construction;
- Valve Vault Lid Replacement on Irvine Boulevard design and construction;
- Domestic and Recycled Water System-wide Valve Replacement design;
- Evaluate process control and water quality monitoring data to assess, correct or recommend performance improvement of membrane treatment facilities: IDP-SGU, IDP-PAP, IDP-PTP, DATS, CATS and the Wells 21/22 Desalter Plant; and,
- Develop test protocols, standard operating protocols and procedures, operate, perform sample collection and monitoring of bench, pilot and full-scale process facilities, including pilot and demonstration research projects.

IRVINE RANCH WATER DISTRICT
ENGINEERING
FISCAL YEAR 2019-20



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Engineering		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	<u>Actual</u>	<u>Actual thru</u>	<u>Budget</u>	<u>Proposed</u>	<u>Incr/(Decr)</u>
			<u>12/31/18</u>		<u>Budget</u>	
<u>Engineering</u>						
300	Regular Labor	5,091,238	2,379,861	4,860,622	4,889,436	28,814
300	Overtime Labor	208,493	93,206	210,000	204,000	(6,000)
300	Contract Labor	216,250	171,560	432,000	320,000	(112,000)
300	Operating Supplies	5,129	2,269	10,000	5,800	(4,200)
300	Printing	17,258	2,975	20,000	16,000	(4,000)
300	Postage	3,327	1,204	2,800	3,000	200
300	Permits, Licenses and Fees	0	99	2,000	2,000	0
300	Office Supplies	8,577	3,853	9,900	9,900	0
300	Rep & Maint IRWD	0	2,348	0	0	0
300	Engineering Fees	126,974	27,506	152,000	152,000	0
300	Personnel Training	17,126	12,491	27,000	29,000	2,000
300	Other Professional Fees	4,492	2,378	3,000	10,000	7,000
300	Mileage Reimbursement	40	26	0	0	0
300	Commuter Program	0	(259)	0	0	0
Total Engineering		5,698,903	2,699,518	5,729,322	5,641,136	(88,186)
Total Engineering		5,698,903	2,699,518	5,729,322	5,641,136	(88,186)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Engineering		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Engineering</u>						
300	Regular Labor	5,091,238	2,379,861	4,889,436	5,093,272	203,836
300	Overtime Labor	208,493	93,206	204,000	204,000	0
300	Contract Labor	216,250	171,560	320,000	245,000	(75,000)
300	Operating Supplies	5,129	2,269	5,800	5,800	0
300	Printing	17,258	2,975	16,000	8,000	(8,000)
300	Postage	3,327	1,204	3,000	3,000	0
300	Permits, Licenses and Fees	0	99	2,000	2,000	0
300	Office Supplies	8,577	3,853	9,900	9,900	0
300	Rep & Maint IRWD	0	2,348	0	0	0
300	Engineering Fees	126,974	27,506	152,000	112,000	(40,000)
300	Personnel Training	17,126	12,491	29,000	29,000	0
300	Other Professional Fees	4,492	2,378	10,000	10,000	0
300	Mileage Reimbursement	40	26	0	0	0
300	Commuter Program	0	(259)	0	0	0
Total Engineering		5,698,903	2,699,518	5,641,136	5,721,972	80,836
<hr/>						
Total Engineering		5,698,903	2,699,518	5,641,136	5,721,972	80,836



WATER QUALITY and REGULATORY COMPLIANCE

OPERATING BUDGET SUMMARY

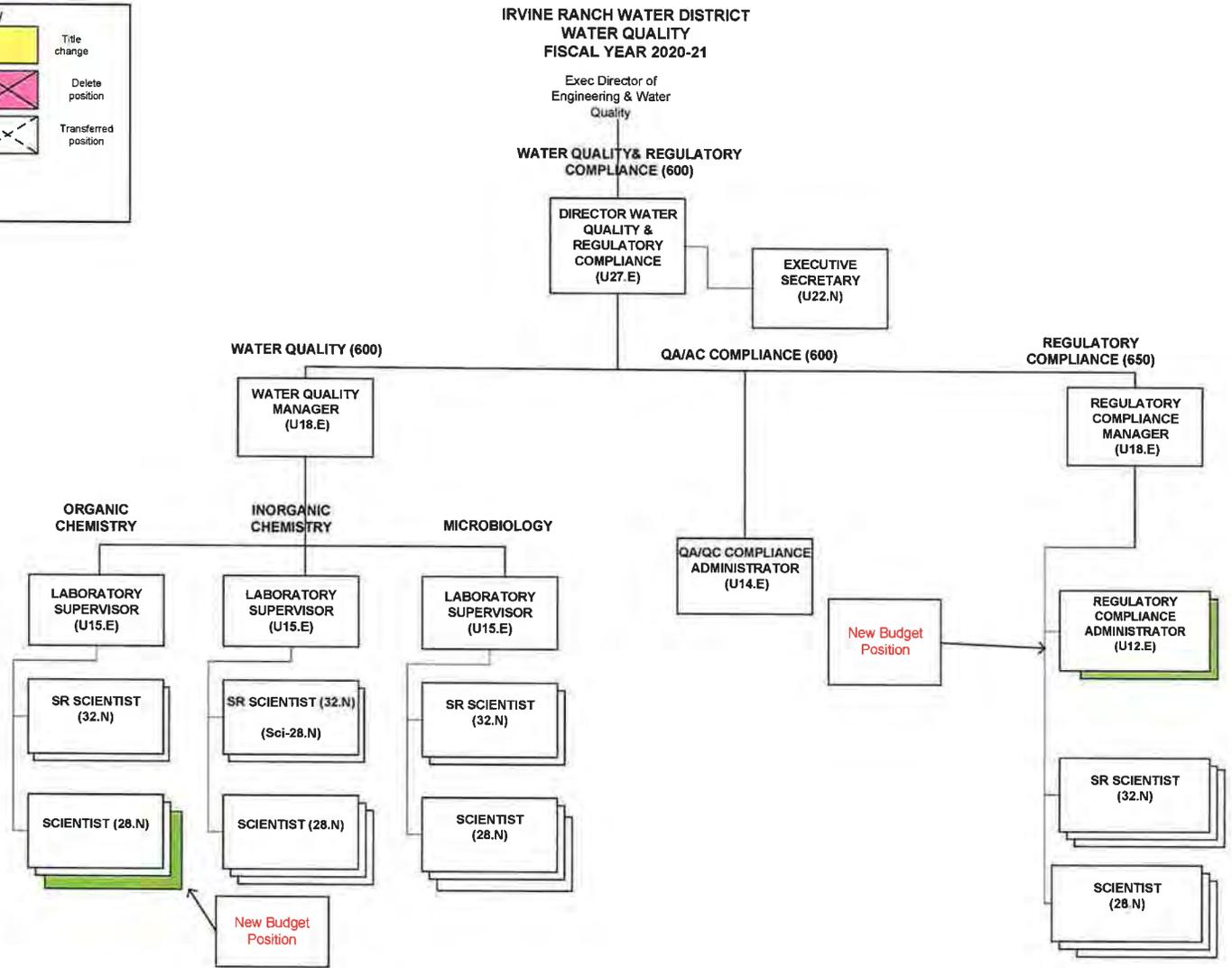
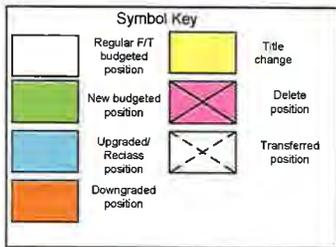
Program Description

The Water Quality and Regulatory Compliance Department provides laboratory and compliance related support to the operations and maintenance of the domestic and recycled water distribution, sewage collection systems, treatment facilities, and biosolids and energy recovery facilities. The department provides internal and external customers with field and facility monitoring, reproducible data of known and documented quality for regulatory monitoring and reporting, process control, research projects and capital projects utilizing state-of-the-art equipment and certified, analytical methods.

Staff also manages environmental permitting, reporting and compliance covering water, sewage, biosolids, air, hazardous waste, underground and aboveground storage tanks, universal waste, and Fats, Oils, and Grease (FOG). Staff actively participates in association meetings to stay current with developing rules and policies and to advocate on behalf of the District.

Major Goals

- Perform all monitoring and laboratory analyses to provide data to document the District's compliance status with all applicable federal, state and local environmental laws and regulations and for process control purposes;
- Complete analyses within specified hold times and meet quality control specifications;
- Research and implement new testing methods where justified, specifically when timing, compliance, cost or efficiencies support bringing a method in-house;
- Maintain Environmental Laboratory Accreditation Program (ELAP) certification, and complete the process to obtain national laboratory certification;
- Implement to the fullest extent possible automation in monitoring, laboratory processes, and compliance and process control reporting programs;
- Apply for and maintain all necessary permits and documentation to comply with environmental regulations;
- Maintain a knowledge base of all environmental compliance requirements;
- Communicate and provide training on these requirements to appropriate staff and leadership across the agency;
- Write compliance reports in an accurate and timely manner documenting compliance with all applicable permits, rules and laws;
- Negotiate with regulators to resolve compliance matters;
- Coordinate with other agencies and conduct appropriate inspections, monitoring and enforcement regarding industrial discharges under the pretreatment program; and,
- Participate in peer associations addressing laboratory and compliance issues.



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Quality		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
Water Quality						
600	Regular Labor	1,808,432	866,602	1,824,290	2,064,759	240,469
600	Overtime Labor	47,987	19,932	33,600	33,800	200
600	Contract Labor	110,732	71,686	115,300	165,600	50,300
600	Operating Supplies	435,325	192,216	447,000	471,000	24,000
600	Postage	1,035	597	600	1,100	500
600	Permits, Licenses and Fees	11,251	12,953	15,876	17,400	1,524
600	Office Supplies	3,996	1,575	4,000	4,000	0
600	Equipment Rental	1,078	0	0	0	0
600	Rep & Maint IRWD	149,294	135,438	234,200	251,500	17,300
600	Engineering Fees	94,096	96,734	138,000	236,400	98,400
600	Personnel Training	13,469	4,251	35,050	38,000	2,950
600	Other Professional Fees	2,071	1,478	24,650	25,100	450
600	Mileage Reimbursement	0	0	0	0	0
600	Safety	2,301	2,356	7,200	8,400	1,200
Total Water Quality		2,681,067	1,405,818	2,879,766	3,317,059	437,293

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Quality		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Water Quality</u>						
600	Regular Labor	1,808,432	866,602	2,064,759	2,299,640	234,881
600	Overtime Labor	47,987	19,932	33,800	36,350	2,550
600	Contract Labor	110,732	71,686	165,600	128,100	(37,500)
600	Operating Supplies	435,325	192,216	471,000	496,460	25,460
600	Postage	1,035	597	1,100	1,115	15
600	Permits, Licenses and Fees	11,251	12,953	17,400	19,200	1,800
600	Office Supplies	3,996	1,575	4,000	4,000	0
600	Equipment Rental	1,078	0	0	0	0
600	Rep & Maint IRWD	149,294	135,438	251,500	271,500	20,000
600	Engineering Fees	94,096	96,734	236,400	236,400	0
600	Personnel Training	13,469	4,251	38,000	41,000	3,000
600	Other Professional Fees	2,071	1,478	25,100	25,100	0
600	Mileage Reimbursement	0	0	0	0	0
600	Safety	2,301	2,356	8,400	8,600	200
Total Water Quality		2,681,067	1,405,818	3,317,059	3,567,465	250,406

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Quality		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
Regulatory Compliance						
650	Regular Labor	825,306	336,147	842,734	744,631	(98,103)
650	Overtime Labor	64,952	34,624	67,820	103,300	35,480
650	Contract Labor	21,658	40,847	16,000	64,800	48,800
650	Operating Supplies	61,298	36,963	61,850	77,600	15,750
650	Postage	2,298	663	1,600	3,000	1,400
650	Permits, Licenses and Fees	459,242	395,473	542,270	580,690	38,420
650	Office Supplies	356	119	800	500	(300)
650	Rep & Maint Other Agencies	6,026	1,300	0	4,000	4,000
650	Rep & Maint IRWD	217,344	67,947	252,800	185,500	(67,300)
650	Engineering Fees	60,666	172,160	359,320	340,324	(18,996)
650	Personnel Training	7,747	2,866	8,900	18,400	9,500
650	Other Professional Fees	1,022	1,157	2,400	2,200	(200)
650	Equipment Usage	0	0	0	0	0
650	Safety	0	0	2,000	1,000	(1,000)
Total Regulatory Compliance		1,727,915	1,090,266	2,158,494	2,125,945	(32,549)
Total Water Quality		4,408,982	2,496,084	5,038,260	5,443,004	404,744

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Quality			FY 2018-19	FY 2019-20	FY 2020-21	
<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18	Actual thru	Proposed	Proposed	Incr/(Decr)
		Actual	12/31/18	Budget	Budget	
<u>Regulatory Compliance</u>						
650	Regular Labor	825,306	336,147	744,631	776,304	31,673
650	Overtime Labor	64,952	34,624	103,300	107,600	4,300
650	Contract Labor	21,658	40,847	64,800	68,000	3,200
650	Operating Supplies	61,298	36,963	77,600	79,700	2,100
650	Postage	2,298	663	3,000	2,500	(500)
650	Permits, Licenses and Fees	459,242	395,473	580,690	609,530	28,840
650	Office Supplies	356	119	500	500	0
650	Rep & Maint Other Agencies	6,026	1,300	4,000	8,000	4,000
650	Rep & Maint IRWD	217,344	67,947	185,500	202,500	17,000
650	Engineering Fees	60,666	172,160	340,324	316,324	(24,000)
650	Personnel Training	7,747	2,866	18,400	20,400	2,000
650	Other Professional Fees	1,022	1,157	2,200	2,000	(200)
650	Equipment Usage	0	0	0	0	0
650	Safety	0	0	1,000	1,000	0
Total Regulatory Compliance		1,727,915	1,090,266	2,125,945	2,194,358	68,413
Total Water Quality		4,408,982	2,496,084	5,443,004	5,761,823	318,819



WATER OPERATIONS

OPERATING BUDGET SUMMARY

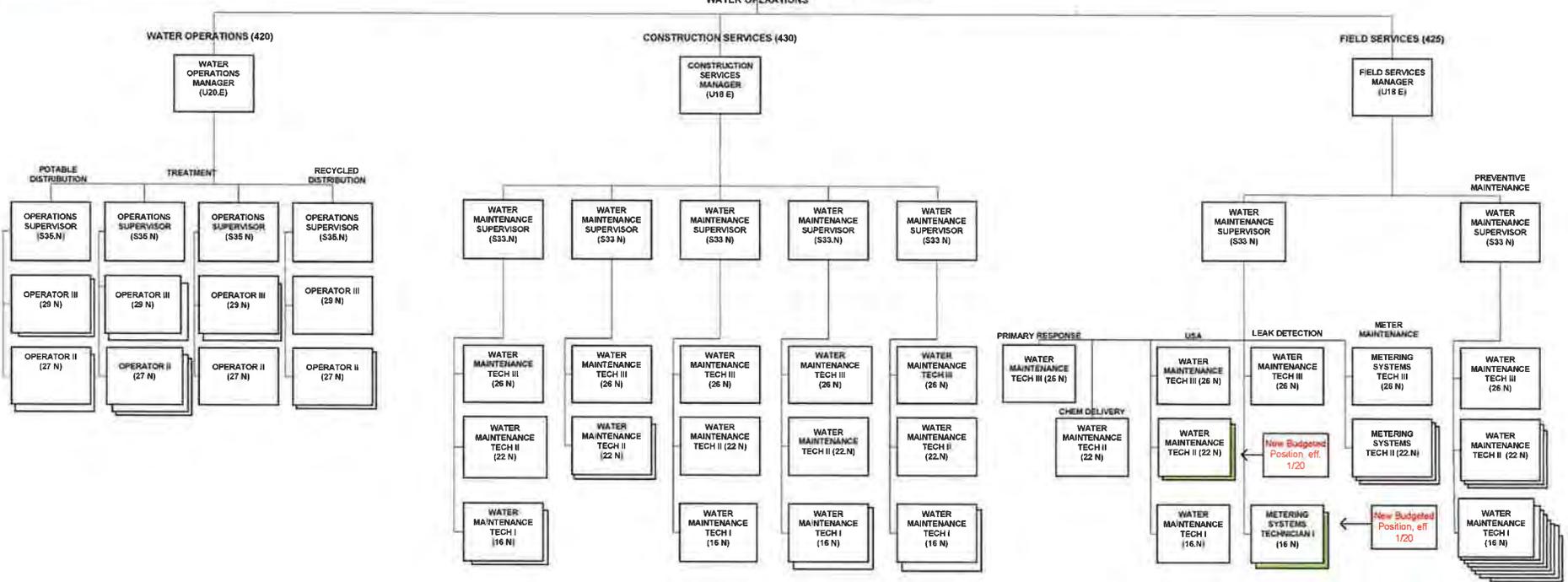
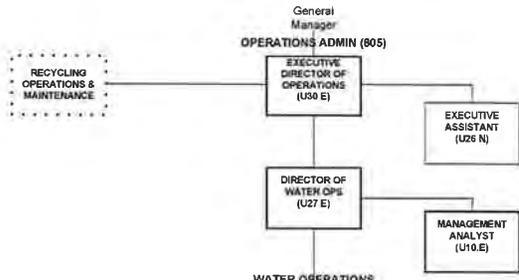
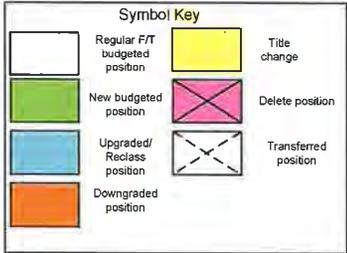
Program Description

The mission of the Water Operations Department is to operate and maintain the District's potable water, recycled water and untreated water systems in an efficient, cost effective and environmentally safe manner that provides a high level of customer satisfaction. These systems include the Dyer Road Wellfield, Deep Aquifer Treatment System, Wells 21/22 Treatment Plant, Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant and Shallow Groundwater Unit) and Baker Water Treatment Plant.

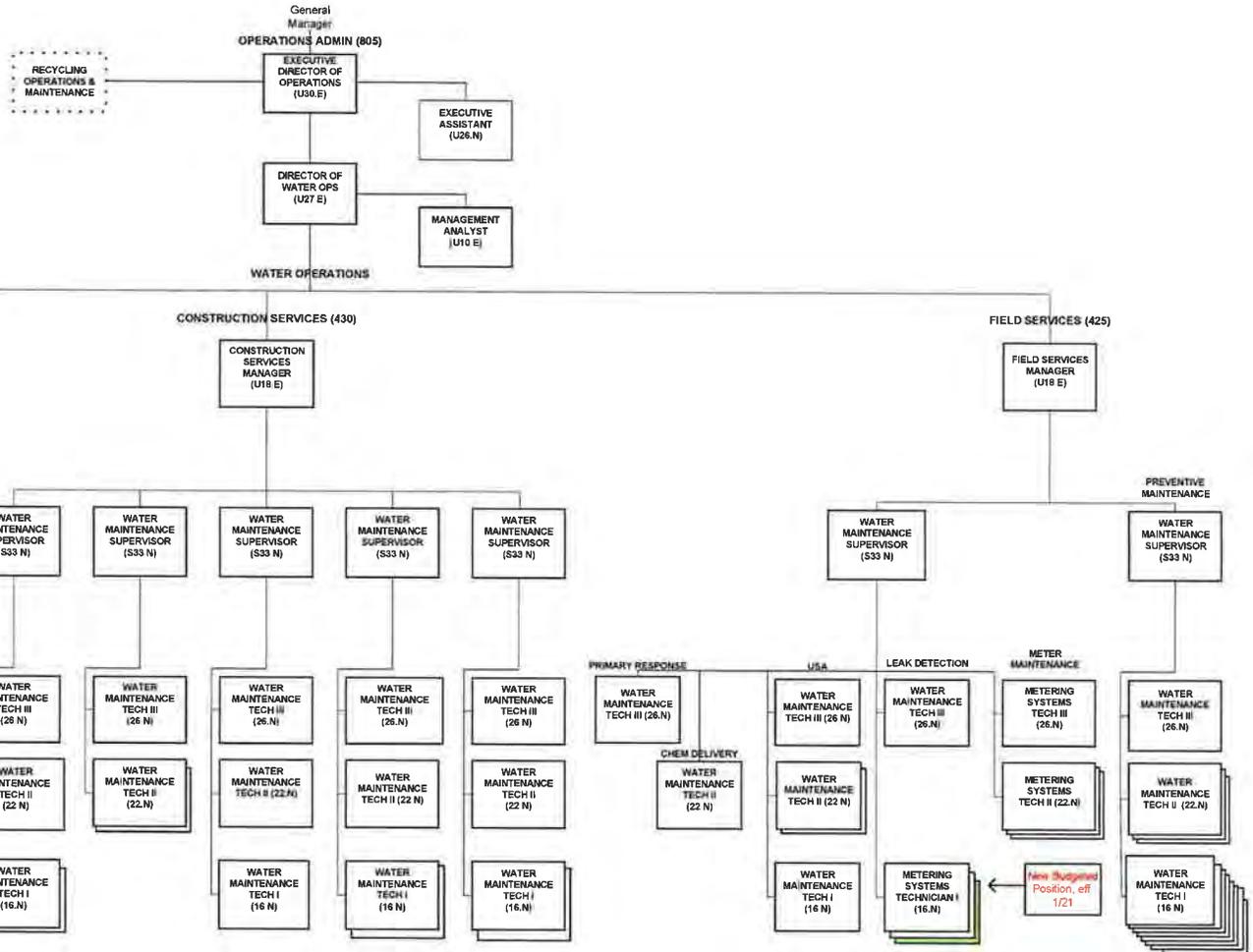
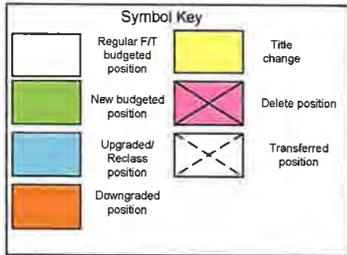
Major Goals

- Maintain 100% compliance with all regulatory permits;
- Meet the Department's adopted Operations and Maintenance budget;
- Maintain 5 or more Water Operators at the T-5 and D-5 certification level;
- Coordinate with the Finance, Engineering and Planning Departments on water supply and water banking opportunities to optimize cost effective operations;
- Achieve zero lost time accidents;
- Modify as needed and track adopted Operational Key Performance Indicators (KPI) to optimize operational efficiency and cost effectiveness;
- Maintain and develop staff competency through a combination of internal and external training;
- Operate and maintain the system to minimize energy consumption;
- Maintain the Dyer Road Well Field and Deep Aquifer Treatment System domestic water flows in accordance with the Ground Water Pumping Plan staying within the current Basin Pumping Percentage (BPP) of 70%;
- Operate the Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant and Shallow Groundwater Unit) in accordance with the joint agency agreement and submit required reports;
- Ensure efficient operation of all District pumping, dam operation, and reservoir facilities;
- Maintain a high level of customer satisfaction by responding promptly to all customer service requests and repair water leaks with minimal impact to customers; and,
- Identify the District's underground facilities by responding to Underground Service Alert (USA) tickets to prevent potential damages to the facilities from construction activities.

**IRVINE RANCH WATER DISTRICT
OPERATIONS ADMINISTRATION & WATER OPERATIONS
FISCAL YEAR 2019-20**



**IRVINE RANCH WATER DISTRICT
OPERATIONS ADMINISTRATION & WATER OPERATIONS
FISCAL YEAR 2020-21**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	Incr/(Decr)
Dept No	Expense Name	Actual	Actual thru 12/31/18	Budget	Proposed Budget	
<u>Operations Administration</u>						
805	Regular Labor	1,012,043	443,907	1,073,154	1,055,594	(17,560)
805	Telecommunication	2,480	1,242	3,200	4,400	1,200
805	Operating Supplies	18,463	1,067	7,300	9,450	2,150
805	Printing	0	0	3,000	3,000	0
805	Postage	73	38	1,000	1,000	0
805	Office Supplies	7,807	7,396	15,000	15,000	0
805	Rep & Maint IRWD	27,838	2,492	0	0	0
805	Personnel Training	49,559	32,499	84,800	91,500	6,700
805	Other Professional Fees	22,291	11,019	153,500	57,950	(95,550)
805	Equipment Usage	0	0	0	0	0
805	Mileage Reimbursement	0	55	0	0	0
805	Commuter Program	0	(97)	0	0	0
Total Operations Administration		1,140,554	499,618	1,340,954	1,237,894	(103,060)
Total Water Operations		62,206,154	33,259,812	61,659,620	64,459,965	2,800,345

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Operations		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Operations Administration</u>						
805	Regular Labor	1,012,043	443,907	1,055,594	1,097,733	42,139
805	Telecommunication	2,480	1,242	4,400	4,620	220
805	Operating Supplies	18,463	1,067	9,450	9,700	250
805	Printing	0	0	3,000	3,500	500
805	Postage	73	38	1,000	1,000	0
805	Office Supplies	7,807	7,396	15,000	15,000	0
805	Rep & Maint IRWD	27,838	2,492	0	0	0
805	Personnel Training	49,559	32,499	91,500	99,200	7,700
805	Other Professional Fees	22,291	11,019	57,950	63,150	5,200
805	Equipment Usage	0	0	0	0	0
805	Mileage Reimbursement	0	55	0	0	0
805	Commuter Program	0	(97)	0	0	0
Total Operations Administration		1,140,554	499,618	1,237,894	1,293,903	56,009
Total Water Operations		62,206,154	33,259,812	64,459,965	70,872,206	6,412,242

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>Water Operations</u>						
420	Water Purchases	39,933,298	21,167,905	37,454,466	39,241,990	1,787,524
420	Regular Labor	1,847,257	911,115	2,070,218	1,781,783	(288,435)
420	Overtime Labor	482,360	256,950	442,290	551,474	109,184
420	Electricity	9,070,451	5,620,527	9,905,210	10,811,863	906,653
420	Fuel	52,179	29,637	57,000	51,300	(5,700)
420	Telecommunication	75,971	29,552	77,900	84,860	6,960
420	Other Utilities	52,591	31,451	47,000	61,300	14,300
420	Chemicals	1,819,353	905,756	1,605,544	1,823,163	217,619
420	Operating Supplies	42,828	40,408	79,200	94,970	15,770
420	Printing	0	0	0	0	0
420	Permits, Licenses and Fees	233,879	83,643	251,500	260,552	9,052
420	Office Supplies	77	0	200	200	0
420	Duplicating Equipment	407	1,339	0	3,000	3,000
420	Equipment Rental	35,955	6,695	17,000	18,000	1,000
420	Rep & Maint Other Agencies	843,020	444,555	857,100	930,000	72,900
420	Rep & Maint IRWD	997,342	602,441	1,489,588	1,620,765	131,177
420	Engineering Fees	221,789	129,729	124,756	140,240	15,484
420	Data Processing	0	0	12,500	0	(12,500)
420	Personnel Training	354	(144)	1,340	6,500	5,160
420	Other Professional Fees	4,699	2,263	78,000	105,200	27,200
420	Equipment Usage	0	0	0	0	0
420	Safety	0	0	3,000	3,000	0
420	Commuter Program	0	(185)	0	200	200
Total Water Operations		55,713,810	30,263,637	54,573,812	57,590,359	3,016,547

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Operations		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Water Operations</u>						
420	Water Purchases	39,933,298	21,167,905	39,241,990	44,681,254	5,439,264
420	Regular Labor	1,847,257	911,115	1,781,783	1,859,009	77,226
420	Overtime Labor	482,360	256,950	551,474	572,261	20,787
420	Electricity	9,070,451	5,620,527	10,811,863	11,313,243	501,380
420	Fuel	52,179	29,637	51,300	52,100	800
420	Telecommunication	75,971	29,552	84,860	84,860	0
420	Other Utilities	52,591	31,451	61,300	61,300	0
420	Chemicals	1,819,353	905,756	1,823,163	1,900,693	77,531
420	Operating Supplies	42,828	40,408	94,970	94,970	0
420	Printing	0	0	0	0	0
420	Permits, Licenses and Fees	233,879	83,643	260,552	260,552	0
420	Office Supplies	77	0	200	200	0
420	Duplicating Equipment	407	1,339	3,000	3,000	0
420	Equipment Rental	35,955	6,695	18,000	18,000	0
420	Rep & Maint Other Agencies	843,020	444,555	930,000	930,000	0
420	Rep & Maint IRWD	997,342	602,441	1,620,765	1,640,265	19,500
420	Engineering Fees	221,789	129,729	140,240	140,240	0
420	Data Processing	0	0	0	0	0
420	Personnel Training	354	(144)	6,500	6,500	0
420	Other Professional Fees	4,699	2,263	105,200	105,200	0
420	Equipment Usage	0	0	0	0	0
420	Safety	0	0	3,000	3,000	0
420	Commuter Program	0	(185)	200	200	0
Total Water Operations		55,713,810	30,263,637	57,590,359	63,726,846	6,136,488

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
Field Services						
425	Regular Labor	1,622,728	811,665	1,757,410	1,836,128	78,718
425	Overtime Labor	222,595	122,854	213,400	265,100	51,700
425	Contract Labor	278,221	187,104	203,440	133,120	(70,320)
425	Telecommunication	0	0	0	0	0
425	Chemicals	1,583	161	900	900	0
425	Operating Supplies	91,378	60,449	117,000	107,300	(9,700)
425	Permits, Licenses and Fees	22,630	10,842	18,000	19,600	1,600
425	Equipment Rental	16,727	8,488	17,500	17,500	0
425	Rep & Maint IRWD	235,372	105,097	354,100	262,300	(91,800)
425	Personnel Training	192	214	680	680	0
425	Other Professional Fees	733	148	500	500	0
425	Equipment Usage	0	0	0	0	0
425	Commuter Program	0	(175)	0	0	0
Total Field Services		2,492,159	1,306,847	2,682,930	2,643,128	(39,802)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Operations		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Field Services</u>						
425	Regular Labor	1,622,728	811,665	1,836,128	2,025,258	189,130
425	Overtime Labor	222,595	122,854	265,100	265,100	0
425	Contract Labor	278,221	187,104	133,120	36,000	(97,120)
425	Telecommunication	0	0	0	0	0
425	Chemicals	1,583	161	900	900	0
425	Operating Supplies	91,378	60,449	107,300	122,700	15,400
425	Permits, Licenses and Fees	22,630	10,842	19,600	19,600	0
425	Equipment Rental	16,727	8,488	17,500	17,500	0
425	Rep & Maint IRWD	235,372	105,097	262,300	264,800	2,500
425	Personnel Training	192	214	680	680	0
425	Other Professional Fees	733	148	500	500	0
425	Equipment Usage	0	0	0	0	0
425	Commuter Program	0	(175)	0	0	0
Total Field Services		2,492,159	1,306,847	2,643,128	2,753,038	109,910

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>Construction Services</u>						
430	Regular Labor	1,573,059	775,251	1,726,964	1,884,175	157,211
430	Overtime Labor	250,385	126,947	241,000	253,640	12,640
430	Contract Labor	146,007	36,274	208,960	130,000	(78,960)
430	Telecommunication	0	0	0	0	0
430	Chemicals	827	0	800	600	(200)
430	Operating Supplies	82,479	55,682	144,800	160,320	15,520
430	Permits, Licenses and Fees	88,040	31,510	93,000	93,640	640
430	Equipment Rental	6,247	0	12,000	12,000	0
430	Rep & Maint IRWD	709,362	162,393	628,000	443,300	(184,700)
430	Personnel Training	3,226	1,815	6,400	8,000	1,600
430	Equipment Usage	0	0	0	0	0
430	Commuter Program	0	(161)	0	0	0
Total Construction Services		2,859,631	1,189,711	3,061,924	2,985,675	(76,249)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Operations		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Construction Services</u>						
430	Regular Labor	1,573,059	775,251	1,884,175	1,966,378	82,203
430	Overtime Labor	250,385	126,947	253,640	253,608	(32)
430	Contract Labor	146,007	36,274	130,000	135,200	5,200
430	Telecommunication	0	0	0	0	0
430	Chemicals	827	0	600	624	24
430	Operating Supplies	82,479	55,682	160,320	166,740	6,420
430	Permits, Licenses and Fees	88,040	31,510	93,640	97,380	3,740
430	Equipment Rental	6,247	0	12,000	12,000	0
430	Rep & Maint IRWD	709,362	162,393	443,300	455,260	11,960
430	Personnel Training	3,226	1,815	8,000	8,320	320
430	Equipment Usage	0	0	0	0	0
430	Commuter Program	0	(161)	0	0	0
Total Construction Services		2,859,631	1,189,711	2,985,675	3,095,510	109,835



Irvine Ranch
WATER DISTRICT

RECYCLING OPERATIONS

OPERATING BUDGET SUMMARY

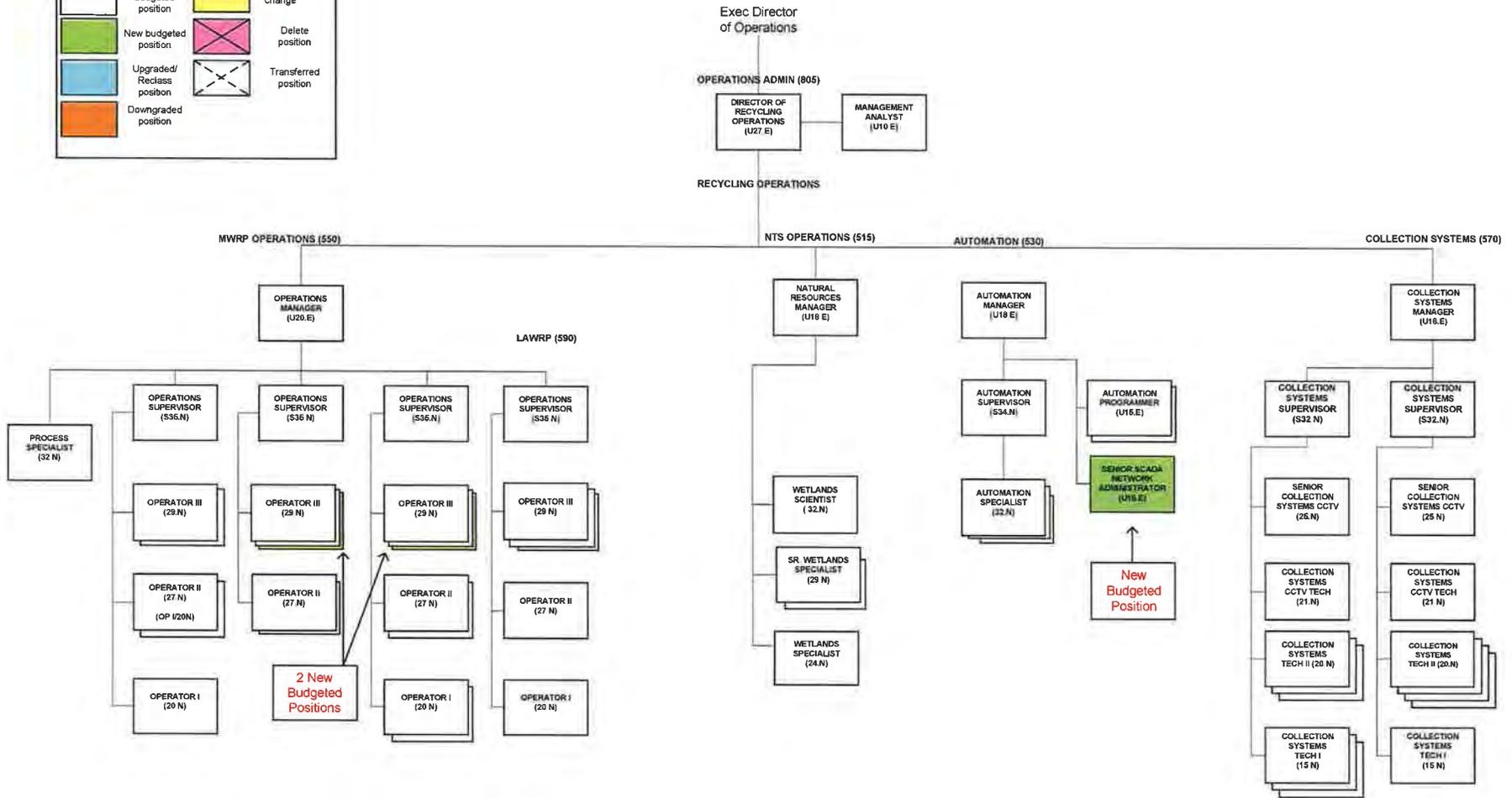
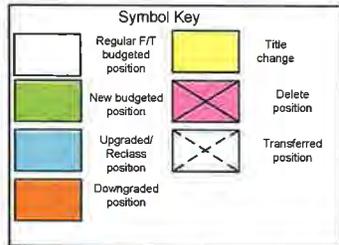
Program Description

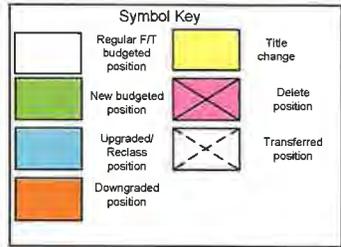
The mission of the Recycling Operations Department is to operate the District's resource recovery systems in a regulatory compliant, efficient, and environmentally safe manner that provides the highest level of customer satisfaction. The Recycling Operations Department provides cost-effective, reliable and compliant operation of the collection systems, Michelson Water Recycling Plant (MWRP), Los Alisos Water Recycling Plant (LAWRP), Natural Treatment System (NTS), and administrative management of the Automated Process Control Systems.

Major Goals

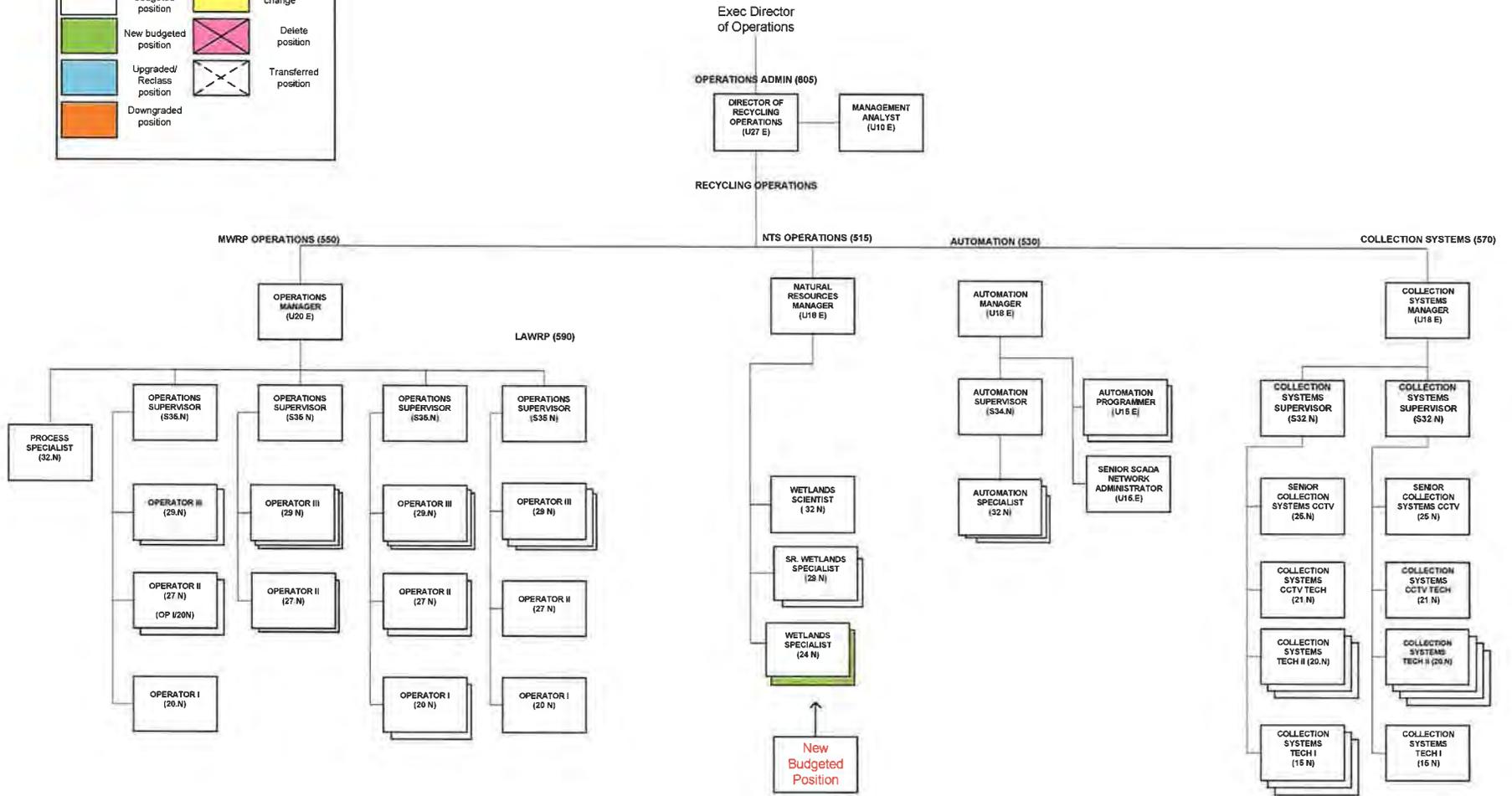
- Maintain 100% compliance with all regulatory permits;
- Achieve zero lost time accidents;
- Coordinate with Water Operations to optimize production of recycled water and balance with system storage;
- Meet the Department's adopted Operations budget;
- Maintain and develop staff competency through a combination of internal and external training;
- Evaluate, optimize, and monitor chemical usage for the collection and recycling facilities systems;
- Provide operational assistance for functional and start-up testing for the Michelson Water Recycling Plant's Biosolids and Energy Recovery Facilities Project; and take over full Plant operation of the facility upon completion of the construction project;
- Finalize and implement options for the marketing and distribution of pellets from the MWRP Biosolids Project; and explore participation with other agencies for processing their Class B solids;
- Complete feasibility study of Lower San Diego Creek urban runoff diversions, and begin preliminary design report;
- Initiate Polyphagous Shothole Borer mitigation plan for the San Joaquin Marsh;
- Upgrade stations with legacy PLC hardware and software that is no longer manufactured or supported in an effort to improve reliability of service and minimize down time;
- Improve cybersecurity resiliency of the Industrial Control System (ICS)/SCADA infrastructure by adopting advanced cybersecurity standards and technologies;
- Replace communication systems utilizing the congested and license-free (open for public) 900 MHz frequency bands to the FCC licensed public safety 4.9 GHz frequency bands to avoid communication interference, operation disruption, and reliability;
- Improve SCADA communication resiliency and reliability by adding redundant communication paths to critical pump stations, lift stations, reservoirs and treatment plants;
- Evaluate the usage of artificial intelligence and machine learning to improve process controls, efficiency and water quality;
- Migrate all private SCADA cellular communications to a public safety tier to obtain higher prioritization during network congestion and disasters;
- Evaluate and implement options for cleaning and inspection of large sewer lines within the IRWD service area; and,
- Provide technical support to the Engineering projects specific to Sewer Lift Station improvements, Sewer Siphon rehabilitation, and other collection system improvements.

**IRVINE RANCH WATER DISTRICT
RECYCLING OPERATIONS
FISCAL YEAR 2019-20**





**IRVINE RANCH WATER DISTRICT
RECYCLING OPERATIONS
FISCAL YEAR 2020-21**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Recycling Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
NTS Operations						
515	Regular Labor	353,144	207,243	436,036	457,349	21,313
515	Overtime Labor	2,100	1,148	8,000	4,000	(4,000)
515	Contract Labor	219,546	77,505	95,000	130,000	35,000
515	Electricity	174,327	106,704	201,000	210,000	9,000
515	Telecommunication	8,317	4,892	4,000	13,000	9,000
515	Operating Supplies	11,763	764	14,500	12,400	(2,100)
515	Printing	0	279	1,000	1,000	0
515	Postage	415	40	0	500	500
515	Permits, Licenses and Fees	30,958	3,090	4,000	4,800	800
515	Equipment Rental	5,736	2,999	0	8,000	8,000
515	Rep & Maint Other Agencies	16,436	9,559	20,000	20,800	800
515	Rep & Maint IRWD	1,130,357	441,284	1,144,000	1,695,300	551,300
515	Engineering Fees	278,226	42,378	192,500	16,000	(176,500)
515	Personnel Training	1,142	427	3,800	9,600	5,800
515	Other Professional Fees	5	0	0	192,800	192,800
515	Other	4,660	2,250	14,000	16,000	2,000
Total NTS Operations		2,237,132	900,562	2,137,836	2,791,549	653,713

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Recycling Operations		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>NTS Operations</u>						
515	Regular Labor	353,144	207,243	457,349	545,587	88,238
515	Overtime Labor	2,100	1,148	4,000	4,600	600
515	Contract Labor	219,546	77,505	130,000	75,900	(54,100)
515	Electricity	174,327	106,704	210,000	218,400	8,400
515	Telecommunication	8,317	4,892	13,000	14,950	1,950
515	Operating Supplies	11,763	764	12,400	14,260	1,860
515	Printing	0	279	1,000	1,150	150
515	Postage	415	40	500	575	75
515	Permits, Licenses and Fees	30,958	3,090	4,800	5,520	720
515	Equipment Rental	5,736	2,999	8,000	9,200	1,200
515	Rep & Maint Other Agencies	16,436	9,559	20,800	23,920	3,120
515	Rep & Maint IRWD	1,130,357	441,284	1,695,300	1,920,595	225,295
515	Engineering Fees	278,226	42,378	16,000	18,400	2,400
515	Personnel Training	1,142	427	9,600	11,040	1,440
515	Other Professional Fees	5	0	192,800	221,720	28,920
515	Other	4,660	2,250	16,000	18,400	2,400
Total NTS Operations		2,237,132	900,562	2,791,549	3,104,217	312,668

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Recycling Operations		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Automation</u>						
530	Regular Labor	685,124	366,095	693,522	842,124	148,602
530	Overtime Labor	61,621	30,844	66,500	73,800	7,300
530	Operating Supplies	(10,590)	(1,316)	12,630	97,000	84,370
530	Postage	131	0	0	0	0
530	Rep & Maint IRWD	195,579	111,239	190,600	111,000	(79,600)
530	Personnel Training	0	0	170	0	(170)
530	Other Professional Fees	122,917	1,035	120,600	120,300	(300)
530	Equipment Usage	0	0	0	0	0
530	Safety	2,867	0	3,000	3,000	0
Total Automation		1,057,649	507,897	1,087,022	1,247,224	160,202

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Recycling Operations		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Automation</u>						
530	Regular Labor	685,124	366,095	842,124	874,546	32,422
530	Overtime Labor	61,621	30,844	73,800	78,200	4,400
530	Operating Supplies	(10,590)	(1,316)	97,000	97,000	0
530	Postage	131	0	0	0	0
530	Rep & Maint IRWD	195,579	111,239	111,000	111,000	0
530	Personnel Training	0	0	0	0	0
530	Other Professional Fees	122,917	1,035	120,300	120,300	0
530	Equipment Usage	0	0	0	0	0
530	Safety	2,867	0	3,000	3,000	0
Total Automation		1,057,649	507,897	1,247,224	1,284,046	36,822

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Recycling Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
MWRP Operations						
550	Regular Labor	1,412,762	659,474	1,521,788	1,770,686	248,898
550	Overtime Labor	116,853	57,736	119,900	157,740	37,840
550	Contract Labor	0	0	10,000	0	(10,000)
550	Electricity	2,932,804	1,828,371	2,774,964	4,628,684	1,853,720
550	Fuel	19,252	4,378	20,800	274,144	253,344
550	Telecommunication	0	0	1,800	0	(1,800)
550	Other Utilities	563	0	0	0	0
550	Chemicals	750,710	312,377	648,300	1,309,646	661,346
550	Operating Supplies	24,343	13,621	32,200	121,100	88,900
550	Rep & Maint Other Agencies	8,283,856	6,320,968	12,564,000	9,173,000	(3,391,000)
550	Rep & Maint IRWD	4,201	1,066	11,000	11,000	0
550	Engineering Fees	7,710	(7,710)	0	0	0
550	Personnel Training	825	343	4,020	2,800	(1,220)
550	Other Professional Fees	98,064	13,600	120,000	120,000	0
550	Equipment Usage	0	0	0	0	0
550	Safety	7,656	4,942	24,000	20,000	(4,000)
550	Biosolids Disposals	0	0	0	651,619	651,619
550	Commuter Program	0	(323)	0	0	0
550	Other	96,040	50,211	115,000	110,600	(4,400)
Total MWRP Operations		13,755,639	9,259,054	17,967,772	18,351,019	383,247

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Recycling Operations		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
MWRP Operations						
550	Regular Labor	1,412,762	659,474	1,770,686	1,848,352	77,666
550	Overtime Labor	116,853	57,736	157,740	162,220	4,480
550	Contract Labor	0	0	0	0	0
550	Electricity	2,932,804	1,828,371	4,628,684	5,470,174	841,490
550	Fuel	19,252	4,378	274,144	361,192	87,048
550	Telecommunication	0	0	0	0	0
550	Other Utilities	563	0	0	0	0
550	Chemicals	750,710	312,377	1,309,646	1,784,983	475,337
550	Operating Supplies	24,343	13,621	121,100	121,100	0
550	Rep & Maint Other Agencies	8,283,856	6,320,968	9,173,000	4,173,000	(5,000,000)
550	Rep & Maint IRWD	4,201	1,066	11,000	11,000	0
550	Engineering Fees	7,710	(7,710)	0	0	0
550	Personnel Training	825	343	2,800	2,800	0
550	Other Professional Fees	98,064	13,600	120,000	120,000	0
550	Equipment Usage	0	0	0	0	0
550	Safety	7,656	4,942	20,000	20,000	0
550	Biosolids Disposals	0	0	651,619	1,025,452	373,833
550	Commuter Program	0	(323)	0	0	0
550	Other	96,040	50,211	110,600	110,600	0
Total MWRP Operations		13,755,639	9,259,054	18,351,019	15,210,873	(3,140,146)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Recycling Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>Collections Systems</u>						
570	Regular Labor	1,233,281	593,455	1,273,540	1,276,343	2,803
570	Overtime Labor	120,991	52,395	148,500	120,800	(27,700)
570	Contract Labor	20,655	5,755	0	6,000	6,000
570	Electricity	99,089	66,479	136,000	133,600	(2,400)
570	Telecommunication	15,614	10,152	24,000	24,000	0
570	Chemicals	479,005	252,507	600,000	600,000	0
570	Operating Supplies	54,305	22,441	70,360	70,200	(160)
570	Postage	146	0	0	0	0
570	Rep & Maint IRWD	391,331	214,940	490,800	579,000	88,200
570	Personnel Training	2,436	1,325	4,720	5,000	280
570	Other Professional Fees	1,503	11,003	50,000	75,200	25,200
570	Equipment Usage	0	0	0	0	0
570	Mileage Reimbursement	0	0	2,000	0	(2,000)
570	Safety	16,065	0	12,000	12,000	0
Total Collections Systems		2,434,421	1,230,452	2,811,920	2,902,143	90,223

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Recycling Operations		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Collections Systems</u>						
570	Regular Labor	1,233,281	593,455	1,276,343	1,329,211	52,868
570	Overtime Labor	120,991	52,395	120,800	128,000	7,200
570	Contract Labor	20,655	5,755	6,000	6,000	0
570	Electricity	99,089	66,479	133,600	137,608	4,008
570	Telecommunication	15,614	10,152	24,000	29,000	5,000
570	Chemicals	479,005	252,507	600,000	640,000	40,000
570	Operating Supplies	54,305	22,441	70,200	72,600	2,400
570	Postage	146	0	0	0	0
570	Rep & Maint IRWD	391,331	214,940	579,000	618,000	39,000
570	Personnel Training	2,436	1,325	5,000	5,000	0
570	Other Professional Fees	1,503	11,003	75,200	75,200	0
570	Equipment Usage	0	0	0	0	0
570	Mileage Reimbursement	0	0	0	0	0
570	Safety	16,065	0	12,000	12,000	0
Total Collections Systems		2,434,421	1,230,452	2,902,143	3,052,619	150,476

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Recycling Operations		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>LAWRP Operations</u>						
590	Regular Labor	513,934	196,145	645,138	477,890	(167,248)
590	Overtime Labor	44,488	20,505	66,400	46,600	(19,800)
590	Electricity	734,486	441,509	662,545	720,355	57,810
590	Fuel	384	122	1,000	800	(200)
590	Chemicals	293,499	93,915	290,000	196,000	(94,000)
590	Operating Supplies	5,826	3,758	7,000	8,120	1,120
590	Office Supplies	279	0	500	0	(500)
590	Rep & Maint Other Agencies	264,694	114,648	256,000	256,000	0
590	Rep & Maint IRWD	81,498	29,651	99,000	89,000	(10,000)
590	Personnel Training	278	184	0	250	250
590	Other Professional Fees	150	0	450	500	50
590	Safety	852	0	1,700	1,700	0
590	Biosolids Disposals	16,153	8,618	20,000	18,000	(2,000)
Total LAWRP Operations		1,956,521	909,055	2,049,733	1,815,215	(234,518)
Total Recycling Operations		21,441,362	12,807,020	26,054,283	27,107,150	1,052,867

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Recycling Operations		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
Dept No	Expense Name	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>LAWRP Operations</u>						
590	Regular Labor	513,934	196,145	477,890	497,168	19,278
590	Overtime Labor	44,488	20,505	46,600	49,060	2,460
590	Electricity	734,486	441,509	720,355	821,756	101,401
590	Fuel	384	122	800	824	24
590	Chemicals	293,499	93,915	196,000	201,880	5,880
590	Operating Supplies	5,826	3,758	8,120	8,364	244
590	Office Supplies	279	0	0	0	0
590	Rep & Maint Other Agencies	264,694	114,648	256,000	256,000	0
590	Rep & Maint IRWD	81,498	29,651	89,000	91,670	2,670
590	Personnel Training	278	184	250	258	8
590	Other Professional Fees	150	0	500	515	15
590	Safety	852	0	1,700	1,751	51
590	Biosolids Disposals	16,153	8,618	18,000	18,540	540
Total LAWRP Operations		1,956,521	909,055	1,815,215	1,947,785	132,570
Total Recycling Operations		21,441,362	12,807,020	27,107,150	24,599,540	(2,507,610)



MAINTENANCE OPERATIONS

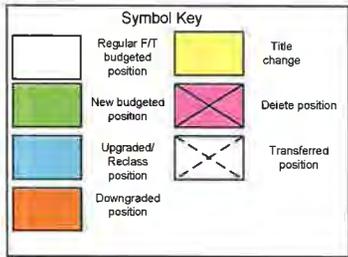
OPERATING BUDGET SUMMARY

Program Description

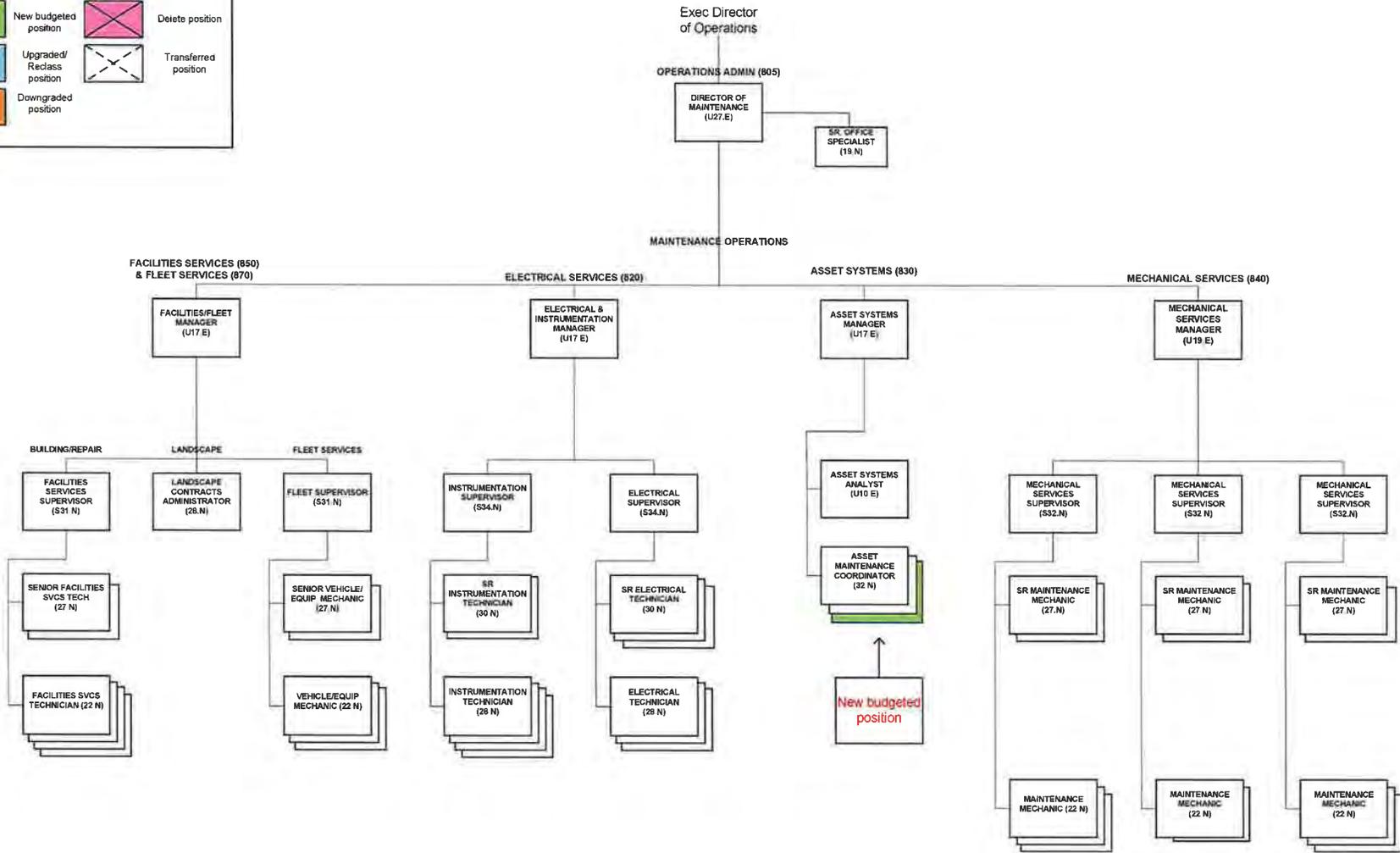
The mission of Maintenance Operations is to manage the District's assets to ensure optimal life expectancy, reliability, efficiency and safety goals while providing the highest level of customer satisfaction. Maintenance Operations coordinates the maintenance and repair of the District's electrical, mechanical, instrumentation, fleet and facility assets by utilizing a comprehensive enterprise asset management system to ensure safe, reliable, and cost effective operation.

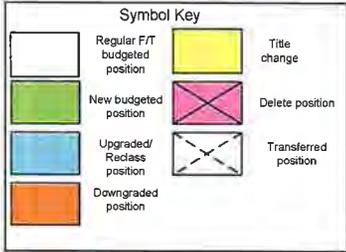
Major Goals

- Meet the Department's adopted Maintenance and General Plant budgets;
- Achieve zero lost time accidents;
- Maintain 100% compliance with all regulatory requirements;
- Identify and track operational Key Performance Indicators (KPIs) to optimize efficiency and cost effectiveness;
- Maintain and develop staff competency through a combination of internal and external training;
- Establish vendor and outside contractor maintenance service agreements for MWRP Biosolids and Energy Recovery Facilities major operating systems such as microturbines, biogas cleaning, flare, boilers and heat recovery system;
- Optimize predictive maintenance processes through further applications of pump efficiency testing, lube oil analysis, vibration analysis, ultrasound detection, and infrared thermography program;
- Investigate and expand the use of new technology to enhance and increase equipment reliability and staff productivity;
- Enhance the reliable operation of the Rattlesnake Zone A Pump Station with the replacement of the existing natural gas engines;
- Maintain all District buildings and facilities to ensure that expected life-cycles are reached and building systems function as designed;
- Perform all required maintenance on schedule to provide a safe, reliable, and cost effective fleet operation; and,
- Assure the reliable operation of the Rattlesnake Zone A Pump Station with the replacement of the existing natural gas engines with a combination of new engines and conversion to electric motors.

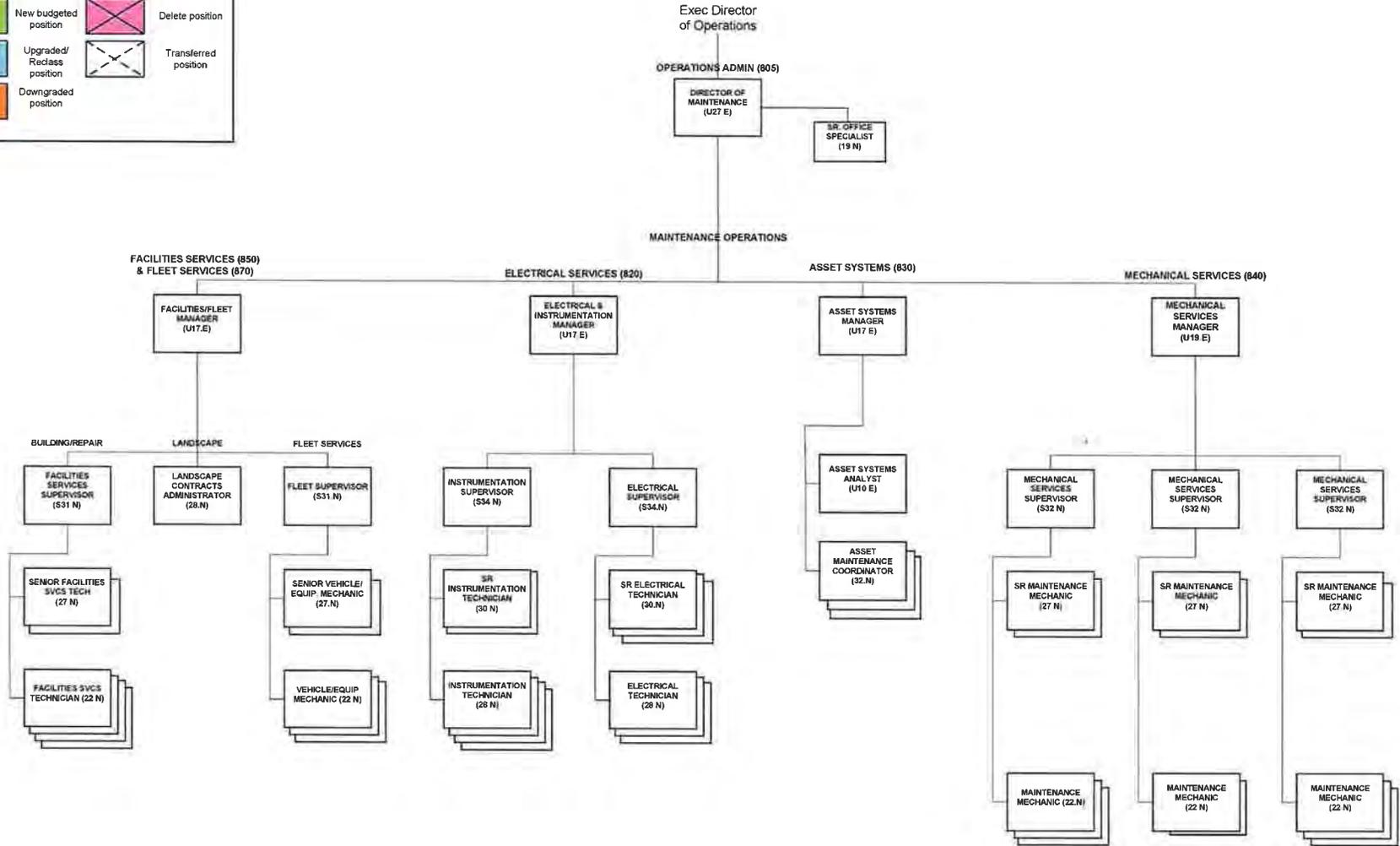


**IRVINE RANCH WATER DISTRICT
MAINTENANCE OPERATIONS
FISCAL YEAR 2019-20**





**IRVINE RANCH WATER DISTRICT
MAINTENANCE OPERATIONS
FISCAL YEAR 2020-21**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Maintenance		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>Electrical Services</u>						
820	Regular Labor	1,286,708	555,710	1,312,112	1,371,006	58,894
820	Overtime Labor	128,433	88,067	141,100	169,356	28,256
820	Contract Labor	0	8,755	0	295,008	295,008
820	Operating Supplies	33,490	263,828	108,400	543,700	435,300
820	Rep & Maint IRWD	843,498	222,718	910,600	1,483,316	572,716
820	Personnel Training	0	829	0	0	0
820	Other Professional Fees	35	208	800	0	(800)
820	Equipment Usage	0	0	0	0	0
820	Safety	22,023	5,082	16,800	18,400	1,600
Total Electrical Services		2,314,187	1,145,197	2,489,812	3,880,786	1,390,974

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Maintenance

<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Electrical Services</u>						
820	Regular Labor	1,286,708	555,710	1,371,006	1,427,753	56,747
820	Overtime Labor	128,433	88,067	169,356	169,356	0
820	Contract Labor	0	8,755	295,008	295,008	0
820	Operating Supplies	33,490	263,828	543,700	543,700	0
820	Rep & Maint IRWD	843,498	222,718	1,483,316	1,473,292	(10,024)
820	Personnel Training	0	829	0	0	0
820	Other Professional Fees	35	208	0	0	0
820	Equipment Usage	0	0	0	0	0
820	Safety	22,023	5,082	18,400	18,400	0
Total Electrical Services		2,314,187	1,145,197	3,880,786	3,927,509	46,723

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Maintenance		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
Asset Systems						
830	Regular Labor	256,794	164,421	387,240	503,422	116,182
830	Overtime Labor	5,167	819	5,000	4,500	(500)
830	Operating Supplies	54	41	2,000	200	(1,800)
830	Personnel Training	334	92	100	3,600	3,500
830	Other Professional Fees	43,236	21,300	100,000	200,000	100,000
830	Equipment Usage	0	0	0	0	0
830	Safety	0	0	1,000	0	(1,000)
Total Asset Systems		305,585	186,673	495,340	711,722	216,382

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Maintenance		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Asset Systems</u>						
830	Regular Labor	256,794	164,421	503,422	520,577	17,155
830	Overtime Labor	5,167	819	4,500	3,500	(1,000)
830	Operating Supplies	54	41	200	200	0
830	Personnel Training	334	92	3,600	3,600	0
830	Other Professional Fees	43,236	21,300	200,000	200,000	0
830	Equipment Usage	0	0	0	0	0
830	Safety	0	0	0	0	0
Total Asset Systems		305,585	186,673	711,722	727,877	16,155

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Maintenance		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Mechanical Services</u>						
840	Regular Labor	1,168,343	601,446	1,392,558	1,440,165	47,607
840	Overtime Labor	92,227	50,158	96,600	108,050	11,450
840	Contract Labor	7,987	0	40,000	80,000	40,000
840	Fuel	843	0	0	0	0
840	Operating Supplies	(2,975)	193,916	34,500	492,700	458,200
840	Rep & Maint IRWD	1,168,872	470,417	977,400	1,009,600	32,200
840	Personnel Training	931	462	0	0	0
840	Other Professional Fees	334	0	0	0	0
840	Equipment Usage	0	0	0	0	0
840	Safety	0	0	6,200	5,000	(1,200)
840	Commuter Program	0	(323)	0	0	0
Total Mechanical Services		2,438,562	1,316,076	2,547,258	3,135,515	588,257

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Maintenance

<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Mechanical Services</u>						
840	Regular Labor	1,168,343	601,446	1,440,165	1,497,541	57,376
840	Overtime Labor	92,227	50,158	108,050	110,450	2,400
840	Contract Labor	7,987	0	80,000	80,000	0
840	Fuel	843	0	0	0	0
840	Operating Supplies	(2,975)	193,916	492,700	500,200	7,500
840	Rep & Maint IRWD	1,168,872	470,417	1,009,600	1,112,600	103,000
840	Personnel Training	931	462	0	0	0
840	Other Professional Fees	334	0	0	0	0
840	Equipment Usage	0	0	0	0	0
840	Safety	0	0	5,000	5,000	0
840	Commuter Program	0	(323)	0	0	0
Total Mechanical Services		2,436,562	1,316,076	3,135,515	3,305,791	170,276

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Maintenance		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>Facilities Services</u>						
850	Regular Labor	724,243	354,710	730,898	761,128	30,230
850	Overtime Labor	36,440	25,858	42,000	42,000	0
850	Contract Labor	58,178	41,065	28,800	0	(28,800)
850	Electricity	388,029	235,222	390,833	404,000	13,167
850	Fuel	21,944	9,373	30,000	20,000	(10,000)
850	Telecommunication	20	0	400	0	(400)
850	Other Utilities	70,456	35,052	73,600	69,000	(4,600)
850	Operating Supplies	65,688	27,484	78,500	54,000	(24,500)
850	Rep & Maint Other Agencies	6,771	0	7,000	7,200	200
850	Rep & Maint IRWD	1,882,077	973,762	1,780,300	1,957,400	177,100
850	Engineering Fees	70,492	7,193	0	0	0
850	Personnel Training	47	69	120	120	0
850	Equipment Usage	0	0	0	0	0
Total Facilities Services		3,324,385	1,709,788	3,162,451	3,314,848	152,397

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Maintenance		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Facilities Services</u>						
850	Regular Labor	724,243	354,710	761,128	791,916	30,788
850	Overtime Labor	36,440	25,858	42,000	42,000	0
850	Contract Labor	58,178	41,065	0	0	0
850	Electricity	388,029	235,222	404,000	420,000	16,000
850	Fuel	21,944	9,373	20,000	20,000	0
850	Telecommunication	20	0	0	0	0
850	Other Utilities	70,456	35,052	69,000	69,000	0
850	Operating Supplies	65,688	27,484	54,000	54,000	0
850	Rep & Maint Other Agencies	6,771	0	7,200	7,200	0
850	Rep & Maint IRWD	1,882,077	973,762	1,957,400	1,957,400	0
850	Engineering Fees	70,492	7,193	0	0	0
850	Personnel Training	47	69	120	120	0
850	Equipment Usage	0	0	0	0	0
Total Facilities Services		3,324,385	1,709,788	3,314,848	3,361,636	46,788

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Maintenance		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
Fleet Services						
870	Regular Labor	434,528	199,369	416,484	456,562	40,078
870	Overtime Labor	17,873	8,898	8,300	8,000	(300)
870	Fuel	531,562	326,596	450,000	600,000	150,000
870	Other Utilities	58,338	28,391	61,600	64,000	2,400
870	Operating Supplies	5,072	340	6,950	7,700	750
870	Permits, Licenses and Fees	9,837	2,083	8,500	13,500	5,000
870	Equipment Rental	0	0	8,000	8,000	0
870	Rep & Maint IRWD	581,131	302,813	580,000	640,000	60,000
870	Personnel Training	747	316	1,692	1,700	8
870	Equipment Usage	0	0	0	0	0
870	Mileage Reimbursement	148,140	72,799	146,000	150,000	4,000
Total Fleet Services		1,787,228	941,605	1,687,526	1,949,462	261,936
Total Maintenance		10,167,947	5,299,339	10,382,387	12,992,333	2,609,946

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Maintenance		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Fleet Services</u>						
870	Regular Labor	434,528	199,369	456,562	475,951	19,389
870	Overtime Labor	17,873	8,898	8,000	8,000	0
870	Fuel	531,562	326,596	600,000	640,000	40,000
870	Other Utilities	58,338	28,391	64,000	64,000	0
870	Operating Supplies	5,072	340	7,700	7,700	0
870	Permits, Licenses and Fees	9,837	2,083	13,500	13,500	0
870	Equipment Rental	0	0	8,000	8,000	0
870	Rep & Maint IRWD	581,131	302,813	640,000	640,000	0
870	Personnel Training	747	316	1,700	1,700	0
870	Equipment Usage	0	0	0	0	0
870	Mileage Reimbursement	148,140	72,799	150,000	150,000	0
Total Fleet Services		1,787,228	941,605	1,949,462	2,008,851	59,389
Total Maintenance		10,167,947	5,299,339	12,992,333	13,331,664	339,331



RECYCLED WATER USE and CROSS-CONNECTION CONTROL

OPERATING BUDGET SUMMARY

Program Descriptions

The Water Resources and Policy Department is responsible for developing and implementing water resource supply and demand management programs to enhance the reliability of water supplies for District customers. This is, in part, accomplished by expanding the use of recycled water in compliance with State and local requirements. To ensure the protection of the public water supply, including at recycled water use sites, Cross-Connection plays an important role by implementing programs to protect public health.

Recycled Water Development: IRWD is recognized as a national leader in recycled water based in large part on the many years of experience IRWD has with recycled water, the large number of meters served, and groundbreaking projects IRWD has completed. IRWD currently serves more than 6,000 recycled water meters including:

- More than 100 commercial dual-plumbed buildings where recycled water is used for flushing toilets and urinals,
- More than 25 cooling towers, and,
- More than 650 single-family lots where recycled water is used for irrigating both the front and back yards.

IRWD is also recognized for its support of recycled water through organizations such as the WaterReuse Association, a national recycled water advocacy group. IRWD, in concert with WaterReuse California, 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. On a regional level, IRWD had a lead role in working with other water recycling agencies and the regulatory agencies in Orange County to establish standards for on-going inspection and testing of recycled water use sites.

Last fiscal year the Recycled Water Development Group worked on some innovative projects. IRWD partnered with the University of California, Irvine to serve their Central Plant cooling towers with recycled water that will conserve approximately 260 acre-feet per year of potable water. This project is IRWD's single largest industrial recycled water customer. The Group also worked with the Irvine Ice Foundation, a non-profit organization affiliated with the Anaheim Ducks, to use recycled water to make ice in four new ice rinks at the new 280,000 square foot facility in the Great Park. IRWD continues to work to add new recycled water customers by connecting sites which are the result of new construction and by converting existing potable or untreated water customers to recycled water.

Recycled Water Use Site Inspection and Testing: Ensuring the safe and proper use of recycled water is important not only to our customers but the community as well. This is accomplished by implementing a use site inspection and testing program. During the development process, staff reviews project plans and inspects for compliance with State and local requirements. Once the



RECYCLED WATER USE and CROSS-CONNECTION CONTROL

OPERATING BUDGET SUMMARY

sites are activated, IRWD has a responsibility to monitor those sites for on-going compliance with State and local requirements. This is done by having a recycled water use site inspection and testing program where each site is periodically inspected for proper system identification, hours of operation, avoiding runoff, to determine that there are no cross connections, and to ensure that Site Supervisors understand their roles and responsibilities. This work is currently accomplished by both staff and contractors.

Cross-Connection Control: Title 17 of the California Code of Regulations requires that water agencies protect the public water system from contamination. This is done by implementing a cross-connection control program. IRWD's program includes surveying properties to determine what hazards, if any, exist and what type of backflow prevention device is required to protect the public system. Once a backflow prevention device is installed, annual testing is required to make sure it functions properly. These tests are performed by a certified backflow device technicians hired by the property owners. IRWD sends letters to property owners with testable backflow prevention devices notifying them that their devices are to be tested. Once a device is tested, the technician is required to submit documentation to IRWD. There are currently more than 20,000 testable devices in IRWD's service area.

To confirm for on-going compliance at customer sites, IRWD staff conducts periodic field inspections to monitor for hazardous conditions and to determine if field conditions have changed that would warrant a change to the backflow requirements. These periodic field inspections are prioritized based on the types of activities conducted at customer sites.

IRWD itself has more than 100 backflow prevention devices at its properties that also require testing. These devices are tested by IRWD staff. If maintenance or repairs on IRWD's devices is required, that work is performed by IRWD staff.

Major Goals

RECYCLED WATER DEVELOPMENT

- Expand the use of recycled water consistent with Title 22 of the California Code of Regulations;
- Convert a minimum of 100 acre-feet of imported water use to recycled water;
- Pursue a new *Local Resources Program* funding agreement with MWD which provides a "per-acre foot" financial incentive to increase the use of recycled water;
- Assist WateReuse California with its legislative agenda which includes allowing discharge of recycled water from impoundments during storm events;
- Remain active in the Orange County Chapter of WateReuse California; and,
- Seek opportunities to dual-plumb commercial buildings, hotels, condominiums, and apartment properties.



RECYCLED WATER USE and CROSS-CONNECTION CONTROL

OPERATING BUDGET SUMMARY

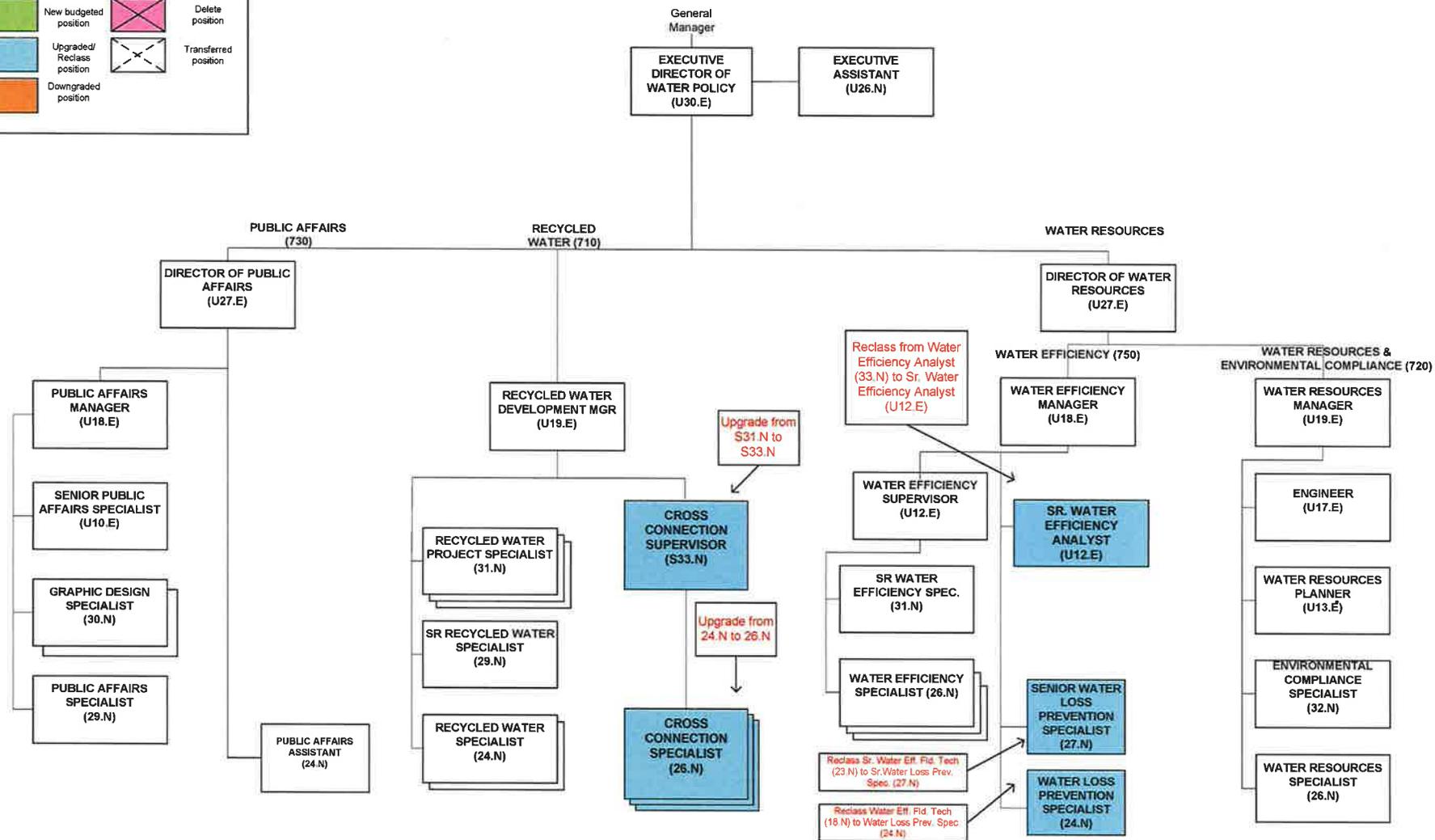
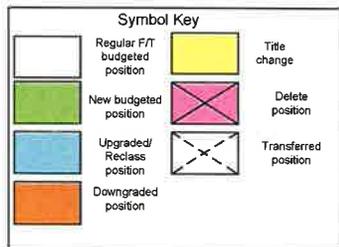
RECYCLED WATER USE SITE INSPECTION & TESTING

- Conduct periodic visual inspections, cross-connection tests, and Site Supervisor training at more than 1,500 recycled water use sites;
- Inform property owners of the things that need to be done to bring the site into compliance with State and local requirements; and,
- Keep records of the site inspection, site testing and Site Supervisor training.

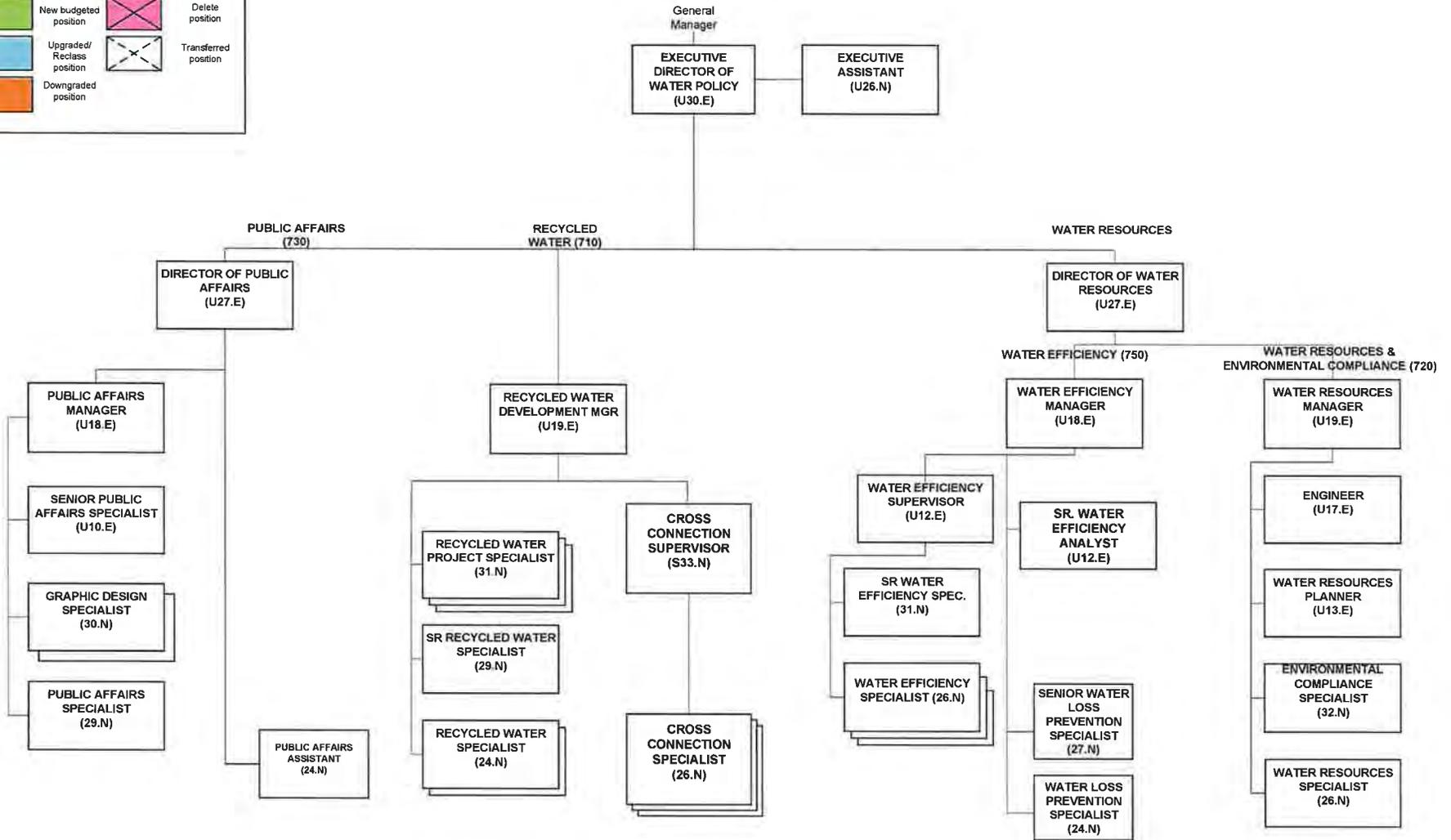
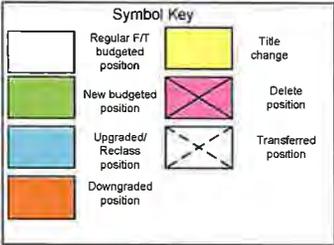
CROSS-CONNECTION CONTROL

- Send notifications to customers requesting they have their backflow prevention device(s) tested and if necessary, repaired. There are more than 20,000 testable backflow prevention devices in IRWD's service area;
- Conduct periodic inspections of customer sites to ensure the proper backflow prevention device(s) are in place;
- Compile a list of high-, medium-, and low-hazard sites in IRWD's service area that will be the basis for future inspections based on level of risk; and,
- Test IRWD owned backflow prevention devices and repair as necessary.

IRVINE RANCH WATER DISTRICT
WATER RESOURCES AND POLICY
FISCAL YEAR 2019-20



**IRVINE RANCH WATER DISTRICT
WATER RESOURCES AND POLICY
FISCAL YEAR 2020-21**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Resources and Policy		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Water Resources and Policy</u>						
710	Regular Labor	1,022,428	496,892	637,236	846,105	208,869
710	Overtime Labor	116	69	3,500	5,400	1,900
710	Contract Labor	16,320	24,005	70,400	16,500	(53,900)
710	Operating Supplies	9,926	5,167	5,000	5,000	0
710	Printing	255	0	0	0	0
710	Postage	1,979	544	0	1,200	1,200
710	Permits, Licenses and Fees	53,385	(11,754)	50,000	60,000	10,000
710	Office Supplies	2,963	1,077	0	2,800	2,800
710	Rep & Maint IRWD	79	246	0	2,500	2,500
710	Engineering Fees	118,397	0	0	0	0
710	Personnel Training	8,189	6,304	14,300	15,300	1,000
710	Other Professional Fees	406,417	185,337	463,600	417,800	(45,800)
710	Equipment Usage	0	0	0	0	0
710	Conservation	1,475	0	0	0	0
Total Water Resources and Policy		1,641,929	707,887	1,244,036	1,372,605	128,569

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Resources and Policy		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Water Resources and Policy</u>						
710	Regular Labor	1,022,428	496,892	846,105	875,460	29,355
710	Overtime Labor	116	69	5,400	5,400	0
710	Contract Labor	16,320	24,005	16,500	16,500	0
710	Operating Supplies	9,926	5,167	5,000	5,000	0
710	Printing	255	0	0	0	0
710	Postage	1,979	544	1,200	1,200	0
710	Permits, Licenses and Fees	53,385	(11,754)	60,000	60,000	0
710	Office Supplies	2,963	1,077	2,800	2,800	0
710	Rep & Maint IRWD	79	246	2,500	2,500	0
710	Engineering Fees	118,397	0	0	0	0
710	Personnel Training	8,189	6,304	15,300	15,300	0
710	Other Professional Fees	406,417	185,337	417,800	442,800	25,000
710	Equipment Usage	0	0	0	0	0
710	Conservation	1,475	0	0	0	0
Total Water Resources and Policy		1,641,929	707,887	1,372,605	1,426,960	54,355



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

Program Description

The Water Resources and Policy 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 water banking programs, environmental compliance activities, and energy efficiency and renewable energy programs.

Water Resources and Environmental Compliance: The Water Resources and Environmental Compliance Department is responsible for the development of water supply programs and banking projects primarily 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 Department is also responsible for exploring and developing potential local water supply reliability opportunities. The District's efforts in the development of these programs and projects are needed in response to stressors on water supply reliability such as environmental pressures in the Delta, risks of major earthquakes, expanding statewide population, climate change, and expanding regulatory requirements.

This department is responsible for the planning and development of the District's water banking programs. In addition, this department is responsible for the negotiation and development of agreements with other agencies, banking partners 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. It 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, Kern County Water Agency and Metropolitan Water District of Southern California (MWD). This department is also responsible for the participation of IRWD-owned lands located in the Palo Verde Irrigation District (PVID) in the PVID/MWD existing fallowing program and any new water conservation related programs that PVID and MWD implement in the future.

Other responsibilities of the Water Resources and Environmental Compliance department include managing the District's environmental compliance programs, and overseeing the District's salt management, energy efficiency, greenhouse gas reporting and verification, and renewable energy planning activities. The environmental compliance programs focus on fulfilling the District's compliance requirements for the operation of potable and recycled water and wastewater systems operations, facility replacements and the construction of new facilities.



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

Major Goals

WATER RESOURCES

- Bank supplemental water for IRWD, develop extraction and additional recharge and storage capacity as needed for IRWD and its water banking partners;
- Manage the [FS1] completion of planning and feasibility studies as well as the development of the agreements needed for the implementation of the Kern Fan Groundwater Storage Project;
- Oversee the formation of a Joint Powers Authority and work with the Authority's Program Manager to oversee the design, construction and operation of the Project;
- Negotiate a MWD Policy for the delivery of MWD system water to IRWD's Kern County Banking Projects;
- Finalize agreements for a pilot program through which other Orange County water agencies can participate in IRWD's water banking program;
- Implement long-term unbalanced exchange agreements with Central Coast Water Authority, Mojave Water Agency and others for IRWD's water banking program;
- Finalize a business plan for IRWD's water banking projects and programs;
- Implement long-term exchange program to facilitate exports of Kern River water to IRWD service area;
- Negotiate agreements to integrate IRWD's Strand Ranch and Stockdale West properties into the Kern Fan Groundwater Sustainability Agency under SGMA;
- Participate in water conservation programs implemented by MWD and Palo Verde Irrigation District, such as land fallowing, which can make water available for other uses;
- Investigate cost effective opportunities to purchase State Water Project Table A entitlement; and,
- Prepare and submit grant funding applications for eligible IRWD capital projects including Reclamation's WaterSMART funding.

ENVIRONMENTAL COMPLIANCE

- Complete the work and studies associated with the EIR for the Syphon Reservoir Improvement Project; and,
- Fulfill the District's environmental 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 AND OTHER PLANNING

- Update the District's Salt Management Model and Plan;
- Evaluate the impact of varying water supplies on maintaining the District's salt balance;
- Update the Embedded Energy Plan;
- Seek grant opportunities for District energy projects;



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

- Participate in SCE's Direct Access Program; and,
- Maximize participation in Phase 2 of the SCE Water-Energy Pilot Program by jointly working with SCE on evaluating beneficial energy projects.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Resources and Policy		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	<u>Actual</u>	<u>Actual thru</u>	<u>Budget</u>	<u>Proposed</u>	<u>Incr/(Decr)</u>
			<u>12/31/18</u>		<u>Budget</u>	
<u>Water Resources and Environmental Compliance</u>						
720	Regular Labor	710,272	346,401	1,030,956	1,186,290	155,334
720	Overtime Labor	1,244	0	400	400	0
720	Contract Labor	24,893	0	0	0	0
720	Electricity	5,595	0	466,220	155,700	(310,520)
720	Postage	0	17	0	0	0
720	Permits, Licenses and Fees	734,203	635,910	638,000	688,700	50,700
720	Rep & Maint IRWD	535,295	161,520	677,900	665,744	(12,156)
720	Personnel Training	743	752	0	0	0
720	Other Professional Fees	142,075	52,690	130,800	158,000	27,200
720	Mileage Reimbursement	40	47	0	0	0
Total Water Resources and Environmental Compliance		2,154,359	1,197,337	2,944,276	2,854,834	(89,442)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Resources and Policy

		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	
<u>Dept No</u> <u>Expense Name</u>		Actual	Actual thru 12/31/18	Proposed Budget	Proposed Budget	Incr/(Decr)
<u>Water Resources and Environmental Compliance</u>						
720	Regular Labor	710,272	346,401	1,186,290	1,230,208	43,918
720	Overtime Labor	1,244	0	400	400	0
720	Contract Labor	24,893	0	0	0	0
720	Electricity	5,595	0	155,700	155,700	0
720	Postage	0	17	0	0	0
720	Permits, Licenses and Fees	734,203	635,910	688,700	652,450	(36,250)
720	Rep & Maint IRWD	535,295	161,520	665,744	632,549	(33,195)
720	Personnel Training	743	752	0	0	0
720	Other Professional Fees	142,075	52,690	158,000	148,800	(9,200)
720	Mileage Reimbursement	40	47	0	0	0
Total Water Resources and Environmental Compliance		2,154,359	1,197,337	2,854,834	2,820,107	(34,727)



PUBLIC AFFAIRS

OPERATING BUDGET SUMMARY

Program Description

The Water Resources and Policy 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 public affairs.

Public Affairs: 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 platforms, including print, video, personal contact, education programs, publications, tours, and electronic and social media outlets. The IRWD communication program serves the District and its 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;
- Conveying accurate, timely information to the public on sensitive and controversial issues; and,
- Promoting transparency and easy-to-access information.

Major Goals

WATER EFFICIENCY OUTREACH

- Develop and implement an overarching message to educate customers about water efficiency;
- Educate the public about the value of recycled water;
- Teach customers how to reduce outdoor water use with the RightScope program;
- Maximize multiple outreach platforms including resident tours of IRWD facilities, meetings with community groups, print media, electronic media, internet, hallway displays and video;
- Provide students in the IRWD service area with learning opportunities regarding water supply, water reliability, tap water, and water use efficiency programs. Promote water education programs to schools in the IRWD service area and at facilities where students gather;
- Conduct outreach to customers who regularly exceed their monthly water budget; and,
- Teach customers how to save water and money by understanding their water bill.

COMMUNITY OUTREACH AND MEDIA PROGRAMS

- Create, update and refine multi-pronged social media outreach channels to inform IRWD customers, the media, business partners, IRWD employees and other government entities;
- Refine and execute tap water quality programs and infrastructure outreach programs;
- Enhance public trust by promoting customer service and answering customer questions;
- Enhance communications with customers through a targeted media outreach and public communications program including updates for construction and maintenance projects; and
- Provide enhanced customer outreach initiatives based on customer feedback programs.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Resources and Policy		FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20	
<u>Dept No</u>	<u>Expense Name</u>	Actual	Actual thru 12/31/18	Budget	Proposed Budget	Incr/(Decr)
<u>Public Affairs</u>						
730	Regular Labor	683,861	354,169	689,588	755,462	65,874
730	Overtime Labor	9,997	5,418	8,000	8,000	0
730	Operating Supplies	53	60	700	400	(300)
730	Printing	57,798	15,321	117,000	76,000	(41,000)
730	Postage	164	149	200	200	0
730	Office Supplies	3,648	2,132	6,000	6,000	0
730	Personnel Training	8,319	7,671	12,122	13,050	928
730	Other Professional Fees	1,738,655	901,772	1,999,400	1,743,350	(256,050)
730	Equipment Usage	0	0	0	0	0
730	Mileage Reimbursement	25	14	0	0	0
730	Conservation	1,278	0	0	0	0
Total Public Affairs		2,503,798	1,286,706	2,833,010	2,602,462	(230,548)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Resources and Policy

<u>Dept No</u>	<u>Expense Name</u>	FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
Public Affairs						
730	Regular Labor	683,861	354,169	755,462	790,016	34,554
730	Overtime Labor	9,997	5,418	8,000	8,000	0
730	Operating Supplies	53	60	400	400	0
730	Printing	57,798	15,321	76,000	55,000	(21,000)
730	Postage	164	149	200	200	0
730	Office Supplies	3,648	2,132	6,000	6,000	0
730	Personnel Training	8,319	7,671	13,050	13,050	0
730	Other Professional Fees	1,738,655	901,772	1,743,350	1,700,350	(43,000)
730	Equipment Usage	0	0	0	0	0
730	Mileage Reimbursement	25	14	0	0	0
730	Conservation	1,278	0	0	0	0
Total Public Affairs		2,503,798	1,286,706	2,602,462	2,573,016	(29,446)



WATER EFFICIENCY

OPERATING BUDGET SUMMARY

Program Description

The Water Resources and Policy 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 Water Efficiency Programs.

Water Efficiency: Demand management programs directly offset the need for developing additional water supplies and are a critical element 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 water use efficiency and sewage resource recycling. In 2019, the Department will use the results of a future potential water efficiency study to inform program development and update the 2013 Water Use Efficiency Plan. Water efficiency programs focused on outdoor water efficiency, adherence to new state mandates, tactical incentives and participation in innovative pilots and research that maintain IRWD's leadership position are incorporated into the two-year fiscal 2019-21 budget. IRWD will continue to be engaged in the development and implementation of local, regional, state-wide and national water efficiency and demand management policies.

Major Goals

WATER EFFICIENCY

- Complete the Future Potential Water Efficiency Study to identify new opportunities for water efficiency;
- 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 efficiency programs;
- Continue to partner with commercial, industrial and institutional customers to implement cost-effective water use efficiency programs;
- Continue to support and expand enhanced customer engagement and reporting as a tool to motivate additional water use efficiency;
- Continue to support and expand educational programs for the professional landscape industry;
- Implement the use of enhanced GIS data to improve customer allocation-setting, outreach and programs targeted toward outdoor water use;
- Actively participate in statewide policy discussions addressing the water-energy nexus;
- Actively engage in discussions with the State Water Resources Control Board, the Department of Water Resources and other stakeholders on implementation of the State's Conservation as a California Way of Life legislation for efficient water use that balances local conditions, supplies, use of recycled water, prior conservation, growth and other equity adjustments;
- Establish the appropriate metrics and quantify water efficiency targets; and,
- Develop a Water Loss Control Plan to define District programs and annual Water Loss Audit Report guidance for data collection and management.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2019-20

Water Resources and Policy		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2018-19 Budget	FY 2019-20 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Water Efficiency</u>						
750	Regular Labor	467,138	328,348	625,254	706,455	81,201
750	Overtime Labor	9,933	24,975	41,000	39,000	(2,000)
750	Contract Labor	108,681	56,816	124,000	178,000	54,000
750	Operating Supplies	2,192	372	2,500	5,700	3,200
750	Postage	0	51	0	0	0
750	Office Supplies	14	118	0	0	0
750	Rep & Maint IRWD	26,437	5,117	30,000	30,000	0
750	Personnel Training	16,310	12,173	17,500	20,000	2,500
750	Other Professional Fees	193,031	7,788	258,000	211,000	(47,000)
750	Conservation	1,539,271	228,729	2,050,000	963,000	(1,087,000)
Total Water Efficiency		2,363,007	664,487	3,148,254	2,153,155	(995,099)
Total Water Resources and Policy		8,663,093	3,856,417	10,169,576	8,983,056	(1,186,520)
GRAND TOTAL		152,240,177	80,431,044	161,390,126	171,347,341	9,957,215

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2020-21

Water Resources and Policy		FY 2017-18 Actual	FY 2018-19 Actual thru 12/31/18	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Water Efficiency</u>						
750	Regular Labor	467,138	328,348	706,455	737,824	31,369
750	Overtime Labor	9,933	24,975	39,000	39,000	0
750	Contract Labor	108,681	56,816	178,000	178,000	0
750	Operating Supplies	2,192	372	5,700	5,700	0
750	Postage	0	51	0	0	0
750	Office Supplies	14	118	0	0	0
750	Rep & Maint IRWD	26,437	5,117	30,000	30,000	0
750	Personnel Training	16,310	12,173	20,000	20,000	0
750	Other Professional Fees	193,031	7,788	211,000	194,000	(17,000)
750	Conservation	1,539,271	228,729	963,000	1,003,000	40,000
<u>Total Water Efficiency</u>		<u>2,363,007</u>	<u>664,487</u>	<u>2,153,155</u>	<u>2,207,524</u>	<u>54,369</u>
<u>Total Water Resources and Policy</u>		<u>8,663,093</u>	<u>3,856,417</u>	<u>8,983,056</u>	<u>9,027,607</u>	<u>44,551</u>
GRAND TOTAL		152,240,177	80,431,044	171,347,341	178,557,509	7,210,169



GENERAL PLANT

SUMMARY FY 2019-20

<i>(in thousands)</i>	Fiscal Year 2018-19	Fiscal Year 2019-20	Increase (Decrease)
Information Systems	\$ 903	\$ 722	\$ (182)
Transportation Equipment	671	607	(64)
Laboratory Equipment	363	303	(60)
Work Equipment	757	637	(119)
Sub-Total	\$ 2,694	\$ 2,269	\$ (425)
Less: Vehicle Salvage Value	(49)	(52)	(3)
Total General Plant *	\$ 2,645	\$ 2,217	\$ (428)

Fiscal Year 2019-20

Funded by User Charges	\$ 1,700	76.67%
Funded by Capital Funds	418	18.86%
Funded by Overallocation Rev	99	4.48%
Total Fiscal Year 2019-20	\$ 2,217	100.00%

Fiscal Year 2018-19

Funded by User Charges	\$ 1,715	64.84%
Funded by Capital Funds	777	29.38%
Funded by Overallocation Rev	153	5.78%
Total Fiscal Year 2018-19	\$ 2,645	100.00%

* The asset listing detail is included in the Capital Budget book. Staff will continue to include a summary that identifies the funding source in the Operating Budget.



GENERAL PLANT

SUMMARY FY 2020-21

<i>(in thousands)</i>	Fiscal Year 2019-20	Fiscal Year 2020-21	Increase (Decrease)
Information Systems	\$ 722	\$ 329	\$ (393)
Transportation Equipment	607	355	(253)
Laboratory Equipment	303	264	(39)
Work Equipment	637	1,089	452
Sub-Total	\$ 2,269	\$ 2,036	\$ (233)
Less: Vehicle Salvage Value	(52)	(54)	(2)
Total General Plant *	\$ 2,217	\$ 1,982	\$ (235)

Fiscal Year 2020-21

Funded by User Charges	\$ 1,679	84.71%
Funded by Capital Funds	168	8.45%
Funded by Overallocation Rev	135	6.83%
Total Fiscal Year 2020-21	\$ 1,982	100.00%

Fiscal Year 2019-20

Funded by User Charges *	\$ 1,700	76.67%
Funded by Capital Funds	418	18.86%
Funded by Overallocation Rev	99	4.48%
Total Fiscal Year 2019-20	\$ 2,217	100.00%

* The asset listing detail is included in the Capital Budget book. Staff will continue to include a summary that identifies the funding source in the Operating Budget.



(in thousands)

GENERAL PLANT

ANALYSIS BY DEPARTMENT

FY 2019-20

Description	Finance and Administrative Services	Engineering	Recycling and Water Operations	Water Quality and Regulatory Compliance	Water Policy	Maintenance	Total
Information Systems and Technology	\$ 722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 722
Laboratory Equipment	-	-	-	303	-	-	303
Other General Plant	-	-	-	-	-	-	-
Work Class Equipment	89	-	504	-	4	40	637
Transportation	-	-	304	30	55	219	607
Subtotal	\$ 811	\$ -	\$ 808	\$ 333	\$ 59	\$ 259	\$ 2,269
Less Vehicle Salvage Value	-	-	(52)	-	-	-	(52)
Total Fiscal Year 2019-20	\$ 811	\$ -	\$ 756	\$ 333	\$ 59	\$ 259	\$ 2,217
Total Fiscal Year 2018-19	903	311	1,431	-	-	-	2,645
Increase/(Decrease)	\$ (93)	\$ (311)	\$ (675)	\$ 333	\$ 59	\$ 259	\$ (428)



(in thousands)

GENERAL PLANT

ANALYSIS BY DEPARTMENT FY 2020-21

Description	Finance and Administrative Services	Engineering	Recycling and Water Operations	Water Quality and Regulatory Compliance	Water Policy	Maintenance	Total
Information Systems and Technology	\$ 328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 328
Laboratory Equipment	-	-	-	264	-	-	264
Other General Plant	-	-	-	-	-	-	-
Work Class Equipment	-	-	1,079	-	-	10	1,089
Transportation	25	49	281	-	-	-	355
Subtotal	\$ 353	\$ 49	\$ 1,360	\$ 264	\$ -	\$ 10	\$ 2,036
Less Vehicle Salvage Value	-	-	(54)	-	-	-	(54)
Total Fiscal Year 2020-21	\$ 353	\$ 49	\$ 1,306	\$ 264	\$ -	\$ 10	\$ 1,982
Total Fiscal Year 2019-20	811	-	756	333	59	259	2,217
Increase/(Decrease)	\$ (458)	\$ 49	\$ 550	\$ (68)	\$ (59)	\$ (249)	\$ (235)



GENERAL PLANT

GENERAL PLANT BUDGET DETAIL FY 2019-20

TASK	Item Description	Quantity	Price	FY 2019-20
Department: INFORMATION SERVICES				
250 8030.250.13	SCADA iPad Tablets	11	\$ 1,182	\$ 13,000
250 8031.250.10	Network Attached SCADA Storage Replacement	1	8,000	8,000
250 8031.250.11	SCADA Server Replacement	1	12,000	12,000
250 8031.250.14	Network Monitoring Software Upgrade/Replacement	1	24,500	24,500
250 8031.250.15	Internet Firewalls Replacement	3	29,667	89,000
250 8031.250.17	SCADA Server Replacement	2	25,000	50,000
250 8031.250.6	Audio Visual Equipment Replacement - Sand Canyon Mulipurpose Room	1	27,000	27,000
250 8031.250.7	Wireless Network Equipment Replacement	1	93,000	93,000
250 8031.250.8	Endpoint Protection Software Replacement	1	12,000	12,000
250 8031.250.9	Industrial SCADA PC Replacement MWRP	20	1,250	25,000
250 8036.250.12	Operations Center Data Communications Fiber Cable Replacement	1	92,000	92,000
250 8041.250.1	PC Replacement	75	1,813	136,000
250 8041.250.16	Laptop for Emergeny Operations Center (EOC)	10	2,500	25,000
250 8041.250.2	Laptop Replacement	64	1,250	80,000
250 8041.250.3	Laptops for SCADA Development	4	1,250	5,000
250 8041.250.4	Laptops for Water Quality Laboratory	5	2,500	12,500
250 8041.250.5	Laptops for Regulatory Compliance Field Staff	14	1,250	17,500
Sub-Total				\$ 721,500
Department: NTS OPERATIONS				
515 8036.515.12	Solar Powered Water Mixer	1	26,000	26,000
515 8036.515.13	Solar Powered Water Mixer	1	26,000	26,000
515 8036.515.14	Solar Powered Water Mixer	1	26,000	26,000
Sub-Total				\$ 78,000
Department: WATER QUALITY & REGULATORY COMPLIANCE				
600 8031.600.1	Misc. Laboratory Equipment for Unplanned Projects and Regulatory Requiremen	1	45,000	45,000
600 8031.600.2	Laboratory Equipment for Biosolids and Energy Recovery Project.	1	25,000	25,000
600 8036.600.1	Laboratory Instrumentation for Future Biosolids and Energy Recovery Project	1	25,000	25,000
600 8036.600.2	Existing Laboratory Equipment Replacement	1	208,000	208,000
Sub-Total				\$ 303,000
Department: WATER RESOURCES AND POLICY				
710 8031.710.1	American Backflow Specialties - Duke Model EZ900, Robinar Hoses, Wilkins Quick Connect System plus other miscellaneous fittings.	1	4,000	4,000
Sub-Total				\$ 4,000



GENERAL PLANT

GENERAL PLANT BUDGET DETAIL FY 2019-20

TASK	Item Description	Quantity	Price	FY 2019-20
Department:	FLEET SERVICES			
870 8036.870.1	11,000 lb. Capacity Propane Forklift	1	\$ 41,000	\$ 41,000
870 8036.870.15	Utility Trailer and Hose Bridges	1	52,500	52,500
870 8036.870.2	8,000 lb. Capacity Propane Forklift	1	48,000	48,000
870 8036.870.3	Utility Cart	1	13,000	13,000
870 8036.870.4	Utility Cart	1	13,000	13,000
870 8036.870.5	Brake Lathe	1	14,000	14,000
870 8037.870.6	1,500 Gallon Truck Mounted Sewer Jetter	1	374,000	374,000
870 8037.870.7	Medium Duty Pickup Truck Mounted Aerial Lift	1	109,000	109,000
870 8051.870.10	Medium Duty Pickup Truck (Chassis Cab)	1	26,500	26,500
870 8055.870.11	Light Duty Pickup Truck 4x4	1	29,500	29,500
870 8055.870.16	Cargo Utility Van	1	42,500	42,500
870 8055.870.17	Medium Pickup Truck w/Utility Bed and Crane	1	67,500	67,500
870 8055.870.18	Medium Duty Pickup 4X2	1	28,500	28,500
870 8055.870.19	Medium Duty Pickup 4X2	1	28,500	28,500
870 8055.870.20	Medium Duty Pickup 4X2	1	28,500	28,500
870 8055.870.21	Light Duty Sport Utility Vehicle	1	26,500	26,500
870 8055.870.8	Medium Duty Pickup Truck w/Utility Bed, Crane, Compressor, and Generator	1	110,000	110,000
870 8055.870.9	Medium Duty Pickup Truck w/Utility Bed, Crane, Compressor, and Generator	1	110,000	110,000
Sub-Total				<u>\$ 1,162,500</u>
Total General Plant				<u><u>\$ 2,269,000</u></u>

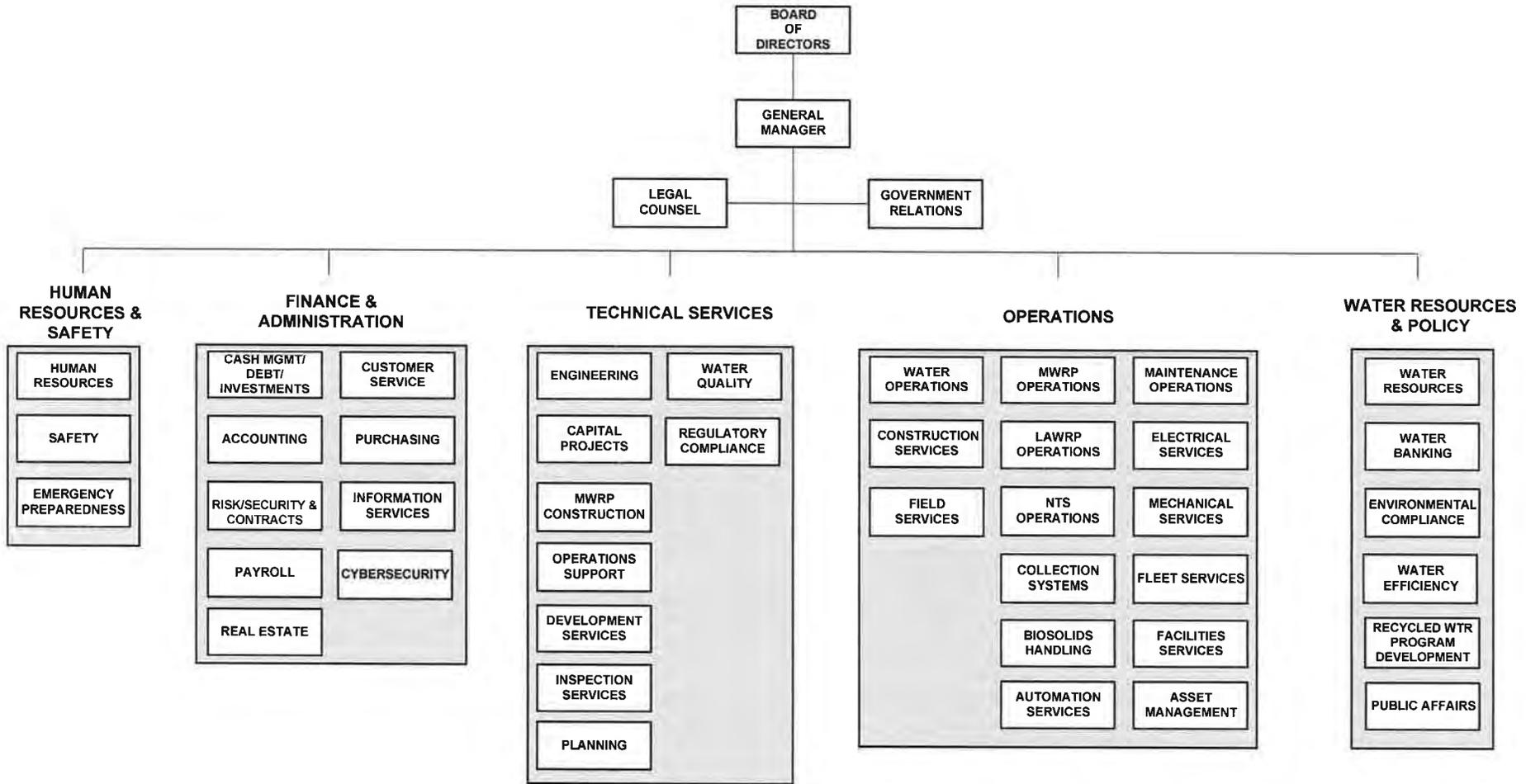


GENERAL PLANT

GENERAL PLANT BUDGET DETAIL FY 2020-21

TASK	Item Description	Quantity	Price	FY 2020-21
Department: INFORMATION SERVICES				
250 8030.250.13	SCADA iPad Tablets	4	\$ 1,250	\$ 5,000
250 8031.250.11	Cyber Security	1	100,000	100,000
250 8041.250.1	PC Replacement	75	1,813	136,000
250 8041.250.2	Laptop Replacement	64	1,250	80,000
250 8041.250.4	Laptops for Water Quality Laboratory	3	2,500	7,500
Sub-Total				\$ 328,500
Department: NTS OPERATIONS				
515 8036.515.24	Solar Powered Water Mixer	1	26,000	26,000
515 8037.515.25	Solar Powered Water Mixer	1	26,000	26,000
515 8038.515.26	Solar Powered Water Mixer	1	26,000	26,000
515 8039.515.27	Solar Powered Water Mixer	1	26,000	26,000
Sub-Total				\$ 104,000
Department: WATER QUALITY & REGULATORY COMPLIANCE				
600 8031.600.1	Misc. Laboratory Equipment for Unplanned Projects and Regulatory Requiremen	1	45,000	45,000
600 8036.600.2	Existing Laboratory Equipment Replacement	1	219,200	219,200
Sub-Total				\$ 264,200
Department: FLEET SERVICES				
870 8036.870.22	Camp Crew Truck	1	110,000	110,000
870 8036.870.23	Camp Crew Truck	1	110,000	110,000
870 8037.870.28	Portable Gantry	1	10,000	10,000
870 8037.870.29	Hydro Excavator	1	530,000	530,000
870 8037.870.30	Combo Sewer Truck	1	445,000	445,000
870 8055.870.10	Hybrid Sedan	1	24,500	24,500
870 8055.870.11	Hybrid Sedan	1	24,500	24,500
870 8055.870.12	Hybrid Sedan	1	24,500	24,500
870 8055.870.31	Light Duty Pickup Truck 4x4	1	29,500	29,500
870 8056.870.32	Medium Duty Pickup 4X4	1	31,500	31,500
Sub-Total				\$ 1,339,500
Total General Plant				\$ 2,036,200

**Irvine Ranch Water District
Organizational Chart
(By Function)**





POSITIONS BY COST CENTER

FOUR YEAR PERSONNEL COMPARISON

Department	Budget		Proposed	
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Administration				
Number of Positions	16.0	16.0	16.0	16.0
% change from prior year	6.7 %	0.0 %	0.0 %	0.0 %
Finance and Administrative Services				
Number of Positions	81.0	84.5	88.0	90.0
% change from prior year	1.3 %	4.3 %	4.1 %	2.3 %
Engineering				
Number of Positions	44.0	44.0	44.0	44.0
% change from prior year	4.8 %	0.0 %	0.0 %	0.0 %
Water Operations				
Number of Positions	77.0	82.0	80.0	81.0
% change from prior year	5.5 %	6.5 %	(2.4) %	1.3 %
Recycling Operations				
Number of Positions	55.0	56.0	59.0	60.0
% change from prior year	10.0 %	1.8 %	5.4 %	1.7 %
Water Quality and Regulatory Compliance				
Number of Positions *	28.0	29.0	29.0	31.0
% change from prior year	0.0 %	0.0 %	0.0 %	6.9 %
Water Policy				
Number of Positions *	29.0	31.5	35.0	35.0
% change from prior year	2.8 %	6.8 %	11.1 %	0.0 %
Maintenance				
Number of Positions	48.0	52.0	53.0	53.0
% change from prior year	(7.7) %	8.3 %	1.9 %	0.0 %
Total Number of Positions	378.0	395.0	404.0	410.0
Number of Changed Positions	<u>10.0</u>	<u>16.0</u>	<u>9.0</u>	<u>6.0</u>
% Change From Prior Year	<u>2.7 %</u>	<u>4.2 %</u>	<u>2.3 %</u>	<u>1.5 %</u>

* Prior years restated to reflect organizational changes



Salaries and Wages

SUMMARY OF SALARIES AND WAGES

FY 2019-20

(in thousands)	<div style="display: flex; justify-content: space-between; font-size: small;"> Finance and Administrative Services Engineering Water Operations Recycling Operations Water Quality and Regulatory Compliance Water Policy Maintenance </div>								
	Total	Administration	Finance and Administrative Services	Engineering	Water Operations	Recycling Operations	Water Quality and Regulatory Compliance	Water Policy	Maintenance
Current Authorized:									
Gross Pay	\$34,247	\$1,732	\$7,207	\$4,607	\$6,188	\$4,476	\$2,613	\$3,218	\$4,205
Annual Increase	1,512	97	343	282	308	349	117	17	238
Sub-Total Regular Salaries & Wages	\$35,997	\$1,829	\$7,550	\$4,889	\$6,496	\$4,824	\$2,730	\$3,235	\$4,443
New Positions:									
Gross Pay	684	0	194	0	62	0	79	260	89
Total Regular Salaries & Wages	\$36,681	\$1,829	\$7,744	\$4,889	\$6,558	\$4,824	\$2,809	\$3,494	\$4,532
Insurance and Benefits	9,089	453	1,919	1,212	1,625	1,195	696	866	1,123
Employment Tax & PERS Contributions	11,135	555	2,351	1,484	1,991	1,465	853	1,061	1,376
Total Regular Salaries & Wages, health Insurance and employment taxes	\$56,905	\$2,838	\$12,014	\$7,585	\$10,173	\$7,484	\$4,358	\$5,421	\$7,031
Employee Count:	404	16	88	44	80	59	29	35	53



Salaries and Wages

SUMMARY OF SALARIES AND WAGES

FY 2020-21

(in thousands)	<div style="display: flex; justify-content: space-between; font-size: small;"> Finance and Administrative Services Water Operations Recycling Operations Water Quality and Regulatory Compliance Water Policy Maintenance </div>								
	Total	Administration	Services	Engineering	Operations	Operations	Compliance	Policy	Maintenance
Current Authorized:									
Gross Pay	\$36,681	\$1,829	\$7,744	\$4,889	\$6,558	\$4,824	\$2,809	\$3,494	\$4,532
Annual Increase	1,491	82	317	204	362	200	187	139	181
Sub-Total Regular Salaries & Wages	\$38,353	\$1,911	\$8,061	\$5,093	\$6,920	\$5,024	\$2,997	\$3,634	\$4,714
New Positions:									
Gross Pay	288	0	110	0	28	71	79	0	0
Total Regular Salaries & Wages	\$38,641	\$1,911	\$8,171	\$5,093	\$6,948	\$5,095	\$3,076	\$3,634	\$4,714
Insurance and Benefits	9,866	488	2,086	1,300	1,774	1,301	785	928	1,204
Employment Tax & PERS Contributions	12,191	603	2,578	1,607	2,192	1,607	970	1,146	1,487
Total Regular Salaries & Wages, health Insurance and employment taxes	\$60,698	\$3,002	\$12,835	\$8,001	\$10,915	\$8,003	\$4,832	\$5,708	\$7,404
Employee Count:	410	16	90	44	81	60	31	35	53



BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS FY 2019-20

(in thousands)	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Change</u>
Insurance and Benefits			
Health Ins Actives	\$ 5,423	\$ 5,889	\$ 466
Dental Premiums	442	464	22
Wrkrs Comp Premiums	692	727	35
Wrkrs Comp Paid Claims	813	735	(78)
Life Ins Actives	153	174	21
LT Disability Premiums	136	155	19
Medical Premiums - Retirees	151	170	19
Vision Benefit Premiums	82	85	3
RHCAP Payments - OPEB	344	496	152
Life Ins Retirees	11	13	2
Other	64	182	118
	<u>\$ 8,311</u>	<u>\$ 9,089</u>	<u>\$ 778</u>
Employment Tax and PERS			
PERS Employer Portion	\$ 7,468	\$ 7,897	\$ 429
PERS In Excess Of ARC	1,787	1,372	(415)
401A Employer Match Portion	850	924	74
401A Employer Direct Portion	160	367	208
Medicare Tax	498	525	27
St Unemployment Tax	50	50	0
	<u>\$ 10,813</u>	<u>\$ 11,135</u>	<u>\$ 322</u>
Total Insurance, Benefits, and Taxes	<u><u>\$ 19,124</u></u>	<u><u>\$ 20,224</u></u>	<u><u>\$ 1,101</u></u>



BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS FY 2020-21

(in thousands)	FY 2019-20	FY 2020-21	Change
Insurance and Benefits			
Health Ins Actives	\$ 5,889	\$ 6,478	\$ 589
Dental Premiums	464	488	24
Wrkrs Comp Premiums	727	763	36
Wrkrs Comp Paid Claims	735	772	37
Life Ins Actives	174	174	0
LT Disability Premiums	155	155	0
Medical Premiums - Retirees	170	177	7
Vision Benefit Premiums	85	85	0
RHCAP Payments - OPEB	496	575	79
Life Ins Retirees	13	13	(0)
Other	182	187	5
	<u>\$ 9,089</u>	<u>\$ 9,866</u>	<u>\$ 777</u>
Employment Tax and PERS			
PERS Employer Portion	\$ 7,897	\$ 8,319	\$ 422
PERS In Excess Of ARC	1,372	1,909	537
401A Employer Match Portion	924	973	49
401A Employer Direct Portion	367	387	20
Medicare Tax	525	553	28
St Unemployment Tax	50	50	0
	<u>\$ 11,135</u>	<u>\$ 12,191</u>	<u>\$ 1,056</u>
Total Insurance, Benefits, and Taxes	<u><u>\$ 20,224</u></u>	<u><u>\$ 22,057</u></u>	<u><u>\$ 1,833</u></u>

**FY 2019/20 Budget
Summary of Proposed Budgeted Personnel Changes**

Proposed Changes to Existing Budgeted Positions						
Dept	Job Title	Current Sal Grade	Proposed Action	Proposed Job Title	Proposed Sal Grade	Salary Costs
110	Office Specialist	15.N	Reclass 1 Position	Sr. Office Specialist	19.N	\$5,676
220	Customer Service Specialist II	17.N	Reclass 1 Position	Customer Service Specialist III	21.N	\$6,576
220	Customer Service Specialist I	13.N	Reclass 1 Position	Customer Service Specialist II	17.N	\$5,448
300	Elect./Instrum. Designer	34.N	Reclass 1 Position	Associate Engineer	U14.E	\$7,368
300	Energy Analyst	U12.E	Reclass 1 Position	Associate Engineer	U14.E	\$6,816
300	Principal Engineer	U23.E	Upgrade 5 Positions	Engineering Manager	U24.E	\$24,180
300	Exec. Director of Eng. & Water Qlty.	U30.E	Title Change Only	Executive Director of Technical Services	U30.E	\$0
600	Laboratory Analyst	16.N	Reclass 1 Position	Scientist	28.N	\$22,512
650	Regulatory Compliance Analyst	U10.E	Reclass 1 Position	Regulatory Compliance Administrator	U12.E	\$6,384
750	Water Efficiency Analyst	31.N	Reclass 1 Position	Sr. Water Efficiency Analyst	U12.E	\$8,304
750	Water Efficiency Field Technician	16.N	Reclass 1 Position	Water Loss Prevention Specialist	24.N	\$13,800
750	Sr. Water Efficiency Field Tech	21.N	Reclass 1 Position	Sr. Water Loss Prevention Specialist	27.N	\$12,324
710	Cross Connection Specialist	24.N	Upgrade 3 Positions	Cross Connection Specialist	26.N	\$12,708
710	Cross Connection Supervisor	S31.N	Upgrade 1 Position	Cross Connection Supervisor	S33.N	\$4,944
Subtotal						\$137,040

Proposed New Positions				
Dept	Job Title	Sal Grade	Salary Costs	Number of Positions
210	Accountant	27.N	\$77,088	1
210	Risk Assistant	22.N	\$66,696	1
240	Material Control Clerk I	11.N	\$50,220	1
425	Water Maintenance Technician II	22.N	\$33,348	0.5
425	Metering Systems Technician I	16.N	\$28,434	0.5
550	Operator III	27.N	\$154,176	2
530	Sr. SCADA Network Administrator	U15.E	\$105,336	1
830	Asset Management Coordinator	32.N	\$89,196	1
Subtotal			\$604,494	8
Total			\$741,534	



LABOR

LABOR CHANGES

FY 2019/20

**Personnel Budget Changes Reflected in the
FY 2019/20 Operating Budget**

Title and Salary Grade Changes for Existing Positions/Job Titles

General Manager (110):

Office Specialist (Salary Grade 15.N) to Senior Office Assistant (Salary Grade 19.N)
This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Customer Service (220):

Customer Service Specialist II (Salary Grade 17.N) to Customer Service Specialist III (Salary Grade 21.N)

This position reclassification is being requested to meet the needs of the department.

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

This position reclassification is being requested to meet the needs of the department.

Engineering (300):

Electrical/Instrumentation Designer (Salary Grade 34.N) to Associate Engineer (Salary Grade U14.E)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Energy Analyst (Salary Grade U12.E) to Associate Engineer (Salary Grade U14.E)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Principal Engineer (Salary Grade U23.E) to Engineering Manager (Salary Grade U24.E)
– 5 positions

This title and salary upgrade is being requested to more properly reflect the specific duties and responsibilities of the position.

Executive Director of Engineering & Water Quality (Salary Grade U30.E) to Executive Director of Technical Services (Salary Grade U30.E)

This title change is being requested to more properly reflect the new duties and responsibilities of the position.



LABOR

LABOR CHANGES

FY 2019/20

Water Quality & Regulatory Compliance (600)

Laboratory Analyst (Salary Grade 16.N) to Scientist (Salary Grade 28.N)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Regulatory Compliance Analyst (Salary Grade U10.E) to Regulatory Compliance Administrator (Salary Grade U12.E) – 1 position

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Water Policy (700)

Water Efficiency Analyst (Salary Grade 31.N) to Sr. Water Efficiency Analyst (Salary Grade U12.E)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Water Efficiency Field Technician (Salary Grade 16.N) to Water Loss Prevention Specialist (Salary Grade 24.N)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Sr. Water Efficiency Field Technician (Salary Grade 21.N) to Sr. Water Loss Prevention Specialist (Salary Grade 27.N)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Cross Connection Specialist (Salary Grade 24.N to Salary Grade 26.N) – 3 positions

This salary upgrade is being requested to more properly reflect the specific duties and responsibilities of the position.

Cross Connection Supervisor (Salary Grade S31.N to Salary Grade S33.N) – 1 position

This salary upgrade is being requested to more properly reflect the specific duties and responsibilities of the position.



LABOR

LABOR CHANGES *FY 2019/20*

New Positions

Finance (210):

Accountant (Salary Grade 27.N) – 1 position

This position is to serve as back up to payroll and payroll accounting functions.

Risk Assistant (Salary Grade 22.N) – 1 position

This position is to assist with new security responsibilities in Risk Management.

Material Control Clerk I (Salary Grade 11.N) – 1 position

This position is due to increased workload and to reduce temporary labor.

Field Services (425):

Water Maintenance Technician II (Salary Grade 22.N) – 1 position, effective 1/1/20

This position is required due to the increased workload and to reduce temporary labor.

Metering Systems Technician I (Salary Grade 16.N) – 1 position, effective 1/1/20

This position is required due to the increased workload and to reduce temporary labor.

Automation (530):

Sr. SCADA Network Administrator (Salary Grade U15.E) – 1 position

This new position is required to assist with the growing complexity of SCADA.

MWRP Operations (550):

Operator III (Salary Grade 27.N) – 2 positions

These positions are required to assist with the increased workload due to Biolsolids.

Asset Systems (830):

Asset Management Coordinator (Salary Grade 32.N) – 1 position

This position is required to assist with the increased workload and complexity of Maximo.

**FY 2020/21 Budget
Summary of Proposed Budgeted Personnel Changes**

Proposed Changes to Existing Budgeted Positions						
Dept	Job Title	Current Sal Grade	Proposed Action	Proposed Job Title	Proposed Sal Grade	Salary Costs
210	Sr. Accounting Clerk	20.N	Reclass 1 Position	Accountant	27.N	\$14,184
210	Accountant	27.N	Reclass 1 Position	Sr. Accountant	U11.E	\$14,568
Subtotal						\$28,752

Proposed New Positions				
Dept	Job Title	Sal Grade	Salary Costs	Number of Positions
220	Customer Service Specialist I	13.N	\$52,740	1
220	Customer Service Field Technician	16.N	\$56,868	1
425	Metering Systems Technician I	16.N	\$28,434	0.5
515	Wetlands Specialist	24.N	\$70,668	1
650	Regulatory Compliance Administrator	U12.E	\$94,956	1
600	Scientist	28.N	\$79,380	1
Subtotal			\$383,046	5.5
Total			\$411,798	



LABOR

LABOR CHANGES

FY 2020/21

**Personnel Budget Changes Reflected in the
FY 2020/21 Operating Budget**

Title and Salary Grade Changes for Existing Positions/Job Titles

Finance (210):

Sr. Accounting Clerk (Salary Grade 20.N) to Accountant (Salary Grade 27.N)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

Accountant (Salary Grade 27.N) to Sr. Accountant (Salary Grade U11.E)

This position reclassification is being requested to more properly reflect the specific duties and responsibilities of the position.

New Positions

Customer Service (220):

Customer Service Specialist I (Salary Grade 13.N) – 1 position

This position is required due to increased workload and to reduce temporary labor.

Customer Service Field Technician (Salary Grade 16.N) – 1 position

This position is required due to increased workload and to reduce temporary labor.

Water Quality & Regulatory Compliance (600):

Scientist (Salary Grade 28.N) – 1 position

This position is required due to the increased workload and to reduce temporary labor.

Regulatory Compliance Administrator (Salary Grade U12.E) – 1 position

This position is required due to the increased workload.

Field Services (425):

Metering Systems Technician I (Salary Grade 16.N) – 1 position, effective 1/1/21

This position is required due to the increased workload and to reduce temporary labor.

NTS Operations (515):

Wetlands Specialist (Salary Grade 24.N) – 1 position

This position is required to assist with the increased workload due to additional basins.

April 8, 2019

Prepared and

submitted by: K. Swan ^{KS}

Approved by: Paul A. Cook 

CONSENT CALENDAR

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

SUMMARY:

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

Events/Meetings

Mary Aileen Matheis

April 9 City of Irvine Swearing-In Ceremony for the Honorable Christina Shea

Peer Swan

April 3 Water Education Foundation Presents "*Parting the Waters – Will it Take a Miracle?*" with Former Interior Secretary Bruce Babbitt Crocker Art Museum, Sacramento

April 4 MWDOC Board and Member Agency Elected Officials Forum

John Withers

April 9 City of Irvine Swearing-In Ceremony for the Honorable Christina Shea

RECOMMENDATION:

THAT THE BOARD RATIFY/APPROVE THE MEETINGS AND EVENTS FOR MARY AILEEN MATHEIS, PEER SWAN, AND JOHN WITHERS AS DESCRIBED HEREIN.

LIST OF EXHIBITS:

None.

April 8, 2019

Prepared and

Submitted by: L. Bonkowski 

Approved by: Paul A. Cook 

CONSENT CALENDAR

MINUTES OF BOARD MEETING

SUMMARY:

Provided are the minutes of the March 25, 2019 Regular Board meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE MARCH 25, 2019 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – March 25, 2019 Minutes of Regular Board Meeting

EXHIBIT "A"

MINUTES OF REGULAR MEETING – MARCH 25, 2019

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:00 p.m. by President LaMar on March 25, 2019 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: Reinhart, Matheis, Swan, Withers (arrived at 5:17 p.m.) and LaMar.

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Engineering and Water Quality Burton, Executive Director of Water Policy Weghorst, Executive Director of Operations Chambers, Executive Director of Finance and Administration Clary, Director of Water Recycling Operations Zepeda, Director of Water Resources Sanchez, Director of Public Affairs Beeman, Director of Treasury and Risk Management Jacobson, Legal Counsel Collins, Secretary Bonkowski, Assistant Secretary Swan, Government Relations Officer/Deputy General Counsel Compton, Director of Water Quality & Regulatory Compliance Colston, Director of Water Operations Roberts, Director of Maintenance Mykitta, staff, and members of the public.

WRITTEN COMMUNICATIONS: None.

ORAL COMMUNICATIONS: None.

ITEMS TOO LATE TO BE AGENDIZED: None.

CONSENT CALENDAR

On MOTION by Matheis, seconded and carried (4-1) (Matheis, LaMar, Reinhart, Swan voting aye and Withers absent), CONSENT CALENDAR ITEMS 4 THROUGH 8 WERE APPROVED AS FOLLOWS:

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

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

5. MINUTES OF BOARD MEETING

Recommendation: That the minutes of the March 11, 2019 Regular Board meeting be approved as presented.

CONSENT CALENDAR (CONTINUED)

6. NEWPORT COAST LIFT STATION REHABILITATION FINAL ACCEPTANCE

Recommendation: That the Board accept construction of the Newport Coast Lift Station Rehabilitation, Projects 05470 And 06400; authorize the General Manager to File a Notice of Completion; and authorize the payment of the retention 35 days after the date of recording the Notice of Completion.

7. FEBRUARY 2019 TREASURY REPORTS

Recommendation: That the Board receive and file the Treasurer's Investment Summary Report, the summary of fixed and variable rate debt, the Monthly Interest Rate SWAP Summary for February 2019, and Disclosure Report of Reimbursements to Board members and staff; approve the February 2019 Summary of Payroll ACH payments in the total amount of \$2,107,829 and approve the February 2019 Accounts Payable Disbursement Summary of Warrants 395760 through 396571, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$29,768,988.

8. AMENDMENT NO. 8 TO THE SANTIAGO AQUEDUCT COMMISSION JOINT POWERS AGREEMENT

Recommendation: That the Board approve Amendment No. 8 to the Santiago Aqueduct Commission Joint Powers Agreement subject to non-substantive changes.

ACTION CALENDAR

2019 LEGISLATIVE AND REGULATORY UPDATE

Using a PowerPoint presentation, Government Relations Officer/Deputy General Counsel Compton reviewed items covered by the March 2019 update and said that new information will be provided tonight including 1) Paradise Irrigation District backfill funding request; new amendments to the Water Tax and Safe Drinking Water proposals, and introduction of HR 1754: extended NPDES permit terms. Director Withers arrived at 5:07 p.m. Ms. Compton reviewed the Paradise Irrigation District backfill funding request for a one-time appropriation of \$21,693,203 from the state's General Fund, which is needed to keep that district operating while recovering from the fires. She reviewed the current safe drinking water proposals including ACA3 (Mathis, E. Garcia, Rubio, and Salas), AB 134 (Bloom), SB 200 (Monning with Asm. E. Garcia), SB 660 (Caballero), Safe and Affordable Drinking Water and Exide Cleanup Budget Trailer Bill, AB 217 (Garcia), SB 414 (Caballero), and SB 669 (Caballero) and reviewed recommended positions on safe drinking water proposals. She recommended that the Board consider a potential "support if amended" position on AB 217 while providing staff flexibility on when the District would move to the recommended position and on how a change in position would be communicated. She also stated that the amendments sought by the District would be removal of the water tax, which the District opposes, and further refinements to the bill concerning implementation. Ms. Compton also reviewed the recommended position on HR 1764 (Garamendi and Calvert), regarding NPDES permits.

Director Matheis said that this item was reviewed by the Water Resources Policy and Communications Committee on March 18, 2019. Director Swan raised concerns relative to SB 414 (Caballero), which would create the Small System Water Authority Act of 2019 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that have powers to absorb, improve, and operate noncompliant public water systems. He said that he could only support this bill if certain amendments were made. Specifically, that the bill should be amended to remove the role for Local Agency Formation Commissions in order to expedite consolidations, and that the bill should be amended to address the formation of possibly multiple Small System Water Authorities within a county. Director Swan also raised concerns regarding AB 217, and suggested that the District oppose the bill and water tax.

Director Matheis made a motion to approve the item which was seconded by Reinhart. Prior to a vote, Director Swan asked that SB 414 be voted on separately. There were no objections from the Board to vote on this item separately. On MOTION by Matheis, seconded and unanimously carried, THE BOARD ADOPTED A “SUPPORT” POSITION ON AB 510 (COOLEY), AB 1204 (RUBIO), HR 1764 (GARAMENDI) AND A PARADISE IRRIGATION FUNDING REQUEST, A “WATCH” POSITION ON SB 307 (ROTH); AN OPPOSE/OPPOSE UNLESS AMENDED” POSITION ON AB 332 (HERTZBERG), AND AUTHORIZED THE DISTRICT TO MOVE TO A “SUPPORT IF AMENDED” POSITION ON AB 217 (GARCIA) consistent with staff’s recommendation. On MOTION by Matheis, seconded by Withers, and carried, (4-1) (Reinhart, Matheis, LaMar and Withers voting aye, and Swan voting no THE BOARD SUPPORTED SB 414 (CABALLERO).

MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES CHANGE ORDER, VARIANCES, AND BUDGET INCREASE

Filanc/Balfour-Beatty (FBB) is constructing the Michelson Water Recycling Plant (MWRP) Biosolids and Energy Recovery Facilities (Biosolids Project). The Biosolids Project is scheduled to be extended to June 30, 2020.

Executive Director of Engineering and Water Quality Burton said that staff negotiated with FBB and agrees to the labor and material costs contained in Change Order No. 99 in the amount of \$330,609.60. Change Order No. 99 includes an additional: 1) regenerative thermal oxidizer (RTO) stack bypass re-route in the amount of \$42,305.48; 2) soil remediation on the south road of the Biosolids site in the amount of \$43,444.97; 3) base and paving in the amount of \$21,619.30; 4) odor scrubber recirculation piping and pipe support modifications in the amount of \$103,308.35; 5) electrical modifications in the control room of the solids handling building in the amount of \$9,371.28; 6) modifications to the acoustical panels in the solids handling building in the amount of \$14,704.14; 7) 480 V power source for vacuum system in the dryer room in the amount of \$9,995.96; 8) explosion proof duct smoke detector in the digester control building gas room in the amount of \$25,719.23; 9) SCADA programming update to the Centrate treatment area in the amount of \$38,467.14; 10) SCADA programming update to digester gas system in the amount of \$21,673.75.

Mr. Burton said that Black & Veatch has provided contract administration, construction inspection, and construction management services since 2013 and that the following additional work is required: 1) submittal reviews; 2) review of Requests for Information; 3) schedule

review; 4) claims review and dispute resolution; 5) supplemental onsite design team representative, electrical and instrumentation/controls inspections, and civil/mechanical field engineering; 6) electronic operations and maintenance manual development; 7) pre-start-up process overview training; 8) start-up testing coordination; and 9) post-start-up services.

Variance No. 8 with Black & Veatch in the amount of \$2,865,066 is for supplemental contract administration, construction phase, and start-up and commissioning services.

Mr. Burton said that Arcadis has provided construction inspection, construction management, and document control system services since the start of the Biosolids project. Through Variance No. 3, Arcadis will negotiate and prepare change orders, provide as-needed construction management support, assist with resolving project claims and delays submitted by FBB, and assist in project close-out activities. These services will be provided through June 30, 2020. Arcadis will also provide document control services until June 30, 2020, including assistance with the archiving of vital project documents. Variance No. 3 is for construction management and document control support in the amount of \$664,138.

Mr. Burton said that EI&C Engineering has provided technical oversight of the process control system (PCS) development and will continue in this role through June 30, 2020. Additionally, they will provide additional automation staff to support start-up testing when it is anticipated that multiple start-up tests are scheduled simultaneously, and provide engineering support for air permitting, start-up testing, and other engineering tasks. Variance No. 3 is in the amount of \$835,860 and is for supplemental PCS construction management services, start-up testing, development of PCS operations manuals, and associated PCS training presentations.

Mr. Burton said that with the extension of the project to June 30, 2020, an increase in the capital budget for the Biosolids Project is required to fund the future change orders, consultants, Construction Management staff, legal and claims staff to resolve more complex construction items, operations and maintenance staff during start-up and training, landscaping, and the MWRP Construction Trailer and supplies. The estimated expenses are itemized as follows: future change orders -\$1,250,000; consultants - \$4,167,000; legal counsel - \$3,600,000; IRWD staff - \$1,741,000; start-up chemicals - \$200,000; landscape - \$700,000; and contingency - \$1,000,000, for a total cost of \$12,658,000.

There is currently approximately \$1,689,000 left in the existing Biosolids budget. Staff is requesting a budget increase of \$10,969,000 to cover the estimated expenses.

Director Reinhart said that this item was reviewed by the Engineering and Operations Committee on March 19, 2019. Following inquiries from Director Swan relative to the project, on MOTION by Swan, seconded and unanimously carried, THE BOARD APPROVED CHANGE ORDER NO. 99 IN THE AMOUNT OF \$330,609.60, WITH FILANC/BALFOUR BEATTY FOR ITEMS INCLUDING HARDSCAPING, SOIL REMEDIATION, PAVING, MECHANICAL AND ELECTRICAL CHANGES, AND SCADA PROGRAMMING MODIFICATIONS; AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 8 WITH BLACK & VEATCH IN THE AMOUNT OF \$2,865,066 FOR SUPPLEMENTAL CONTRACT ADMINISTRATION, CONSTRUCTION PHASE, START-UP, AND COMMISSIONING SERVICES; AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 3 WITH ARCADIS, INC. IN THE AMOUNT OF \$664,138 FOR SUPPLEMENTAL

CONSTRUCTION MANAGEMENT AND DOCUMENT CONTROL SYSTEM SERVICES; AUTHORIZED THE GENERAL MANAGER TO EXECUTE VARIANCE NO. 3 WITH EI&C ENGINEERING, INC. IN THE AMOUNT OF \$835,860 FOR SUPPLEMENTAL PROCESS CONTROL SYSTEM (PCS) OVERSITE, CONSTRUCTION MANAGEMENT SERVICES, START-UP TESTING, AND VARIOUS ENGINEERING TASKS; AND AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$10,969,000 FROM \$227,573,100 TO \$238,542,100, TO THE FY 2018-19 CAPITAL BUDGET FOR THE MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES, PROJECT 04286.

GENERAL MANAGER'S REPORT

General Manager Cook reported that Ms. Bobbi Larson, CASA's Executive Director, announced her retirement effective at the end of 2019.

Mr. Cook said that the District received a complimentary letter thanking staff members Mr. Allen Shinbashi, Mr. Harry Cho and Mr. Tom Bonkowski for demonstrating professionalism and integrity during a work effort at the District's Well 15.

DIRECTORS' COMMENTS

Director Reinhart reported on his attendance at an OCWD Water Issues Committee meeting, a WateReuse California Annual conference, and an OCWD Board Meeting.

Director Withers announced that this Wednesday Supervisor Wegner is scheduled for his swearing-in ceremony at the Great Park.

Director Swan reported on his attendance at an OCBC Government Affairs Committee meeting and an Infrastructure Committee meeting, a MWDOC Board meeting and Administration and Finance Committee meeting, a WACO Planning meeting, a Newport Bay Watershed Executive Committee meeting where he was reelected Chairman, and Newport Beach Chamber of Commerce meetings.

Director Matheis reported on her attendance at a WateReuse conference and said she was proud of General Manager Cook's efforts on his panel discussion, and a Santiago Aqueduct Quarterly Commission meeting which she chaired.

Director LaMar reported on his attendance at a Federal Advocacy meeting in Washington, DC, an ACWA Region Elections Nominating Committee Training, a California Environmental Dialogue Plenary meeting in Sacramento, a Natural Communities Coalition Board meeting, and a briefing and tour with Ms. Maya Mouawad, Water Education Foundation's 2019 Water Leader.

COMMUNITY UPDATES

Consultant Newell said that he attended two emergency preparedness workshops and noted that the canyons are in good condition this spring.

CLOSED SESSION

Legal counsel Collins said that a Closed Session would be held this evening as follows:

CONFERENCE WITH LABOR NEGOTIATORS – Pursuant to Government Code Section 54957.6

Designated Agency Representatives: Paul Cook and Jenny Roney

Employee Groups: IBEW Local #47 Non-Exempt Supervisor Unit Employees

OPEN SESSION

Following the Closed Session, the meeting was reconvened with Directors Withers, LaMar, Matheis, Swan and Reinhart present. President LaMar said that staff is authorized to proceed as recommended for Non-Exempt Supervisor Unit Employees.

ADJOURNMENT

President LaMar adjourned the meeting.

APPROVED and SIGNED this 8th day of April, 2019.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

Claire Hervey Collins, Legal Counsel
– Lewis Brisbois

April 8, 2019

Prepared by: T. Fournier

Submitted by: R. Jacobson / C. Clary 

Approved by: Paul A. Cook 

CONSENT CALENDAR

IRWD APARTMENT CONSULTANT CONTRACT RENEWAL

SUMMARY:

In May 2017, the District approved a two-year contract with Market-THINK to provide advisory services related to the Sycamore Canyon and Wood Canyon Villa apartment properties. Market-THINK was originally selected as the District's apartment consultant based on the evaluation of proposals from a number of qualified candidates, as well as interviews with staff and the Finance and Personnel Committee. Staff recommends two-year renewal of the consulting agreement with Market-THINK, LLC (Susan Sirota) to provide advisory services related to the operation of the District's Sycamore Canyon and Wood Canyon Villa apartment property investments.

BACKGROUND:

Ms. Sirota is an independent apartment property consultant and sole owner of Market-THINK with over 30 years of multi-family housing experience, including 13 years with Irvine Apartment Communities. As a consultant for the District, Ms. Sirota has developed a strong working relationship with both onsite and senior staff of the District's property manager, Western National Properties. Ms. Sirota's extensive marketing background and mentoring of onsite leasing staff have contributed to Sycamore Canyon's consistent economic performance in both strong and weak rental markets.

Responsibilities of the District's apartment consultant include oversight of the physical condition of the properties (including regular monthly and unscheduled site visits) and monthly meetings with IRWD staff and Western National to provide property status reports and a review of financials. Other responsibilities include an annual report to the Finance and Personnel Committee, assisting the property manager with the annual budget process, and acting as an advisor to the District for certain special projects related to the properties.

The Market-THINK two-year proposal provides for a monthly fee increase from \$4,395 to \$4,525 (3%) through April 2020, and an increase to \$4,660 (3%) in May 2020 through April 2021. The proposal assumes an estimated 20 hours to 25 hours per month to complete the responsibilities outlined in the scope of work. A copy of the renewal proposal and scope of work are attached as Exhibit "A".

FISCAL IMPACTS:

Based on the proposal received, the annual expense related to apartment consulting for the general operation of the properties is anticipated to average \$55,110, or approximately 0.62%, of the budgeted net income (\$8.9 million) for the apartment properties.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on April 2, 2019.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A TWO-YEAR CONTRACT WITH MARKET-THINK AS IRWD'S APARTMENT CONSULTANT AT A TOTAL FEE NOT TO EXCEED \$55,000 FOR 2019-2020 AND \$56,500 IN 2020-2021, WHICH INCLUDES MONTHLY OUT-OF-POCKET EXPENSES ESTIMATED AT \$50 PER MONTH.

LIST OF EXHIBITS:

Exhibit "A" – Market-THINK Fee Proposal and Scope of Work

Irvine Ranch Water District— Consulting Proposal as Owner’s Representative for Apartment Properties

February 11, 2019

This document defines the renewed scope of work and associated cost estimate to provide asset management consulting services for the Irvine Ranch Water District (IRWD). This document represents a description of the scope of work based upon the client’s communicated needs.

Project Definition

IRWD has requested that Market-THINK, LLC (MT) present work specifics pursuant to asset management consulting regarding the following IRWD solely-owned and joint-ventured properties (respectively):

Sycamore Canyon Apartments
8201 E. Blackwillow Circle #100
Anaheim Hills, CA 92808
(450 units)

Wood Canyon Apartments
28520 Wood Canyon Drive
Aliso Viejo, CA 92656
(230 units)

Scope of Work—Market-THINK, LLC

Market-THINK’s role in providing property management consulting in an owner’s representative role consists primarily of the following functions:

1. Physical Assets Review

- Walk Sycamore Canyon Apartments once monthly and Wood Canyon every other month to ascertain the current level of asset integrity, determine and recommend remedial action necessary.
- Meet with District Manager, Area Manager and assigned Vice President of the contracted management company and site managers of each property and review marketing strategies, observed apartment community levels of integrity, resident issues, income opportunities, and finalize appropriate courses of action. (Monthly at the time of property walks)
- Visit site (Sycamore Canyon) on a regular scheduled and unscheduled basis to evaluate conditions requiring special attention due to age of the asset.
- Review work specifications and requests for proposals for major/capital work to ensure fairness in the bidding process and to sustain a balance of appropriate information to ensure that the asset receives appropriate remediation.

2. Financial Review

- Meet monthly with IRWD representatives, applicable property management executives, and others deemed appropriate to ensure that the property management financial objectives of IRWD are being achieved in accordance with prudent business logic, ethical conduct and common sense. Such meeting is effected upon and after a thorough review of monthly financial submittals by the management company which includes but are not limited to the following:

Sycamore Canyon and Wood Canyon Villas

1. Property Update
 2. Operating Statement
 3. Budget Variance
 4. General Ledger
 5. All Fields Accounting Listing
 6. Cash Flow
 7. Bank Reconciliation
 8. Unit Statistics
 9. Delinquent Residents Report
 10. Rent Roll
 11. Comparable Marketing Summary
- Provide a written monthly report regarding the financial and physical status of each property.

3. Management Recommendations

- Recommend areas of study, new business opportunities, funding and actions pursuant to optimizing income and ensuring long-term asset appreciation. Includes decision-making and direction regarding the actions of the management company upon concurrence of IRWD, unless such action is a function of daily routine management protocol wherein there is neither a major financial or political impact on IRWD.
- Review studies, potential contracts and make recommendations to IRWD.
- Review annual property budgets and provide input/recommendations to IRWD.

4. Technology Recommendations

- Remain current, make recommendations, follow up, and coordinate technological opportunities that will enhance resident service and economic advantage to Sycamore Canyon Apartments.

5. Other Services

- Provide annual presentation to IRWD Finance and Personnel Committee regarding the assets identified herein.
- Perform other tasks as requested. These may be outside the scope of this proposal and will be billed on a project and/or hourly rate (\$205) as agreed upon in advance between Market-THINK and IRWD.

Client Role—Irvine Ranch Water District

IRWD will provide the following to assist in the on-going provision of services:

1. Provide desired due dates for reports from Market-THINK to IRWD.
2. Outline expectations regarding the performance of property operations, the property management company, and Market-THINK.
3. Participate in monthly meetings with Market-THINK to discuss the findings, conclusions and recommendations relative to this scope of work.

Timing for Services

This contract is a renewal for services effective **May 1, 2019** for a period of two years through **April 30, 2021**.

The following chart provides the client with a breakdown of associated costs for the property management consulting services.

Exhibit "A"

Task	Description	Fee
Monthly Tasks		
1. Physical Assets Review	Walk each property monthly, meet with property management personnel re: site operations and provide written report summary to IRWD	
2. Physical Assets Review	Visit Sycamore Canyon on scheduled and unscheduled basis	
3. Physical Assets Review	Review strategies and work specifications for major/capital work and provide recommendations to IRWD	
4. Financial Review	Review monthly financial reports package and meet with IRWD and management team	
5. Financial Review	Provide written monthly report re: financial and physical status of each property	
6. Management Recommendations	Review studies, opportunities, potential contracts and provide recommendations to IRWD	
7. Management Recommendations	Review and provide input and recommendations regarding annual budgets prepared by management company	
7. Technology Recommendations	Provide technology recommendations, follow up, and coordinate technology opportunities to enhance resident service and economic advantages to Sycamore Canyon	
8. Other Services	Prepare and conduct an annual year-end report to IRWD regarding the assets identified	
9. Other services	Provide other services as requested requiring estimated number of hours. If project-oriented, a flat project fee may be estimated	Billed at hourly rate of \$205 (plus mileage) as requested by client
Monthly subtotal for year one (May 2019 through April 2020)	Monthly Flat Fee for estimated 20-25 hours per month.	\$4,525 per month
Monthly subtotal for year two (May 2020 through April 2021)	Monthly Flat Fee for estimated 20-25 hours per month.	\$4,660 per month

Working Relationship/Fee Structure

The following outlines the suggested structure for a working relationship with IRWD as it pertains to the scope of work defined in this proposal.

1. Monthly retainer of \$4,525, which represents approximately 20-25 hours per month dedicated to IRWD from May 1, 2019 through April 30, 2020.
2. Monthly retainer of \$4,660, which represents approximately 20-25 hours per month dedicated to IRWD from May 1, 2020 through April 30, 2021.
3. A new contract beyond April 30, 2021 renewable upon mutual agreement.

Exhibit "A"

In addition to the monthly fee, IRWD will reimburse Market-THINK for all out-of-pocket expenses incurred in the performance performed on behalf of IRWD. Routine costs such as mileage, telephone calls, mailing services, and messenger/overnight courier will be billed at a net cost. Any extensive office/production costs beyond outlined scope above will be pre-approved by client. Any additional scope of work or necessary expense items that involve time, research or cash outlay will be pre-approved by and billed to IRWD (following review by Market-THINK for accuracy).

Market-THINK, LLC will hold in the strictest of confidence all confidential information concerning IRWD and its properties, products and services learned in the course of providing property management consulting services. Market-THINK, LLC will not disclose any proprietary information about IRWD or its properties, products or services without your prior approval.

Payment Terms

Monthly retainer billed at the beginning of each month, due in 15 days \$4,525.00

Other incurred expenses to be billed separately on a monthly basis.

Client Approval

Irvine Ranch Water District

Consultant

Market-THINK, LLC

Printed Name

Robert Jacobson
Treasurer



Susan A. Sirota
President and CEO

Date

February 11, 2019

April 8, 2019

Prepared by: Lisa Srader

Submitted by: Jenny Roney

Approved by: Paul A. Cook



CONSENT CALENDAR

2018 IRWD SALARY SURVEY RESULTS

SUMMARY:

Staff has compiled, analyzed and summarized data collected from IRWD's 2018 benchmark salary survey. The results are presented below with a description of the survey methodology and recommendations to adjust salary ranges and implement competitive wage adjustments for specific job classifications. Staff recommends the Board approve the salary grade changes and authorize the General Manager to implement the recommended competitive wage adjustments based on the 2018 IRWD salary survey results.

BACKGROUND:

A comprehensive benchmark salary survey was conducted by staff. The objectives of the benchmark salary survey are to:

- Provide an understanding of and anticipation of market conditions;
- Provide a data-driven process for allocating salaries;
- Maintain an objective method to compare and contrast internal equity and external competitiveness of IRWD job classifications; and
- Ensure public accountability for employee compensation.

The methodology used for the 2018 survey was consistent with the methodology used for the 2015 survey, and included recommendations from IRWD's consultant Ralph Anderson & Associates. The methodology consisted of the following elements:

- Comparison to agencies that focus on the most productive job matches;
- All job classifications tied to a survey benchmark based on job family, similarity of duties and organizational unit;
- Salary range control point top of range as industry best practice;
- Market data comparison to median of market as a stable statistical measure; and
- Periodic time frame of at least every three years.

Included in the 2018 salary survey were 17 public agencies and 37 benchmark positions. A list of the agencies surveyed is provided in Exhibit "A". Results of the 2018 benchmark salary survey have been compiled, analyzed, and summarized by staff and were thoroughly reviewed by IRWD's Executive Management Team and senior staff. Recommendations for changes to benchmark and other positions were developed based on a review of the external market data collected in the survey as well as the internal equity analysis of job classification placement within the District's salary grade schedule.

Salary Grade Changes and Competitive Wage Adjustments:

The benchmark classifications that were surveyed as part of the 2018 salary survey and where each benchmark falls in relation to the survey median is provided in Exhibit “B”. The survey identified six benchmark positions that fell more than 2.5% below the survey median. 2.5% represents the minimum percentage separation between salary grade levels in the District’s salary grade schedule. Adjusting these six benchmark positions will also result in adjustment to other positions that are “tied” to these benchmarks. In total, 29 separate job classifications are recommended, based on this survey for salary grade changes. These job classifications represent 37 incumbents impacted by these results and are therefore recommended for competitive wage adjustments as provided in Exhibit “C”. For comparison, the 2015 benchmark salary survey affected 14 separate job classifications, representing 36 incumbents who received wage adjustments. The proposed increase in affected positions in the 2018 salary survey are best attributed to improved economic conditions in the region since 2015 and legislative initiatives that created an increase in the demand for water efficiency professionals.

FISCAL IMPACTS:

The fiscal impact of the implementation of the proposed competitive wage adjustments is an increase of approximately \$6,000 through the end of Fiscal Year 2018-19, with funds available in the current FY 2018-19 budget.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was reviewed by the Finance and Personnel Committee on April 2, 2019.

RECOMMENDATION:

THAT THE BOARD APPROVE THE SALARY GRADE CHANGES RECOMMENDED AND AUTHORIZE THE GENERAL MANAGER TO IMPLEMENT THE COMPETITIVE WAGE ADJUSTMENTS BASED ON THE 2018 IRWD SALARY SURVEY RESULTS.

LIST OF EXHIBITS:

Exhibit “A” – List of Surveyed Agencies

Exhibit “B” – Summary of Benchmark Positions

Exhibit “C” – Proposed Salary Grade Changes and Competitive Wage Adjustments

IRWD
2018 SALARY SURVEY AGENCIES

City of Anaheim
City of Fountain Valley
City of Irvine
City of Long Beach
City of Orange
City of Riverside
Eastern water district
Elsinore Valley MWD
Inland Empire UA
Mesa Consolidated WD
Moulton Niguel WD
Orange County Sanitation District
Orange County Water District
Rancho California WD
Santa Margarita WD
South Coast WD
South Orange County WA

**Irvine Ranch Water District
Summary of 2018 Salary Survey Results**

UNREPRESENTED				
Benchmark Title	Current Grade	IRWD Top	Mkt Median Top	Variance Mkt Top
Accounting Supervisor	U13.E	\$9,462	\$9,922	-4.6%
Applications Analyst	U15.E	\$10,194	\$9,731	4.8%
Customer Service Supervisor	U10.E	\$8,479	\$8,034	5.5%
Director of Human Resources	U27.E	\$16,320	\$15,381	6.1%
Director of Water Operations	U27.E	\$16,320	\$14,934	9.3%
Engineer	U17.E	\$10,968	\$11,239	-2.4%
Executive Assistant	U26.E	\$7,346	\$6,495	13.1%
Executive Director of Engineering & WQ	U30.E	\$19,049	\$17,859	6.7%
Executive Director of Fin & Admin	U30.E	\$19,049	\$17,500	8.9%
Facilities/Fleet Manager	U17.E	\$10,968	\$9,920	10.6%
Human Resources Analyst	U31.N	\$8,498	\$8,033	5.8%
Laboratory Supervisor	U15.E	\$10,194	\$9,373	8.8%
Network Administrator	U32.N	\$8,748	\$9,006	-2.9%
Operations Manager (Recycling Ops)	U19.E	\$11,806	\$12,578	-6.1%
Operations Manager (Water Ops)	U19.E	\$11,806	\$12,719	-7.2%
Public Affairs Manager	U18.E	\$11,386	\$11,107	2.5%
			Average	3.7%

**Irvine Ranch Water District
Summary of 2018 Salary Survey Results**

NE SUPERVISOR UNIT				
Benchmark Title	Current Grade	IRWD Top	Mkt Median Top	Variance Mkt Top
Fleet Supervisor	S31.N	\$8,498	\$8,627	-1.5%
Operations Supervisor (Recycling)	S35.N	\$9,530	\$9,361	1.8%
Operations Supervisor (Water)	S35.N	\$9,530	\$9,176	3.9%
			Average	1.8%

GENERAL UNIT				
Benchmark Title	Current Grade	IRWD Top	Mkt Median Top	Variance Mkt Top
Accountant	27.N	\$7,545	\$7,031	7.3%
Buyer	24.N	\$6,907	\$6,881	0.4%
Construction Inspector	28.N	\$7,771	\$7,197	8.0%
Collection Systems Technician II	20.N	\$6,116	\$5,864	4.3%
Customer Service Field Technician	16.N	\$5,492	\$5,158	6.5%
Customer Service Specialist II	17.N	\$5,627	\$5,346	5.3%
Electrical Technician	28.N	\$7,771	\$7,545	3.0%
Instrumentation Technician	28.N	\$7,771	\$7,394	5.1%
IS Coordinator	31.N	\$8,481	\$7,368	15.1%
Maintenance Mechanic	22.N	\$6,500	\$6,628	-1.9%
Office Specialist	15.N	\$5,342	\$4,999	6.9%
Operator II (Recycling Ops)	27.N	\$7,545	\$7,353	2.6%
Operator II (Water)	27.N	\$7,545	\$6,867	9.9%
Public Affairs Specialist	29.N	\$7,997	\$7,732	3.4%
Scientist	28.N	\$7,771	\$6,941	12.0%
Vehicle/Equipment Mechanic	22.N	\$6,500	\$6,251	4.0%
Water Efficiency Specialist	24.N	\$6,907	\$7,405	-6.7%
Water Maintenance Technician II	22.N	\$6,500	\$5,928	9.6%
			Average	5.3%

IRVINE RANCH WATER DISTRICT					
2018 SALARY SURVEY					
PROPOSED SALARY GRADE CHANGES AND COMPETITIVE WAGE ADJUSTMENTS (CWA)					
MANAGERS, EXEMPT SUPERVISORS, CONFIDENTIAL & EXEMPT EMPLOYEES					
JOB TITLE	SALARY GRADE			# IN	CHANGE
CURRENT	CURRENT	PROPOSED	MOVEMENT	POSITION	
Accounting Supervisor	U13.E	U14.E	+1	3	Salary Survey CWA Upgrade
Controller	U20.E	U21.E	+1	1	Salary Survey CWA Upgrade
Financial Analyst	U11.E	U12.E	+1	1	Salary Survey CWA Upgrade
Manager of Risk& Contracts Administration	U18.E	U19.E	+1	1	Salary Survey CWA Upgrade
Manager of Strategic Planning & Analysis	U20.E	U21.E	+1	1	Salary Survey CWA Upgrade
Senior Accountant	U11.E	U12.E	+1	2	Salary Survey CWA Upgrade
Treasury Analyst	U12.E	U13.E	+1	1	Salary Survey CWA Upgrade
Treasury Manager	U18.E	U19.E	+1	1	Salary Survey CWA Upgrade
Network Administrator	U32.N	U33.N	+1	1	Salary Survey CWA Upgrade
User Support Administrator	U32.N	U33.N	+1	1	Salary Survey CWA Upgrade
Operations Manager (Recycling Ops)	U19.E	U20.E	+1	1	Salary Survey CWA Upgrade
Collection Systems Manager	U17.E	U18.E	+1	1	Salary Survey CWA Upgrade
Natural Resources Manager	U17.E	U18.E	+1	1	Salary Survey CWA Upgrade
Operations Manager (Water)	U19.E	U20.E	+1	1	Salary Survey CWA Upgrade
Construction Services Manager	U17.E	U18.E	+1	1	Salary Survey CWA Upgrade
Field Services Manager	U17.E	U18.E	+1	1	Salary Survey CWA Upgrade
Automation Manager	U17.E	U18.E	+1	1	Internal Equity CWA Upgrade
Water Efficiency Manager	U17.E	U18.E	+1	1	Internal Equity CWA Upgrade
Water Efficiency Supervisor	U11.E	U12.E	+1	1	Internal Equity CWA Upgrade
			Total Incumbants	22	

Benchmark positions in bold

IRVINE RANCH WATER DISTRICT					
2018 SALARY SURVEY					
PROPOSED SALARY GRADE CHANGES AND COMPETITIVE WAGE ADJUSTMENTS (CWA)					
GENERAL EMPLOYEE UNIT					
JOB TITLE	SALARY GRADE			# IN	CHANGE
CURRENT	CURRENT	PROPOSED	MOVEMENT	POSITION	
Water Efficiency Specialist	24.N	26.N	+2	3	Salary Survey CWA Upgrade
Environmental Compliance Specialist	30.N	32.N	+2	1	Salary Survey CWA Upgrade
Recycled Water Project Specialist	29.N	31.N	+2	3	Salary Survey CWA Upgrade
Recycled Water Specialist	22.N	24.N	+2	2	Salary Survey CWA Upgrade
Senior Recycled Water Specialist	27.N	29.N	+2	1	Salary Survey CWA Upgrade
Senior Water Efficiency Field Technician	21.N	23.N	+2	1	Salary Survey CWA Upgrade
Senior Water Efficiency Specialist	29.N	31.N	+2	1	Salary Survey CWA Upgrade
Water Efficiency Analyst	31.N	33.N	+2	1	Salary Survey CWA Upgrade
Water Efficiency Field Technician	16.N	18.N	+2	1	Salary Survey CWA Upgrade
Water Resources Specialist	24.N	26.N	+2	1	Salary Survey CWA Upgrade
			Total Incumbants	15	

Benchmark positions in bold

April 8, 2019

Prepared by: Lisa Srader

Submitted by: Jenny Roney

Approved by: Paul A. Cook 

CONSENT CALENDAR

MEMORANDUM OF UNDERSTANDING BETWEEN THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL #47 NON-EXEMPT SUPERVISOR UNIT EMPLOYEES AND IRVINE RANCH WATER DISTRICT – JULY 1, 2018 - JUNE 30, 2021

SUMMARY:

Negotiations have been completed between IRWD and the International Brotherhood of Electrical Workers (IBEW) Local #47 Non-Exempt Supervisor Unit Employees, and the terms and conditions agreed upon during the negotiations process have been ratified by the Non-Exempt Supervisor Unit Employees. Staff recommends that the Board authorize the General Manager to execute a Memorandum of Understanding (MOU) with IBEW Local #47 Non-Exempt Supervisor Unit Employees effective July 1, 2018 through June 30, 2021, subject to non-substantive changes.

BACKGROUND:

Negotiations between the parties initiated on May 9, 2018 to develop an MOU for this newly-recognized unit. A tentative agreement was reached between the parties on March 21, 2019. IBEW Local #47 Non-Exempt Supervisor Unit Employees ratified the agreed-upon terms of the agreement on March 27, 2019. Non-Exempt Supervisor Unit Employees maintain all employee benefits that were in place prior to representation. Below are the substantive new provisions:

- Three-year term of agreement from July 1, 2018 to June 30, 2021;
- Article IX. Cost of Living Adjustments to include:
 - Effective retroactive up to July 1, 2018, Non-Exempt Supervisor Unit Employees will receive a Cost of Living Adjustment equal to 4.0% of base hour rate;
 - Effective July 1 of each subsequent year of the MOU, Non-Exempt Supervisor Unit Employees shall receive a Cost of Living Adjustment (COLA) equal to the Los Angeles-Long Beach-Anaheim Consumer Price Index for all Urban Consumers (CPI-U) measured over the directly preceding period of April-to-April;
- Article XII. Work Schedules and Rest Periods to include:
 - Section C. Shift Differential: Employees working regularly scheduled shifts, whose shifts include work time between the hours of 6:00 p.m. and 6:00 a.m., will be paid \$2.00 per hour for actual hours worked between 6:00 p.m. and 6:00 a.m.;
- Article XIV. Standby Pay to include:
 - Increase in Standby Pay from not-to-exceed 12 hours to not-to-exceed 13 hours of one time and one-half times base hourly rate of pay for one work week.

FISCAL IMPACTS:

The cost to implement the 4.0% Cost of Living Adjustment for Fiscal Year 2018-19 is approximately \$109,000. The cost to implement the Shift Differential pay and the Standby pay increase for FY 2018-19 is approximately \$26,235. There are sufficient funds in the FY 2018-19 operating budget to implement the recommended action. The fiscal impact for FY 2019-20 and 2020-21 is included in the budget for each of those years.

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 reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN IRWD AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL #47 NON-EXEMPT SUPERVISOR UNIT EMPLOYEES EFFECTIVE JULY 1, 2018 THROUGH JUNE 30, 2021, SUBJECT TO NON-SUBSTANTIVE CHANGES.

LIST OF EXHIBITS:

Exhibit "A" – Memorandum of Understanding between IRWD and IBEW Local #47 Non-Exempt Supervisor Unit Employees

Memorandum of Understanding

**International Brotherhood of Electrical Workers (AFL-CIO) Local #47 Non-Exempt
Supervisor Unit Employees
and
Irvine Ranch Water District**

July 1, 2018 - June 30, 2021

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Memorandum of Understanding
Between International Brotherhood of Electrical Workers (AFL-CIO) Local #47 Non-Exempt Supervisor Unit Employees
and
Irvine Ranch Water District

I. PARTIES AND RECOGNITION

This Memorandum of Understanding (“MOU”) is made and entered into between the Irvine Ranch Water District (“IRWD” or “District”) and the International Brotherhood of Electrical Workers (AFL-CIO) Local #47, herein after referred to as the Union, the formally recognized exclusive representative of the Non-Exempt Supervisor Unit employees, pursuant to the provisions of the Meyers-Milias Brown Act.

II. TERM OF AGREEMENT

The terms and conditions of this Memorandum of Understanding (“MOU”) shall remain in full force and effect from July 1, 2018 until June 20, 2021 inclusive. This MOU represents the total agreement between the parties. Neither party shall be compelled to negotiate on any subject within the scope of this Agreement during the term of this Agreement without the express written agreement of the other. If either party desires to make any changes or modifications of this Agreement for the ensuing period, it shall give written notice to the other party not less than sixty (60) days prior to the termination of this Agreement, in writing.

III. SCOPE OF AGREEMENT

A. **Recognition.** This Agreement shall apply to IRWD’s Regular employees in the positions listed in Exhibit A (the Non-Exempt Supervisor Unit), excluding temporary employees and managerial, confidential and supervisory employees as defined in the Meyers Milias Brown Act and applicable Public Employment Relations Board regulations.

B. **Representation.** The IRWD recognizes the IBEW Local #47 as the exclusive representative of all employees covered hereby for the purpose of meeting and conferring with respect to wages, hours and all other terms and conditions of employment, as defined by the Meyers Milias Brown Act.

IV. UNION RIGHTS

The IBEW Local #47 is the only employee organization entitled to meet-and-confer in good faith on matters within the scope of representation on behalf of Non-Exempt Supervisor Unit employees in the unit.

V. DISTRICT RIGHTS

A. The District shall retain and continue to have sole and exclusive responsibility and right, except as otherwise expressly and clearly provided by this Agreement, to

manage, plan, direct and control all aspects of its operations, to direct its employees and its work force; to hire, promote, transfer, demote, layoff, recall, discipline, suspend or discharge employees at will and in its sole discretion; to assign and reassign employees to new or different duties or classifications, hours of work and shifts; to add or delete job classifications and duties; to establish rules and regulations not in direct conflict with this Agreement; to introduce new and improved methods of operation; to subcontract to others any work on or off premises; to set and attain work and production standards; to improve quality; to reduce costs; to perform any and all other things which the District deems necessary and desirable for the efficient and successful operation of its business, subject to any meet and confer obligations imposed by the Meyers Miliias Brown Act. Changes to regularly scheduled shifts shall be made upon 5 business days advance notice, unless such changes are agreed to between the employee(s) and the relevant supervisor(s)/manager(s). For the purposes of this MOU, 'regularly scheduled shift' will be defined as a recurring shift assignment other than emergency, special assignment or other abnormal or unusual work shift assignment.

B. The District shall be the sole judge as to the reliability, competency and performance of any of the employees. All employees must perform their work to the satisfaction of the District.

C. Nothing in this Agreement shall limit the District's management functions, under which it shall have, among others, the right to determine the qualifications of employees; to observe and evaluate an employee's job performance and to apply disciplinary action as the District deems just, necessary, desirable or appropriate; and to require employees to observe District rules and regulations presently in effect and/or to be put into effect, provided they are not in direct violation with the provisions of this Agreement, subject to any meet and confer obligations imposed by the Meyers Miliias Brown Act.

D. It is the exclusive right of the District to administer the merit system.

E. Without limiting the above, the District retains the authority to take whatever action may be necessary when it determines there exists an emergency situation.

F. The right and responsibility of final decisions regarding wages, hours, fringe benefits, working conditions, and other terms and conditions of employment resides solely with the District's Board, subject to any meet and confer obligations imposed by the Meyers Miliias Brown Act.

G. This Agreement shall not abridge any right to a "Skelly" hearing, if such right is due to an employee independent of this Agreement.

VI. EMPLOYEE RELATIONS DISCUSSION FORUM

A. The Director of Human Resources and up to three (3) other District representatives may meet with the Non-Exempt Supervisor Unit's representative and no more than four (4) other Non-Exempt Supervisor Unit employee representatives once every three (3) months at the request of either party. The General Manager will make every effort to attend as available. More frequent meetings may be held by mutual agreement. The

requesting party shall construct a meeting agenda and submit it to the other side in writing prior to the meeting.

B. The basic purpose of these meetings is to discuss issues of common interest and to solve problems in a constructive fashion.

VII. UNION ACCESS

A. **Reasonable Access.** Union and Non-Exempt Supervisor Unit employee representatives will be allowed reasonable time to meet with management to perform Union duties as needed. Time spent during regular work hours must be approved in advance by the Director of Human Resources or the General Manager.

B. **Access to Facilities.** The Union may schedule pre-work, after work or lunch meetings for the Non-Exempt Supervisor Unit representatives and/or employees in the District conference rooms at reasonable times when these facilities are not being used by submitting a verbal, written or electronic request for approval to the appropriate District representative. The request shall include the date, time and the number of people expected for the meeting. The District will provide consideration for up to two (2) meetings per year to begin at 4:00pm. The Union will be granted access to Non-Exempt Supervisor Unit employees on District premises for the purposes of investigating grievances, engaging in contract enforcement and other representational duties, upon reasonable request, explanation of process and approval by the Director of Human Resources. The Union will present such requests to the Human Resources Director at least 48 hours in advance of the access sought. The Union will not interfere with the regular District business/duties when present on District property. Unit employees may be granted release time at the discretion of the Director of Human Resources for a reasonable amount of time to meet with the Union for the purposes of investigating grievances, engaging in contract enforcement and other representational duties.

C. **Bulletin Boards.** The District shall provide for the Union's use, designated bulletin boards where employees in the bargaining unit have access during regular business hours subject to the following conditions:

1. All postings for bulletin boards must contain the date of posting and the identification of the organization.

2. The Union will not post information which is defamatory, derogatory or obscene. Upon notice from the District of allegedly inappropriate material posted, the Union shall remove the offending material promptly. If not removed within 48 hours, the Union's right to post will be suspended for a period not to exceed 90 days.

VIII. CONTRIBUTION TO CALPERS RETIREMENT BENEFIT

A. Non-Exempt Supervisor Unit employees hired on or after January 1, 2013 who have worked for another CalPERS or other reciprocal agency without a six month break in service shall be enrolled for CalPERS retirement benefits in the District's 2nd tier retirement formula of two percent at 60 (2% @ 60) and will contribute the full amount of the employee portion of the CalPERS contribution, currently established by CalPERS as 7%, commencing at their date of hire.

B. Non-Exempt Supervisor Unit employees hired on or after January 1, 2013 shall be enrolled for CalPERS retirement benefits in the two percent at 62 (2% @ 62) formula as mandated by the California Public Employees' Pension Reform Act of 2012 (PEPRA), and will contribute an employee contribution of 50% of the total normal cost of benefits, limited to a maximum of 8% of compensation as provided by PEPRA.

C. Non-Exempt Supervisor Unit employees enrolled in the District's 1st tier CalPERS retirement benefit formula of two and one half percent at 55 (2.5% @ 55) will contribute 8% of "member's earnings" into his/her retirement account.

It is the intent that this section shall be construed in a manner consistent with PEPRA; to the extent of any conflict between PEPRA and this MOU, PEPRA shall be controlling. Resolutions, amendments to the District's contract with CalPERS and such other proceedings and documents as may be necessary or requested by CalPERS to implement the changes to the CalPERS retirement benefits as discussed in this MOU will be submitted for adoption by the District's Board.

IX. COST OF LIVING ADJUSTMENT

Effective retroactively to July 1, 2018, Non-Exempt Supervisor Unit employees will receive a Cost of Living Adjustment equal to 4.0% of base hourly rate.

Effective July 1st of each subsequent year of this MOU, Non-Exempt Supervisor Unit employees shall receive a Cost of Living Adjustment (COLA) to base hourly rate, equal to the Los Angeles-Long Beach-Anaheim Consumer Price Index for all Urban Consumers (CPI-U) measured over the directly preceding period of April to April.

X. DEFERRED COMPENSATION

A. **Matching District Contribution.** After the completion of one year of employment the District will match up to 3% of employees' contribution to the District's deferred compensation plan in accordance with District Policy during the term of this Agreement.

B. **Direct District Contribution.** Upon employee completion of two years of employment, the District will contribute on behalf of each Non-Exempt Supervisor Unit employee, an amount, equal to 1% of employee's base pay, as a District Direct Contribution to the District's deferred compensation plan, in accordance with District Policy.

XI. HEALTHCARE BENEFITS CONTRIBUTION

Non-Exempt Supervisor Unit employees will receive CalPERS or other comparable program medical insurance, that includes comparable costs, services and providers, as determined through the bargaining process. The District contribution to employee premiums will be based on the calculation methodology of 90% of the highest enrollment PPO plan offered.

XII. WORK SCHEDULES AND REST PERIODS

A. **Work Schedules.** The standard work week for Non-Exempt Supervisor Unit employees consists of seven consecutive 24-hour periods beginning at noon on Friday and ending at noon the following Friday. An alternate work week may be allowed with the approval of the General Manager. Regular daily-shift starting and ending times are between the hours of 6:00am and 5:30pm as determined by the Department Director or his/her designee. Exceptions to the regular daily-shift start times may occur as the operational needs of the District require for work occurring outside the 6:00am to 5:30pm time frame.

B. **Rest Periods.** Non-Exempt Supervisor Unit employees may, on their regularly scheduled day of work, utilize a 10-minute rest break in the morning hours and an additional 10-minute rest break in the afternoon, as well as a 30 minute meal period. Meal periods are not compensable. Meal period times are assigned by the immediate supervisor on a schedule basis to meet the needs of the District service. Rest breaks must be taken at times that do not disrupt District service as determined by the employee's supervisor.

C. **Shift Differential.** Employees working regularly scheduled shifts, which shifts include work time between the hours of 6:00pm and 6:00am, will be paid \$2.00 per hour for actual hours worked between the above stated times. FLSA non-productive paid hours (i.e., sick time, vacation and personal holiday) are not subject to Shift Differential pay.

XIII. OVERTIME

A. **Daily/Weekly.** Full-time non-exempt Non-Exempt Supervisor Unit employees (employees who are regularly scheduled to work 40 hours/week) who are required by their supervisor or other authorized person to work in excess of 40 hours in one work week, or more than his/her regularly scheduled hours in one day will be compensated at their overtime rate of pay as defined by District policy. Overtime shall only be worked with approval of the employee's supervisor.

B. **Holiday.** Full-time non-exempt Non-Exempt Supervisor Unit employees who are required by their supervisor or other authorized person to work on a District approved holiday will be compensated at his/her overtime rate of pay for all hours worked on the holiday, in addition to straight-time for his/her normally scheduled hours of holiday pay.

XIV. STANDBY PAY

Non-Exempt Supervisor Unit employees who are required by the District to be on standby for emergency work during normal off-duty hours will be paid 1.86 hours at one and one half times their base hourly rate of pay, not to exceed thirteen (13) hours of overtime pay for one work week. Non-Exempt Supervisor Unit employees will not receive standby pay for regularly scheduled work days on which he/she does not report to work or leaves work early due to illness.

XV. CALL OUT PAY

Non-Exempt Supervisor Unit Employees called back to work during an off-duty period will be compensated for a minimum of two (2) hours of pay. Call-Out Pay will include pay for the

time the employee uses to travel to and from the work location.

XVI. ANNUAL SICK LEAVE PAYOUT

Non-Exempt Supervisor Unit employees may elect, annually, in accordance with District Policy to be paid for up to 96 hours of accrued sick leave. Employees must retain a minimum eighty (80) hour sick leave balance at the time of the payout. Payment will be made in accordance with the following schedule:

0-10 years of service	up to 96 hours at 50%
11-15 years of service	up to 30 hours @ 100%, remainder (up to 96 hrs) @ 50%
16-20 years of service	up to 60 hours @ 100%, remainder (up to 96 hrs) @ 50%
21+ years of service	up to 96 hours at 100%

XVII. ANNUAL VACATION LEAVE ACCRUAL AND TRANSFER/PAYOUT

A. **Accrual.** Non-Exempt Supervisor Unit employees will accrue vacation leave according to the following monthly schedule, based upon years of service:

Less than 5 years of service	6.67 hours (80 hours/year)
5 or more years of service but less than 10 years	10.00 hours (120 hours/year)
10 or more years of service but less than 15 years	13.33 hours (160 hours/year)
15 or more years of service but less than 20 years	15.00 hours (180 hours/year)
20 or more years of service	16.67 hours (200 hours/year)

B **Payout/Transfer.** Non-Exempt Supervisor Unit employees must, in accordance with District Policy, in February or whenever is practicable closest to February 28th of each calendar year, via written designation, cash out and/or transfer to their deferred compensation account, at a minimum the hours that exceed their Vacation Accrual Maximum as of the time for the cash out and/or transfer. Employees may cash out and/or transfer to their deferred compensation account, more than the hours that exceed their Vacation Accrual Maximum, up to vacation hours in excess of 80 in their vacation accrual bank, provided they have used at least 40 hours of accrued vacation during the immediately preceding calendar year. Hours requested for transfer will be converted at 100% value based on the employee's base hourly rate at the time of payout and/or transfer.

C. **Minimum Vacation Accrual Bank Retention.** Employees must retain a minimum of eighty (80) vacation hours in their vacation accrual bank at the time of the transfer and/or payout.

D. **Accrual Maximum Following Transfer/Payout.** In the event the employee's written designation for vacation hours transfer and/or payout was not sufficient to reduce all hours in excess of the Vacation Accrual Maximum, the remaining hours that exceed the Vacation Accrual Maximum will be transferred by the District to the employee's deferred compensation account at 100% value based on the employee's base hourly rate at the time of the transfer.

XVIII. BEREAVEMENT LEAVE

In the event of the death, or the critical illness, where death appears to be imminent, of an immediate family employee (as defined in District Personnel Policy and Procedure No. 17 – Bereavement) of a Non-Exempt Supervisor Unit employee, Bereavement Leave will be granted for three (3) work days per calendar year, if traveling within 500 miles from the District for services, or five (5) work days per calendar year, if traveling over 500 miles from the District for services. If additional hours are required, the employee may elect to take these hours without pay or have the hours deducted from his or her accrued sick leave and/or vacation hours. Additional bereavement leave may be granted at the discretion of the Director of Human Resources. Non-Exempt Supervisor Unit employees are required to notify their supervisor when the need for Bereavement Leave arises.

XIX. UNIFORMS

The District will provide to each Non-Exempt Supervisor Unit employee, required by the District to wear a uniform as a condition of employment, eleven (11) sets of uniforms. Unit employees may be issued other accessory items, such as belts, hats and outerwear as determined necessary by the District. The District will provide the maintenance and upkeep of the provided uniforms.

Standby personnel will be issued three additional shirts and pants for a total of 14 each of shirts and pants.

Lab employees will be provided with lab coats which will be maintained by the District.

XX. EDUCATION AND TRAINING ASSISTANCE

A. **Tuition Reimbursement.** Non-Exempt Supervisor Unit employees are eligible for tuition reimbursement of up to 75% of eligible tuition and text book expenses in accordance with District policy.

B. **College Degree Incentive Program.** Non-Exempt Supervisor Unit employees who obtain a college degree through an accredited program are eligible to receive a \$1000.00 incentive payment in accordance with District policy.

C. **Certificates of Competence Incentive Program.** Non-Exempt Supervisor Unit employees who obtain a job-related Certificate of Competence which exceeds his/her minimum job requirements are eligible to receive a \$750.00 incentive payment for each Certificate received in accordance with District Policy.

Occupational Program Certificate Incentive Program. Non-Exempt Supervisor Unit employees who obtain a job-related Occupational Program certificate which exceeds his/her minimum job requirements are eligible to receive a \$750.00 incentive payment for each Certificate received in accordance with District policy.

XXI. SAFETY EQUIPMENT

The District agrees to provide Non-Exempt Supervisor Unit employees with safety equipment to ensure personal safety in the performance of his/her job duties.

A. **Safety Shoe Reimbursement.** Non-Exempt Supervisor Unit employees will be provided reimbursement for the purchase of safety shoes in accordance with District Policy according to the following schedule:

Category 1	Up to \$200/calendar year
Category 2	Up to \$125/calendar year
Category 3	Up to \$125/calendar year
Category 4	Up to \$125/calendar year plus Category 1 reimbursement if eligible
Physician prescribed shoes	Up to \$200/calendar year

B. **Prescription Safety Eyewear.** Non-Exempt Supervisor Unit employees who require prescription eye glasses and who are required to wear safety glasses as part of their normal job duties will be provided reimbursement for the purchase of prescription safety glasses in accordance with District policy, not to exceed \$225/calendar year.

XXII. COMMERCIAL DRIVER'S LICENSE INCENTIVE

A. Non-Exempt Supervisor Unit employees who are required to maintain a commercial driver's license for the performance of their assigned job duties will receive an annual Commercial Driver's License Incentive of \$200, to be paid on a per-pay period basis of \$7.70.

B. Non-Exempt Supervisor Unit employees in non-commercial driver's license required job classifications will receive the annual Commercial Driver's License Incentive described in section A above if the employee maintains their Commercial Driver's License in good standing and it is determined by the District that such licensure in the specific job class is beneficial to the District service.

XXIII. SHARED HEALTH AND FITNESS INCENTIVE

Effective January 1, 2016, Non-Exempt Supervisor Unit employees are eligible for 50% reimbursement of costs associated with gym memberships, electronic fitness tracking devices, monitored weight loss programs (i.e. Weight Watchers, Jenny Craig, Lindora, etc.) and/or smoking cessation programs up to a maximum of \$400 per fiscal year. The Shared Health and Fitness Incentive replaces the Exercise Incentive program of \$10 for each 25 hours of exercise performed at a District fitness facility.

XXIV. OTHER BENEFITS AND FORMS OF COMPENSATION

All other forms of compensation, including employee benefits not specifically mentioned in this MOU shall remain unchanged for the duration of the MOU.

XXV. UNION FEES AND/OR DUES

A. Union Dues and Authorization to Deduct

1. The District shall, during the term of this MOU, deduct monies for membership dues on a per pay period basis from employees represented by the Union who have a dues deduction and authorization form on file with IBEW Local #47. In so doing, the District shall make periodic deductions from pay of employees for whom IBEW Local #47 certifies it has, in its physical custody, a written authorization which has been signed by the individual from whose salary or wages the deduction is to be made. IBEW Local #47 shall not be required to provide a copy of an individual authorization to the District unless a dispute arises about the existence or term of the authorization.

2. Pursuant to Government Code Section 1157.129 (b), all employee requests to cancel or change deductions for IBEW Local #47 dues shall be directed to IBEW Local #47. The District shall rely on information provided by the Union regarding whether deductions for IBEW Local #47 dues were properly cancelled or changed.

B. Sufficient Employee Earnings for Deduction

The employee's earnings must be sufficient after the other legal and required deductions are made to cover the amount of the dues or fees authorized. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In the case of an employee in a non-pay status only during part of the pay period, whose salary is not sufficient to cover the full withholding, no deduction shall be made. In the case of an employee who is receiving wage replacement benefits (i.e., SDI, PFL, LTD, TD, etc.) during a pay period, no deduction shall be made. In this connection, all other legal and required deductions (including health care and insurance deductions) have priority over Union dues.

C. **Indemnification**

The Union shall indemnify, defend and hold the District harmless against any liability arising from any claims, demands or other action relating to the District's compliance with the Union dues obligation, including claims relating to the Union's use of the monies collected under these provisions. The District reserves the right to select and direct legal counsel in the case of any challenges to the district's compliance with the union dues obligation and the Union agrees to pay an attorney, arbitrator or court fees related thereto.

XXVI. NO LOCKOUT/WORK STOPPAGES

A. No employee shall engage in a strike, work stoppage, slowdown, job action, sick-in, sick-out, or any concerted interference with work of the District or impeding of work or business of the District. Due to the direct threat to public health and safety that would result, participation by any employee in a strike, work stoppage, slowdown, job action, sick-in, sick-out, or any concerted interference with work of the District or impeding of work or business of the District shall subject the employee to immediate discharge at the sole discretion of the District. Without limiting the foregoing, the District shall be entitled to injunctive relief to end any such strike, work stoppage, slowdown, job action, sick-in, sick-out, or any concerted interference with work of the District or impeding of work or business of the District.

B. For the purposes of this Agreement, "strike" or "striking activity" is defined to mean or include engaging or directly participating in any strike, slowdown, job action, sick-in, sick-out, or any concerted interference with the work of the District or impending of work or business of the District.

C. The District shall not lockout bargaining Unit Employees.

D. The District shall not hire non-bargaining unit Regular employees (as defined by District policy) to perform bargaining unit work.

XXVII. PRE-DISCIPLINARY PROCEDURAL NOTICE AND OPPORTUNITY FOR RESPONSE AND HEARING

A. **Minor Discipline.** Non-probationary Non-Exempt Supervisor Unit employees subject to minor discipline (not qualifying as "Substantial Discipline" as defined below) may provide a written response to be attached to the minor discipline documentation if they so choose. Such written response must be submitted within ten (10) calendar days from receipt of the minor discipline.

Substantial Discipline. Non-probationary Non-Exempt Supervisor Unit employees will be accorded pre-disciplinary safeguards as described in this section before any substantial disciplinary action is imposed. Substantial disciplinary action shall include:

1. Termination;
2. Involuntary demotion involving reduction in pay;
3. Disciplinary reduction in pay constituting more than one (1) work-week of pay equivalency;
4. Suspension without pay for five (5) or more working days.

B. **Notice of Intent.** A written Notice of Intent to impose substantial disciplinary action must be prepared by the Manager, working with Human Resources, setting forth:

1. A short statement of the reason for the proposed action;
2. A summary of the performance problems upon which the action is based;
3. An explanation of the rule or policy that was violated, including references to the policy number or other source, if applicable;
4. A summary of any preceding disciplinary actions within the last year, with copies attached;
5. A description of any documents or other physical or documentary evidence being relied upon in connection with this action with copies attached; and
6. A statement that the employee will have a right to respond, verbally, in writing or both to the appropriate District authority.

A copy of the Notice of Intent, with a signed employee acknowledgment, must be forwarded to Human Resources for retention in the employee's personnel file.

C. **Employee Response.** To ensure that the District does not act without considering relevant information available to it, employees are to be provided the opportunity to respond verbally, in writing or both to the intended imposition of any substantial disciplinary action within seven (7) calendar days from the date of the Notice of Intent to the department director, who may at his or her discretion reverse the Manager's recommendation.

D. **Appeals**

1. **Right to Appeal.** Employees have a right to appeal the imposition of the following actions:

- a. Termination;
- b. Involuntary demotion involving reduction in pay;
- c. Disciplinary reduction in pay constituting more than one (1) work-week of pay equivalency;
- d. Suspension without pay for five (5) or more working days.

2. **Method of Appeal**

- a. In the event of the imposition of substantial discipline as described herein, the decision of the department director will be considered final unless the employee files an appeal in accordance with this policy.
- b. An employee wishing to appeal must file a signed written statement with the Director of Human Resources within seven (7) calendar days of the effective date of the action. This writing must describe his/her intention to appeal, the reason for the appeal, and whether or not the use of a hearing officer is being requested.

- c. Upon receipt of the notice and if no hearing officer is requested, the Director of Human Resources or his/her designee will arrange for a meeting with the General Manager or his/her designee and the employee requesting an appeal, within seven (7) calendar days of the filing of the appeal. After weighing all the evidence, the General Manager will render a decision within seven (7) calendar days of the meeting unless a time extension is deemed necessary. The decision of the General Manager is final.
- d. If a hearing officer is requested, the Director of Human Resources will arrange for a meeting between the employee, his representative if any and the General Manager or his/her designee within seven calendar days *after* the hearing officer has submitted findings and recommendations. The General Manager, after weighing all the evidence and the findings of the hearing officer, will make a decision which will be final.

3. Hearing Officer

- a. At any time during the conduct of the appeal, but prior to its submission to the General Manager or designee, the use of a hearing officer may be requested by either the employee or the employee's representative, if any, the department director who imposed the substantial discipline, or the Director of Human Resources.
- b. If a hearing officer is requested, the District will secure a hearing officer from the State Mediation and Conciliation Services (SMCS) or the State office of the Administrative Law Judge (ALJ), who will be a neutral professional with fact-finding experience. If the hearing officer is requested by the appellant, the cost will be borne by the appellant or their representative. If the hearing officer is requested by the District, the cost will be borne by the District. If the hearing officer is determined to be used by mutual agreement of the parties, the cost will be borne equally by the appellant or their representative and the District.
- c. The function of the hearing officer will be to examine the facts and available evidence, question witnesses and make a recommendation to the General Manager.
- e. The findings and recommendations of the hearing officer will be submitted to both the appellant and the General Manager. Any final decision issued by the General Manager shall be in writing and issued to the employee and her/his representative, if any.

4. Right to representation.

In the conduct of the appeal, the appellant will have the right, at his/her own expense, to be represented by another person of his/her own choosing and to summon witnesses on his/her behalf.

XXVIII. GRIEVANCE PROCEDURE

A. Definitions:

1. Grievance - A grievance is an allegation by an employee(s) or the Union of a violation of any express provision of the applicable MOU.
2. Grievant – An employee, group of employees or the Union.

B. Timeliness:

1. The grievance must be filed by the grievant within the timelines set forth herein.
2. The timelines contained herein may be extended to a definite date by written, mutual agreement of the grievant and the District's appropriate representative.

C. Employee Representation. The grievant, at his/her own expense, may be represented by a person of his or her choice to prepare and present the grievance at any step of this process. The employee may use a reasonable amount of pre-approved release time to process the grievance.

D. Informal Grievance Procedure. Within fifteen (15) calendar days following the event, or within fifteen (15) calendar days after the grievant should reasonably have known of the event, the grievant should attempt to resolve the grievance on an informal basis by discussion with his/her immediate supervisor. If the grievant is not able to resolve the grievance after informal discussion with his/her immediate supervisor, the grievant will have the right to file a formal grievance in writing within ten (10) calendar days after the informal discussion with his/her immediate supervisor. The written formal grievance shall contain:

1. Employee name, job title and department name
2. Name of representative, if any
3. Statement of grievance, providing date and time or action aggrieved and circumstances of grievance
4. Specific provisions of MOU alleged to have been violated
5. Date of informal discussion with immediate supervisor
6. Date of filing of formal grievance
7. Signature of employee and/or representative, if any. (Electronic signature accepted.)

E. Formal Grievance Procedure.

**Business Manager
International Brotherhood of Electrical Workers
(AFL-CIO) Local #47**

APPROVED AS TO FORM: Date
Jeff Brown, Partner
Payne and Fears

EXHIBIT A

Positions included in the Non-Exempt Supervisor Unit

Automation Supervisor
Collection Systems Supervisor
Construction Inspection Supervisor
Electrical Supervisor Instrumentation
Facilities Services Supervisor
Fleet Supervisor
Mechanical Services Supervisor
Supervisor Operations Supervisor
Water Maintenance Supervisor

April 8, 2019

Prepared by: L. Srader

Submitted by: J. Roney

Approved by: Paul A. Cook



CONSENT CALENDAR

ADOPTION OF REVISED IRWD SCHEDULE OF POSITIONS
AND SALARY RATE RANGES

SUMMARY:

A revised IRWD Schedule of Positions and Salary Rate Ranges to incorporate the agreement between IRWD the International Brotherhood of Electrical Workers Local #47 (AFL-CIO) Non-Exempt Supervisor Unit Employees and the 2018 IRWD Salary Survey has been prepared. Staff recommends that the Board adopt a resolution superseding Resolution No. 2019-5 to revise the District's Schedule of Positions and Salary Rate Ranges.

BACKGROUND:

California Public Employee Retirement System (CalPERS) requirements (CalPERS Regulations, 2 CCR 570.5) stipulate that member agencies must identify each employment position and pay rate in a publicly available salary schedule. Negotiations were finalized relative to the Non-Exempt Supervisor Unit Employees Cost of Living Adjustment (COLA) equal to 4.0% of base hourly rate, effective retroactively to July 1, 2018. Adjustments to positions in the District classification structure were also determined by the results of the 2018 benchmark salary survey.

Staff has prepared a revised IRWD Schedule of Positions and Salary Rate Ranges to incorporate the agreement reached with the International Brotherhood of Electrical Workers Local #47. A revised Schedule of Positions and Salary Rate Ranges with a red-lined comparison of the recommended changes is provided as Exhibit "A". A resolution adopting the changes indicated in Exhibit "A" and superseding Resolution 2019-5 is attached as Exhibit "B".

FISCAL IMPACTS:

The FY 2018-19 Operating Budget adopted by the Board of Directors on April 23, 2018 includes funding sufficient for the proposed changes.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2019 -

RESOLUTION OF THE BOARD OF DIRECTORS OF THE IRVINE RANCH WATER
DISTRICT SUPERSEDING RESOLUTION NO. 2019-5 AND ADOPTING A REVISED
SCHEDULE OF POSITIONS AND SALARY RATE RANGES

LIST OF EXHIBITS:

Exhibit "A" – Red-lined Changes to the District Schedule of Positions and Salary Rate Ranges
Exhibit "B" – Resolution

EXHIBIT "A"

IRVINE RANCH WATER DISTRICT
MONTHLY SALARY GRADE SCHEDULE

Managers, Exempt Supervisors, Confidential & Exempt Employees

Effective April 8, 2019

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
<u>NON-EXEMPT</u>			
Salary Grade U 1.N	2,937	3,642	3,823
Salary Grade U 2.N	3,001	3,742	3,929
Salary Grade U 3.N	3,064	3,844	4,037
Salary Grade U 4.N	3,120	3,956	4,154
Salary Grade U 5.N	3,192	4,066	4,269
Salary Grade U 6.N	3,254	4,184	4,393
Salary Grade U 7.N	3,319	4,300	4,516
Salary Grade U 8.N	3,391	4,423	4,644
Salary Grade U 9.N	3,456	4,545	4,774
Salary Grade U 10.N	3,528	4,670	4,902
Salary Grade U 11.N	3,596	4,789	5,026
Salary Grade U 12.N	3,667	4,929	5,177
Salary Grade U 13.N	3,736	5,070	5,326
Salary Grade U 14.N	3,820	5,214	5,475
Salary Grade U 15.N	3,902	5,352	5,620
Salary Grade U 16.N	3,994	5,502	5,776
Salary Grade U 17.N	4,079	5,640	5,922
Salary Grade U 18.N	4,168	5,791	6,082
Salary Grade U 19.N	4,263	5,937	6,236
Safety Assistant			
Salary Grade U 20.N	4,377	6,130	6,437

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U 21.N	4,501	6,315	6,633
Salary Grade U 22.N	4,625	6,514	6,840
Executive Secretary Human Resources Assistant			
Salary Grade U 23.N	4,747	6,711	7,045
Salary Grade U 24.N	4,882	6,920	7,266
Salary Grade U 25.N	5,010	7,132	7,491
Human Resources Technician			
Salary Grade U 26.N	5,166	7,346	7,713
Executive Assistant			
Salary Grade U 27.N	5,314	7,561	7,939
Salary Grade U 28.N	5,469	7,785	8,176
Salary Grade U 29.N	5,632	8,012	8,413
Administrative Assistant Safety Specialist			
Salary Grade U 30.N	5,803	8,249	8,662
Salary Grade U 31.N	5,975	8,498	8,922
Human Resources Analyst			
Salary Grade U 32.N	6,146	8,748	9,186
User Support Administrator Network Administrator			
Salary Grade U 33.N	6,325	9,003	9,454
Network Administrator User Support Administrator			
Salary Grade U 34.N	6,514	9,252	9,716
Salary Grade U 35.N	6,710	9,530	10,007

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
EXEMPT			
Salary Grade U 1.E	4,723	6,068	6,371
Salary Grade U 2.E	4,881	6,303	6,619
Salary Grade U 3.E	5,037	6,538	6,867
Salary Grade U 4.E	5,194	6,790	7,128
Salary Grade U 5.E	5,352	7,041	7,394
Salary Grade U 6.E	5,537	7,314	7,680
Salary Grade U 7.E	5,714	7,585	7,962
Salary Grade U 8.E	5,900	7,881	8,275
Salary Grade U 9.E	6,080	8,170	8,577
Salary Grade U 10.E	6,283	8,479	8,903
Asset Systems Analyst Assistant Engineer Customer Service Supervisor Development Services Supervisor Management Analyst Public Affairs Analyst Regulatory Compliance Analyst Senior Public Affairs Specialist			
Salary Grade U 11.E	6,484	8,792	9,233
Financial Analyst Purchasing Supervisor Senior Accountant Water Efficiency Supervisor			
Salary Grade U 12.E	6,694	9,131	9,585
Energy Analyst Financial Analyst Senior Accountant Source Control Program Administrator Water Efficiency Supervisor Treasury Analyst			
Salary Grade U 13.E	6,911	9,462	9,933
Accounting Supervisor GIS Supervisor Legislative Analyst			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Right of Way Agent			
Senior Human Resources Analyst			
Treasury Analyst			
Water Resources Planner			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U 14.E	7,135	9,826	10,317
<p style="text-align: center;">Accounting Supervisor Associate Engineer District Secretary QA/QC Compliance Administrator</p>			
Salary Grade U 15.E	7,362	10,194	10,702
<p style="text-align: center;">Applications Analyst Automation Programmer Laboratory Supervisor Senior Network Administrator</p>			
Salary Grade U 16.E	7,608	10,579	11,109
Salary Grade U 17.E	7,850	10,968	11,515
<p style="text-align: center;">Asset Systems Manager Automation Manager Collection Systems Manager Construction Inspection Manager Construction Services Manager Customer Service Manager Electrical and Instrumentation Manager Engineer Facilities/Fleet Manager Field Services Manager Natural Resources Manager Purchasing Manager Safety Manager Water Efficiency Manager</p>			
Salary Grade U 18.E	8,105	11,386	11,954
<p style="text-align: center;">Manager of Risk & Contracts Administration Automation Manager Collection Systems Manager Construction Services Manager Field Services Manager Natural Resources Manager Public Affairs Manager Regulatory Compliance Manager Senior Applications Analyst Senior Applications Developer Senior Database Administrator Treasury Manager User Support Manager Water Efficiency Manager</p>			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Water Quality Manager			
Salary Grade U 19.E	8,362	11,806	12,398
Operations Manager			
Manager of Risk & Contracts Administration			
Mechanical Services Manager			
Recycled Water Development Manager			
Treasury Manager			
Water Resources Manager			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U 20.E Controller Manager of Strategic Planning and Analysis Network and Cybersecurity Manager Operations Manager Senior Engineer	8,622	12,244	12,856
Salary Grade U 21.E Controller Manager of Strategic Planning and Analysis	8,885	12,686	13,321
Salary Grade U 22.E Applications Manager	9,170	13,158	13,817
Salary Grade U 23.E Government Relations Officer Principal Engineer	9,461	13,634	14,317
Salary Grade U 24.E	9,717	14,184	14,891
Salary Grade U 25.E Government Relations Officer/Deputy General Counsel	10,017	14,720	15,455
Salary Grade U 26.E	10,474	15,499	16,273
Salary Grade U 27.E Director of Administrative Services Director of Human Resources Director of Maintenance Director of Public Affairs Director of Recycling Operations Director of Water Operations Director of Water Quality & Regulatory Compliance Director of Water Resources Treasurer/Director of Risk Management	10,954	16,320	17,135
Salary Grade U 28.E	11,457	17,179	18,038
Salary Grade U 29.E	11,980	18,088	18,992
Salary Grade U 30.E Executive Director of Finance Executive Director of Engineering & Water Quality Executive Director of Operations Executive Director of Water Policy	12,533	19,049	20,000
Salary Grade U 31.E	13,157	20,129	21,135

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U 32.E	13,816	21,275	22,339
Salary Grade U 33.E	14,503	22,483	23,607
Salary Grade U 34.E	15,231	23,759	26,281
General Manager			

IRVINE RANCH WATER DISTRICT
MONTHLY SALARY GRADE SCHEDULE
Non-Exempt Supervisors Unit
Effective July 1, 2018

	MINIMUM		MAXIMUM		EXCEPTIONAL PERFORMANCE TOP OF RANGE
<u>NON-EXEMPT</u>					
Salary Grade S 26.N	5,166	4,967	7,346	7,063	7,713 7,416
Salary Grade S 27.N	5,314	5,110	7,561	7,270	7,939 7,634
Salary Grade S 28.N	5,469	5,259	7,785	7,486	8,176 7,862
Salary Grade S 29.N	5,632	5,415	8,012	7,704	8,413 8,089
Salary Grade S 30.N	5,803	5,580	8,249	7,932	8,662 8,329
Salary Grade S 31.N Cross Connection Supervisor Facilities Services Supervisor Fleet Supervisor	5,975	5,745	8,498	8,171	8,922 8,579
Salary Grade S 32.N Collection Systems Supervisor Mechanical Services Supervisor	6,146	5,910	8,748	8,412	9,186 8,833
Salary Grade S 33.N Water Maintenance Supervisor	6,325	6,082	9,003	8,657	9,454 9,090
Salary Grade S 34.N Construction Inspection Supervisor Automation Supervisor Electrical Supervisor Instrumentation Supervisor	6,514	6,263	9,252	8,896	9,716 9,342
Salary Grade S 35.N Operations Supervisor	6,710	6,452	9,530	9,163	10,007 9,622

IRVINE RANCH WATER DISTRICT
MONTHLY SALARY GRADE SCHEDULE
General Employees Unit
Effective April 8, 2019

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
NON-EXEMPT			
Salary Grade 1.N	\$2,931	\$3,635	\$3,816
Salary Grade 2.N	\$2,994	\$3,734	\$3,921
Salary Grade 3.N	\$3,059	\$3,837	\$4,029
Salary Grade 4.N	\$3,114	\$3,948	\$4,145
Salary Grade 5.N	\$3,184	\$4,058	\$4,261
Salary Grade 6.N	\$3,248	\$4,176	\$4,384
	Office Assistant Mail Coordinator		
Salary Grade 7.N	\$3,311	\$4,291	\$4,506
Salary Grade 8.N	\$3,385	\$4,415	\$4,635
Salary Grade 9.N	\$3,451	\$4,536	\$4,763
Salary Grade 10.N	\$3,520	\$4,659	\$4,891
Salary Grade 11.N	\$3,589	\$4,780	\$5,017
	Maintenance Apprentice Material Control Clerk I Utility Worker		
Salary Grade 12.N	\$3,660	\$4,919	\$5,167
Salary Grade 13.N	\$3,728	\$5,061	\$5,313
	Customer Service Specialist I Support Specialist		
Salary Grade 14.N	\$3,812	\$5,202	\$5,463
Salary Grade 15.N	\$3,894	\$5,342	\$5,610
	Collection Systems Technician I Office Specialist		
Salary Grade 16.N	\$3,985	\$5,492	\$5,765
	Accounting Clerk		

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Customer Service Field Technician Laboratory Analyst Metering Systems Technician I Water Efficiency Field Technician Water Maintenance Technician I			
Salary Grade 17.N Customer Service Specialist II	\$4,071	\$5,627	\$5,908
Salary Grade 18.N Material Control Clerk II Senior Support Specialist Water Efficiency Field Technician	\$4,159	\$5,780	\$6,068
Salary Grade 19.N Development Services Specialist Purchasing Coordinator Senior Office Specialist	\$4,255	\$5,926	\$6,223
Salary Grade 20.N Collection Systems Technician II Engineering Technician I GIS Technician I Operator I Senior Accounting Clerk	\$4,368	\$6,116	\$6,423
Salary Grade 21.N Collection Systems CCTV Technician Customer Service Specialist III Senior Customer Service Field Technician Senior Water Efficiency Field Technician	\$4,492	\$6,301	\$6,619
Salary Grade 22.N Facilities Services Technician Maintenance Mechanic Metering Systems Technician II Recycled Water Specialist Senior Purchasing Coordinator Vehicle/Equipment Mechanic Water Maintenance Technician II	\$4,616	\$6,500	\$6,827
Salary Grade 23.N Senior Water Efficiency Field Technician	\$4,737	\$6,697	\$7,031
Salary Grade 24.N Buyer	\$4,871	\$6,907	\$7,252

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Cross Connection Specialist Public Affairs Assistant Recycled Water Specialist Water Efficiency Specialist Water Resources Specialist Wetlands Specialist			
Salary Grade 25.N	\$4,999	\$7,119	\$7,476
Engineering Technician II GIS Technician II Senior Collection Systems CCTV Technician Senior Collection Systems Technician			
Salary Grade 26.N	\$5,153	\$7,331	\$7,696
Metering Systems Technician III Water Efficiency Specialist Water Maintenance Technician III Water Resources Specialist			
Salary Grade 27.N	\$5,303	\$7,545	\$7,923
Accountant Operator II Senior Facilities Services Technician Senior Maintenance Mechanic Senior Recycled Water Specialist Senior Vehicle/Equipment Maintenance Mechanic			
Salary Grade 28.N	\$5,459	\$7,771	\$8,160
Automation Technician Construction Inspector Electrical Technician Instrumentation Technician Landscape Contracts Administrator Scientist			
Salary Grade 29.N	\$5,621	\$7,997	\$8,395
Engineering Technician III GIS Technician III Lead Maintenance Mechanic Operator III Public Affairs Specialist Recycled Water Project Specialist Senior Buyer Senior Recycled Water Specialist Senior Water Efficiency Specialist			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Senior Wetlands Specialist			
Salary Grade 30.N	\$5,791	\$8,232	\$8,646
Environmental Compliance Specialist Graphic Design Specialist Risk Analyst Senior Electrical Technician Senior Instrumentation Technician			
Salary Grade 31.N	\$5,961	\$8,481	\$8,903
Information Services Coordinator Payroll Administrator Recycled Water Project Specialist Senior Construction Inspector Senior Water Efficiency Specialist Water Efficiency Analyst			
Salary Grade 32.N	\$6,134	\$8,731	\$9,168
Asset Maintenance Coordinator Automation Specialist Environmental Compliance Specialist Process Specialist Senior Scientist Wetlands Scientist			
Salary Grade 33.N	\$6,313	\$8,985	\$9,434
Operations Coordinator Water Efficiency Analyst			
Salary Grade 34.N	\$6,500	\$9,233	\$9,696
Electrical/Instrumentation Designer			
Salary Grade 35.N	\$6,696	\$9,510	\$9,986

EXHIBIT "B"
RESOLUTION NO. 2019 -

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT, SUPERSEDING
RESOLUTION NO.2019-5 AND
ADOPTING A REVISED SCHEDULE OF POSITIONS
AND SALARY RATE RANGES

The Board of Directors of Irvine Ranch Water District, by adoption of Resolution No. 2019-5 on January 28, 2019, established a Schedule of Positions and Salary Rate Ranges of the Irvine Ranch Water District; and

The Board of Directors of Irvine Ranch Water District has reviewed the Schedule of Positions and Salary Rate Ranges and desires to make revisions thereto.

The Schedule of Positions and Salary Rate Ranges requires amendment for all classifications in the International Brother of Electrical Workers (AFL-CIO) Local #47 Non – Exempt Supervisor Unit Employees to provide for a four percent (4%) cost-of-living adjustment (COLA) increase to base salary effective July 1, 2018, consistent with the approval of the Memorandum of Understanding (MOU) with the Non-Exempt Supervisor Unit Employees; and

The Schedule of Positions and Salary Rate Ranges requires amendment to adjust positions in the District classification structure as determined by the results of the 2018 benchmark salary survey.

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

Section 1. That the Schedule of Positions and Salary Rate Ranges adopted by Resolution No. 2019-5 on January 29, 2019 is hereby superseded effective April 8, 2019.

Section 2. That the Schedule of Positions and Salary Rate Ranges for the Irvine Ranch Water District as set forth in Schedule I attached to this Resolution, and as effective July 1, 2018 for Non-Exempt Supervisor Unit Employees classifications and effective April 8, 2019 for all other classifications, is hereby approved and adopted.

ADOPTED, SIGNED and APPROVED on April 8, 2019.

President, IRVINE RANCH WATER DISTRICT

Secretary, IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:
Lewis Brisbois Bisgaard & Smith LLP
By: _____
District Counsel

IRVINE RANCH WATER DISTRICT
MONTHLY SALARY GRADE SCHEDULE
Managers, Exempt Supervisors, Confidential & Exempt Employees
Effective April 8, 2019

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
<u>NON-EXEMPT</u>			
Salary Grade U1.N	2,937	3,642	3,823
Salary Grade U2.N	3,001	3,742	3,929
Salary Grade U3.N	3,064	3,844	4,037
Salary Grade U4.N	3,120	3,956	4,154
Salary Grade U5.N	3,192	4,066	4,269
Salary Grade U6.N	3,254	4,184	4,393
Salary Grade U7.N	3,319	4,300	4,516
Salary Grade U8.N	3,391	4,423	4,644
Salary Grade U9.N	3,456	4,545	4,774
Salary Grade U10.N	3,528	4,670	4,902
Salary Grade U11.N	3,596	4,789	5,026
Salary Grade U12.N	3,667	4,929	5,177
Salary Grade U13.N	3,736	5,070	5,326
Salary Grade U14.N	3,820	5,214	5,475
Salary Grade U15.N	3,902	5,352	5,620
Salary Grade U16.N	3,994	5,502	5,776
Salary Grade U17.N	4,079	5,640	5,922
Salary Grade U18.N	4,168	5,791	6,082
Salary Grade U19.N	4,263	5,937	6,236
Safety Assistant			
Salary Grade U20.N	4,377	6,130	6,437

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U21.N	4,501	6,315	6,633
Salary Grade U22.N	4,625	6,514	6,840
Executive Secretary Human Resources Assistant			
Salary Grade U23.N	4,747	6,711	7,045
Salary Grade U24.N	4,882	6,920	7,266
Salary Grade U25.N	5,010	7,132	7,491
Human Resources Technician			
Salary Grade U26.N	5,166	7,346	7,713
Executive Assistant			
Salary Grade U27.N	5,314	7,561	7,939
Salary Grade U28.N	5,469	7,785	8,176
Salary Grade U29.N	5,632	8,012	8,413
Administrative Assistant Safety Specialist			
Salary Grade U30.N	5,803	8,249	8,662
Salary Grade U31.N	5,975	8,498	8,922
Human Resources Analyst			
Salary Grade U32.N	6,146	8,748	9,186
Salary Grade U33.N	6,325	9,003	9,454
Network Administrator User Support Administrator			
Salary Grade U34.N	6,514	9,252	9,716
Salary Grade U35.N	6,710	9,530	10,007

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
EXEMPT			
Salary Grade U1.E	4,723	6,068	6,371
Salary Grade U2.E	4,881	6,303	6,619
Salary Grade U3.E	5,037	6,538	6,867
Salary Grade U4.E	5,194	6,790	7,128
Salary Grade U5.E	5,352	7,041	7,394
Salary Grade U6.E	5,537	7,314	7,680
Salary Grade U7.E	5,714	7,585	7,962
Salary Grade U8.E	5,900	7,881	8,275
Salary Grade U9.E	6,080	8,170	8,577
Salary Grade U10.E	6,283	8,479	8,903
Asset Systems Analyst Assistant Engineer Customer Service Supervisor Development Services Supervisor Management Analyst Public Affairs Analyst Regulatory Compliance Analyst Senior Public Affairs Specialist			
Salary Grade U11.E	6,484	8,792	9,233
Purchasing Supervisor			
Salary Grade U12.E	6,694	9,131	9,585
Energy Analyst Financial Analyst Senior Accountant Source Control Program Administrator Water Efficiency Supervisor			
Salary Grade U13.E	6,911	9,462	9,933
GIS Supervisor Legislative Analyst Right of Way Agent Senior Human Resources Analyst Treasury Analyst Water Resources Planner			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U14.E Accounting Supervisor Associate Engineer District Secretary QA/QC Compliance Administrator	7,135	9,826	10,317
Salary Grade U15.E Applications Analyst Automation Programmer Laboratory Supervisor Senior Network Administrator	7,362	10,194	10,702
Salary Grade U16.E	7,608	10,579	11,109
Salary Grade U17.E Asset Systems Manager Construction Inspection Manager Customer Service Manager Electrical and Instrumentation Manager Engineer Facilities/Fleet Manager Purchasing Manager Safety Manager	7,850	10,968	11,515
Salary Grade U18.E Automation Manager Collection Systems Manager Construction Services Manager Field Services Manager Natural Resources Manager Public Affairs Manager Regulatory Compliance Manager Senior Applications Analyst Senior Applications Developer Senior Database Administrator User Support Manager Water Efficiency Manager Water Quality Manager	8,105	11,386	11,954
Salary Grade U19.E Manager of Risk & Contracts Administration Mechanical Services Manager Recycled Water Development Manager Treasury Manager Water Resources Manager	8,362	11,806	12,398

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U20.E Network and Cybersecurity Manager Operations Manager Senior Engineer	8,622	12,244	12,856
Salary Grade U21.E Controller Manager of Strategic Planning and Analysis	8,885	12,686	13,321
Salary Grade U22.E Applications Manager	9,170	13,158	13,817
Salary Grade U23.E Government Relations Officer Principal Engineer	9,461	13,634	14,317
Salary Grade U24.E	9,717	14,184	14,891
Salary Grade U25.E Government Relations Officer/Deputy General Counsel	10,017	14,720	15,455
Salary Grade U26.E	10,474	15,499	16,273
Salary Grade U27.E Director of Administrative Services Director of Human Resources Director of Maintenance Director of Public Affairs Director of Recycling Operations Director of Water Operations Director of Water Quality & Regulatory Compliance Director of Water Resources Treasurer/Director of Risk Management	10,954	16,320	17,135
Salary Grade U28.E	11,457	17,179	18,038
Salary Grade U29.E	11,980	18,088	18,992
Salary Grade U30.E Executive Director of Finance Executive Director of Engineering & Water Quality Executive Director of Operations Executive Director of Water Policy	12,533	19,049	20,000
Salary Grade U31.E	13,157	20,129	21,135
Salary Grade U32.E	13,816	21,275	22,339
Salary Grade U33.E	14,503	22,483	23,607

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade U34.E	15,231	23,759	26,281
General Manager			

IRVINE RANCH WATER DISTRICT
MONTHLY SALARY GRADE SCHEDULE
Non-Exempt Supervisors Unit
Effective July 1, 2018

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
<u>NON-EXEMPT</u>			
Salary Grade S26.N	5,166	7,346	7,713
Salary Grade S27.N	5,314	7,561	7,939
Salary Grade S28.N	5,469	7,785	8,176
Salary Grade S29.N	5,632	8,012	8,413
Salary Grade S30.N	5,803	8,249	8,662
Salary Grade S31.N Cross Connection Supervisor Facilities Services Supervisor Fleet Supervisor	5,975	8,498	8,922
Salary Grade S32.N Collection Systems Supervisor Mechanical Services Supervisor	6,146	8,748	9,186
Salary Grade S33.N Water Maintenance Supervisor	6,325	9,003	9,454
Salary Grade S34.N Construction Inspection Supervisor Automation Supervisor Electrical Supervisor Instrumentation Supervisor	6,514	9,252	9,716
Salary Grade S35.N Operations Supervisor	6,710	9,530	10,007

IRVINE RANCH WATER DISTRICT
MONTHLY SALARY GRADE SCHEDULE

General Employees Unit

Effective April 8, 2019

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
<u>NON-EXEMPT</u>			
Salary Grade 1.N	\$2,931	\$3,635	\$3,816
Salary Grade 2.N	\$2,994	\$3,734	\$3,921
Salary Grade 3.N	\$3,059	\$3,837	\$4,029
Salary Grade 4.N	\$3,114	\$3,948	\$4,145
Salary Grade 5.N	\$3,184	\$4,058	\$4,261
Salary Grade 6.N	\$3,248	\$4,176	\$4,384
	Office Assistant Mail Coordinator		
Salary Grade 7.N	\$3,311	\$4,291	\$4,506
Salary Grade 8.N	\$3,385	\$4,415	\$4,635
Salary Grade 9.N	\$3,451	\$4,536	\$4,763
Salary Grade 10.N	\$3,520	\$4,659	\$4,891
Salary Grade 11.N	\$3,589	\$4,780	\$5,017
	Maintenance Apprentice Material Control Clerk I Utility Worker		
Salary Grade 12.N	\$3,660	\$4,919	\$5,167
Salary Grade 13.N	\$3,728	\$5,061	\$5,313
	Customer Service Specialist I Support Specialist		
Salary Grade 14.N	\$3,812	\$5,202	\$5,463
Salary Grade 15.N	\$3,894	\$5,342	\$5,610
	Collection Systems Technician I Office Specialist		
Salary Grade 16.N	\$3,985	\$5,492	\$5,765
	Accounting Clerk		

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Customer Service Field Technician Laboratory Analyst Metering Systems Technician I Water Maintenance Technician I			
Salary Grade 17.N	\$4,071	\$5,627	\$5,908
Customer Service Specialist II			
Salary Grade 18.N	\$4,159	\$5,780	\$6,068
Material Control Clerk II Senior Support Specialist Water Efficiency Field Technician			
Salary Grade 19.N	\$4,255	\$5,926	\$6,223
Development Services Specialist Purchasing Coordinator Senior Office Specialist			
Salary Grade 20.N	\$4,368	\$6,116	\$6,423
Collection Systems Technician II Engineering Technician I GIS Technician I Operator I Senior Accounting Clerk			
Salary Grade 21.N	\$4,492	\$6,301	\$6,619
Collection Systems CCTV Technician Customer Service Specialist III Senior Customer Service Field Technician			
Salary Grade 22.N	\$4,616	\$6,500	\$6,827
Facilities Services Technician Maintenance Mechanic Metering Systems Technician II Senior Purchasing Coordinator Vehicle/Equipment Mechanic Water Maintenance Technician II			
Salary Grade 23.N	\$4,737	\$6,697	\$7,031
Senior Water Efficiency Field Technician			
Salary Grade 24.N	\$4,871	\$6,907	\$7,252
Buyer Cross Connection Specialist Public Affairs Assistant Recycled Water Specialist			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Wetlands Specialist			
Salary Grade 25.N	\$4,999	\$7,119	\$7,476
Engineering Technician II GIS Technician II Senior Collection Systems CCTV Technician Senior Collection Systems Technician			
Salary Grade 26.N	\$5,153	\$7,331	\$7,696
Metering Systems Technician III Water Efficiency Specialist Water Maintenance Technician III Water Resources Specialist			
Salary Grade 27.N	\$5,303	\$7,545	\$7,923
Accountant Operator II Senior Facilities Services Technician Senior Maintenance Mechanic Senior Vehicle/Equipment Maintenance Mechanic			
Salary Grade 28.N	\$5,459	\$7,771	\$8,160
Automation Technician Construction Inspector Electrical Technician Instrumentation Technician Landscape Contracts Administrator Scientist			
Salary Grade 29.N	\$5,621	\$7,997	\$8,395
Engineering Technician III GIS Technician III Lead Maintenance Mechanic Operator III Public Affairs Specialist Senior Buyer Senior Recycled Water Specialist Senior Wetlands Specialist			
Salary Grade 30.N	\$5,791	\$8,232	\$8,646
Graphic Design Specialist Risk Analyst Senior Electrical Technician Senior Instrumentation Technician			

	MINIMUM	MAXIMUM	EXCEPTIONAL PERFORMANCE TOP OF RANGE
Salary Grade 31.N Information Services Coordinator Payroll Administrator Recycled Water Project Specialist Senior Construction Inspector Senior Water Efficiency Specialist	\$5,961	\$8,481	\$8,903
Salary Grade 32.N Asset Maintenance Coordinator Automation Specialist Environmental Compliance Specialist Process Specialist Senior Scientist Wetlands Scientist	\$6,134	\$8,731	\$9,168
Salary Grade 33.N Operations Coordinator Water Efficiency Analyst	\$6,313	\$8,985	\$9,434
Salary Grade 34.N Electrical/Instrumentation Designer	\$6,500	\$9,233	\$9,696
Salary Grade 35.N	\$6,696	\$9,510	\$9,986

April 8, 2019

Prepared by: D. Rivenburg / J. Fabris

Submitted by: B. Beeman / P. Weghorst *pmw*

Approved by: Paul A. Cook *A. Cook*

ACTION CALENDAR

EDUCATIONAL PROGRAM AGREEMENT WITH DISCOVERY CUBE ORANGE COUNTY

SUMMARY:

Since 2007, IRWD has collaborated with Discovery Cube Orange County to create and implement meaningful water education programming for schoolchildren throughout the District's service area. Over the course of this 12-year partnership, District-sponsored elementary school assemblies, presentations and field trips to the San Joaquin Marsh have educated approximately 112,000 students about the importance of water and water use efficiency in our lives, communities and environment. The execution of a proposed two-year agreement with Discovery Cube for Fiscal Years (FY) 2019-20 and 2020-21 would continue the successful assemblies and field trips, while introducing a new Ocean Quest field trip component for middle school students. Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Discovery Cube Orange County to implement educational programs for \$191,542 per year – a total cost of \$383,084 over a two-year period.

BACKGROUND:

IRWD first formed a partnership for water education with Discovery Cube (formerly Discovery Science Center) in 2007. The partnership was renewed in 2010, 2013 and 2016 for additional three-year periods. Since its inception, the program has educated approximately 112,000 students about the importance of water and water use efficiency through the implementation of school assemblies, presentations and field trips. Staff recommends renewing the program partnership for two additional years, which will align with the District's new two-year budgeting process. Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Discover Cube based on the attached two-year scope of work, provided as Exhibit "A". Following is a summary of the education programs to be implemented over the two-year period.

Educational Programs:

- *School Assemblies:* Students in kindergarten through fourth grade will participate in assembly-style programming that teaches grade specific, Next Generation Science Standard aligned content that builds year after year. Handheld key pads and interactive skits will provide hands-on learning opportunities that are fun and engaging.
- *Water Quality Lab and Field Trips:* In this two-part program for fifth graders, students will attend a workshop at school to learn about water quality testing. The second day of the program will take the students on a field trip to IRWD's San Joaquin Marsh where they will tour the ponds, learn about the Michelson Water Recycling Plant and perform tests for dissolved oxygen with samples collected from the San Diego Creek. Water conservation and learning kits will be distributed to the students for use at home.

- *Citizen Science Program:* This new program will extend the District's educational outreach to middle school students, providing more advanced learning opportunities for grades 6 through 8. The program will begin with an in-class workshop, where students will learn about the lessons and activities they will encounter during a field trip to Newport Harbor. The second day of the program will include a three-hour visit to Ocean Quest, where students will collect data that they will share with citizen science partners in Orange County. The field trip will include 90 minutes on a boat, collecting water samples and keeping watch over Marine Protected Areas. Students will also spend 90 minutes on land processing water samples in the Ocean Quest lab, testing for bacteria, collecting marine debris at the beach and recording the data online, where their work will become a part of the public record.

FISCAL IMPACTS:

The cost of the elementary and middle school education programs will be \$191,542 per year for a total cost of \$383,084 over a two-year period. Program costs are included in the proposed FY 2019-20 and 2020-21 operating budgets. The program will be funded from over-allocation revenues.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources, Policy and Communications Committee on March 18, 2019.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH DISCOVERY CUBE ORANGE COUNTY TO IMPLEMENT EDUCATIONAL PROGRAMS IN THE AMOUNT OF \$191,542 PER YEAR FOR A TOTAL COST OF \$383,084 FOR A TWO-YEAR PERIOD COVERING FISCAL YEARS 2019-20 AND 2020-21.

LIST OF EXHIBITS:

Exhibit "A" – Discovery Cube Scope of Work

Exhibit “A”



Discovery Cube Scope of Work Irvine Ranch Water District, 2019-2021

Background

The Irvine Ranch Water District (IRWD) and Discovery Cube Orange County (DCOC) have been partners on a comprehensive water education program since the 2008 school year. Since that time, this partnership has reached over 110,000 students. This partnership was the first in Orange County to utilize student response keypads to gauge student learning during the program. This innovation spread throughout Southern California and is now used in a variety of programs.

DCOC proposes to continue this partnership with the IRWD in an innovative effort to drive measurable action and awareness of the future of the region’s water resources. DCOC has established itself as a regional leader in environmental education with water resource education as a particular strength. DCOC believes strongly that environmental education:

- Connects us to the world around us
- Teaches us about both natural and created environments
- Raises awareness of issues impacting the environment
- Encourages specific actions we can take to improve our environment

Overview

The newly designed IRWD program will consist of an integrated approach to water education for students in grades K-8. Each year of the program will strive to challenge students to explore how to use water efficiently and learn about sustainability to assure enough resources for both our current and future generations.

- Grades K-2: Program elements are created to engage the learner in foundational skills for language and literacy development as well as a basic understanding of water knowledge.
- Grades 3-4: With an emphasis on developing comprehension, students are exposed to a variety of activities focusing on their local environment and ecosystem and the limited water supply we have. Students will be challenged to critically analyze and reflect on solutions for our water supply problem.
- Grade 5: The goal of the fifth grade two-part program is to prepare students to be informed citizens and future scientists. Students build science mastery through repeated learning experiences centered on water quality. Students shift from learning facts about science to engaging in the practices of science.

- Grades 6-8: This two-part program centers around students engaging in projects in which they partner with scientists to answer real-world questions. It is designed to showcase the environment in which field studies are conducted while students are guided through data collections in support of various citizen science partners in Orange County, all while gaining a deep appreciation and understanding of the environment. Students will also be introduced to careers related to marine biology to help them form a pathway to a future career.

Kindergarten through 4th Grade – Assembly Programs

DCOC proposes to continue the assembly style programming at the kindergarten through fourth grade levels. Students will participate in grade specific, Next Generation Science Standard (NGSS) aligned assemblies that build upon each other year over year and instill a foundation of water-based knowledge. These assemblies will continue to feature student response keypads, which will allow DCOC instructors to ask interactive questions, track student progress, and provide results and feedback to IRWD. A brief description of each grade level is below:

- Kindergarten: Students learn about the importance of water to the survival of various life forms. Additional topic areas covered include the effect of sunlight on Earth’s surface, the relationship between organisms’ needs and the places they live, and ways to reduce human impacts on the environment and our natural resources.
- 1st Grade: Students learn about the journey of a water molecule through the water cycle and the different forms in which it can be found, as well as how plants use their physical structure to use water, carbon dioxide and sunlight.
- 2nd Grade: Students learn about water as an important resource and the ways in which nature cleans our limited water supply. The movement of water, where water (in its various states of matter) can be found in nature, and the need of plants for both sunlight and water is also looked at in more depth.
- 3rd Grade: Students learn about our local climate, how the environment influences traits of the local flora and fauna, the ability of organisms to survive in a particular climate, and ways to adapt our local gardens to survive with much less water.
- 4th Grade: Students understand their local ecosystem and it’s limited water supply, how the geography of California affects our local water resources, how humankind has created solutions to assist in living in this coastal desert ecosystem by utilizing our water sources throughout the state, and the importance of water conservation.

Additionally, a take home booklet will accompany each grade level assembly. These booklets serve to reinforce key concepts taught in the assembly and include activities that encourage family learning.

5th Grade – Water Quality Lab

DCOC has been providing a two-part water quality lab featuring a field trip to the San Joaquin Marsh and take home water conservation kit to students in upper grades as a part of the previous incarnation of this program. Based on feedback that we have received from Irvine Unified School District (IUSD), DCOC proposes to continue this program, but to move the program to the 5th

grade level, where the District feels the program is best suited. In this two-part workshop, students learn about the importance of maintaining a healthy water supply for the residents of Irvine.

Day one of the program is conducted at the school and introduces the concept of water quality testing, specifically to monitor the levels of dissolved oxygen in our water supply. Chemically treated samples, as well as tap water, is tested to discover the acceptable levels of dissolved oxygen in our water supply.

The second day of the program takes the students on a field trip to the San Joaquin Marsh. During their visit, students tour the marsh ponds and learn about the Michelson Recycling Facility and its function in cleaning and recycling our household wastewater. Students also perform additional tests for dissolved oxygen with samples collected from the San Diego Creek.

Also included with this program is a water conservation kit that is focused on outdoor water use. The water conservation kit consists of a 1.5 gallon per minute (gpm) showerhead, 1.5 gpm swivel spray kitchen aerator, two 1.0 gpm bathroom aerators, toilet water saver fill cycle diverter, two toilet leak detection tablets, flow meter bag, water conservation wheel, directions for use and accompanying home survey. DCOC will order and distribute the kits as well as provide feedback based on the home survey results.

6th, 7th and 8th Grade – Citizen Science Program

In 2016, DCOC took over operations of what was formally known as Explore Ocean on the Balboa Peninsula. This space has been renamed Discovery Cube's Ocean Quest. Utilizing the facilities lab capabilities, as well as the research vessel, the Dylan Ayres, DCOC will complete the cycle of water education by turning students into Citizen Scientists. This unique program offers students a hands-on experience and an opportunity to conduct field studies and collect actual scientific data for area partners such as the Surfrider Foundation, Coast Keepers, and Algalita.

The Citizen Science Program consists of two parts:

- **In-Class Workshop (Pre-Field Trip):** The 50-minute workshop consists of lessons and activities that will help students understand the issues, studies, and protocols related to projects that they will encounter in Newport Harbor during their field trip. Each student will be provided with a personal Science Journal that includes data charts, career resources, and space for notetaking.
- **Field Trip Experience:** The one-day, 3 hour field trip to Ocean Quest is designed to showcase the environment in which field studies are conducted. Students will be guided through data collections in support of various citizen science partners in Orange County, all while gaining a deep appreciation and understanding of the environment. Students will spend 90 minutes on our boat, conducting a Marine Protected Area Watch, collecting water samples, and learning about Juvenile White Seabass Sustainability and Scientific

Meaningful Photos. They will also spend 90 minutes on land processing water samples in the lab, testing for bacteria, collecting marine debris at the beach, and recording the data.

Summer Camp at the San Joaquin Marsh

In previous years, DCOC has utilized classroom space at the San Joaquin Marsh to host a science focused summer camp program. While this program has not been included in past proposals or student reach figures, its inclusion in this one serves as a reaffirmation of DCOC’s desire to host their summer camps at the Marsh in the future.

This updated and revised camp will focus on STEM-rich learning related to a marsh environment. Students will understand the wonderful world of water through an exploration of the San Joaquin Marsh and Newport Bay. They will be engaged in environmental science through the observation and tracking of various animals found throughout these settings, as well as identifying various plants found at the marsh and learning their potential uses. This camp will include a field trip to Discovery Cube’s Ocean Quest to extend the understanding of one of our greatest renewable resources.

Student Targets and Pricing Summary

Component	Rate/Student	Student Target	Total
Grades K-4 Assembly Programs	\$ 5.04	7,000	\$ 35,280
Booklets	\$ 2.50	7,000	\$ 17,500
5 Grade Water Quality Classes	\$ 12.83	1,800	\$ 23,094
San Joaquin Marsh Field Trip	\$ 16.56	1,800	\$ 29,808
Water Conservation Kits	\$ 14.70	1,800	\$ 26,460
Citizen Science Workshop	\$ 10.00	1,800	\$ 18,000
Citizen Science Field Trip	\$ 23.00	1,800	\$ 41,400
TOTAL Per Year			\$ 191,542

April 8, 2019
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Approved by: Paul A. Cook 

ACTION CALENDAR

AUTHORIZATION TO PURCHASE WATER FROM BUENA VISTA WATER STORAGE DISTRICT

SUMMARY:

Currently, water supply conditions are above average statewide as well as in the Kern River basin. Unless conditions significantly improve, staff expects that water will likely not be available for recharge at the Strand and Stockdale Integrated Banking Projects (IRWD Water Banks) under the terms of IRWD's long-term unbalanced exchange agreement with Buena Vista Water Storage District (BVWSD). To maximize IRWD's ability to secure water during the spring runoff season, staff has successfully negotiated the purchase of Kern River water from BVWSD that can be recharged at the IRWD Water Banks until high-flow conditions occur. Under the authority of the General Manager, staff has initiated the purchase of a limited amount of water from BVWSD. The water would be recharged at IRWD's Water Banks consistent with the terms of the one-year agreement with BVWSD that was approved by the Board in March, as well as the long-term exchange agreement between IRWD and BVWSD. IRWD would pay for only IRWD's share of the water delivered into storage.

Staff will reserve capacity in the Stockdale West project to avoid impacts to IRWD's existing program with Antelope Valley-East Kern Water Agency (AVEK) until AVEK has confirmed whether or not it will be delivering its Table A into storage at the same facilities before the end of the year. In order to continue purchasing water from BVWSD beyond the limits of the General Manager's authority, staff recommends that the Board authorize the General Manager to enter into an agreement with BVWSD to purchase water supplies in an amount not to exceed \$1,650,000.

BACKGROUND:

In 2010, IRWD and BVWSD entered into a long-term *Agreement for Water Acquisition by Irvine Ranch Water District from Buena Vista Water Management Program* (Exchange Agreement), which established an exchange program at the Strand Ranch Integrated Banking Project. The Exchange Agreement allows BVWSD to recharge up to 17,500 acre-feet (AF) of high-flow Kern River water per year at the Strand Ranch on an unbalanced exchange basis, with IRWD receiving 50% of the water, less a proportional share of losses. The agreement specifies that high-flow Kern River water supplies may be available from BVWSD when the Kern River runoff index for April to July is at 125% of normal or higher. In March 2019, the Board approved a one-year program with BVWSD, whereby BVWSD could augment its recharge under the Exchange Agreement with a second priority use of the Stockdale West recharge facilities (the One-Year Agreement).

Kern River Supply Availability:

The current forecast for the Kern River runoff index is at a low level of 135%. BVWSD has higher priority options available to it that make deliveries to IRWD's Water Banks this year

unlikely under the existing Exchange Agreement. In comparison, BVWSD last delivered high-flow Kern River water to IRWD in 2017 when the Kern River runoff index was 260% of normal. This year to date, BVWSD has been able to store its Kern River water supplies at its new recharge facilities and also in Lake Isabella, which BVWSD uses to regulate its Kern River supplies. In March 2019, the BVWSD Board directed its staff to sell up to 100,000 AF of excess water. As a result of these actions, BVWSD has indicated that until such time as significant high-flow conditions occur, it does not anticipate storing water at the IRWD Water Banks.

Purchasing Supplies from BVWSD:

Under current Kern River water supply conditions, BVWSD has indicated that it is marketing its water for more than \$250 per AF, which is substantially higher than the \$25 per AF sales price reported for 2017 when substantial amounts of high-flow water were available. To maximize IRWD's ability to secure water during the spring runoff season, staff has successfully negotiated the purchase of Kern River water from BVWSD until high-flow conditions occur. The water would be recharged at IRWD's Water Banks consistent with the terms of the One-Year Agreement, as well as the long-term Exchange Agreement. Through a purchase order, IRWD would pay BVWSD for only IRWD's share of the water delivered into storage.

Under the purchasing authority of the General Manager, staff has initiated the purchase of a limited amount of water from BVWSD. Staff has also submitted a Transaction Request Form to the Kern County Water Agency to begin deliveries of the water to the IRWD Water Banks on April 6, 2019. To maximize IRWD's opportunity to secure water supplies this year, staff recommends continuing to purchase Kern River water from BVWSD under the negotiated price terms until such time as high flow Kern River water is available. Accordingly, staff recommends that the Board authorize the General Manager to enter into an agreement with BVWSD to purchase water supplies in an amount not to exceed \$1,650,000.

Avoiding Impacts to Other Programs:

IRWD recently executed a long-term unbalanced exchange agreement with AVEK that provides AVEK with first priority rights to the use of the recharge facilities at the Stockdale West Project. To avoid impacts to the program with AVEK, staff will limit recharge of Kern River water using the Stockdale West facilities until AVEK has confirmed whether or not it will be delivering its Table A into storage at the same facilities before the end of the year.

FISCAL IMPACTS:

At the Board meeting, staff will provide the Board with details associated with the unit cost and total amount of water associated with the proposed purchase from BVWSD.

ENVIRONMENTAL COMPLIANCE:

In compliance with the California Environmental Quality Act (CEQA), the California Public Resources Code Section 21000 et. seq., and per the California CEQA Guidelines in the Code of Regulations, Title 14, Division 6, Chapter 3, Rosedale as lead agency filed a Notice of Determinations for the Strand and Stockdale Integrated Banking Project Final Environmental

Impact Reports (EIRs) with the County of Kern and with the State Clearinghouse. IRWD, as a responsible agency, filed a Notice of Determination with the County of Orange, with the California State Clearinghouse and with the County of Kern. The banking of BVWSD high-flow Kern River water available from BVWSD pre-1914 water rights is consistent with the sources evaluated in both EIRs. A Final EIR for the Buena Vista Water Management Project was prepared, certified and the project approved by BVWSD. The Buena Vista Water Management Project Final EIR covers the delivery of BVWSD high flow Kern River water to water banking facilities such as the Strand and Stockdale Integrated Banking Projects and including Rosedale facilities.

COMMITTEE STATUS:

This item was reviewed in concept with the Supply Reliability Programs Committee on March 21, 2019.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO ENTER INTO AN AGREEMENT TO PURCHASE WATER SUPPLIES FROM BUENA VISTA WATER STORAGE DISTRICT IN AN AMOUNT NOT TO EXCEED \$1,650,000 FOR STORAGE AT THE STRAND RANCH AND STOCKDALE WEST INTEGRATED BANKING PROJECTS.

LIST OF EXHIBITS:

None.