

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

June 11, 2018

PLEDGE OF ALLEGIANCE

CALL TO ORDER

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

ROLL CALL

Directors LaMar, Matheis, Swan, Withers and President Reinhart

NOTICE

If you wish to address the Board on any item, including Consent Calendar items, please file your name with the Secretary. Forms are provided on the lobby table. Remarks are limited to 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).

CONSENT CALENDAR

Resolution No. 2018-14

Items 3-5

3. RESOLUTION RECOGNIZING DR. BETTY OLSON FOR HER SERVICE TO THE WATER INDUSTRY

Recommendation: That the Board adopt a resolution recognizing Dr. Betty Olson for 40 years of stewardship in the water industry.

Reso. No. 2018-

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

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

CONSENT CALENDAR - Continued

Items 3-5

5. MINUTES OF REGULAR BOARD MEETINGS

Recommendation: That the minutes of the May 29, 2018 and June 4, 2018 Regular Board Meetings be approved as presented.

ACTION CALENDAR

6. WATER EFFICIENCY TACTICAL INCENTIVE FUNDING AUTHORIZATION

Recommendation: That the Board authorize the General Manager to allocate \$1,200,000 in funding to the FY 2018-19 rebate programs administered through the Water Conservation Participation Agreement between MWDOC and IRWD, and to execute addenda to the agreement as may be necessary to allocate funds to specific programs and modify device incentive levels based on customer participation rates and regional program funding levels.

7. INFORMATION SERVICES PROFESSIONAL SERVICES SUPPORT CONTRACT RENEWALS

Recommendation: That the Board authorize the General Manager to execute Professional Services Agreements for the period July 1, 2018 to June 30, 2019 with Infosys Ltd. for \$300,000 for managed support services and one-time projects; Outsource Technical for \$225,000 for on-call programming, analysis, project management, and networking services; and Skoruz Technologies for \$225,000 for on-call programming, analysis, and project management services.


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.

OTHER BUSINESS - Continued

8. A. General Manager's Report
- B. Directors' Comments
- C. CLOSED SESSION Conference with Labor Negotiators - Government Code Section 54957.6:
Agency Designated Representatives: Paul Cook and Jenny Roney
Employee Group: Managers, Supervisors and Confidential Employees
- D. Open Session
 - a. Report of any action in Closed Session.
- E. 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.

June 11, 2018
Prepared and
Submitted by: L. Bonkowski
Approved by: Paul A. Cook 

CONSENT CALENDAR

RESOLUTION RECOGNIZING DR. BETTY OLSON FOR HER 40 YEARS
OF STEWARDSHIP IN THE WATER INDUSTRY

SUMMARY:

A symposium is scheduled for June 21, 2018 at UCI to celebrate Dr. Betty Olson's 40-year career as a steward of California's Water. As such, staff has prepared a resolution to honor her as a past IRWD board member from 1982 to 1989, a Director at Santa Margarita Water District from 1994 to present, her professorship at UCI's Civil and Environmental Engineering Department, among other accomplishments.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE:

RESOLUTION NO. 2018

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT,
ORANGE COUNTY, CALIFORNIA, RECOGNIZING
DR. BETTY OLSON'S 40 YEARS OF STEWARDSHIP
IN THE WATER INDUSTRY

LIST OF EXHIBITS:

Exhibit "A" – Resolution

EXHIBIT "A"

RESOLUTION 2018-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT, ORANGE COUNTY, CALIFORNIA,
RECOGNIZING DR. BETTY OLSON'S 40 YEARS OF
STEWARDSHIP IN THE WATER INDUSTRY

Dr. Betty Olson is being recognized for her 40 years as a steward in the water industry.

Dr. Olson was appointed as a Director on the Irvine Ranch Water District Board in January 1982 to fill an unexpired term, was elected in November 1986, and remained on the Board until October 31, 1989 when she resigned due to a move outside of the District's service area; and

Dr. Olson was appointed to the Santa Margarita Water District Board of Directors in 1994, and elected in 1996. She was re-elected in 2000, 2004, 2008 and 2012 and served as Board President in 2010, 2006, 2001 and 1997. She has been particularly interested in stabilizing rates, bond funding only when necessary, local water supply reliability and expanding the use of recycled water from wastewater and debilitated waters; and

Dr. Olson is a full professor of Civil and Environmental Engineering in the Henri Samueli School of Engineering at the U.C., Irvine. She was the founding Director of the Urban Water Research Center at the UCI and currently serves as an Associate Director for the Center. Her areas of specialization include environmental microbiology, and water and wastewater microbiology; and

Dr. Olson has also worked with a number of regulatory agencies on water issues, including the Metropolitan Water District of Southern California, Los Angeles Department of Water and Power, Orange County Water District, County Sanitation District of Orange County, East Bay Municipal Utility District, and the City of San Francisco Water Department; and

As an elected official, Dr. Olson has been actively involved in California water policy and legislation over the past two decades. She has utilized this knowledge in teaching water policy classes, including water law and involving policymakers. Dr. Olson also currently serves as a member representing California on the Western States Water Council.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Irvine Ranch Water District commends Dr. Betty Olson for her many years of dedicated service and expresses its gratitude for her leadership, vision and significant contributions she has rendered to the community and the water industry.

ADOPTED, SIGNED AND APPROVED this 11th day of June, 2018.

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

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

June 11, 2018

Prepared and

Submitted by: K. Swan *KS*

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

CONSENT CALENDAR

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

SUMMARY:

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

Events/Meetings

Steven LaMar

July 12 Association of California Cities, Orange County Summer Reception

Mary Aileen Matheis

June 21 OCBC 2018 Energy Forum
June 21 Chapman University Economic Forecast Update
June 27 South OC State of the County Luncheon featuring Supervisor Bartlett
June 28 ISDOC Quarterly Luncheon

Douglas Reinhart

May 3 Meeting with MWDOC regarding Banked Water for Orange County

Peer Swan

May 3 Meeting with MWDOC regarding Banked Water for Orange County
May 16 Orange County Water Association Monthly Meeting & Luncheon
May 23 Southern California Water Dialogue
June 14-15 ACWA Region 1 Event, Healdsburg
June 21-22 ACWA Region 3 Event, Valley Springs

John Withers

June 21 Chapman University Economic Forecast Update
June 27 South OC State of the County Luncheon featuring Supervisor Bartlett
June 28 ISDOC Quarterly Luncheon

RECOMMENDATION:

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


LIST OF EXHIBITS:

None.

June 11, 2018

Prepared and

Submitted by: L. Bonkowski 

Approved by: P. Cook 

CONSENT CALENDAR

MINUTES OF BOARD MEETINGS

SUMMARY:

Provided are the minutes of the May 29, 2018 and June 4, 2018 Regular Board meeting for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE MAY 29, 2018 AND JUNE 4, 2018 REGULAR BOARD MEETING BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – May 29, 2018 Minutes of Regular Board Meeting

Exhibit "B" – June 4, 2018 Minutes of Regular Board Meeting

EXHIBIT "A"

MINUTES OF REGULAR MEETING – MAY 29, 2018

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:05 p.m. by President Reinhart on May 29, 2018 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Finance and Administration Clary, Executive Director of Engineering and Water Quality Burton, Director of Water Resources Sanchez, Director of Treasury and Risk Management Jacobson, Director of Water Operations Zepeda, Director of Maintenance Drake, Government Relations Officer Compton, Legal Counsel Collins, Secretary Bonkowski, Assistant Secretary Swan, Principal Engineer Akiyoshi, Public Affairs Manager Fabris, Manager of Strategic Planning and Analysis Smithson, Principle Engineer Cortez, Ms. Deniene Rivenburg, Ms. Connie Ho, and Mr. Dane Johnson.

WRITTEN COMMUNICATIONS: None.

ORAL COMMUNICATIONS: None.

PRESENTATION – SCIENCE FAIR WINNERS

Staff presented awards to the local students for their water-related projects entered in the Irvine Unified School District Science Fair.

CONSENT CALENDAR

On MOTION by LaMar, seconded by Matheis, and unanimously carried, CONSENT CALENDAR ITEMS 4 THROUGH 8 WERE APPROVED AS FOLLOWS:

4. MINUTES OF REGULAR BOARD MEETING

Recommendation: That the minutes of the May 14, 2018 Regular Board meeting be approved as presented.

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, Doug Reinhart, Steve LaMar, Peer Swan and John Withers, as described.

CONSENT CALENDAR (CONTINUED)

6. APRIL 2018 TREASURY REPORTS

Recommendation: That the Board receive and file the Treasurer's Investment Summary Report, the Monthly Interest Rate SWAP Summary for April 2018, and Disclosure Report of Reimbursements to Board members and staff; approve the April 2018 Summary of Payroll ACH payments in the total amount of \$1,879,326 and approve the April 2018 Accounts Payable Disbursement Summary of Warrants 386583 through 387442, Workers' Compensation distributions, wire transfers, payroll withholding distributions and voided checks in the total amount of \$18,381,832.

7. DYER ROAD WELLFIELD SURGE TANKS BUDGET INCREASE AND CONTRACT CHANGE ORDER

Recommendation: That the Board authorize a budget increase in the amount of \$440,000, from \$4,066,200 to \$3,976,200, for project 05473, and in the amount of \$60,000, from \$1,250,500 to \$1,310,500, for project 06165, and authorize the General Manager to execute contract Change Order No. 4 with Pascal & Ludwig Constructors in the amount of \$317,977 for the Dyer Road Wellfield Surge tanks, projects 05473 and 06165.

8. WATER SHORTAGE CONTINGENCY PLAN

Recommendation: That the Board adopt the following resolution by title rescinding Resolution No. 2014-46 and adopting the amended Water Shortage Contingency Plan.

RESOLUTION NO. 2018-13

RESOLUTION OF THE BOARD OF DIRECTORS
OF IRVINE RANCH WATER DISTRICT RESCINDING
RESOLUTION 2014-46 AND ADOPTING AN
AMENDED WATER SHORTAGE CONTINGENCY PLAN

ACTION CALENDAR

CHANGES TO EXISTING RULES AND REGULATIONS SECOND READING AND ADOPTION

President Reinhart declared this to be the time and place for the hearing on changes to the District's Rules and Regulations for Water, Sewer, Recycled Water, and Natural Treatment System Service. He asked that the Secretary to report the manner by which the Notice of Hearing was given.

Secretary Bonkowski said that the Notice of this hearing was published in the Orange County Register on April 29, 2018 and May 13, 2018. She said that the notice was also posted in the District office on May 11, 2018. She then presented an Affidavit of Posting and Proof of Publication for the Board to receive and file.

On MOTION by Matheis, seconded by LaMar and unanimously carried, THE AFFIDAVIT OF POSTING AND THE PROOF OF PUBLICATION PRESENTED BY THE SECRETARY WAS RECEIVED AND FILED.

President Reinhart inquired of the Secretary whether there have been any written communications. Secretary Bonkowski said that there was none.

President Reinhart asked for a report from the Executive Director of Finance and Administration. Executive Director of Finance and Administration Clary said that the primary substantive changes proposed in this update include: 1) addressing illegal tampering or diversion of water or sewage. These issues are addressed in the subsections entitled Illegal Connections, Diversions or Tampering (section 4.7), Fire Hydrants (section 4.9), and Enforcement and Penalties (section 14) and the related sections that provide enforcement for this activity; 2) updating the District's conservation and water supply shortage program that includes a significant reformation of the IRWD Water Supply Shortage Levels (section 15.5) and the related sections that provide enforcement for overuse; and 3) updating local limits set forth in Exhibit C. Ms. Clary then said that the non-substantive changes include: 1) inserting headings and simplified language throughout in order to aid the reader in navigating and understanding the document; 2) eliminating unused definitions; 3) updating definitions; and 4) inserting clarifying language on the application procedure (section 4.2). She further said that numbering changes were implemented to ensure consistency throughout the document.

President Reinhart inquired whether anyone is present who wishes to address the Board concerning the amended resolution. There were none.

President Reinhart inquired whether there are any comments or questions from members of the Board of Directors. There were none.

President Reinhart asked for a motion to close the hearing, a second reading of the resolution by title only and that further reading of the resolution be waived, and adoption of the resolution.

On MOTION by Swan, seconded and unanimously carried, THE HEARING WAS CLOSED, THE SECRETARY WAS DIRECTED TO READ THE RESOLUTION BY TITLE ONLY AND THAT FURTHER READING OF THE RESOLUTION WAS WAIVED, AND THAT THE FOLLOWING RESOLUTION WAS ADOPTED BY TITLE:

RESOLUTION NO. 2018-14

RESOLUTION RESCINDING RESOLUTION NO. 2015-23
AND ESTABLISHING REVISED RULES AND REGULATIONS
OF THE IRVINE RANCH WATER DISTRICT FOR WATER,
SEWER, RECYCLED WATER, AND NATURAL
TREATMENT SYSTEM SERVICE AND EXHIBIT "A" THERETO.

VAULT LID REPLACEMENT CONSTRUCTION AWARD

General Manager Cook reported that the Vault Lid Replacement project will replace 23 vault lids, one vault ladder, and one vault section at various locations within the District's service

area. After years of service and normal operational wear, a vault's components, including lids and vault ladders, require replacement to maintain structural integrity and provide safe accessibility.

Executive Director of Engineering and Water Quality Burton said that staff completed the design for this project in March 2018 and the project was advertised for construction to a select list of 16 contractors. Mr. Burton said that a bid opening was held on May 2, 2018 with bids received from Pacific Hydrotech Corporation, T.E. Roberts, Inc., and Schuler Constructors, Inc. with T.E. Roberts as the apparent low bidder with a bid amount of \$798,000. The remaining bids ranged from \$932,960 to \$1,109,700.

Mr. Burton said that on May 7, 2018, T.E. Roberts submitted a formal written request to withdraw its bid, citing an error made by its vault lid supplier that would have resulted in a \$291,000 increase in its bid, from \$798,000 to \$1,089,000. He said that staff conferred with legal counsel, and confirmed that under Public Contract Code § 5100, et seq., if a bidder discovers a mistake in its bid submitted to a state or local public entity, it may obtain relief and withdraw the bid either with the consent of the awarding entity or by an action to recover the bid bond in court. The mistake must be material and resulting from a typographical, arithmetical, or other clerical error, as opposed to an error in judgment or carelessness in inspecting the site of the work or in reading the plans and specifications. Additionally, the bidder must provide written notice of the mistake within five business days after the opening of the bid, explaining the mistake in detail.

Mr. Burton said T.E. Roberts' formal written request, which cites a \$291,000 miscalculation in its bid price, complies with the Public Contract Code requirements for requesting withdrawal of its bid. Pursuant to the Public Contract Code, the District can either acknowledge the mistake, return the bid bond, and prepare a report documenting the basis for that decision, or contest the bidder's statement and call on the bid bond. By claiming the mistake, T.E. Roberts is prohibited from further participating in the bidding process for this project, and the District may award the contract to the next lowest responsive bidder.

Mr. Burton said that staff and legal counsel have reviewed T.E. Roberts' written request to withdraw its bid and concur that a material clerical error was made in the preparation of its bid. He said that staff will prepare a report documenting the basis for the withdrawal and the District's acceptance, pursuant to the Public Contract Code. Mr. Burton said that the next lowest bidder is Schuler Constructors, Inc., which submitted a bid in the amount of \$932,960, and following review, staff has determined that it is responsive.

On MOTION by LaMar, seconded by Matheis, THE BOARD AUTHORIZED A BUDGET INCREASE IN THE AMOUNT OF \$439,000, FROM \$397,700 TO \$836,700, FOR PROJECT 06121, AND IN THE AMOUNT OF \$146,000, FROM \$195,300 TO \$341,300, FOR PROJECT 06123; ACKNOWLEDGED THE MATERIAL CLERICAL ERROR MADE IN THE COMPUTATION OF T.E. ROBERTS, INC.'S BID, ACCEPTED T.E. ROBERTS, INC.'S FORMAL WRITTEN REQUEST TO WITHDRAW ITS BID, DIRECTED STAFF TO RETURN THE BID BOND TO T.E. ROBERTS, INC.; AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH SCHULER CONSTRUCTORS, INC. IN THE AMOUNT OF \$932,960 FOR THE VAULT LID REPLACEMENT, PROJECTS 06121 AND 06123.

EASTWOOD RECYCLED WATER PUMP STATIONS CONSULTANT SELECTION AND CONSTRUCTION AWARD

General Manager Cook reported that the Eastwood Recycled Water Pump Stations project includes the construction of new Zone A to B and Zone A to C pump stations and includes provisions to accommodate the future construction of the Zone A to Syphon Reservoir and Syphon Reservoir to Zone C pump stations. The project includes construction of the entire pump station building, all site improvements, and all buried infrastructure necessary to place both the first and second phase booster pump station into service. Eight of the total 14 pumps will be equipped as part of the project, and the remaining pumps and electrical equipment will be equipped in the future near the completion of the Syphon Reservoir Improvements project.

Executive Director of Engineering and Water Quality Burton reported that AECOM performed all elements of the pre-design and design phases for the project, including geotechnical, civil, mechanical, structural, noise modeling, architectural, electrical, and instrumentation. Mr. Burton said that staff requested AECOM to submit a proposal which includes scope for submittal reviews, responses to contractor requests for information, site visits, record drawing preparation, energy control procedure development, post-construction noise monitoring, and construction coordination and general engineering support throughout the construction of the project. He said that staff reviewed AECOM's scope of work and fee and confirmed that they are commensurate with the level of effort needed to support the construction of the project.

Mr. Burton reported that the project was advertised for construction bids on April 11, 2018 to a select list of 12 contractors. He said that the bid opening was held May 17, 2018 with bids received from Gateway Pacific Contractors, Pacific Hydrotech Corporation, and Pascal & Ludwig Constructors. Pacific Hydrotech Corporation is the apparent low bidder with a bid amount of \$12,220,600. The remaining bids were \$13,212,740 and \$14,052,000. The engineer's estimate, prepared by AECOM, was \$13,555,000.

Mr. Burton said that after review of the bid documents, staff determined that two of the bids contained irregularities in the Statements by Bidder Section A, Items and Manufacturers. This section requires the bidders to list a single manufacturer for each identified equipment item that the bidder intends to furnish. Pacific Hydrotech Corporation's bid contained two bid irregularities including listing two manufacturers for pump motors and listing the PLC manufacturer, Modicon, instead of listing the manufacturer of the control panel. Gateway Pacific Contractor's bid contained one bid irregularity, which was the listing of the PLC manufacturer, Modicon, instead of listing the manufacturer of the control panel. Mr. Burton said that staff conferred with legal counsel and there is a sufficient basis for a factual finding by the Board that the irregularities in the bids are inconsequential and cannot have given the apparent low bidder a significant competitive advantage over the other bidders. He further said staff reviewed Pacific Hydrotech Corporation's bid and has determined that it is responsive.

On MOTION by Matheis, seconded by Withers, and unanimously carried, THE BOARD AUTHORIZED THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH AECOM, IN THE AMOUNT OF \$295,000, FOR ENGINEERING SUPPORT SERVICES DURING CONSTRUCTION, WAIVED BID IRREGULARITIES. AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH PACIFIC HYDROTECH CORPORATION IN THE AMOUNT OF

\$12,220,600, FOR THE EASTWOOD RECYCLED WATER PUMP STATIONS, PROJECTS 04388, 04400 AND 04457.

MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES CONTRACT CHANGE ORDER NO. 80 AND AMENDMENT NO. 2 TO AGREEMENT WITH ORANGE COUNTY SANITATION DISTRICT FOR INTERIM SOLIDS HANDLING

General Manager Cook reported that Filanc/Balfour Beatty (FBB) is constructing the Michelson Water Recycling Plant (MWRP) Biosolids and Energy Recovery Facilities (Biosolids Project). Contract Change Order (CCO) No. 80 includes costs for several electrical and mechanical items.

Executive Director of Engineering and Water Quality Burton reported that staff negotiated with FBB and agrees to the labor and material costs contained in CCO No. 80 in the amount of \$313,076.14. CCO No. 80 includes items including 1) modifications to motor control centers in the amount of \$99,547.17; 2) separate air compressor system electrical panel for a waste gas burner in the amount of \$50,723.04; 3) additional power monitoring equipment for the self-generation incentive program in the amount of \$34,887.16; 4) electrical modifications for the gas compressor detector and enclosure fire alarm panel in the amount of \$13,215.42; 5) additional power circuits for the solids handling building roll-up doors in the amount of \$24,446.58; 6) modifications to a digested sludge line in the amount of \$17,023.42; 7) relocation of a local control panel in the solids handling building in the amount of \$34,619.35; and 8) additional manual valves and components for the heat dryer system in the amount of \$38,614.

Mr. Burton said that the District has an agreement for the transfer of wastewater solids residuals to the Orange County Sanitation District (OCSD) whereby IRWD leases solids processing capacity. In May 2016, the Board approved Amendment No. 1 with OCSD for a two-year extension.. As construction completion is estimated to be beyond December 2018, staff has negotiated Amendment No. 2 with OCSD for an additional three-year extension.

Director Withers said that this item was reviewed and approved by the Engineering and Operations Committee on May 15, 2018. On MOTION by Withers, seconded and unanimously carried, THE BOARD APPROVED CONTRACT CHANGE ORDER NO. 80 IN THE AMOUNT OF \$313,076.14 WITH FILANC/BALFOUR BEATTY FOR SEVERAL ELECTRICAL AND MECHANICAL ITEMS FOR THE MICHELSON WATER RECYCLING PLANT BIOSOLIDS AND ENERGY RECOVERY FACILITIES, PROJECT 04286, AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 2 TO THE AGREEMENT FOR TRANSFER OF WASTEWATER SOLIDS RESIDUALS WITH ORANGE COUNTY SANITATION DISTRICT, SUBJECT TO NON-SUBSTANTIVE CHANGES.

GENERAL MANAGER'S REPORT

General Manager Cook updated the Board on the score received from the California Water Commission relative to the Kern Fan groundwater project with 48 points out of 100 for potential funding. Director of Water Resources Sanchez said that the pre-funding recommendation will be held in July and believes that some projects may drop out at this time and hopefully this project may be selected at that time.

Mr. Cook said that he is preparing an Op Ed piece for the Orange County Register relative to a proposed ocean desalination project being considered by the Orange County Water District.

DIRECTORS' COMMENTS

Director Withers said that he attended an NWRI strategic planning session, an OCSD Board meeting, and a groundbreaking event for the Irvine Unified Loma Ridge Elementary School.

Director Matheis reported on her attendance at an OC Forum Cybersecurity event.

Director Swan reported on his attendance at a WACO Planning meeting, the District's Business Outreach lunch, an OCWD Board Meeting, and a Southern California Dialogue meeting.

Director LaMar reported that he attended the District's Business Outreach lunch, and a Natural Communities Coalition meeting.

Director Reinhart said he attended the District's Business Outreach luncheon.

ADJOURNMENT

President Reinhart adjourned the meeting at 6:10 p.m.

APPROVED and SIGNED this 11th day of June, 2018.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:
LEWIS BRISBOIS BISGAARD & SMITH, LLP

By: _____
District Counsel

EXHIBIT "B"

MINUTES OF REGULAR MEETING – JUNE 4, 2018

The regular meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) was called to order at 5:00 p.m. by President Reinhart on June 4, 2018 in the District office, 15600 Sand Canyon Avenue, Irvine, California.

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

Directors Absent: None.

Also Present: General Manager Cook, Executive Director of Finance and Administration Clary, Executive Director of Engineering and Water Quality Burton, Executive Director of Water Resources Weghorst, Director of Treasury and Risk Management Jacobson, Director of Water Operations Zepeda, Government Relations Officer Compton, Legal Counsel Collins, Legal Counsel DeMayo, Secretary Bonkowski, Assistant Secretary Swan, Principle Engineer Mori, Manager of Risk and Contracts Shinbashi, Principle Engineer Cortez, Mr. Andrew Pollard, and Ms. Deborah Diep.

WRITTEN COMMUNICATIONS: None.

ORAL COMMUNICATIONS: None.

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

President Reinhart declared it 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 asked the Board Secretary to announce how the hearing was noticed.

Secretary Bonkowski announced that the hearing was noticed by publication in the Orange County Register on Sunday, May 20, 2018; by electronic posting on the IRWD website on June 4, 2018 through which the notice can be translated into approximately 20 languages; and by physical posting at IRWD's headquarters on June 4, 2018. She presented affidavits of posting and proof of publication to the Board.

On MOTION by Swan, seconded by Matheis, **THE AFFIDAVITS OF POSTING AND PROOF OF PUBLICATION AS PRESENTED BY THE BOARD SECRETARY WERE RECEIVED AND FILED.**

President Reinhart asked legal counsel to describe the nature of the proceedings, and to explain the purpose of the hearing.

Legal Counsel DeMayo described the nature of the proceedings, and explained the purpose of the hearing as being the opportunity 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 a draft map or maps of proposed division boundaries.

On **MOTION** by Swan, seconded by Matheis, and unanimously carried, **THE PUBLIC HEARING WAS OPENED TO SOLICIT AND ACCEPT COMMENTS ON THE PROPOSED MOVE TO BY-DIVISION ELECTIONS AND THE COMPOSITION OF DIVISIONS PRIOR TO THE DRAWING OF A DRAFT MAP OR MAPS OF PROPOSED DIVISION BOUNDARIES.**

President Reinhart asked that he Government Relations Officer provide a report to the Board regarding the District's evaluation of changing its election process, and on any written comments received.

Using a PowerPoint presentation, Government Relations Officer Compton said that in 2002, Governor Gray Davis signed the California Voting Rights Act (CVRA) into law. Ms. Compton said that 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" per Elections Code §14027. She said that as a result, 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. She said that the IRWD Board adopted a resolution of "Intent to Initiate the Process of Establishing Divisions and Elections by Divisions" on April 2, 2018. She said that as part of its evaluation process, the Board will hold two public hearings to invite and solicit public comment on the proposed move to by-division elections and the composition of divisions prior to the drawing of maps. Following consideration of the input provided, the Board will discuss the criteria to be used in evaluating proposed maps. She said that following the two public hearings, there will be an additional public comment period during which the public will be invited to submit additional comments and conceptual maps.

Ms. Compton said that submitted comments and conceptual maps may be considered and may help inform the drawing of any proposed maps. She said that IRWD will publish proposed maps at least seven days before holding at least two more public hearings to invite and solicit public comment on the proposed division maps. She said that the Board will hold an additional public hearing to consider adoption of a division map and to determine which divisions are up for election first.

Ms. Compton further said that no written comments were received.

Using a PowerPoint presentation, Consultant Deborah Diep highlighted how division boundaries are drawn. Ms. Diep said that when drawing division boundaries, primary consideration is given to the total population of IRWD's service area. She said that the primary goal is as nearly equal population in each division as is possible; the primary data used in drawing division boundaries is from the 2010 Decennial Census data. She said that additional data that may be considered will be the citizen voting age population data and that community characteristics may also be considered. She gave examples of a 2010 population chart of 337,151 being divided into five divisions equaling 67,430 per each division and described redistricting criteria. Ms. Diep used data from the 2010 Federal Decennial census and using a pie chart showed that the population consists of 50.8% non-Hispanic White; 31.1% non-Hispanic Asian, 1.5% non-Hispanic Black or

African-American, and 4.7% all other non-Hispanic races/ethnicities. Using boundary maps, she charted the percent share of these block groups.

President Reinhart inquired whether there is any person present who would like to provide comments on the proposed move to by-division elections, the composition of divisions and the sequence of elections. There were none.

President Reinhart inquired whether there are any comments or questions from members of the Board of Directors. In response to Director Matheis' inquiry, Legal Counsel DeMayo said that a new census will come out in 2021 when the divisions will need to be revisited again. In response to Director Swan's comment, Legal Counsel DeMayo said that a minority in a division would only need to show that they can influence an election. On MOTION by Withers, seconded by Matheis and unanimously carried, **THE FIRST PUBLIC HEARING WAS CLOSED AND A SECOND PUBLIC HEARING ON JUNE 18, 2018 AT 5 P.M. WILL BE HELD.**

GENERAL MANAGER'S COMMENTS

General Manager Cook noted that his Op Ed piece on the proposed ocean desalination plant was published in the Orange County Register.

DIRECTORS REPORT

Director Withers reported on his attendance at an Orange County Forum Water Summit.

Director Matheis noted an article that Mr. Jim Irvine Swindon had gifted plein air artwork to UCI.

Director Swan reported his attendance at an Orange County Forum Water Summit.

Director LaMar said he will be attending an ACWA Board meeting on Friday, that they are continuing the search for an Executive Director and noted an upcoming move into a new building.

Director Reinhart reported his attendance at an Orange County Forum Water Summit.

ADJOURNMENT

President Reinhart adjourned the meeting at 5:45 p.m.

APPROVED and SIGNED this 11th day of June, 2018.

President, IRVINE RANCH WATER DISTRICT

Secretary IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:
LEWIS BRISBOIS BISGAARD & SMITH, LLP

By: _____
District Counsel

June 11, 2018

Prepared by: A. McNulty

Submitted by: F. Sanchez/P. Weghorst *FW*

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

ACTION CALENDAR

WATER EFFICIENCY TACTICAL INCENTIVE FUNDING AUTHORIZATION

SUMMARY:

The IRWD Water Use Efficiency Program includes a “tactical incentive” element to encourage customers to install water conservation devices that are cost-effective to the District. In 2015, IRWD executed a multi-year Water Conservation Participation Agreement with the Municipal Water District of Orange County (MWDOC) to administer IRWD’s incentives for regional rebate programs. The Fiscal Year (FY) 2018-19 Operating Budget includes funding for IRWD’s tactical incentive programs. Staff recommends that the Board authorize the General Manager to:

- Allocate \$1,200,000 in funding to FY 2018-19 rebate programs administered through the Water Conservation Participation Agreement with MWDOC, and
- Execute addenda to the agreement as necessary to reallocate the funds among the individual rebate programs and to modify incentive levels based on customer participation rates and changes in regional program funding levels.

BACKGROUND:

Tactical incentives are key elements of the IRWD Water Use Efficiency Program. The financial incentives provided by IRWD are used to supplement existing regional rebate programs that are administered by Metropolitan Water District of Southern California and MWDOC. IRWD incentives consider the costs that are avoided by the District as a result of the installation of various water conservation devices.

In July 2015, the Board approved a multi-year Water Conservation Participation Agreement with MWDOC, provided as Exhibit “A”. Each fiscal year, addenda to the agreement are executed to allocate funding and to specify device rebate funding levels. IRWD’s emphasis on encouraging water use efficiency remains on achieving outdoor savings through the implementation of Residential, Commercial, Water Savings Incentive, Spray to Drip Conversion and Turf Removal programs.

Device Funding Levels:

Proposed funding levels per device for FY 2018-19 are the same as for FY 2017-18. To encourage additional outdoor water savings, staff proposes to begin providing co-funding for water efficient rotating nozzles and irrigation system conversions from spray head irrigation to drip irrigation. The proposed allocation of IRWD tactical incentive funding and the specific device rebate levels for FY 2018-19 are shown in Exhibit “B”. The funding allocation is based on prior customer participation rates and regional funding. Total incentive program funding in the amount of \$1,200,000 is included in the adopted FY 2018-19 Operating Budget. Authorization from the Board is necessary

to allocate funds to the Water Conservation Participation Agreement with MWDOC to continue to provide program incentives through FY 2018-19.

FISCAL IMPACTS:

Funding from over-allocation revenues for tactical incentives in the amount of \$1,200,000 is included in the adopted FY 2018-19 Operating Budget.

ENVIRONMENTAL COMPLIANCE:

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

COMMITTEE STATUS:

This item is subject to time urgent requirements and was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO ALLOCATE \$1,200,000 IN FUNDING TO THE FY 2018-19 REBATE PROGRAMS ADMINISTERED THROUGH THE WATER CONSERVATION PARTICIPATION AGREEMENT BETWEEN MWDOC AND IRWD; AND TO EXECUTE ADDENDA TO THE AGREEMENT AS MAY BE NECESSARY TO ALLOCATE FUNDS TO SPECIFIC PROGRAMS AND MODIFY DEVICE INCENTIVE LEVELS BASED ON CUSTOMER PARTICIPATION RATES AND REGIONAL PROGRAM FUNDING LEVELS.

LIST OF EXHIBITS:

Exhibit "A" – Water Conservation Participation Agreement with MWDOC

Exhibit "B" – Device Funding Levels FY 2018-19

Exhibit "A"

Water Conservation Participation Agreement between the Municipal Water District of Orange County and Irvine Ranch Water District

This Water Conservation Participation Agreement (“Agreement”) is made between the Municipal Water District of Orange County (“MWDOC”) and Irvine Ranch Water District (“Participant Agency”). MWDOC and Participant Agency may be collectively referred to as “Parties” and individually as “Party.”

Recitals

- A. The Metropolitan Water District of Southern California (“Metropolitan”) provides incentive funding to residential, commercial, and industrial water users in its service area for a variety of water conservation activities, including, but not limited to, rebates for the purchase and installation of water-saving devices (“Metropolitan Base Incentives”).
- B. MWDOC is a member agency of Metropolitan and has agreements with Metropolitan that enable residential, commercial, and industrial water users in MWDOC’s service area, and for the benefit of MWDOC’s member agencies, to participate in and take advantage of Metropolitan’s Base Incentives.
- C. Participant Agency, as a MWDOC member agency or a direct Metropolitan member agency, may elect to participate in Metropolitan’s program to replace non-conserving items within its service area.
- D. The Metropolitan Base Incentives amounts for each eligible device or program available to MWDOC and Metropolitan member agencies are listed in the attached Addendums 1A and 1B. It is expected that Metropolitan will establish funding for additional water conservation items and to change some or all of the existing funding rates throughout the term of this Agreement. Any such changes will be incorporated herein by amendment to Addendums 1A and 1B.
- E. Metropolitan and MWDOC each have fiscal responsibility to manage their individual budgets, and hence may have a need to limit availability of funds.
- F. MWDOC and Metropolitan member agencies may also choose to provide additional supplemental funding of their own to augment the Metropolitan Base Incentives. Based on the terms and conditions of this Agreement, MWDOC will facilitate supplemental funding for Participant Agency through the Metropolitan rebate contractor (“Rebate Contractor”) or MWDOC directly. Metropolitan member agencies will coordinate any supplemental funding directly with Metropolitan.
- G. In addition to the Metropolitan Base Incentives, MWDOC has developed and arranged additional local, state, and federal grant funding (“Grant Funding”) for eligible devices in a number of water conservation programs (“MWDOC Administered Programs”) that MWDOC offers to Participant Agency and Metropolitan member agencies. This grant funding may be used to enhance the Metropolitan Base Incentives. Granting agencies

include, but are not limited to, the Department of Water Resources and the United States Bureau of Reclamation.

- H. Participant Agency may also operate customized, local water conservation incentive programs in their respective service areas (“Participant Agency Administered Programs”) and may have access to the Metropolitan Base Incentives and Grant Funding for such, subject to MWDOC and Metropolitan approval and the terms and conditions of this Agreement and any MWDOC and/or Metropolitan agreements.
- I. The purpose of this Agreement is to create a master water conservation participation agreement between MWDOC and Participant Agency that combines all of the conservation programs and incentives (“Programs”) into one agreement. Addendums to this Agreement will be issued for changes involving Metropolitan approved items, MWDOC Board approved items, Grant Funding, adding and subtracting MWDOC Administered Programs and Participant Agency Administered Programs as identified in Section 2, and changes to incentive programs, including funding and incentive levels.

NOW THEREFORE, in consideration of the promises and covenants hereinafter set forth, the Parties do agree as follows:

Section 1: Agreement Term and Administration

- 1.1 This Agreement will be effective on July 1, 2015 or upon execution of this Agreement by all Parties, whichever is later, and shall terminate on June 30, 2025 (“Term”). Continuance of this Agreement will be subject to annual budget approval by MWDOC’s Board of Directors.
- 1.2 This Agreement may be amended at any time by written mutual agreement of the Parties, or by Addendums issued by MWDOC as set forth in Recital I.
- 1.3 This Agreement may be terminated by either Party for any reason upon thirty (30) days written notice to the other Party.
- 1.4 All Addendums are enforced for the duration of this Agreement unless the Addendums are amended or terminated by either Party.
- 1.5 In the event the Agreement is terminated early, Participant Agency is responsible for payment of any funding contributions required by this Agreement that were initiated prior to the effective date of the termination. For purposes of this Agreement, an application is deemed initiated when an application has been received by Metropolitan’s rebate vendor, EGIA, by MWDOC, or a reservation has been made within any of MWDOC’s online application portals that is pursuant to any of the programs described within this Agreement and the attached Addendums.
- 1.6 Notwithstanding any other provision in this Agreement, funds for all of the programs described within this Agreement and the attached Addendums are conditioned upon the

availability of funds and MWDOC is under no obligation to provide funding for any of the programs if MWDOC determines, in its own discretion, that such funding is exhausted, reduced, eliminated, or unavailable from any funding source, for any reason.

Section 2: Program Funding

2.1 Supplemental Funding

2.1.1 In addition to the Metropolitan Base Incentives, Participant Agency may provide additional funding to augment the Metropolitan Base Incentives amounts for those programs and devices that Participant Agency identifies, and in the amounts indicated, in the appropriate locations in Addendums 2A, 2B, and 2C (“Supplemental Funding”). The Supplemental Funding listed in Addendums 2A through 2C shall specify the amount of Supplemental Funding Participant Agency will provide per device or program, as well as the total maximum Supplemental Funding amount committed to each category of device or program. If the Participant Agency does not complete, sign, and return Addendums 2A through 2C to MWDOC, notwithstanding any other provision of this Agreement, the Participant Agency will not be bound by this Section or the provisions in Addendums 2A through 2C. In general, Supplemental Funding Addendums submitted by the 15th of a month will become effective the first of the following month.

2.1.2 If Participant Agency elects to provide Supplemental Funding or enhanced incentives under this Agreement for any device or program, Participant Agency is responsible for tracking the use of and the remaining availability of those funds. MWDOC will assist, in every way possible, but the ultimate responsibility for tracking all Participant Agency funding is the responsibility of Participant Agency. Participant Agency will ultimately be responsible for any overuse of Participant Agency Supplemental Funding.

2.1.3 Any requests for changes or revisions to Participant Agency’s Supplemental Funding, including funding transfers between Programs, must be submitted by Participant Agency to MWDOC in the form of revised Addendum 2s listing the new funding amounts/limits.

2.1.4 The Participant Agency may elect to participate in the Supplemental Funding Program and be bound by the provisions of this Section 2.1, Sections 3, 5, 6, 7, and 8 of this Agreement, and Addendum 2A through 2C by having its authorized representative complete and sign Addendum 2A through 2C in the spaces provided.

2.2 MWDOC Administered Programs

2.2.2 Participant Agency may elect to take advantage of the MWDOC Administered Programs by having its authorized representative complete and sign Addendums 3A through 3C in the spaces provided. If Participant Agency completes and signs Addendums 3A through 3C, Participant Agency agrees to be bound by the provisions of this Section 2.2, Sections 3, 5, 6, 7, and 8 of this Agreement, and Addendums 3A through

3C. If the Participant Agency does not complete, sign, and return Addendums 3A through 3C, notwithstanding any other provision of this Agreement, the Participant Agency will not be bound by this Section or the provisions in Addendums 3A through 3C.

2.3 Participant Agency Administered Programs

2.3.1 From time to time, funding may be made available for Participant Agency to operate a customized member agency administered local water conservation incentive program or programs (“Participant Agency Administered” “PA” or “MAA Program”) in its service area and access the Metropolitan Base Incentives for such, subject to MWDOC approval of the program and the terms and conditions of this Agreement and Addendum 4. The Participant Agency Administered Program(s) and requirements in connection with it are described in more detail in Addendum 4.

2.3.2 Upon receipt of approval of a Participant Agency Administered Program by MWDOC, Participant Agency is bound by the provisions of Sections 3, 5, 6, 7, and 8 of this Agreement and Addendum 4.

2.4 Exhaustion of Funding

2.4.1 In the event Participant Agency provided funding for any Program or device is exhausted, and Participant Agency does not elect to add additional funding or transfer available funding from another Program or device, MWDOC will discontinue offering the additional rebate funding for that Program or device in Participant Agency’s service area. Notwithstanding any other provision in this Agreement, MWDOC may terminate this Agreement as it relates to Section 2 at any time without prior notice in the event that MWDOC determines that funding for any device or program on Addendums 2 through 4 or MWDOC Grant Funding is exhausted, reduced, eliminated, or unavailable from any funding source, for any reason.

Section 3: Participant Agency Responsibility and Ownership

- 3.1 Participant Agency, at its sole discretion, may independently contract with its own agents under separate agreements for program administration and management for any Participant Agency Administered Program provided that doing so does not compromise program performance, create or present a conflict of interest, or violate the terms of this Agreement.
- 3.2 Participant Agency and/or its agent shall provide all necessary services and materials for such Participant Agency Administered Programs including, but not limited to the following: program administration, promotion, marketing materials, data collection, and analysis, installation verification, and reporting.
- 3.3 All materials and supplies necessary to implement a Participant Agency Administered Program shall be the exclusive property of Participant Agency. MWDOC shall have no

ownership, right, title, security interest, or other interest in any Participant Agency Administered Program materials or supplies, nor any rights duties, or responsibilities, therefor.

- 3.4 Participant Agency is responsible for assuring that any Participant Agency Administered Program complies with all federal, state, and local requirements.
- 3.5 Participant Agency agrees to cooperate with MWDOC's data management activities related to assessing device saturation and program success.
- 3.6 As part of any Participant Agency Administered Program, Participant Agency shall use, maintain, and submit to MWDOC within the designated timeframe an electronic database, to be approved by MWDOC prior to use, for any conservation items installed, distributed, or rebated by Participant Agency or its agents to avoid duplicate distributions and to determine the saturation rate of items by the appropriate geographic delineation.
- 3.7 Participant Agency is solely responsible for the performance of its staff or representatives in complying with the terms of this Agreement and for the proper allocation and appropriate use of funds provided by Metropolitan and/or MWDOC for the purpose of achieving water conservation savings under this Agreement.

Section 4: MWDOC's Obligations

- 4.1 MWDOC will be response to Participant Agency for ensuring that timely reports on the Programs' results are prepared by MWDOC's staff.
- 4.2 MWDOC will develop a database of information regarding participation in the Programs and provide monthly electronic and/or written reports of activity to Participant Agency.
- 4.3 MWDOC will invoice Participant Agency for any Participant Agency funding obligations on a monthly basis for rebates issued in the previous month.
- 4.4 MWDOC does not guarantee any minimum number of rebates will be available for Participant Agency's service area.

Section 5 Marketing.

- 5.1 Participant Agency agrees to assist in the marketing of programs it participates in under this Agreement. With regard to Participant Agency Administered Programs, Participant Agency will be solely responsible for marketing its Participant Agency Administered Program to customers in its service area.

Section 6: Installation Verification

- 6.1 Participant Agency shall be responsible for conducting installation verifications of items installed, distributed, and/or rebated by Participant Agency under Participant Agency

Administered Programs, and/or for paying all costs associated with this verification. Installation verification measures for program devices must be designed to ensure that materials, installation verifications of eligible program devices, and services meet requirements established by Metropolitan, which requirements will be provided to Participant Agency by MWDOC.

- 6.2 Participant Agency may be responsible for conducting installation verifications of items installed, distributed, and/or rebated by Participant Agency or MWDOC under MWDOC Administered Programs, and/or for paying all costs associated with this verification. Installation verification measures for program devices must be designed to ensure that materials, installation verifications of eligible program devices, and services meet requirements established by Metropolitan, which requirements will be provided to Participant Agency by MWDOC.
- 6.3 MWDOC reserves the right to conduct installation verification of items within Participant Agency's service area.
- 6.4 Participant Agency acknowledges that any device receiving funding from Metropolitan may be subject to an installation verification to be performed by Metropolitan, or its agent(s), at Metropolitan's discretion.
- 6.5 Participant Agency shall promptly refund to MWDOC any amounts paid under any Participant Agency Administered Program or MWDOC Administered Program for installed or distributed devices in the event MWDOC or Metropolitan establishes via installation verification that the program devices were not installed.

Section 7: Reporting and Invoicing

- 7.1 For any and all Supplemental Funding provided by Participant Agency and/or Participant Agency provided funding or inspection costs under the MWDOC Administered Programs pursuant to Section 2 of this Agreement, and as more particularly described in Addendums 2 and 3, MWDOC will invoice Participant Agency on a monthly basis for the cost of such funding, and Participant Agency must pay the full amount of such invoice within thirty (30) days of receipt of any such invoice.
- 7.2 For any and all Participant Agency Administered Program(s), Participant Agency will invoice MWDOC on a monthly basis, by the 10th of each month, for any approved funding and costs associated with the Participant Agency Administered Program(s) as indicated in and subject to the provisions of Addendum 4. MWDOC is under no responsibility to reimburse Participant Agency for any costs incurred by Participant Agency that are not approved by MWDOC consistent with the terms and conditions of this Agreement and Addendum 4. The invoice package shall include a fully completed, to the satisfaction of MWDOC, Excel customer/applicant spreadsheet showing program activity, and an invoice, signed by the General Manager or designee of Participant Agency, certifying the information provided as accurate. Participant Agency shall use the Excel customer/applicant spreadsheet and Invoice forms approved by MWDOC.

- 7.3 Participant Agency shall maintain all Participant Agency Administered Program information, including Participant Agency applications, water bills, and purchase receipts, for a period of seven years from the end date of this Agreement.
- 7.4 Payment of Participant Agency invoices shall be in the form of either a credit on MWDOC's water bill to Participant Agency or a check made payable to Participant Agency. Method of payment shall be at MWDOC's discretion.

Section 8: Confidentiality

- 8.1 MWDOC agrees to maintain the confidentiality of Participant Agency's customer names, addresses, and other information gathered in connection with this Agreement. MWDOC will not cause or permit the disclosure of such information except as necessary to carry out any of the MWDOC Administered or Participant Agency Administered Programs, or as required by law. To the extent that MWDOC contracts with third party contractors to carry out all or any portion of any of the Programs, MWDOC will require such contractors to maintain the confidentiality of such customer information.
- 8.2 Notwithstanding anything to the contrary in this Agreement, Participant Agency acknowledges and agrees that MWDOC may request and use historical water consumption data for purposes of satisfying any grant water use and water quality evaluation requirements of any of the Programs. Participant Agency also acknowledges and agrees that MWDOC may also request to use Program applicant information, such as name, mailing address, site photos, and email address to market other water use efficiency programs to past applicants. A similar provision will be required of every individual applicant.

Section 9. Indemnification.

- 9.1 The parties agree that each Party shall be responsible for its own actions, and the actions of its officers, employees, and agents, in performing services under this Agreement. Except as provided in this Agreement and its Addendums, each Party agrees to indemnify and hold the other Party and its officers and agents harmless and agrees to defend the other Party against any claim or asserted liability arising out of its actions, either willful or negligent, or the actions of its officers, employees, and agents, in performing services pursuant to this Agreement. Such indemnity will include any losses relating to any claim made, whether or not a court action is filed, and will include attorney fees and administrative and overhead costs related to or arising out of such claim or asserted liability.
- 9.2 Participant Agency shall include the following language in its agreement with any consultant or contractor retained by Participant Agency to work on any of the Program" "(Consultant) agrees at is sole cost and expense to protect, indemnify, defend, and hold harmless Metropolitan, MWDOC, and their associated Boards of Directors, officers, representatives, agents and employees from and against any and all claims and liability

of any kind (including, but not limited to, any claims or liability for injury or death to any person, damage to property, natural resources or to the environment, or water quality problems) that arise out of or related to Participant Agency's approval, construction, operation, repair, or ownership of any Program. Such indemnity shall include all damages and losses related to any claim made, whether or not a court action is filed, and shall include attorneys' fees, administrative and overhead costs, engineering and consulting fees, and all other costs related to our arising out of such claim or asserted liability."

Section 10. Certification re Lobbying (43 CFR 18)

10.1 The undersigned hereby certifies on behalf of Participant Agency that no Federal appropriated funds have been paid or will be paid, by or on behalf of the Participant Agency, to any person for influencing or attempting to influence an officer or employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions. To the extent federal funds are involved, the Participant Agency shall require that the language of this certification be included in the awards documents for any sub-awards by the Participant Agency at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans and cooperative agreements) and that sub-recipients, if any, shall certify accordingly.

Section 11. Other Terms

- 11.1 Any alteration or variation of the terms of this Agreement will not be valid unless made in writing and signed by both Parties.
- 11.2 This Agreement will inure to the benefit of and be binding upon the Parties and their respective successors.
- 11.3 The partial or total invalidity of one or more parts of this Agreement will not affect the intent or validity of this Agreement.
- 11.4 This agreement shall be deemed a contract made under the laws of the State of California, and for all purposes will be interpreted in accordance with such laws. The Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California, and that the venue of any action brought hereunder will be in Orange County, California.

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11.5 This Agreement constitutes the entire agreement between the Parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.


MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY

IRVINE RANCH WATER DISTRICT

By: 
Robert J. Hunter
General Manager
Date: 7-14-15

By: 
Paul Cook
General Manager
Date: 7-9-15

Approved as to Form:
Bowie, Arneson, Wiles & Giannone


Joan C. Arneson
Legal Counsel
Date: 6/25/15

**FIRST AMENDMENT TO WATER CONSERVATION PARTICIPATION
AGREEMENT**

This First Amendment to Water Conservation Participation Agreement (“First Amendment”) is effective on July 1, 2016 (“Effective Date”), by and between the Municipal Water District of Orange County (“MWDOC”) and Irvine Ranch Water District (“Participant Agency”) MWDOC and Participant Agency may be collectively referred to as “Parties” and individually as “Party.”

RECITALS

- A. MWDOC and Participating Agency entered into a Water Conservation Participation Agreement regarding the Participating Agency’s participation in certain water conservation programs (“Agreement”).
- B. The Parties now desire to amend the Agreement to make certain changes to provisions regarding verification of the installation of items and devices installed as part of certain water conservation incentive programs.

TERMS

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Agreement as follows:

- 1. Amendment. Section J is added to the Recitals to read as follows:
 - “J. The purpose of this Agreement is also to acknowledge that Participating Agency is participating in MWDOC’s Choice Water Use Efficiency Program (“WUE Program”) and in doing so is agreeing to pay for its proportionate share of MWDOC’s administrative and direct program costs of the WUE Program.”
- 2. Amendment. Section 1.7 is added to the Agreement to read as follows:
 - “1.7 Participating Agency understands that by entering into this Agreement it is participating in MWDOC’s Choice Water Use Efficiency Program (“WUE Program”) and agrees to pay MWDOC for its proportionate share of MWDOC’s costs for administering the WUE Program based on Participating Agency’s level of participation in the WUE Program. MWDOC will annually invoice Participating Agency.

3. Amendment. Section 6 is amended in its entirety to read as follows:

“Section 6: Installation Verification/Inspection

- 6.1 Participant Agency shall be responsible for conducting installation verifications/inspections of items and devices installed, distributed, and/or rebated by Participant Agency under Participant Agency Administered Programs to ensure compliance with program requirements, and/or for paying all costs associated with this verification/inspection. Installation verification/inspection measures must be designed to ensure that materials, installation verifications/inspections of eligible program items and devices, and services meet requirements established by Metropolitan and MWDOC, which requirements will be provided to Participant Agency by MWDOC as Attachment A.
- 6.2 Participant Agency shall be responsible for conducting installation verifications/inspections of items or devices installed, distributed, and/or rebated by Participant Agency or MWDOC under MWDOC Administered Programs to ensure compliance with program requirements, and/or for paying all costs associated with this verification/inspection. Installation verification/inspection measures for program items and devices must be designed to ensure that materials, installation verifications/inspections of eligible program items and devices, and services meet requirements established by Metropolitan and MWDOC, which requirements will be provided to Participant Agency by MWDOC as Attachment A.
- 6.3 Participant Agency may elect to (1) conduct its own installation verifications/inspections by either utilizing its in-house staff or contracting with a third party vendor of its choice; or (2) utilize MWDOC’s installation verification/inspection contractor to conduct the installation verification/inspections. If Participant Agency elects to utilize MWDOC’s verification/inspection vendor, Participant Agency may elect to contract directly with MWDOC’s verification/inspection vendor. If Participant Agency elects not to enter into such contract, MWDOC, in MWDOC’s sole discretion, may require that Participant Agency contract directly with MWDOC’s verification/inspection vendor.

6.3.1 Notwithstanding any other provision in this Agreement, Participant Agency understands and agrees that if Participant Agency utilizes MWDOC’s verification/inspection vendor, Participant Agency must still comply with all of the requirements of this Agreement, including the refund requirements in Section 6.6, and MWDOC is in no way liable or responsible for the acts or omissions of such vendor and makes no

representations or warranties regarding the quality of such vendor's work. Participant's sole recourse as to any action, claims or damages arising out of the acts or omissions of MWDOC's verification/inspection vendor is with the vendor and not with MWDOC.

- 6.4 MWDOC reserves the right to conduct installation verification/inspection of items and devices within Participant Agency's service area.
- 6.5 Participant Agency acknowledges that any item or device receiving funding from Metropolitan may be subject to an installation verification/inspection to be performed by Metropolitan, or its agent(s), at Metropolitan's discretion.
- 6.6 Participant Agency shall promptly refund to MWDOC any amounts paid under any Participant Agency Administered Program or MWDOC Administered Program for installed or distributed items or devices, including any grant funds, in the event MWDOC or Metropolitan establishes via installation verification/inspection and/or audit that the program items or devices were not installed in compliance with the requirements established by Metropolitan and MWDOC pursuant to this Agreement. If such a refund is not provided to MWDOC within thirty (30) days of request, the requested amount may be debited by MWDOC on Participating Agency's next water service invoice.
- 6.7 "Items" and "devices" includes, but is not limited to, plumbing fixtures, irrigation devices, turf (removal and replacement), and any other items, devices or materials that are installed in connection with a program covered by this Agreement.

4. Authority to enter into First Amendment. Each Party represents to the other that the person executing this First Amendment has the requisite power and authority to execute the First Amendment and to bind each respective Party.

5. Continuing Effect of Agreement. Except as amended by this First Amendment, all other provisions of the Agreement remain in full force and effect. From and after the date of this First Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this First Amendment.

6. Execution in Counterparts. This First Amendment may be executed in duplicate counterparts, each of which shall be deemed an original.

MWDOC and Participating Agency have each caused this First Amendment to be executed by its duly authorized representative as of the date set forth below the authorized signature.

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment.

MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY

PARTICIPANT AGENCY

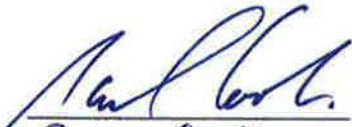
By: _____
Robert Hunter
General Manager

Date: _____

Approved as to Form:


Joseph Byrne
General Counsel

Date: _____

By: 
Name Paul Cook
Title General Manager

Date: 18 OCTOBER 2016

Approved as to Form:



Joan C. Arneson
General Counsel

Date: September 8, 2016

Exhibit “B”

Rebate Program Funding Allocation FY 2018-19

Program	Maximum Funding	Devices	IRWD Rebate Funding Level Per Device
<u>SoCal WaterSmart Residential Program</u>	\$300,000	High Efficiency Clothes Washer	\$165
		High Efficiency Toilet (Premium)	\$110
		Residential Smart Timer	Up to \$75
		Rotating Nozzle	\$2 per nozzle

Program	Maximum Funding	Devices	IRWD Rebate Funding Level Per Device
<u>SoCal WaterSmart Commercial Program</u>	\$300,000	Commercial High Efficiency Toilet	\$60
		Multi-Family High Efficiency Toilet	\$110
		Zero Water/Ultra Low Water Urinals	\$100
		Connectionless Food Steamer	\$485 Per Compartment
		Commercial Ice Making Machine (Tier III)	\$250
		Cooling Tower Conductivity Controller	\$700
		Cooling Tower pH Controller	\$400
		Rotating Nozzle	\$2 per nozzle
Water Savings Incentive Program	\$300,000	Performance Based	\$3 Per 1,000 gallons/ 1 year
Turf Removal Program	\$250,000	Turf Removal	Not to exceed \$2/sqft
Spray to Drip Program	\$50,000	Spray to Drip Conversion	Not to exceed \$0.20/sqft
Total Funding for All Rebate Programs	\$1,200,000		

June 11, 2018

Prepared by: Tony Mossbarger

Submitted by: Cheryl Clary

Approved by: Paul A. Cook



ACTION CALENDAR

INFORMATION SERVICES PROFESSIONAL SERVICES SUPPORT CONTRACT RENEWALS

SUMMARY:

IRWD requires additional resources to supplement existing staff to support and operate the Oracle Financial and Customer Care and Billing (CC&B) systems. In 2017, the Board authorized various outside service providers to assist with providing information technology services through June 2018. The providers include Infosys, who was the CC&B systems integrator, to provide managed support services; Outsource Technical to provide on-call programming, analysis, project management, and networking services; and Skoruz Technologies, experienced in providing on-call programming, analysis and project management services. Staff has identified the need to continue these support services through Fiscal Year (FY) 2018-19. In addition, staff has identified specific one-time CC&B-related projects for completion by Infosys. Staff recommends the Board authorize the General Manager to execute Professional Services Agreements for the period July 1, 2018 to June 30, 2019 as follows:

- Infosys, Ltd. for \$300,000 for support services and one-time special projects,
- Outsource Technical for \$225,000 for on-call programming, analysis, project management, and networking services, and
- Skoruz Technologies for \$225,000 for on-call programming, analysis, and project management services.

BACKGROUND:

Utility Billing Support Services:

A utility billing software support services contract was awarded to Infosys in June 2017 for \$300,000. The contract provided managed support services for the FY 2017-18, and included one-time projects which staff did not have the existing resources to complete.

Infosys has provided IRWD with managed support services for the Oracle CC&B system since August 2014. It provides highly skilled, experienced, and reliable resources who are knowledgeable with IRWD's systems, standards, and staff. Infosys has proven that it can provide additional resources to handle urgent projects with tight deadlines, as was done with the programming changes for the Utility Bill redesign project during FY 2017-18.

Staff has identified the need to continue the software support services agreement for the period July 1, 2018 through June 30, 2019. Under the proposed scope, Infosys will continue to provide support for issues involving a high degree of complexity, while District staff will handle routine and less complex requests. The proposed software support services contract will run from

July 1, 2018 through June 30, 2019, and is needed due to internal staffing and resource availability. The proposed support request is for \$22,880 per month for 12 months totaling \$274,560; this proposed contract for services from Infosys is the same as last year's contract.

In addition to the software support services, staff has identified certain additional one-time projects which staff does not have the existing resources to complete. These projects include:

- Implementation of new bill formats for the revised customer bills,
- Implementation of rates and charges for Fats Oils and Greases (FOG), and
- Modifications in CC&B required for new functions in the GIS Field Mapplet application.

The cost of the additional one-time projects totals \$25,440. The scope for the software managed support services is included in Exhibit "A".

Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Infosys Ltd. for \$300,000.

On-Call Programming and Analysis Services:

Staff currently utilizes on-call programming and analysis resources to provide support to regular positions. There is an ongoing need for programming, analysis, project management, and network assistance related to the District's software systems and networks as a result of several major capital projects the District has recently undertaken, including the Maximo Enterprise Asset Management software implementation project, as well as smaller scale software and networking projects. Additionally, consultants with the required skills can be retained to backfill staff vacancies due to special projects or leaves of absence. Staff proposes to retain the on-call services of programmers, analysts, project managers, and network consultants.

Outsource Technical:

Outsource Technical has provided IRWD with on-call programming and analysis services for the District's Oracle systems since November 2012. It provides highly skilled, experienced, and reliable resources that are very familiar with IRWD's systems, standards, and staff. Outsource Technical has consistently provided quality resources to handle urgent projects, as it did with the Oracle Financial System Software Upgrade and Project Management implementation project. The pricing for on-call programming and analysis services remains the same for this year's proposed contract. Outsource Technical's proposal with related fee schedule is attached as Exhibit "B". Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Outsource Technical for \$225,000.

Skoruz Technologies:

Skoruz Technologies will provide IRWD with on-call programming and analysis services for the District's Oracle systems. It provides highly skilled, experienced, and reliable resources that are very familiar with IRWD's systems, standards, and staff. Skoruz Technologies will provide IRWD with an alternative source to Outsource Technical for quality resources to handle urgent

projects. The pricing for on-call programming and analysis services remains the same for this year's proposed contract. Skoruz Technologies' proposal with related fee schedule is attached as Exhibit "C". Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with Skoruz Technologies for \$225,000.

FISCAL IMPACTS:

These amounts are budgeted in the FY 2018-19 budget or in the current expense authorizations of affected projects or will be utilized to offset regular labor until the vacant position is filled. These professional services will be charged to the appropriate projects or expense account.

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 June 5, 2018.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE GENERAL MANAGER TO EXECUTE PROFESSIONAL SERVICES AGREEMENTS FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019 WITH INFOSYS LTD. FOR \$300,000 FOR MANAGED SUPPORT SERVICES AND ONE-TIME PROJECTS; OUTSOURCE TECHNICAL FOR \$225,000 FOR ON-CALL PROGRAMMING, ANALYSIS, PROJECT MANAGEMENT, AND NETWORKING SERVICES; AND SKORUZ TECHNOLOGIES FOR \$225,000 FOR ON-CALL PROGRAMMING, ANALYSIS, AND PROJECT MANAGEMENT SERVICES.

LIST OF EXHIBITS:

- Exhibit "A" –Infosys Scope for Managed Support Services and Change Request
- Exhibit "B" – Outsource Technical Proposal for On-Call Programing, Analysis, Project Management, and Networking Services
- Exhibit "C" – Skoruz Technologies Proposal for On-Call Programing, Analysis, and Project Management Services

Exhibit "A"

ICE: Application Support and Maintenance

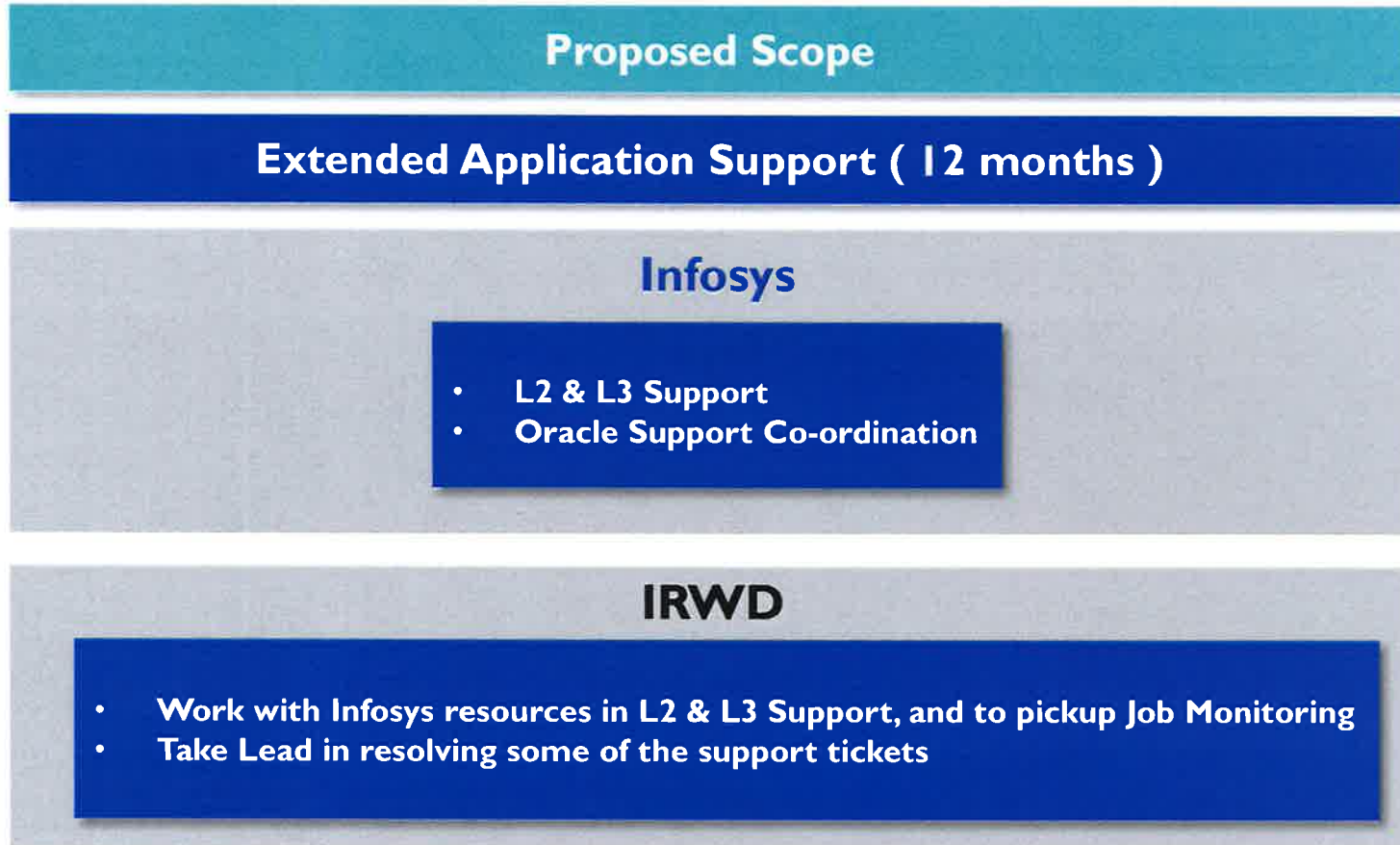


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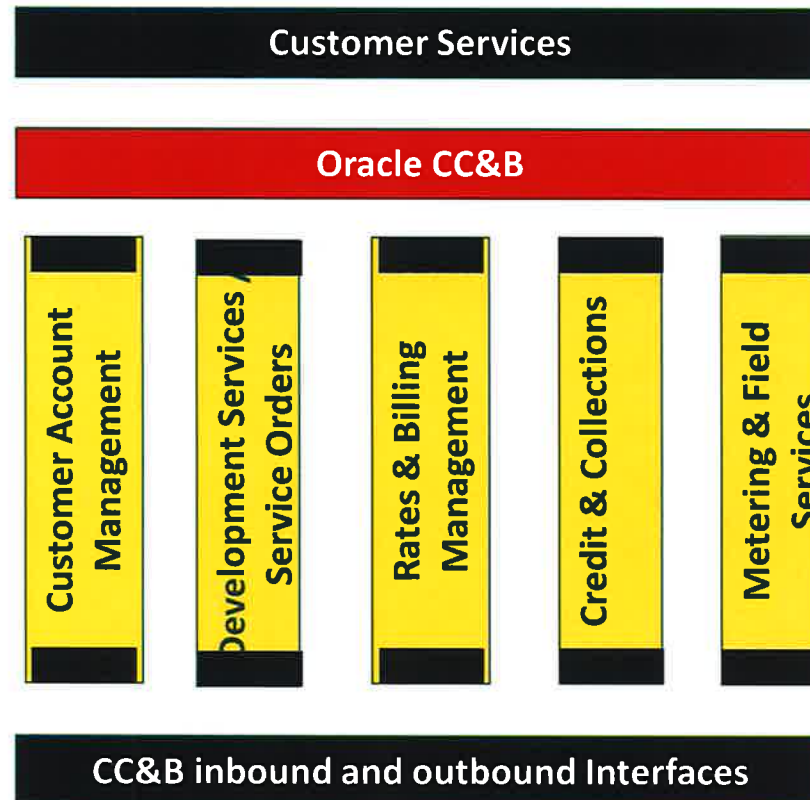
Table of Contents

- Proposed Support Model
- In-scope application portfolio
- In Scope / Out of Scope
- Solution Assumptions
- Commercials
- Timelines and Milestones
- Application Support & Maintenance Ticket Trend
- Application Support & Maintenance Open Ticket Trend

Proposed Support Model



In-scope application portfolio



In Scope / Out of Scope

In Scope

Level 2 Support Activities:

- Incident investigation, diagnosis and the delivery of workarounds and resolutions without code changes.
- Escalation/closure of unresolved issues to Level 3 support.
- Providing quick fixes for any data issues.
- Escalation of key product issues with Oracle and manage the lifecycle of the particular Service Request for the same.
- Incident notification (send mail to stakeholders, etc.),
- Incident Follow up, Incident Closure.

Level 3 Support Activities:

- Problem analysis and provide resolution by way of code fixes.
- Root cause analysis for recurring issues for preventive maintenance.
- Configuration changes related to bug fixes.
- Support for application-specific data issues which impacts the database.
- BIP support activities for reporting requirements with minor changes.

Out of Scope

Level 1 Support Activities:

- Batch Jobs monitoring and quick fixes for Batch job failures
- Handling direct calls from customers or Help desk support activities
- Infrastructure support and related testing activities
- Desktop and client connectivity support
- Major Enhancements and Product Upgrades
- Core DBA and App DBA support for CC&B, OBIU and BIP admin activities.
- Accuzip support activities
- Weekend/ On-Call Support (Beeper support)
- Minor Enhancements
- OUBI
- Bills, Letters (like Invoice, Master agreement, Mater Bond, Cross connection letters etc.) and report formatting

Solution Assumptions

- Additional staffing required for sudden surge in number of tickets per month will be mutually agreed and staffed
- IRWD IS team to drive the business interactions to follow-up on the tickets which include incidents and service request for user verification and closure.
- Support will be provided in the normal office hours for onsite and offshore locations
 - Onsite Office hours : 9:00 AM PST/PDT – 5:30 PM PST/PDT
 - Offshore Office hours : 8:30 PM PST/PDT – 5:00 AM PST/PDT
- Any request to provide production support out of the above office hours at onsite will be considered as additional scope as this involves overtime charges.

Service Level Agreement

- Total fixed price for **12 months of L2/L3 support** is **274,560 USD**
- Ticket scope and resource loading details are provided below
- In addition to tickets, 40 hours per month considered for adhoc requests
- No Enhancements hours
- Only CC&B Technical Resources are considered for the support. OUBI applications are not considered in the scope.
- Tickets per month count includes service requests, Incidents, adhoc requests and impact assessment for the change requests before they convert to approved CR's.

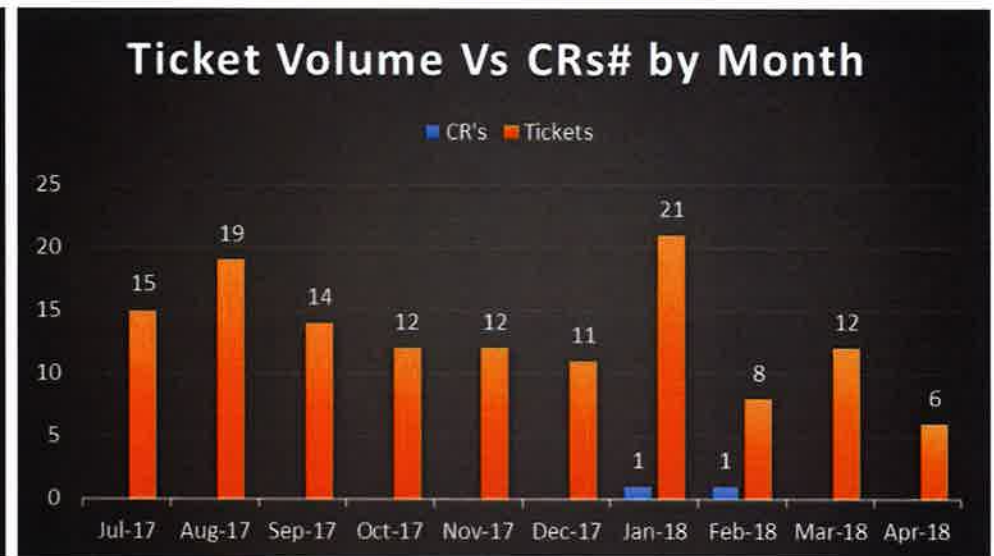
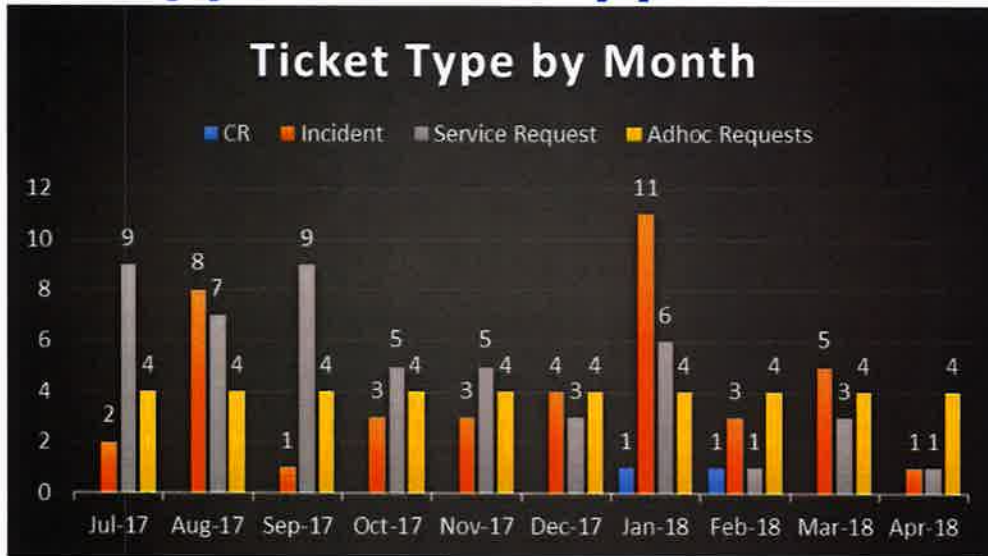
	Jul'18	Aug'18	Sep'18	Oct'18	Nov'18	Dec'18	Jan'19	Feb'19	Mar'19	Apr'19	May'19	June'19
Tickets Per Month	13	13	13	13	13	13	13	13	13	13	13	13
Onsite Resource	1	1	1	1	1	1	1	1	1	1	1	1
Offshore Resource	1	1	1	1	1	1	1	1	1	1	1	1

Timelines and Milestones

- This New Support extension is for a period of **12 months starting 01 July, 2018 to 30 June, 2019** and below are the monthly milestones during this support period.

M#	Description	Milestone Date	Services Amount
M1	July Milestone	1-Aug-18	\$22,880.00
M2	August Milestone	1-Sep-18	\$22,880.00
M3	September Milestone	1-Oct-18	\$22,880.00
M4	October Milestone	1-Nov-18	\$22,880.00
M5	November Milestone	1-Dec-18	\$22,880.00
M6	December Milestone	1-Jan-19	\$22,880.00
M7	January Milestone	1-Feb-19	\$22,880.00
M8	February Milestone	1-Mar-19	\$22,880.00
M9	March Milestone	1-Apr-19	\$22,880.00
M10	April Milestone	1-May-19	\$22,880.00
M11	May Milestone	1-Jun-19	\$22,880.00
M12	June Milestone	28-Jun-19	\$22,880.00
		TOTAL	\$274,560.00

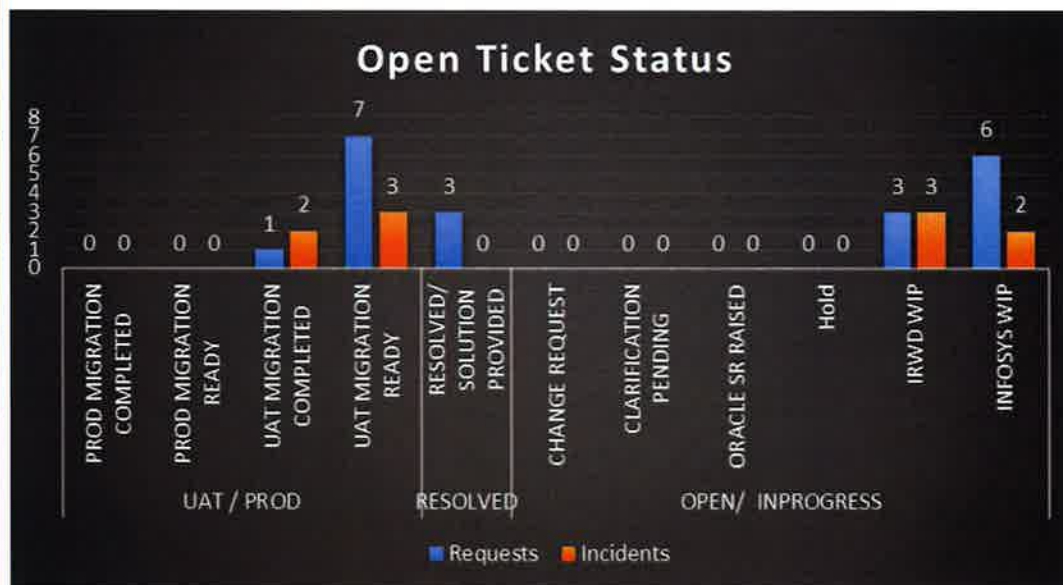
Application Support & Maintenance Ticket Trend



- ❑ Based on the inflow of tickets (Incident and Service requests), 13 tickets per month have been considered in scope for the support extension. This is same as in the current contract.
- ❑ Average time spent by team is considered 23 Hours per ticket.
- ❑ In addition, team has also worked on few adhoc requests 4~ per month. An average effort of 40~ Hrs. per month has been considered in scope for such adhoc requests.
- ❑ Ticket volumes captured for April is as of WSR reporting in April 2018, more tickets to be added to the list by end of June.

Application Support & Maintenance Open Ticket Trend

Status Type	Status Description	Requests	Incidents
UAT / PROD	PROD MIGRATION COMPLETED	0	0
	PROD MIGRATION READY	0	0
	UAT MIGRATION COMPLETED	1	2
	UAT MIGRATION READY	7	3
RESOLVED	RESOLVED/ SOLUTION PROVIDED	3	0
OPEN/ INPROGRESS	CHANGE REQUEST	0	0
	CLARIFICATION PENDING	0	0
	ORACLE SR RAISED	0	0
	Hold	0	0
	IRWD WIP	3	3
	INFOSYS WIP	6	2
Totals		20	10



- ❑ Open ticket status is based on the WSR reporting week 15th April 2017
- ❑ We would have around 35~ open tickets with following status (In-Progress, Change Control Board, Clarification Pending, Oracle SR Raised), which would be carry forward to the next support Jul'17 to Jun'18. Team would continue to support these tickets for successful production deployment as per business priorities.

Thank You

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Exhibit "B"



May 1st, 2018

Irvine Ranch Water District
Attn: Tony Mossbarger, Director of Information Technology
15600 Sand Canyon Avenue
Irvine, CA 92619-7000

Dear Mr. Mossbarger,

Proposal for Information Technology (IT) Professional Services and Consulting

OS Technical (OST) is pleased to submit this proposal to provide Information Technology Professional Services and Consulting in response to your request.

OST is an IT consulting firm providing professional services to both public and private sector clientele. Our emphasis is providing experienced technical consultants on an on-demand basis to support enterprise software projects. OST has been in business for over 20 years and is headquartered in Newport Beach, CA. We have extensive experience providing IT professional services and consultants to numerous clients who continue to do business with us year after year. A few of our clients are Edwards Lifesciences, Pacific Dental Services, Newport Corporation, County of Orange, Irvine Company, PIMCO, Pacific Life and CareMore among many others.

OST has been providing IT professional services and consulting for Irvine Ranch Water District (the District) since February 2013 with an emphasis on Oracle R-12 E-Business Suite. During this time, we have provided subject matter expertise to support enterprise software implementations, customizations and quality assurance. Services include:

- Attending project meetings as requested by the District
- Producing monthly billings in a form acceptable to the District
- Participating in weekly project status phone calls with Mohit Saini, the Project Lead for the District
- Providing IT Professional Services and Consulting as requested by the District

Our staff executing the delivery of IT professional services and consulting will consist of:

Mr. Steven Shwam, Senior Account Executive - Mr. Shwam has been with OST for 10 years. He has provided IT professional services and consultants for enterprise software projects for clientele including CareMore, Molina Healthcare, Pacific Dental Services, Forever 21, and ICU Medical among others. Steven will be the primary point of contact for the District, providing delivery of IT professional services and consulting per the direction of the District.

Ms. Yasmine Kavandi, Recruiting Manager - Ms. Kavandi has been working with OST for 3 and a half years. Yasmine has over 12 years of experience sourcing and screening technical professionals for deployment on enterprise software projects. Her competencies include Oracle EBS, .Net and Java.



Work will be billed at the following rates:

Hourly Rates

Project Management	\$128.00-\$144.00
Oracle DBA	\$120.00-\$135.00
Oracle Analyst	\$115.00-\$125.00
Oracle Developer	\$105.00-\$150.00
Software QA	\$90.00-\$100.00
IT Network & Systems Support	\$65.00-\$85.00

Our project delivery teams are paid current prevailing wage rates and we have insurance coverage that meets or exceeds the minimum District requirements.

If you have any questions, or I can be of further assistance, please call.

Sincerely,

Steven Shwam
Sr. Account Executive
OS Technical



Skoruz : Oracle Practice Proposal for IRWD

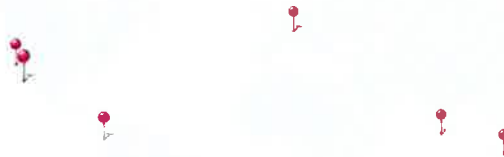
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About Skoruz

Skoruz Technologies Inc, is a global IT solutions and services provider and a technology partner with 450+ professionals and 10 delivery centers across 6 countries. We emphasize on enabling our customers to achieve competitive advantage through our flexible global delivery models and frameworks.

Our thought leadership envisions in providing Turn-key solutions by combining far-reach and local presence to deliver optimal value for wide range of businesses.



Oracle Consulting Pricing

Engagement	Skillset/Expertise	Experience in Years	Rate Per Hour	Discounted Rate
Staffing	Technical Consultant	4+	\$80	\$72
		8+	\$90	\$81
	Functional Consultant/ Business Analyst	4+	\$90	\$81
		8+	\$120	\$108
	Techno-functional Consultant	4+	\$90	\$81
		8+	\$120	\$108
	DBA	4+	\$90	\$81
		8+	\$110	\$99
	Project Manager	10+	\$120	\$108
Implementation/ Rollout	Technical Consultant	4+	\$75	\$68
		8+	\$85	\$77
	Functional Consultant/ Business Analyst	4+	\$85	\$77
		8+	\$100	\$90
	Techno-functional Consultant	4+	\$85	\$77
		8+	\$95	\$86
	DBA	4+	\$90	\$81
		8+	\$100	\$90
	Project Manager	10+	\$110	\$99