



**REGULAR BOARD MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CALIFORNIA
ADMINISTRATIVE FACILITY, BOARD ROOM
APRIL 21, 2022 AT 7:00 PM**

BOARD OF DIRECTORS

Don Chadd, President
Stephen Dopudja, Vice President
Glenn Acosta, Director
Edward Mandich, Director
Michael Safranski, Director

DISTRICT STAFF

Fernando Paludi, General Manager
Michael Perea, District Secretary
Cindy Byerrum, District Treasurer
Hanson Bridgett LLP, District General Legal Counsel

AGENDA NOTE:

Trabuco Canyon Water District (District) will make this Regular Board Meeting available by telephone audio as follows:

Telephone Audio: 1 (669) 900-6833 (Toll Free) **Access Code:** 913-8681-1652

Persons desiring to monitor the Board meeting agenda items may download the Board meeting agenda and documents on the internet at www.tcwd.ca.gov. You may submit public comments by email to the Board at mperea@tcwd.ca.gov. In order to be part of the record, emailed comments on meeting agenda items must be received by the District, at the referenced e-mail address, not later than 6:00 p.m. (PDT) on the day of the meeting.

CALL MEETING TO ORDER & PLEDGE OF ALLEGIANCE

RECOGNITION OF STAFF PROMOTION - MR. OSCAR ULLOA, WASTEWATER OPERATIONS SUPERINTENDENT

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action on item(s) that arose subsequent to posting the Regular Board Meeting agenda.

VISITOR PARTICIPATION

Members of the public wishing to address the Board regarding a particular item on the agenda are requested to submit public comments by email to the Board at mperea@tcwd.ca.gov. Public comments may also be submitted by teleconference during the meeting. The Board President will call on the visitor following the Board's discussion about the matter. Members of the public will be given the opportunity to speak prior to the Board taking action on that item. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

ORAL COMMUNICATION

Members of the public who wish to make comment on matters not appearing on the agenda are requested to submit oral communication by email to the Board at mperea@tcwd.ca.gov. Public comments may also be submitted by teleconference during the meeting. Under the requirements of State Law, Directors cannot take action on items not identified on the agenda and will not make decisions on such matters. The Board President may direct District Staff to follow up on issues as may be deemed appropriate. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

DIRECTORS' COMMENTS AND MEETING REPORTS

REPORT FROM THE GENERAL MANAGER

CONSENT CALENDAR

All matters under the Consent Calendar will be approved by one motion unless a Board member or staff member requests a separate action on a specific item.

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

RECOMMENDED ACTION

Approve the minutes of the following Board Meetings:

- 1. February 8, 2022 Special Board Meeting*
- 2. March 17, 2022 Regular Board Meeting*

ITEM 2: TREASURER’S REPORT

a. *FINANCE/AUDIT COMMITTEE MEETING*

RECOMMENDED ACTION:

Receive and file the following Finance/Audit Committee Meeting Recap(s):

- 1. March 9, 2022*

b. *PRESENTATION OF FINANCIALS*

RECOMMENDED ACTION:

Receive and file the preliminary statement(s) of revenues and expenses and preliminary unaudited financials for the following month(s):

- 1. February 2022*

c. *PAYMENT OF BILLS FOR CONSIDERATION*

RECOMMENDED ACTION:

Ratify the payment of bills for consideration, Payroll and Payroll Taxes for March 2022.

ITEM 3: ENGINEERING/OPERATIONAL COMMITTEE MEETING

RECOMMENDED ACTION:

Receive and file the following Engineering/Operational Committee Meeting Recap(s):

- 1. March 2, 2022*

ITEM 4: EXECUTIVE COMMITTEE MEETING

RECOMMENDED ACTION:

Receive and file the following Engineering/Operational Committee Meeting Recap(s):

- 1. March 2, 2022*



ACTION CALENDAR

All matters under the Action Calendar have been reviewed by the General Manager and Staff prior to the Board's consideration.

ADMINISTRATIVE MATTERS

ITEM 5: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ ATTENDANCE

RECOMMENDED ACTION:

Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from the following period(s):

1. March 2022

FINANCIAL MATTERS

ITEM 6: DISTRICT FINANCIAL ANALYSIS AND RATE STUDY CONTRACT AWARD

RECOMMENDED ACTION:

Authorize the General Manager to execute an agreement with IB Consulting for a Financial Analysis and Rate Study for \$97,620 plus a 10% contingency of \$9,762, for a total not-to-exceed amount of \$107,382.

ITEM 7: APPROVAL OF DISTRICT EXPENSE REIMBURSEMENT POLICY AND PROCEDURES UPDATE

RECOMMENDED ACTION:

Approve the proposed Expense Reimbursement Policy and Procedures Update and rescind the Expense Reimbursement Guidelines approved on January 17, 1996.

ITEM 8: DISCUSSION CONCERNING MUNICIPAL WATER DISTRICT OF ORANGE COUNTY PROPOSED FISCAL YEAR 2022/23 RATES, CHARGES, AND BUDGET

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

ITEM 9: DISCUSSION CONCERNING DISTRICT PROPOSED FISCAL YEAR 2022/2023 GENERAL FUND AND CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET ASSUMPTIONS

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

ENGINEERING MATTERS

ITEM 10: BIOLOGICAL RESOURCES ASSESSMENT AND MAPPING SERVICES CONTRACT AWARD

RECOMMENDED ACTION:

Authorize the General Manager to contract with Psomas Engineering for Biological Resources Assessment and Mapping Services for a not to exceed amount of \$13,925 with a 10% contingency for a total of \$15,318.



**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING AGENDA | APRIL 21, 2022**

ITEM 11: DISCUSSION CONCERNING THE 2022 WATER QUALITY REPORTS

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate

ITEM 12: SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) JOINT POWERS AGREEMENT JPA DISCUSSIONS UPDATE

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate

LEGISLATIVE AND OTHER MATTERS

ITEM 13: DROUGHT AND WATER SUPPLY UPDATE

RECOMMENDED ACTION(S):

Receive information at the time of the meeting and take action(s) as deemed appropriate.

ITEM 14: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

RECOMMENDED ACTION(S):

Receive information at the time of the meeting and take action(s) as deemed appropriate.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

ITEM 15: _____

ITEM 16: _____

GENERAL COUNSEL REPORT

Reports or comments from the District's General Counsel

OTHER INFORMATION/MATTERS

Reports or comments from the General Manager and/or Staff

ADDITIONAL DIRECTORS' COMMENTS

Additional reports or comments from Directors

END ACTION CALENDAR & ADJOURNMENT



**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING AGENDA | APRIL 21, 2022**

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 Trabuco Canyon 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 at the Trabuco Canyon Water District Administrative Facility, 32003 Dove Canyon Drive, Trabuco Canyon, California (District Administrative Facility) and will be posted online on the District's website located at www.tcwd.ca.gov. If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available online at www.tcwd.ca.gov at the same time as they are distributed to the Board Members, except that, if such writings are distributed immediately prior to or during the meeting, they will be posted online on the District's website located at www.tcwd.ca.gov.

COMPLIANCE WITH THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 54954.2

In compliance with California law and the Americans with Disabilities Act, if you need special disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 858-0277, at least 48 hours in advance of the scheduled Board meeting. Notification at least 48 hours prior to the meeting will assist the District in making reasonable arrangements to accommodate your request. The Board Meeting Room is wheelchair accessible.

FUTURE SCHEDULED REGULAR BOARD MEETINGS OF THE BOARD OF DIRECTORS

Upcoming Regular Meetings of the Board are expected to be held at the District Administrative Facility (Board Meeting Room) located at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679 and are currently scheduled as follows:

May 19, 2022 | June 16, 2022 | July 21, 2022



**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

CONSENT CALENDAR

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

RECOMMENDED ACTION

Approve the minutes of the following Board Meetings:

- 1. February 17, 2022 Regular Board Meeting*

CONTACTS (staff responsible): PALUDI/PEREA/SANGI



MINUTES OF THE SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | FEBRUARY 8, 2022

The Special Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on February 8, 2022 was called to order by President Chadd at 4:00 p.m., via conference call in the Board Room at the District Administrative Facility, located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Secretary, transcribed the minutes thereof.

DIRECTORS PRESENT

President Don Chadd
Vice President Stephen Dopudja
Director Glenn Acosta
Director Edward Mandich
Director Michael Safranski

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Lisa Marie Sangi, Executive Assistant

DISTRICT CONSULTANTS VIA CONFERENCE CALL

Claire Collins, Hanson Bridgett LLP – District General Counsel
Cindy Byerrum, Eide Bailly – District Treasurer
Lora Carpenter, Fieldman Rolapp
Robert Porr, Fieldman Rolapp
Brent Scharnberg, Stadia Realty
Cyrus Torabi, Stradling Law

PUBLIC PRESENT

None

PLEDGE OF ALLEGIANCE

Director Dopudja led the Board of Directors, District staff, and the audience in the Pledge of Allegiance.

ITEMS TOO LATE TO BE AGENDIZED

None

DIRECTOR'S COMMENTS

Director Mandich reported on his attendance at the City of Rancho Santa Margarita (RSM) City Council Meeting, and he mentioned that Santa Margarita Water District delivered a presentation on a proposed recycled water expansion project in the city.

Director Safranski shared positive feedback that he received concerning District employees and commended their hard work.

**TRABUCO CANYON WATER DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES | FEBRUARY 8, 2022**

REPORT FROM THE GENERAL MANAGER

There were no comments received.

ACTION CALENDAR

ITEM 1: CONSIDERATION AND POSSIBLE ACTION(S) REGARDING ADOPTING A DEBT MANAGEMENT POLICY FOR THE TRABUCO CANYON WATER DISTRICT

Mr. Paludi introduced the District’s consultants on this matter to the Board of Directors, and he reported that the adoption of the proposed debt management policy is an integral component to this issuance of debt as proposed. Ms. Collins reported that the District’s bond council has prepared a debt management policy with a prudent approach to the issuance and refinancing of debt.

Director Safranski expressed his appreciation for everyone’s hard work and effort on the preparation of this policy, and he recommended including additional language related to generational equity, specifically related to District investment in facilities and infrastructure. Ms. Collins indicated that District legal counsel will incorporate this recommended language into the policy.

Director Acosta thanked staff for their work on this matter, and he suggested the addition of language concerning funding and maintaining reliable infrastructure as well as the including the District’s mission statement

Director Dopudja commended staff and consultants for their work on this policy, and he suggested additional language regarding generational equity.

Action: A motion was made by Director Dopudja and seconded by Director Acosta to approve and adopt the Debt Management Policy for the Trabuco Canyon Water District.
The motion carried 5 – 0.

ITEM 2: CONSIDERATION AND POSSIBLE ACTION(S) REGARDING A RESOLUTION APPROVING THE ISSUANCE OF A NEGOTIABLE PROMISSORY NOTE FOR THE PURPOSE OF FINANCING CAPITAL PROJECTS & AUTHORIZING THE EXECUTION & DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH & CERTAIN OTHER MATTERS

Mr. Paludi introduced this matter, and he commended the Board for their support of District staff to pursue this funding in accordance with the 2020 Rates and Charges Study. Ms. Carpenter delivered a PowerPoint presentation on the specifics of the proposed promissory note of \$10M, including interest rates and payback periods. Discussion occurred concerning the loan structure and other financial-related matters. Ms. Carpenter highlighted the semi-annual payment periods and issuance costs. Mr. Paludi provided a brief review of the projected capital expenditures (CIP) with the Board of Directors. Discussion occurred concerning the CIP schedule and the flexibility of project postponement in the event market costs exceed planned project costs.

Action: A motion was made by Director Safranski and seconded by Director Mandich to Adopt Resolution No. 2022-1303 – Resolution of the Board of Directors of the Trabuco Canyon Water District Approving the Issuance of a Negotiable Promissory Note for the Purpose of Financing Capital Projects and Authorizing the Execution and Delivery of Certain Documents in Connection Therewith and Certain Other Matters.
The motion carried 5 – 0.

ADJOURNMENT

President Chadd adjourned the February 8, 2022 Special Board Meeting 4:50 p.m.



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | MARCH 17, 2022

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on March 17, 2022 was called to order by President Chadd at 7:00 p.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Perea, District Secretary, transcribed the minutes thereof.

DIRECTORS PRESENT

President Don Chadd
Vice President Stephen Dopudja
Director Glenn Acosta
Director Michael Safranski
Director Edward Mandich

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Lorrie Lausten, District Engineer
Gary Kessler, Water Operations Superintendent
Lisa Marie Sangi, Executive Assistant/Assistant District Secretary

DISTRICT CONSULTANTS PRESENT

Claire Collins, General Legal Counsel – Hanson Bridgett LLP
Laura Ratcliff, General Legal Counsel – Hanson Bridgett LLP

PUBLIC PRESENT VIA CONFERENCE CALL

Beth Heard, resident

PUBLIC PRESENT

Rob Hunter, General Manager - Municipal Water District of Orange County (MWDOC)

PLEDGE OF ALLEGIANCE

Director Safranski led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

RECOGNITION OF MR. THINH NGUYEN FOR HIS TWENTY-YEARS OF SERVICE TO THE DISTRICT.

Mr. Paludi introduced Mr. Thinh Nguyen and his family to the Board of Directors, and he expressed his appreciation for Mr. Nguyen's service to the District.

Mr. Perea expressed his gratitude to Mr. Nguyen for his twenty-years of service to the District and its customers, commended his high work ethic and dedication, and commented that he was one the District's hardest working employees.

Director Chadd commended Mr. Nguyen as an employee that always went above and beyond, also indicated that he was the hardest working employee he has known in his career.

The Board commented on his accomplished years of service and wished Mr. Nguyen a long and happy retirement.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

Director Chadd presented Mr. Nguyen with an award honoring his service to the District.

ITEMS TOO LATE TO BE AGENDIZED

Mr. Paludi recommended agendizing the Local Agency Formation Commission of Orange County (OC LAFCO) Appointment Process and Nomination Period for the Regular and Alternate Special District Member Seats as agenda item 11.

Action: A motion was made by Director Mandich and seconded by Director Safranski to agendize the OC LAFCO Appointment Process and Nomination Period for the Regular and Alternated Special District Member Seat as Item No. 11.
The motion was approved by a vote of 5 – 0.

VISITOR PARTICIPATION & ORAL COMMUNICATION

None

DIRECTOR'S COMMENTS

Director Mandich reported on his attendance at the South Orange County Integrated Watershed Management Area Executive Committee Meeting, and he highlighted current grant opportunities.

Director Dopudja reported on his attendance at a South Orange County Wastewater Authority (SOCWA) Special Board Meeting, and he provided a brief review of matter discussed at the meeting. Discussion occurred regarding current member agency concerns related to potential withdrawal from the Joint Powers Agreement and subsequent impacts. Ms. Collins commented that this matter will be agendized for consideration at the following Regular Board Meeting.

Director Acosta had no comments.

Director Safranski reported on his attendance at the following meetings:

- South Orange County Agencies Group (SOCAG) Joint Meeting with Municipal Water District of Orange County (MWDOC) and Orange County Water District (OCWD). Director Safranski briefly highlighted certain matters discussed at the meeting, including the proposed MET and MWDOC rates and charges increases, and San Juan Basin Authority (SJBA) member agency changes.
- City of Rancho Santa Margarita (RSM) Planning Commission Meeting: a representative for the Dove Center Plaza attended the meeting and requested the Commission to change the City's Residential Housing Needs Assessment (RHNA) development plans to accommodate the redevelopment of the Plaza.

Director Chadd had no comments.

REPORT FROM THE ASSISTANT GENERAL MANAGER

Mr. Perea provided the following updates:

- Mr. Garrett Rias, Wastewater Operator in Training, has successfully passed his California Class A Driver's License examination.
- The District is currently advertising an open position for one Customer Service Field Representative I.
- The District has sponsored the Robinson Elementary School 2022 Jog-A-Thon in April.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Provided a PowerPoint presentation from the SOCWA Special Board Meeting, and he provided a brief overview of the matters discussed.
- A facility tour of the Bell Canyon Sewer Lift Station for Directors and District staff has been scheduled for March 30, 2022 at 9:00am.
- MWDOC's Elected Officials Forum is scheduled for April 7, 2022 and will be conducted virtually.
- Coordination with Irvine Ranch Water District (IRWD) for a construction site tour of the V.P. Baker pipeline and Irvine Lake.
- Association of California Water Agencies (ACWA) 2022 Spring Conference in Sacramento is scheduled for May 3rd through 5th, 2022.
- Urban Water Institute (UWI) Annual Conference in San Diego is scheduled for August 24th through 26th, 2022.

CONSENT CALENDAR

President Chadd indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member or staff member requests a separate action on a specific item.

Action: A motion was made by Director Safranski and seconded by Director Acosta to approve the Consent Calendar.
The motion was approved by a vote of 5 – 0.

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 4: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ ATTENDANCE

Mr. Paludi presented this matter for Board consideration, and he reported this matter was reviewed with the Finance/Audit Committee.

Action: A motion was made by Director Mandich and seconded by Director Safranski to approve of the Directors' Fees and Expenses Report as presented.
The motion was approved by a vote of 5 – 0.

FINANCIAL MATTERS

ITEM 5: DISCUSSION AND POSSIBLE ACTION CONCERNING MUNICIPAL WATER DISTRICT OF ORANGE COUNTY FISCAL YEAR 2022-23 DRAFT BUDGET

Mr. Paludi introduced Mr. Rob Hunter, MWDOC's General Manager, and he reported that Mr. Hunter has prepared a PowerPoint presentation on MWDOC's proposed Fiscal Year 2022-23 Budget for Board consideration. Mr. Hunter delivered his presentation which included information on the proposed rates and charges, Core and Choice programs, and overall impacts to the District and its customers. Discussion occurred on the proposed MET rates and charges increases for the next two years and other budgetary impacts to the District. The Board of Directors commended Mr. Hunter on his presentation and expressed their appreciation for attending the meeting.

Action: No action was taken.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

ITEM 6: DISCUSSION AND POSSIBLE ACTION CONCERNING OTHER POST-EMPLOYMENT BENEFITS (OPEB) BIENNIAL ANNUAL VALUATION REPORTING FOR CERBT TRUST FUNDING

Mr. Paludi introduced this matter for Board consideration, and he reported that this matter was reviewed with the Finance/Audit Committee. Mr. Perea provided a brief review of the District’s OPEB reporting requirements to the CalPERS CERBT, and he reported that District staff requested proposals from professional firms to perform the biennial valuation report. Mr. Perea reviewed the proposals with the Board, and he recommended Total Compensation Systems for the preparation of the District’s biennial valuation report.

Action: A motion was made by Director Mandich and seconded by Director Acosta to authorize the General Manager to contract with Total Compensation Systems, Inc. for GASB 74/75 and GASB 68 Biennial Annual Valuation Reporting for \$6,230.
The motion was approved by a vote of 5 – 0.

ITEM 7: DISCUSSION AND POSSIBLE ACTION CONCERNING THE ADOPTION OF DISTRICT TREASURER’S ANNUAL STATEMENT OF INVESTMENT POLICY

Mr. Paludi introduced this matter for Board consideration, and he reported this matter was reviewed with the Finance/Audit Committee. Mr. Perea reported this matter is an annually reviewed item in accordance with the District’s rules and regulations, and he mentioned that District General Counsel, the District Treasurer, and Eide Bailly’s General Counsel have reviewed the proposed changes. Mr. Perea expressed his appreciation for District General Counsel for their assistance on this matter.

Action: A motion was made by Director Safranski and seconded by Director Acosta to adopt Resolution No. 2022-1304 – Resolution of the Board of Directors of Trabuco Canyon Water District Adopting District Treasurer’s Annual Statement of Investment Policy.
The motion was approved by a vote of 5 – 0.

ENGINEERING MATTERS

ITEM 8: DISCUSSION CONCERNING DIMENSION WATER TREATMENT PLANT (DWTP) OFFICE AND STORAGE IMPROVEMENTS

Mr. Paludi introduced this matter for Board consideration, and reported this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a project update, and she highlighted the current condition of the existing facility at the DWTP with photos. Ms. Lausten reported that she has worked with JIG Consultants on a design for the proposed office trailer, and she reviewed the engineer’s cost estimate based on a review of building options. Discussion occurred on the estimated costs in comparison with the adopted budget and a recommendation to evaluate alternative options.

Action: No action was taken.

ITEM 9: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING BELL CANYON SEWER LIFT STATION REHABILITATION PROJECT

Mr. Paludi presented this matter for Board consideration, and he reported this project update was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that this project is now complete, and she briefly reviewed facility photos and reviewed the final project cost. The Board commended District staff on the completion.

Action: No action was taken

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

ITEM 10: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Paludi provided status updates on currently proposed water and wastewater-related legislation to the Board, and he recommended the Board adopt a “Support” position on AB 2142 which provides income tax exclusion on water use efficiency rebates.

Action: A motion was made by Director Acosta and seconded by Director Safranski to adopt a “support” position on AB 2142 (Gabriel).
The motion was approved by a vote of 5 – 0.

ITEM 11: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING OC LAFCO APPOINTMENT PROCESS AND NOMINATION PERIOD FOR REGULAR AND ALTERNATE SPECIAL DISTRICT MEMBER SEATS

Mr. Paludi presented this matter for Board consideration, and he reported this matter was reviewed with the Executive Committee. Mr. Perea reviewed the OC LAFCO appointment process and schedule with the Board, and he indicated that Director Chadd is the primary District representative to OC LAFCO, but the Board needed to select an alternate voting member in order to vote in the upcoming Special District Member election. Discussion occurred concerning OC LAFCO’s nomination process and the open seats.

Action: A motion was made by Director Chadd and seconded by Director Acosta to appoint Director Safranski as the Alternate Voter for the OC LAFCO Regular and Alternate Special District Member Seats Election.
The motion was approved by a vote of 5 – 0.

GENERAL COUNSEL REPORT

Ms. Collins introduced Ms. Laura Ratcliff, Deputy General Counsel, to the Board of Directors as additional counsel contact for legal related matters.

OTHER INFORMATION/MATTERS

There was no other information or matters discussed.

ADDITIONAL DIRECTORS’ COMMENTS

There were no comments.

ADJOURNMENT

President Chadd adjourned the March 17, 2022 Regular Board Meeting at 8:54 p.m.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

CONSENT CALENDAR

ITEM 2: TREASURER'S REPORT

a. *FINANCE/AUDIT COMMITTEE MEETING*

RECOMMENDED ACTION:

Receive and file the following Finance/Audit Committee Meeting Recap(s):

1. *February 9, 2022*

b. *PRESENTATION OF FINANCIALS*

RECOMMENDED ACTION:

Receive and file the preliminary statement(s) of revenues and expenses and preliminary unaudited financials for the following month(s):

1. *January 2022*

c. *PAYMENT OF BILLS FOR CONSIDERATION*

RECOMMENDED ACTION:

Ratify the payment of bills for consideration, Payroll and Payroll Taxes for February 2022.

EXHIBITS:

1. Revenue Report – February 2022
2. Disbursement Report – February 2022
3. Summary of Disbursements – February 2022
4. General Fund Warrant Register – February 2022
5. General Fund Payroll Warrant Register – February 2022

CONTACTS (staff responsible): PEREA/WARNER



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | MARCH 9, 2022**

DIRECTORS PRESENT

Director Ed Mandich, Committee Chair
Director Glenn Acosta, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Karen Warner, Principal Accountant
Lorrie Lausten, District Engineer
Lisa Marie Sangi, Executive Assistant

STAFF ABSENT

Michael Perea, Assistant General Manager

CONSULTANTS PRESENT

None

PUBLIC PRESENT VIA CONFERENCE CALL

None

CALL MEETING TO ORDER

Director Mandich called the March 9, 2022 Finance/Audit Committee Meeting to order at 1:01p.m.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

There were no comments received.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported that District staff have completed interview with rate study consultants, and that this matter would be agendized for Committee review and consideration at the following Committee meeting.

Mr. Paludi mentioned the upcoming construction on the V.P. Baker pipeline, and he extended an invitation to the Committee for a tour of this site on April 7, 2022.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

Mr. Paludi presented the Finance/Audit Committee Meeting Recap for Committee review in accordance with the agenda.

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | MARCH 9, 2022**

RECOMMENDED ACTION(S)

Director Mandich and Ms. Sangi approved the February 9, 2022 Finance/Audit Committee Meeting Recap(s) and recommend that the Board receive and file the same. (Consent Calendar)

ITEM 2: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. Paludi presented the Directors' Fees and Expenses Report and Tentative Future Meetings/Attendance Report for Committee consideration and review. Director Acosta provided updates to his meeting attendance for February 2022.

RECOMMENDED ACTION:

Recommend that the Board ratify the Directors' fees and expenses for February 2022 and tentative future meetings/attendance as amended. (Action Calendar)

ITEM 3: DISCUSSION CONCERNING OTHER POST-EMPLOYMENT BENEFITS (OPEB) BIENNIAL VALUATION REPORTING FOR CERBT TRUST FUNDING

Mr. Paludi presented this matter for Committee consideration, and he reported that District staff solicited proposals for the preparation of a biennial valuation report of the District's Other Post-Employment Benefits (OPEB) consistent with the CalPERS CERBT requirements. Mr. Paludi briefly reviewed the proposals with the Committee, and he recommended Total Compensation Systems, Inc. Discussion occurred concerning certain CERBT requirements.

RECOMMENDED ACTION:

Recommend that the Board of Directors authorize the General Manager to contract with Total Compensation Systems, Inc. for GASB 74/75 and GASB 68 Biennial Annual Valuation Reporting for \$6,230 (Action Calendar).

ITEM 4: DISCUSSION CONCERNING THE ADOPTION OF DISTRICT TREASURER'S ANNUAL STATEMENT OF INVESTMENT POLICY

Mr. Paludi presented this matter for Committee review and consideration, and he mentioned this matter is reviewed annually in accordance with the District's rules and regulations. Mr. Paludi reported that the proposed DRAFT resolution has been reviewed by General Counsel, the District Treasurer, and Eide Bailly's General Counsel. Discussion occurred concerning the minor statutory language updates in the resolution.

RECOMMENDED ACTION:

Recommend the Board of Directors adopt the District Treasurer's Annual Statement of Investment Policy by resolution (Action Calendar).

ITEM 5: OTHER MATTERS

- Mr. Paludi provided a brief status report on Fiscal Year 2022/2023 budget preparation and that a draft budget will be presented to the Committee in May 2022.
- Mr. Paludi reported that a Municipal Water District of Orange County (MWDOC) representative will be present at the next Regular Board Meeting to discuss the MWDOC budget, the Metropolitan Water District of Southern California (MET) budget, and to highlight the impacts of the drought conditions on water supplies.
- Mr. Paludi provided a brief report on the Orange County Local Agency Formation Commission (LAFCO) draft budget, and he reported there is a scheduled increased cost to the District for Fiscal Year 2022/2023.

RECOMMENDED ACTION:

There was no action taken.

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | MARCH 9, 2022**

ITEM 6: FINANCIAL REPORT

Ms. Warner presented the preliminary unaudited financials for January 2022, and he highlighted the following items:

Operating Revenue, Residential Water

Ms. Warner reported that water demand for the month was lower than the prior month due to decreased demand.

Operating Revenue, Irrigation Water

Ms. Warner reported that this line item was lower than the prior month, but the year to date was significantly higher than budgeted due to increased demand.

Operating Revenue, Recycled & Reclaimed Water

Ms. Warner reported that water demand for the month was lower than the prior month due to decreased demand, but the year to date was higher than budgeted.

Operating Revenue, Baker Treatment Plant Sales

Ms. Warner reported that this line item was lower than the prior month.

Non-Operating Revenue, Other Non-Operating Revenue

Ms. Warner reported this line item was higher than budgeted due to reimbursement from ACWA JPIA for the District vehicle loss reimbursement.

Operating Expenses, Source of Supply

Ms. Warner reported this line item was higher than the prior month due to costs associated with increased purchased water to meet demand.

RECOMMENDED ACTION:

The Committee recommended the Board of Directors receive and file the preliminary unaudited financial statements for January 2022 (Consent Calendar).

The Committee signed the bills for consideration and the warrant register and recommended that the Board ratify payment of the bills for consideration for March 9, 2022 as presented (Consent Calendar).

ADJOURNMENT

Director Mandich adjourned the March 9, 2022 Finance/Audit Committee Meeting at 1:22p.m.



Trabuco Canyon Water District

Statement of Revenues & Expenses

FY 2021-22 (Unaudited)

	February 2022	January 2022	Current YTD	Annual Budget	67% YTD	Prior YTD
1 Operating Revenue						
2 Residential Water	\$ 246,946	\$ 223,579	\$ 2,488,873	\$ 4,116,200	60%	\$ 2,596,348
3 Business & Industrial Water	7,559	6,655	82,967	165,600	50%	109,051
4 Irrigation Water	68,747	58,336	915,365	1,075,200	85%	693,657
5 Stand-by	1,286	3,134	17,660	41,800	42%	27,333
6 Sanitation Revenue	157,575	148,492	1,213,591	1,964,200	62%	1,156,704
7 Recycled & Reclaimed Revenue	27,122	14,488	637,777	999,000	64%	590,444
8 Baker Treatment Plant Water Sales *	113,286	124,496	751,146	1,383,500	54%	889,071
9 Other Operating Revenue	13,519	13,698	110,396	179,600	61%	3,663
10 Total Operating Revenue	636,040	592,877	6,217,774	9,925,100	63%	6,066,272
11 Non-Operating Revenue						
12 Property Tax Unrestricted	2,779	91,453	1,190,206	2,006,200	59%	1,138,267
13 Interest Revenue	224	511	7,506	35,600	21%	27,277
14 Other Non-Operating Revenue	4,153	3,426	80,927	72,400	112%	43,010
15 Total Non-Operating Revenue	7,156	95,390	1,278,639	2,114,200	60%	1,254,811
16 Total Revenues	643,196	688,267	7,496,413	12,039,300	62%	7,321,083
17 Operating Expenses						
18 Source of Supply	162,643	164,058	1,570,654	2,262,400	69%	1,663,605
19 Baker Treatment SOS Costs	132,183	100,396	996,728	1,287,700	77%	771,892
20 Water Related Expense	149,777	190,842	1,305,191	2,032,100	64%	1,301,591
21 Sanitation Expense	97,060	117,903	936,191	1,359,200	69%	892,431
22 Recycled Expense	21,785	20,538	200,671	234,200	86%	154,458
23 Reclaimed Expense	21,785	20,508	200,575	234,100	86%	154,447
24 Salaries & Benefits	278,860	323,081	2,402,084	3,923,000	61%	2,238,522
25 Board Expense	10,065	10,293	77,559	122,600	63%	72,106
26 Miscellaneous Expense	2	218	3,404	5,000	68%	3,424
27 Total Operating Expenses	874,158	947,838	7,693,056	11,460,300	67%	7,252,476
Net Income / (Loss) before Contributed Capital, Trust Contributions & Debt Service	(230,962)	(259,572)	(196,643)	579,000	-34%	68,607
29 WRES Fees for Capital	68,771	68,787	550,076	822,200	67%	547,981
30 Other Capital Contributions	-	-	-	344,000	0%	-
31 Debt Principal, Interest & Issuance Costs	(31,282)	(19,198)	(165,671)	(445,300)	37%	(153,587)
32 CalPERS UAL & Pension Trust Contributions	(19,967)	(19,967)	(159,737)	(590,500)	27%	(144,088)
33 OPEB Trust Contributions & Paygo	(11,449)	(11,449)	(84,253)	(206,100)	41%	(204,515)
Net Contributed Capital, Trust Contributions & Debt Service	6,072	18,172	140,415	(75,700)		45,791
35 Net Income	\$ (224,890)	\$ (241,400)	\$ (56,228)	\$ 503,300		\$ 114,398

No assurance is provided on these financial statements. The financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the U.S. are not included.

**Baker Treatment Plant O&M revenues and expenses are billed quarterly. As a result the % of budget may appear skewed until billing occurs.*



Trabuco Canyon Water District
Balance Sheet
 February 28, 2022
 (Unaudited)

	February 2022
1 Assets	
2 Cash & Investments	
3 Cash & Investments - Unrestricted	\$ (1,237,383)
4 Cash & Investments - Restricted	15,119,934
5 Total Cash & Investments	13,882,550
6 Other Current Assets	
7 Accounts Receivable, Net	1,544,700
8 Due from Baker Treatment Plant Reserves	832,661
9 Prepaid & Other	239,584
10 Total Other Current Assets	2,616,944
11 Capital Assets	
12 Capital Assets, at Cost	123,623,275
13 Accumulated Depreciation	(76,179,322)
14 Construction in Progress	752,441
15 Total Capital Assets	48,196,394
16 Deferred Outflows of Resources (DOR)	1,486,261
17 Total Assets & DOR	\$ 66,182,149
18 Liabilities	
19 Current Liabilities	
20 Accounts Payable	\$ 1,281,349
21 Due to Internal Financing Fund	832,661
22 Accrued Expenses	309,856
23 Current Portion-Long Term Debt ¹	182,547
24 Deposits on Hand ¹	106,571
25 Total Current Liabilities	2,712,983
26 Long-Term Liabilities	
27 Net Pension/OPEB Liability	3,756,404
28 State Revolving Fund Loan	1,957,505
29 Bank of the West Loan	10,000,000
30 Total Long Term Liabilities	15,713,909
31 Deferred Inflows of Resources (DIR)	252,438
32 Total Liabilities & DIR	18,679,330
33 Fund Balance	47,502,819
34 Total Liabilities, Fund Balance & DIR	\$ 66,182,149

¹ Liability to be paid with restricted assets

**No assurance is provided on these financial statements. Substantially all disclosures required by accounting principles generally accepted in the U.S. are not included.*



Trabuco Canyon Water District

Cash & Investments Report

February 2022
(Unaudited)

	Type	Cost	Market	% Total
District Cash & Investments				
Unrestricted				
Local Agency Investment Fund (LAIF)	Investment	\$ (1,699,253)	\$ (1,694,902)	-12.2%
Bank of the West	Checking	461,870	461,870	3.3%
Total Unrestricted		(1,237,383)	(1,233,032)	-8.9%
Restricted				
LAIF - Water Storage Facilities	Investment	1,052,060	1,049,366	7.6%
LAIF - WRES - Rose Canyon/Lang Wells	Investment	1,402,131	1,398,540	10.1%
LAIF - WRES - Reservoir/Distribution Impr.	Investment	2,646,391	2,639,614	19.1%
LAIF - RD#5	Investment	76,631	76,434	0.6%
LAIF - Interim Sewage	Investment	117,443	117,143	0.8%
LAIF - Debt Issuance 2022	Investment	9,588,354	9,563,799	69.1%
Cash in CB&T Reserved for SRF Loan	Checking	236,924	236,924	1.7%
Total Restricted		15,119,934	15,081,820	108.9%
Total District Cash & Investments		\$ 13,882,550	\$ 13,848,788	100.0%

**No assurance is provided on these financial statements. Substantially all disclosures required by accounting principles generally accepted in the U.S. are not included.*



Trabuco Canyon Water District
General Fund Warrant Register

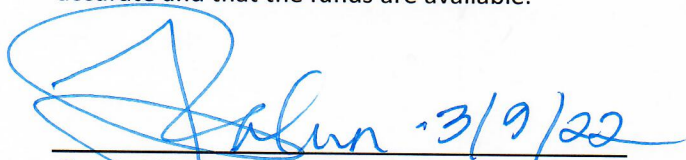
~~2/9/2022~~ 03/09/22

Summary of Disbursements

Computer Checks	593,248.17
UB Refund Checks	-
Bank Drafts	10,404,229.62
Bank EFTs	323,212.46
Voided Checks	-
Total Disbursements	11,320,690.25

I hereby certify that the claims or demands covered by the above listed warrants have been audited as to accuracy and the availability of funds for payment thereof; and that the said claims or demands are accurate and that the funds are available.


This is to certify that claims or demands covered by the above listed warrants have been audited by the Finance/Audit Committee of the Trabuco Canyon Water District and that all of the said warrants are approved for payment.



General Manager / Assistant General Manager

 3-9-22

By: Date:

 3/9/22

By: Date:



Trabuco Canyon Water District, CA

Bank Transaction Report

Transaction Detail

Issued Date Range: 02/09/2022 - 03/08/2022

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Accounts Payable							
Bank Draft							
02/10/2022		DFT0002503	Home Depot	Accounts Payable	Outstanding	Bank Draft	-1,418.33
02/10/2022		DFT0002504	Lowe's	Accounts Payable	Outstanding	Bank Draft	-352.44
02/10/2022		DFT0002505	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-20.00
02/10/2022		DFT0002506	ADP	Accounts Payable	Outstanding	Bank Draft	-1,802.45
02/10/2022		DFT0002507	Cox Communications	Accounts Payable	Outstanding	Bank Draft	-6,854.18
02/14/2022		DFT0002508	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-55.00
02/14/2022		DFT0002509	TAB AnswerNetwork	Accounts Payable	Outstanding	Bank Draft	-175.36
02/15/2022		DFT0002511	Cox Communications	Accounts Payable	Outstanding	Bank Draft	-82.64
02/15/2022		DFT0002512	Xerox Corporation	Accounts Payable	Outstanding	Bank Draft	-371.78
02/15/2022		DFT0002513	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-15.00
02/16/2022		DFT0002510	Local Agency Investment Fund	Accounts Payable	Outstanding	Bank Draft	-10,000,000.00
02/16/2022		DFT0002514	Umpqua Bank	Accounts Payable	Outstanding	Bank Draft	-13,668.71
02/17/2022		DFT0002516	ADP	Accounts Payable	Outstanding	Bank Draft	-93,799.52
02/17/2022		DFT0002520	Wex Fleet Universal	Accounts Payable	Outstanding	Bank Draft	-4,413.46
02/17/2022		DFT0002521	Sparkletts	Accounts Payable	Outstanding	Bank Draft	-115.90
02/17/2022		DFT0002522	The Toll Roads	Accounts Payable	Outstanding	Bank Draft	-140.00
02/17/2022		DFT0002523	Cox Communications	Accounts Payable	Outstanding	Bank Draft	-689.96
02/18/2022		DFT0002517	CalPERS	Accounts Payable	Outstanding	Bank Draft	-7,075.81
02/18/2022		DFT0002518	CalPERS	Accounts Payable	Outstanding	Bank Draft	-12,789.52
02/18/2022		DFT0002519	CalPERS	Accounts Payable	Outstanding	Bank Draft	-3,984.73
02/22/2022		DFT0002524	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-24.33
02/23/2022		DFT0002525	Southern California Edison	Accounts Payable	Outstanding	Bank Draft	-58,936.49
02/23/2022		DFT0002526	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-75.00
02/23/2022		DFT0002527	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-1,395.00
02/24/2022		DFT0002528	Eide Bailly	Accounts Payable	Outstanding	Bank Draft	-5,376.25
02/25/2022		DFT0002529	ADP	Accounts Payable	Outstanding	Bank Draft	-108.00
02/25/2022		DFT0002530	AT&T Mobility	Accounts Payable	Outstanding	Bank Draft	-2,196.94
02/28/2022		DFT0002531	The Toll Roads	Accounts Payable	Outstanding	Bank Draft	-140.00
03/01/2022		DFT0002533	EPX	Accounts Payable	Outstanding	Bank Draft	-15.00
03/02/2022		DFT0002532	Amazon	Accounts Payable	Outstanding	Bank Draft	-498.41
03/02/2022		DFT0002535	CalPERS	Accounts Payable	Outstanding	Bank Draft	-44,906.19
03/02/2022		DFT0002536	CalPERS	Accounts Payable	Outstanding	Bank Draft	-5,519.92
03/02/2022		DFT0002538	CalPERS	Accounts Payable	Outstanding	Bank Draft	-13,047.17
03/02/2022		DFT0002539	CalPERS	Accounts Payable	Outstanding	Bank Draft	-4,066.54
03/02/2022		DFT0002540	Guardian	Accounts Payable	Outstanding	Bank Draft	-3,955.78

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
03/02/2022		DFT0002541	VSP	Accounts Payable	Outstanding	Bank Draft	-776.20
03/02/2022		DFT0002542	Pace Payment Systems, Inc.	Accounts Payable	Outstanding	Bank Draft	-3,878.24
03/03/2022		DFT0002534	ADP	Accounts Payable	Outstanding	Bank Draft	-100,607.11
03/03/2022		DFT0002544	Cintas	Accounts Payable	Outstanding	Bank Draft	-226.88
03/03/2022		DFT0002545	Cintas	Accounts Payable	Outstanding	Bank Draft	-2,631.90
03/04/2022		DFT0002537	CalPERS	Accounts Payable	Outstanding	Bank Draft	-7,200.81
03/04/2022		DFT0002543	Cintas	Accounts Payable	Outstanding	Bank Draft	-232.99
03/04/2022		DFT0002546	Santa Margarita Water District	Accounts Payable	Outstanding	Bank Draft	-521.68
03/07/2022		DFT0002547	Shred-it USA LLC	Accounts Payable	Outstanding	Bank Draft	-68.00
Bank Draft Total: (44)							-10,404,229.62
Check							
02/10/2022		10682	American Water Works Association	Accounts Payable	Outstanding	Check	-473.00
02/10/2022		10683	AT&T	Accounts Payable	Outstanding	Check	-812.01
02/10/2022		10684	Chemtrade Chemicals US LLC	Accounts Payable	Outstanding	Check	-4,206.75
02/10/2022		10685	Chris Holbrook	Accounts Payable	Outstanding	Check	-65.00
02/10/2022		10686	County of Orange	Accounts Payable	Outstanding	Check	-125.00
02/10/2022		10687	Harbor Pointe Air Conditioning & Control Systems, Inc.	Accounts Payable	Outstanding	Check	-1,354.22
02/10/2022		10688	HighRoad Information Technology, LLC.	Accounts Payable	Outstanding	Check	-13,905.26
02/10/2022		10689	InfoSend, Inc.	Accounts Payable	Outstanding	Check	-3,069.30
02/10/2022		10690	Interstate Batteries of California	Accounts Payable	Outstanding	Check	-436.28
02/10/2022		10691	Irvine Pipe Supply	Accounts Payable	Outstanding	Check	-476.82
02/10/2022		10692	Linde Gas & Equipment, Inc.	Accounts Payable	Outstanding	Check	-99.84
02/10/2022		10693	Material Specialties Corp.	Accounts Payable	Outstanding	Check	-1,750.00
02/10/2022		10694	Misco Water	Accounts Payable	Outstanding	Check	-2,537.62
02/10/2022		10695	Napa Auto Parts	Accounts Payable	Outstanding	Check	-157.32
02/10/2022		10696	OC Keys LLC	Accounts Payable	Outstanding	Check	-203.34
02/10/2022		10697	OC Waste & Recycling	Accounts Payable	Outstanding	Check	-1,343.64
02/10/2022		10698	Olin Chemicals	Accounts Payable	Outstanding	Check	-4,775.85
02/10/2022		10699	Orange County Pumping, Inc.	Accounts Payable	Outstanding	Check	-4,615.00
02/10/2022		10700	Orkin Commercial Services	Accounts Payable	Outstanding	Check	-896.00
02/10/2022		10701	Orvac Electronics	Accounts Payable	Outstanding	Check	-204.58
02/10/2022		10702	Oscar Ulloa	Accounts Payable	Outstanding	Check	-384.00
02/10/2022		10703	Quinn Company	Accounts Payable	Outstanding	Check	-165.59
02/10/2022		10704	Sierra Analytical	Accounts Payable	Outstanding	Check	-6,048.50
02/10/2022		10705	Void Check	Accounts Payable	Voided	Check	0.00
02/10/2022		10706	Southern California Newsgroup	Accounts Payable	Outstanding	Check	-3,800.00
02/10/2022		10707	SWRCB Accounting Office	Accounts Payable	Outstanding	Check	-140.00
02/10/2022		10708	USA BlueBook	Accounts Payable	Outstanding	Check	-171.46
02/10/2022		10709	Weck Laboratories, Inc.	Accounts Payable	Outstanding	Check	-459.04
02/10/2022		10710	Internal Revenue Service	Accounts Payable	Outstanding	Check	-10,813.00
02/16/2022		10711	State Water Resources Control Board	Accounts Payable	Outstanding	Check	-190.00
02/17/2022		10712	AHW Products	Accounts Payable	Outstanding	Check	-7,003.21

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
02/17/2022		10713	ATS Communications	Accounts Payable	Outstanding	Check	-4,847.50
02/17/2022		10714	Champion Paving, Inc.	Accounts Payable	Outstanding	Check	-11,467.00
02/17/2022		10715	CS-amsco	Accounts Payable	Outstanding	Check	-4,252.85
02/17/2022		10716	FedEx	Accounts Payable	Outstanding	Check	-122.50
02/17/2022		10717	Fieldman, Rolapp & Assoc.	Accounts Payable	Outstanding	Check	-715.00
02/17/2022		10718	Fuller Truck Accessories	Accounts Payable	Outstanding	Check	-1,379.20
02/17/2022		10719	Grainger	Accounts Payable	Outstanding	Check	-188.87
02/17/2022		10720	Hadronex, Inc.	Accounts Payable	Outstanding	Check	-5,321.47
02/17/2022		10721	Hanson Bridgett LLP	Accounts Payable	Outstanding	Check	-13,916.56
02/17/2022		10722	Hazen and Sawyer	Accounts Payable	Outstanding	Check	-6,466.25
02/17/2022		10723	HighRoad Information Technology, LLC.	Accounts Payable	Outstanding	Check	-5,791.00
02/17/2022		10724	JIG Consultants	Accounts Payable	Outstanding	Check	-21,837.71
02/17/2022		10725	Mertz Enterprises, Inc.	Accounts Payable	Outstanding	Check	-7,722.00
02/17/2022		10726	Olin Chemicals	Accounts Payable	Outstanding	Check	-1,605.96
02/17/2022		10727	Orange County Pumping, Inc.	Accounts Payable	Outstanding	Check	-2,130.00
02/17/2022		10728	Orkin Commercial Services	Accounts Payable	Outstanding	Check	-915.00
02/17/2022		10729	S & J Supply Company	Accounts Payable	Outstanding	Check	-15,517.48
02/17/2022		10730	Shelton Fire Protection Co., Inc.	Accounts Payable	Outstanding	Check	-15,040.00
02/17/2022		10731	Sierra Analytical	Accounts Payable	Outstanding	Check	-2,406.00
02/17/2022		10732	Soto Resources	Accounts Payable	Outstanding	Check	-82.50
02/17/2022		10733	Southern Counties Lubricants. LLC	Accounts Payable	Outstanding	Check	-202.43
02/17/2022		10734	SWRCB Accounting Office	Accounts Payable	Outstanding	Check	-2,132.19
02/17/2022		10735	Touch Tel Mobile	Accounts Payable	Outstanding	Check	-625.00
02/17/2022		10736	TrucParCo	Accounts Payable	Outstanding	Check	-232.42
02/17/2022		10737	Underground Service Alert/SC	Accounts Payable	Outstanding	Check	-102.40
02/17/2022		10738	United Pumping Service, Inc.	Accounts Payable	Outstanding	Check	-17,136.50
02/17/2022		10739	USA BlueBook	Accounts Payable	Outstanding	Check	-711.69
02/17/2022		10740	Vituity - Urgent Care Services	Accounts Payable	Outstanding	Check	-346.00
02/17/2022		10741	Weck Laboratories, Inc.	Accounts Payable	Outstanding	Check	-237.44
02/17/2022		10742	Xylem	Accounts Payable	Outstanding	Check	-22,122.50
03/02/2022		10743	Butier Engineering, Inc.	Accounts Payable	Outstanding	Check	-21,240.00
03/02/2022		10744	Cal OES	Accounts Payable	Outstanding	Check	-11,921.00
03/02/2022		10745	DMc Engineering	Accounts Payable	Outstanding	Check	-6,038.19
03/02/2022		10746	Void Check	Accounts Payable	Voided	Check	0.00
03/02/2022		10747	DMS Facility Services	Accounts Payable	Outstanding	Check	-2,490.00
03/02/2022		10748	Ferreira Construction Company	Accounts Payable	Outstanding	Check	-82,745.27
03/02/2022		10749	Fieldman, Rolapp & Assoc.	Accounts Payable	Outstanding	Check	-20,000.00
03/02/2022		10750	Hazen and Sawyer	Accounts Payable	Outstanding	Check	-64,103.75
03/02/2022		10751	Irvine Ranch Water District	Accounts Payable	Outstanding	Check	-97,778.05
03/02/2022		10752	JIG Consultants	Accounts Payable	Outstanding	Check	-31,512.13
03/02/2022		10753	Santa Margarita Water District	Accounts Payable	Outstanding	Check	-19,164.73
Check Total: (72)							-593,248.17

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
EFT							
02/10/2022		111	ACWA/JPIA - Benefits (WC & Life)	Accounts Payable	Outstanding	EFT	-11,903.92
02/10/2022		112	ALS - Truesdail Laboratories	Accounts Payable	Outstanding	EFT	-2,976.00
02/10/2022		113	MWDOC	Accounts Payable	Outstanding	EFT	-125,744.19
02/17/2022		114	ACWA/JPIA - Benefits (WC & Life)	Accounts Payable	Outstanding	EFT	-396.60
02/17/2022		115	ALS - Truesdail Laboratories	Accounts Payable	Outstanding	EFT	-1,728.00
02/17/2022		116	Eide Bailly	Accounts Payable	Outstanding	EFT	-5,322.55
03/04/2022		117	MWDOC	Accounts Payable	Outstanding	EFT	-128,141.20
03/04/2022		118	Nixon Peabody LLP	Accounts Payable	Outstanding	EFT	-25,000.00
03/04/2022		119	Stradling Yocca Carlson & Rauth	Accounts Payable	Outstanding	EFT	-22,000.00
EFT Total: (9)							-323,212.46
Accounts Payable Total: (125)							-11,320,690.25
Report Total: (125)							-11,320,690.25

Summary

Bank Account	Count	Amount
030866939 Bank of the West Checking	125	-11,320,690.25
Report Total:	125	-11,320,690.25

Cash Account	Count	Amount
No Cash Account	2	0.00
99 99-000-1004 Bank of the West Checking (Pooled Cash)	123	-11,320,690.25
Report Total:	125	-11,320,690.25

Transaction Type	Count	Amount
Bank Draft	44	-10,404,229.62
Check	72	-593,248.17
EFT	9	-323,212.46
Report Total:	125	-11,320,690.25



Trabuco Canyon Water District, CA

Bank Transaction Report

Transaction Detail

Issued Date Range: 03/01/2022 - 03/31/2022

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Accounts Payable							
Bank Draft							
03/01/2022		DFT0002533	EPX	Accounts Payable	Outstanding	Bank Draft	-15.00
03/02/2022		DFT0002532	Amazon	Accounts Payable	Outstanding	Bank Draft	-498.41
03/02/2022		DFT0002535	CalPERS	Accounts Payable	Outstanding	Bank Draft	-44,906.19
03/02/2022		DFT0002536	CalPERS	Accounts Payable	Outstanding	Bank Draft	-5,519.92
03/02/2022		DFT0002538	CalPERS	Accounts Payable	Outstanding	Bank Draft	-13,047.17
03/02/2022		DFT0002539	CalPERS	Accounts Payable	Outstanding	Bank Draft	-4,066.54
03/02/2022		DFT0002540	Guardian	Accounts Payable	Outstanding	Bank Draft	-3,955.78
03/02/2022		DFT0002541	VSP	Accounts Payable	Outstanding	Bank Draft	-776.20
03/02/2022		DFT0002542	Pace Payment Systems, Inc.	Accounts Payable	Outstanding	Bank Draft	-3,878.24
03/03/2022		DFT0002534	ADP	Accounts Payable	Outstanding	Bank Draft	-100,607.11
03/03/2022		DFT0002544	Cintas	Accounts Payable	Outstanding	Bank Draft	-226.88
03/03/2022		DFT0002545	Cintas	Accounts Payable	Outstanding	Bank Draft	-2,631.90
03/04/2022		DFT0002537	CalPERS	Accounts Payable	Outstanding	Bank Draft	-7,200.81
03/04/2022		DFT0002543	Cintas	Accounts Payable	Outstanding	Bank Draft	-232.99
03/04/2022		DFT0002546	Santa Margarita Water District	Accounts Payable	Outstanding	Bank Draft	-521.68
03/07/2022		DFT0002547	Shred-it USA LLC	Accounts Payable	Outstanding	Bank Draft	-68.00
03/09/2022		DFT0002548	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-6.95
03/09/2022		DFT0002549	ADP	Accounts Payable	Outstanding	Bank Draft	-1,763.89
03/10/2022		DFT0002551	Cox Communications	Accounts Payable	Outstanding	Bank Draft	-2,435.52
03/11/2022		DFT0002550	The Toll Roads	Accounts Payable	Outstanding	Bank Draft	-140.00
03/14/2022		DFT0002552	TAB AnswerNetwork	Accounts Payable	Outstanding	Bank Draft	-171.42
03/14/2022		DFT0002553	Pace Payment Systems, Inc.	Accounts Payable	Outstanding	Bank Draft	-196.00
03/14/2022		DFT0002554	Cox Communications	Accounts Payable	Outstanding	Bank Draft	-5,903.04
03/15/2022		DFT0002555	Xerox Corporation	Accounts Payable	Outstanding	Bank Draft	-206.09
03/16/2022		DFT0002560	Lowe's	Accounts Payable	Outstanding	Bank Draft	-748.65
03/16/2022		DFT0002561	Home Depot	Accounts Payable	Outstanding	Bank Draft	-1,115.21
03/16/2022		DFT0002562	Sparkletts	Accounts Payable	Outstanding	Bank Draft	-41.95
03/16/2022		DFT0002563	Sparkletts	Accounts Payable	Outstanding	Bank Draft	-92.15
03/16/2022		DFT0002564	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-68.54
03/16/2022		DFT0002565	Southern California Edison	Accounts Payable	Outstanding	Bank Draft	-59,629.23
03/16/2022		DFT0002566	Wex Fleet Universal	Accounts Payable	Outstanding	Bank Draft	-4,819.11
03/17/2022		DFT0002556	CalPERS	Accounts Payable	Outstanding	Bank Draft	-7,200.81
03/17/2022		DFT0002557	CalPERS	Accounts Payable	Outstanding	Bank Draft	-12,789.52
03/17/2022		DFT0002558	CalPERS	Accounts Payable	Outstanding	Bank Draft	-4,630.12
03/17/2022		DFT0002559	ADP	Accounts Payable	Outstanding	Bank Draft	-99,342.63

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
03/18/2022		DFT0002567	Cox Communications	Accounts Payable	Outstanding	Bank Draft	-86.04
03/21/2022		DFT0002568	Cox Communications	Accounts Payable	Outstanding	Bank Draft	-692.24
03/23/2022		DFT0002569	The Toll Roads	Accounts Payable	Outstanding	Bank Draft	-140.00
03/25/2022		DFT0002570	AT&T Mobility	Accounts Payable	Outstanding	Bank Draft	-2,196.94
03/28/2022		DFT0002572	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-75.00
03/29/2022		DFT0002571	Umpqua Bank	Accounts Payable	Outstanding	Bank Draft	-8,689.32
03/29/2022		DFT0002573	Pitney Bowes	Accounts Payable	Outstanding	Bank Draft	-190.02
03/31/2022		DFT0002574	Wage Works, Inc.	Accounts Payable	Outstanding	Bank Draft	-66.95
Bank Draft Total: (43)							-401,590.16
Check							
03/02/2022		10743	Butier Engineering, Inc.	Accounts Payable	Outstanding	Check	-21,240.00
03/02/2022		10744	Cal OES	Accounts Payable	Outstanding	Check	-11,921.00
03/02/2022		10745	DMc Engineering	Accounts Payable	Outstanding	Check	-6,038.19
03/02/2022		10746	Void Check	Accounts Payable	Voided	Check	0.00
03/02/2022		10747	DMS Facility Services	Accounts Payable	Outstanding	Check	-2,490.00
03/02/2022		10748	Ferreira Construction Company	Accounts Payable	Outstanding	Check	-82,745.27
03/02/2022		10749	Fieldman, Rolapp & Assoc.	Accounts Payable	Outstanding	Check	-20,000.00
03/02/2022		10750	Hazen and Sawyer	Accounts Payable	Outstanding	Check	-64,103.75
03/02/2022		10751	Irvine Ranch Water District	Accounts Payable	Outstanding	Check	-97,778.05
03/02/2022		10752	JIG Consultants	Accounts Payable	Outstanding	Check	-31,512.13
03/02/2022		10753	Santa Margarita Water District	Accounts Payable	Outstanding	Check	-19,164.73
03/16/2022		10754	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10755	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10756	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10757	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10758	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10759	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10760	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10761	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10762	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10763	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10764	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10765	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10766	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10767	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10768	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10769	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10770	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10771	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10772	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10773	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10774	Void Check	Accounts Payable	Voided	Check	0.00

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Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
03/16/2022		10775	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10776	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10777	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10778	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10779	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10780	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10781	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10782	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10783	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10784	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10785	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10786	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10787	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10788	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10789	Void Check	Accounts Payable	Voided	Check	0.00
03/16/2022		10790	ARC	Accounts Payable	Outstanding	Check	-208.09
03/16/2022		10791	AT&T	Accounts Payable	Outstanding	Check	-840.47
03/16/2022		10792	Atkinson, Andelson, Loya, Ruud & Romo	Accounts Payable	Outstanding	Check	-87.00
03/16/2022		10793	BAVCO Backflow Apparatus & Valve Co.	Accounts Payable	Outstanding	Check	-1,617.92
03/16/2022		10794	Black Knight Financial Services, LLC	Accounts Payable	Outstanding	Check	-9.50
03/16/2022		10795	Chemtrade Chemicals US LLC	Accounts Payable	Outstanding	Check	-5,399.81
03/16/2022		10796	DMc Engineering	Accounts Payable	Outstanding	Check	-2,406.47
03/16/2022		10797	Grainger	Accounts Payable	Outstanding	Check	-20.32
03/16/2022		10798	HighRoad Information Technology, LLC.	Accounts Payable	Outstanding	Check	-5,791.00
03/16/2022		10799	Hydrotech Electric	Accounts Payable	Outstanding	Check	-8,668.05
03/16/2022		10800	Industrial Metal Supply Company	Accounts Payable	Outstanding	Check	-114.11
03/16/2022		10801	InfoSend, Inc.	Accounts Payable	Outstanding	Check	-3,024.14
03/16/2022		10802	Irvine Pipe Supply	Accounts Payable	Outstanding	Check	-1,483.81
03/16/2022		10803	La Habra Fence Co., Inc.	Accounts Payable	Outstanding	Check	-1,009.05
03/16/2022		10804	OC Waste & Recycling	Accounts Payable	Outstanding	Check	-4,772.11
03/16/2022		10805	Olin Chemicals	Accounts Payable	Outstanding	Check	-2,765.32
03/16/2022		10806	Orange County Pumping, Inc.	Accounts Payable	Outstanding	Check	-2,130.00
03/16/2022		10807	O'Reilly Automotive, Inc.	Accounts Payable	Outstanding	Check	-169.18
03/16/2022		10808	Orkin Commercial Services	Accounts Payable	Outstanding	Check	-532.00
03/16/2022		10809	Pete's Road Service	Accounts Payable	Outstanding	Check	-1,447.90
03/16/2022		10810	Polydyne Inc.	Accounts Payable	Outstanding	Check	-3,128.00
03/16/2022		10811	Preferred Aerial & Crane Technology	Accounts Payable	Outstanding	Check	-1,600.00
03/16/2022		10812	PSOMAS	Accounts Payable	Outstanding	Check	-3,555.00
03/16/2022		10813	Quinn Company	Accounts Payable	Outstanding	Check	-1,296.05
03/16/2022		10814	Robinson Elementary	Accounts Payable	Outstanding	Check	-500.00
03/16/2022		10815	S & J Supply Company	Accounts Payable	Outstanding	Check	-7,853.69
03/16/2022		10816	Santa Margarita Water District	Accounts Payable	Outstanding	Check	-68,890.29
03/16/2022		10817	Santiago Aqueduct Commission	Accounts Payable	Outstanding	Check	-40,826.00

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
03/16/2022		10818	Sierra Analytical	Accounts Payable	Outstanding	Check	-4,184.00
03/16/2022		10819	Tesco Controls, Inc.	Accounts Payable	Outstanding	Check	-47,970.00
03/16/2022		10820	Touch Tel Mobile	Accounts Payable	Outstanding	Check	-625.00
03/16/2022		10821	Trench Shoring Company	Accounts Payable	Outstanding	Check	-372.15
03/16/2022		10822	Underground Service Alert/SC	Accounts Payable	Outstanding	Check	-112.30
03/16/2022		10823	Vortex Industries, Inc.	Accounts Payable	Outstanding	Check	-4,224.65
03/16/2022		10824	Weck Laboratories, Inc.	Accounts Payable	Outstanding	Check	-118.72
03/16/2022		10825	Xylem	Accounts Payable	Outstanding	Check	-22,122.50
Check Total: (83)							-606,867.72
Check Reversal							
03/16/2022		10612	OC Waste & Recycling Reversal	Accounts Payable	Outstanding	Check Reversal	2,400.88
Check Reversal Total: (1)							2,400.88
EFT							
03/04/2022		117	MWDOC	Accounts Payable	Outstanding	EFT	-128,141.20
03/04/2022		118	Nixon Peabody LLP	Accounts Payable	Outstanding	EFT	-25,000.00
03/04/2022		119	Stradling Yocca Carlson & Rauth	Accounts Payable	Outstanding	EFT	-22,000.00
03/16/2022		120	ALS - Truesdail Laboratories	Accounts Payable	Outstanding	EFT	-1,728.00
EFT Total: (4)							-176,869.20
Accounts Payable Total: (131)							-1,182,926.20
General Ledger							
Deposit							
03/02/2022		DEP0016495	Receipts - LAIF - Transfer	General Ledger	Outstanding	Deposit	700,000.00
03/03/2022		DEP0016514	Receipts - Home Depot - Rebate	General Ledger	Outstanding	Deposit	163.93
03/07/2022		DEP0016545	Receipts - Cardmember Services - Reimbursement	General Ledger	Outstanding	Deposit	1,483.30
03/08/2022		DEP0016549	Receipts - OC Fire Authority - Sewer Services	General Ledger	Outstanding	Deposit	150.00
03/10/2022		DEP0016584	Receipts - County of Orange - Property Taxes	General Ledger	Outstanding	Deposit	129,689.65
03/18/2022		DEP0016722	Receipts - T-Mobile - Cell site rent	General Ledger	Outstanding	Deposit	2,131.72
03/18/2022		DEP0016723	Receipts - CalPERS - Reimbursement DCOMP	General Ledger	Outstanding	Deposit	1,208.18
03/18/2022		DEP0016724	Receipts - Goren - Sewage hauling deposit	General Ledger	Outstanding	Deposit	12,000.00
03/22/2022		DEP0016725	Receipts - SMWD - DSWR	General Ledger	Outstanding	Deposit	1,053.00
03/22/2022		DEP0016726	Receipts - County of Orange - Sewer Services	General Ledger	Outstanding	Deposit	4,270.00
03/23/2022		DEP0016727	Receipts - FedEx - Reimbursement	General Ledger	Outstanding	Deposit	52.05
Deposit Total: (11)							852,201.83
General Ledger Total: (11)							852,201.83
Utility Billing							
Deposit							
03/01/2022		DEP0016470	Utility Payment Packet UBPKT07182	Utility Billing	Outstanding	Deposit	4,611.27
03/01/2022		DEP0016473	Utility Payment Packet UBPKT07184	Utility Billing	Outstanding	Deposit	3,209.42
03/01/2022		DEP0016476	Utility Payment Packet UBPKT07186	Utility Billing	Outstanding	Deposit	2,312.36
03/02/2022		DEP0016479	Utility Payment Packet UBPKT07191	Utility Billing	Outstanding	Deposit	4,194.91
03/02/2022		DEP0016482	Utility Payment Packet UBPKT07187	Utility Billing	Outstanding	Deposit	2,705.63

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
03/02/2022		DEP0016485	Utility Payment Packet UBPKT07188	Utility Billing	Outstanding	Deposit	4,657.44
03/02/2022		DEP0016488	Utility Payment Packet UBPKT07189	Utility Billing	Outstanding	Deposit	4,223.98
03/02/2022		DEP0016491	Utility Payment Packet UBPKT07190	Utility Billing	Outstanding	Deposit	3,949.62
03/02/2022		DEP0016494	Utility Payment Packet UBPKT07192	Utility Billing	Outstanding	Deposit	5,707.35
03/02/2022		DEP0016517	Utility Payment Packet UBPKT07210	Utility Billing	Outstanding	Deposit	2,290.04
03/03/2022		DEP0016498	Utility Payment Packet UBPKT07203	Utility Billing	Outstanding	Deposit	3,903.68
03/03/2022		DEP0016501	Utility Payment Packet UBPKT07204	Utility Billing	Outstanding	Deposit	1,060.45
03/03/2022		DEP0016504	Utility Payment Packet UBPKT07205	Utility Billing	Outstanding	Deposit	3,393.16
03/03/2022		DEP0016507	Utility Payment Packet UBPKT07206	Utility Billing	Outstanding	Deposit	13,451.44
03/04/2022		DEP0016510	Utility Payment Packet UBPKT07207	Utility Billing	Outstanding	Deposit	2,588.60
03/04/2022		DEP0016513	Utility Payment Packet UBPKT07208	Utility Billing	Outstanding	Deposit	2,991.31
03/06/2022		DEP0016520	Utility Payment Packet UBPKT07211	Utility Billing	Outstanding	Deposit	20,122.50
03/07/2022		DEP0016523	Utility Payment Packet UBPKT07212	Utility Billing	Outstanding	Deposit	2,269.59
03/07/2022		DEP0016526	Utility Payment Packet UBPKT07213	Utility Billing	Outstanding	Deposit	2,736.47
03/07/2022		DEP0016529	Utility Payment Packet UBPKT07214	Utility Billing	Outstanding	Deposit	4,455.49
03/07/2022		DEP0016532	Utility Payment Packet UBPKT07215	Utility Billing	Outstanding	Deposit	3,220.57
03/08/2022		DEP0016535	Utility Payment Packet UBPKT07219	Utility Billing	Outstanding	Deposit	4,119.72
03/08/2022		DEP0016538	Utility Payment Packet UBPKT07216	Utility Billing	Outstanding	Deposit	2,576.66
03/08/2022		DEP0016541	Utility Payment Packet UBPKT07217	Utility Billing	Outstanding	Deposit	4,890.16
03/08/2022		DEP0016544	Utility Payment Packet UBPKT07218	Utility Billing	Outstanding	Deposit	5,071.99
03/08/2022		DEP0016548	Utility Payment Packet UBPKT07222	Utility Billing	Outstanding	Deposit	1,943.33
03/09/2022		DEP0016552	Utility Payment Packet UBPKT07223	Utility Billing	Outstanding	Deposit	3,088.03
03/09/2022		DEP0016556	Utility Payment Packet UBPKT07224	Utility Billing	Outstanding	Deposit	2,308.65
03/09/2022		DEP0016559	Utility Payment Packet UBPKT07226	Utility Billing	Outstanding	Deposit	6,093.21
03/10/2022		DEP0016562	Utility Payment Packet UBPKT07227	Utility Billing	Outstanding	Deposit	2,653.40
03/10/2022		DEP0016565	Utility Payment Packet UBPKT07228	Utility Billing	Outstanding	Deposit	1,996.77
03/10/2022		DEP0016568	Utility Payment Packet UBPKT07229	Utility Billing	Outstanding	Deposit	7,373.19
03/10/2022		DEP0016571	Utility Payment Packet UBPKT07230	Utility Billing	Outstanding	Deposit	4,208.52
03/10/2022		DEP0016574	Utility Payment Packet UBPKT07231	Utility Billing	Outstanding	Deposit	3,342.48
03/11/2022		DEP0016577	Utility Payment Packet UBPKT07232	Utility Billing	Outstanding	Deposit	2,415.54
03/11/2022		DEP0016583	Utility Payment Packet UBPKT07234	Utility Billing	Outstanding	Deposit	7,200.71
03/13/2022		DEP0016580	Utility Payment Packet UBPKT07233	Utility Billing	Outstanding	Deposit	15,814.65
03/14/2022		DEP0016587	Utility Payment Packet UBPKT07235	Utility Billing	Outstanding	Deposit	5,116.79
03/14/2022		DEP0016590	Utility Payment Packet UBPKT07236	Utility Billing	Outstanding	Deposit	8,504.32
03/14/2022		DEP0016592	ACH Draft Packet UBPKT07130	Utility Billing	Outstanding	Deposit	83,524.35
03/14/2022		DEP0016597	Utility Reverse Payment Packet UBPKT07241	Utility Billing	Outstanding	Deposit	-111.64
03/14/2022		DEP0016599	Utility Payment Packet UBPKT07239	Utility Billing	Outstanding	Deposit	3,953.55
03/14/2022		DEP0016601	Utility Payment Packet UBPKT07240	Utility Billing	Outstanding	Deposit	11,648.83
03/14/2022		DEP0016604	Utility Payment Packet UBPKT07242	Utility Billing	Outstanding	Deposit	150,206.73
03/15/2022		DEP0016607	Utility Payment Packet UBPKT07243	Utility Billing	Outstanding	Deposit	3,866.33
03/15/2022		DEP0016610	Utility Payment Packet UBPKT07244	Utility Billing	Outstanding	Deposit	416.28
03/15/2022		DEP0016613	Utility Payment Packet UBPKT07245	Utility Billing	Outstanding	Deposit	647.50
03/15/2022		DEP0016616	Utility Payment Packet UBPKT07247	Utility Billing	Outstanding	Deposit	2,801.49

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
03/16/2022		DEP0016619	Utility Payment Packet UBPKT07248	Utility Billing	Outstanding	Deposit	992.94
03/16/2022		DEP0016622	Utility Payment Packet UBPKT07249	Utility Billing	Outstanding	Deposit	317.42
03/16/2022		DEP0016625	Utility Payment Packet UBPKT07257	Utility Billing	Outstanding	Deposit	1,658.24
03/17/2022		DEP0016628	Utility Payment Packet UBPKT07258	Utility Billing	Outstanding	Deposit	315.85
03/17/2022		DEP0016631	Utility Payment Packet UBPKT07259	Utility Billing	Outstanding	Deposit	433.26
03/17/2022		DEP0016634	Utility Reverse Payment Packet UBPKT07260	Utility Billing	Outstanding	Deposit	-119.44
03/17/2022		DEP0016637	Utility Reverse Payment Packet UBPKT07261	Utility Billing	Outstanding	Deposit	-92.47
03/17/2022		DEP0016649	Utility Payment Packet UBPKT07268	Utility Billing	Outstanding	Deposit	1,770.63
03/18/2022		DEP0016646	Utility Reverse Payment Packet UBPKT07267	Utility Billing	Outstanding	Deposit	-173.11
03/18/2022		DEP0016652	Utility Payment Packet UBPKT07269	Utility Billing	Outstanding	Deposit	327.77
03/18/2022		DEP0016655	Utility Payment Packet UBPKT07270	Utility Billing	Outstanding	Deposit	642.80
03/20/2022		DEP0016658	Utility Payment Packet UBPKT07276	Utility Billing	Outstanding	Deposit	15,223.40
03/21/2022		DEP0016661	Utility Payment Packet UBPKT07277	Utility Billing	Outstanding	Deposit	1,027.10
03/21/2022		DEP0016664	Utility Payment Packet UBPKT07281	Utility Billing	Outstanding	Deposit	538.43
03/21/2022		DEP0016667	Utility Payment Packet UBPKT07282	Utility Billing	Outstanding	Deposit	6,025.97
03/22/2022		DEP0016670	Utility Payment Packet UBPKT07283	Utility Billing	Outstanding	Deposit	5,488.45
03/22/2022		DEP0016673	Utility Payment Packet UBPKT07284	Utility Billing	Outstanding	Deposit	1,197.47
03/22/2022		DEP0016676	Utility Payment Packet UBPKT07285	Utility Billing	Outstanding	Deposit	3,930.34
03/22/2022		DEP0016679	Utility Payment Packet UBPKT07289	Utility Billing	Outstanding	Deposit	2,368.01
03/23/2022		DEP0016682	Utility Payment Packet UBPKT07290	Utility Billing	Outstanding	Deposit	2,878.09
03/23/2022		DEP0016685	Utility Payment Packet UBPKT07291	Utility Billing	Outstanding	Deposit	5,803.78
03/23/2022		DEP0016688	Utility Payment Packet UBPKT07293	Utility Billing	Outstanding	Deposit	4,533.25
03/23/2022		DEP0016691	Utility Payment Packet UBPKT07294	Utility Billing	Outstanding	Deposit	3,546.81
03/23/2022		DEP0016694	Utility Payment Packet UBPKT07295	Utility Billing	Outstanding	Deposit	1,807.54
03/24/2022		DEP0016697	Utility Payment Packet UBPKT07296	Utility Billing	Outstanding	Deposit	1,914.46
03/24/2022		DEP0016700	Utility Payment Packet UBPKT07297	Utility Billing	Outstanding	Deposit	6,762.26
03/24/2022		DEP0016703	Utility Payment Packet UBPKT07298	Utility Billing	Outstanding	Deposit	4,900.51
03/24/2022		DEP0016706	Utility Payment Packet UBPKT07299	Utility Billing	Outstanding	Deposit	1,769.71
03/25/2022		DEP0016709	Utility Payment Packet UBPKT07300	Utility Billing	Outstanding	Deposit	1,182.45
03/25/2022		DEP0016712	Utility Payment Packet UBPKT07301	Utility Billing	Outstanding	Deposit	2,656.63
03/25/2022		DEP0016718	Utility Payment Packet UBPKT07304	Utility Billing	Outstanding	Deposit	2,548.95
03/27/2022		DEP0016715	Utility Payment Packet UBPKT07302	Utility Billing	Outstanding	Deposit	11,809.66
03/28/2022		DEP0016721	Utility Payment Packet UBPKT07303	Utility Billing	Outstanding	Deposit	2,428.87
03/28/2022		DEP0016730	Utility Payment Packet UBPKT07305	Utility Billing	Outstanding	Deposit	2,143.58
03/29/2022		DEP0016733	Utility Payment Packet UBPKT07306	Utility Billing	Outstanding	Deposit	1,566.11
03/29/2022		DEP0016736	Utility Payment Packet UBPKT07307	Utility Billing	Outstanding	Deposit	4,190.14
03/29/2022		DEP0016739	Utility Payment Packet UBPKT07308	Utility Billing	Outstanding	Deposit	5,376.31
03/29/2022		DEP0016742	Utility Payment Packet UBPKT07309	Utility Billing	Outstanding	Deposit	4,681.68
03/29/2022		DEP0016745	Utility Payment Packet UBPKT07310	Utility Billing	Outstanding	Deposit	856.39
03/30/2022		DEP0016748	Utility Payment Packet UBPKT07311	Utility Billing	Outstanding	Deposit	1,852.32
03/30/2022		DEP0016751	Utility Payment Packet UBPKT07312	Utility Billing	Outstanding	Deposit	2,679.36
03/30/2022		DEP0016754	Utility Payment Packet UBPKT07313	Utility Billing	Outstanding	Deposit	3,642.25
03/30/2022		DEP0016757	Utility Payment Packet UBPKT07314	Utility Billing	Outstanding	Deposit	4,096.54

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
03/30/2022		DEP0016760	Utility Payment Packet UBPKT07315	Utility Billing	Outstanding	Deposit	1,853.40
03/31/2022		DEP0016763	Utility Payment Packet UBPKT07316	Utility Billing	Outstanding	Deposit	2,524.55
03/31/2022		DEP0016766	Utility Payment Packet UBPKT07317	Utility Billing	Outstanding	Deposit	913.45
03/31/2022		DEP0016770	Utility Payment Packet UBPKT07319	Utility Billing	Outstanding	Deposit	11,101.24
Deposit Total: (95)							587,620.17
Utility Billing Total: (95)							587,620.17
Report Total: (237)							256,895.80

Summary

Bank Account	Count	Amount
030866939 Bank of the West Checking	237	256,895.80
Report Total:	237	256,895.80

Cash Account	Count	Amount
No Cash Account	37	0.00
99 99-000-1004 Bank of the West Checking (Pooled Cash)	200	256,895.80
Report Total:	237	256,895.80

Transaction Type	Count	Amount
Bank Draft	43	-401,590.16
Check	83	-606,867.72
Check Reversal	1	2,400.88
Deposit	106	1,439,822.00
EFT	4	-176,869.20
Report Total:	237	256,895.80

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

CONSENT CALENDAR

ITEM 3: ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP

RECOMMENDED ACTION:

Approve the following Engineering/Operational Committee Meeting Recap(s) and recommend that the Board receive and file same (Consent Calendar):

1. *February 2, 2022*

CONTACTS (staff responsible): PALUDI/PEREA/SANGI



TRABUCO CANYON WATER DISTRICT ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | MARCH 2, 2022

DIRECTORS PRESENT

Stephen Dopudja, Committee Chair
Ed Mandich, Committee Member Alternate

STAFF PRESENT

Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Gary Kessler, Water Superintendent
Jason Stroud, Maintenance Superintendent
Oscar Ulloa, Wastewater Chief Plant Operator
Lisa Marie Sangi, Executive Assistant

CONSULTANTS PRESENT

Joey Gutierrez, JIG Consultants

PUBLIC PRESENT

None

PUBLIC PRESENT VIA CONFERENCE CALL

None

CALL MEETING TO ORDER

Director Dopudja called the March 2, 2022 Engineering/Operational Committee Meeting to order at 7:00 AM.

VISITOR PARTICIPATION

No comments were received.

ORAL COMMUNICATION

No comments were received.

COMMITTEE MEMBER COMMENTS

Director Mandich reported on his attendance at the Community Associations of Rancho (CAR) meeting, and he inquired if the Board Room is available for group meeting use.

REPORT FROM THE ASSISTANT GENERAL MANAGER

Mr. Perea reported on the following matters:

- Mr. Paludi was out of the office.
- The District's Administration Facility had re-opened to the public on March 1, 2022, and that local third-party user will have access to the Board Room on April 4, 2022.

**TRABUCO CANYON WATER DISTRICT
ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | MARCH 2, 2022**

ITEM 1: ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP

Mr. Perea presented the Engineering/Operational Committee Meeting Recap for Committee review in accordance with the agenda.

RECOMMENDED ACTION

Director Dopudja and Mr. Perea recommended that the Engineering/Operational Committee Meeting Recap(s) be forwarded to the Board of Directors for approval (Consent Calendar).

ITEM 2: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING DIMENSION WATER TREATMENT PLANT (DWTP) OFFICE AND STORAGE IMPROVEMENTS

Ms. Lausten presented this matter for Committee review, and she introduced Mr. Gutierrez to the Committee. Ms. Lausten provided a brief overview of the project, and she highlighted the current condition of the Dimension Water Treatment Plant (DWTP) office trailer with project photos. Ms. Lausten reviewed the proposed construction plans and engineer's cost estimate. Discussion occurred concerning the proposed plans, trailer layout, and previous onsite improvements. Mr. Gutierrez highlighted some of the minor site work will need to be done to accommodate the relocation of the new office trailer.

RECOMMENDED ACTION:

The Committee recommended forwarding this matter to the Board for consideration and review (Action Calendar).

ITEM 3: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING BELL CANYON SEWER LIFT STATION REHABILITATION PROJECT

Ms. Lausten presented this matter for Committee consideration, and she reported this was the final project status report for this facility. Ms. Lausten briefly reviewed some of the project close out items that have been completed, and she reviewed the final project costs with the Committee.

RECOMMENDED ACTION:

The Committee recommended forwarding this matter to the Board for consideration and review (Action Calendar).

ITEM 4: OTHER ENGINEERING AND OPERATIONS PROJECTS,

1. Golf Club Lift Station Motor Control Center Upgrade

Ms. Lausten provided a brief project update, and she reported that District staff will perform a factory witness test of the Motor Control Center (MCC) at TESCO Controls in Sacramento. Ms. Lausten reviewed the project timeline for MCC installation. Mr. Ulloa provided a brief overview of the station bypass plans and system redundancies.

2. Saddleback Meadows Development

Ms. Lausten reported that there was no update on this matter at this time.

3. Saddlecrest Development

Ms. Lausten reported that there was no update on this matter at this time.

**TRABUCO CANYON WATER DISTRICT
ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | MARCH 2, 2022**

4. Other Projects

- Ms. Lausten reported that District staff is currently working with ATS Communications on a possible agreement with Dish Wireless for the installation of cellular communications equipment at an appropriate District facility.
- Ms. Lausten provided an update on the proposed repairs to the V.P. Baker pipeline which would impact TCWD supplies, and she provided a shutdown timeline schedule. Director Dopudja advised District staff of a potential conflict of interest issue, and he requested that staff update the Board on this matter in the event action is needed related to this project.
- Ms. Lausten provided a brief update on the 2022 Water Quality Reports (Consumer Confidence Reports – CCRs). Ms. Lausten reported that many agencies have transitioned from mailed hard copies to providing customers with an electronic version as there is no requirement for a copy to be mailed. The Committee requested additional information as to which agencies opt for electronic versions of CCRs and how this change would be communicated to District customers. Ms. Lausten responded that she would provide this information to the Committee.
- Mr. Perea reported on his and Ms. Lausten’s attendance at the Orange County Water District (OCWD) Emergency Groundwater Supply for South Orange County Agencies meeting, and he provided a brief review of the proposed terms discussed at the meeting. Discussion occurred concerning the District’s current emergency storage available and the importance of balancing system redundancy and cost effectiveness. Mr. Perea reported that OCWD will hold a follow-up meeting in a few months.

RECOMMENDED ACTION

The Committee received the status updates. There was no action taken.

ITEM 5: WATER SYSTEM UPDATES

Mr. Kessler reviewed the projects and repairs for a February 2022, and he reported that Water Operations staff has completed the following tasks:

1. Repaired a one-inch service line on Rose Canyon located in Trabuco Canyon.
2. Replaced a customer curb stop on Longridge Drive in the Trabuco Highlands Community.
3. Worked with Ferreira Construction to replace a 3-valve cluster on Longridge Drive and Lark Grove Circle in the Trabuco Highlands Community.
4. Worked with the Meter department to replace a three-inch meter to O’Neil Park.

Mr. Kessler reviewed the Monthly Water System Operations Summary with the Committee.

RECOMMENDED ACTION

The Committee received the status update. There was no action taken.

ITEM 6: WASTEWATER SYSTEM UPDATES

Mr. Ulloa reviewed the projects and repairs for February 2022, and he reported that Wastewater Operations staff had completed the following tasks:

1. Replaced the worn chlorine lines and valves for the recycled effluent disinfection located in the chloring building at the Robinson Ranch Wastewater Treatment Plant (WWTP).
2. Installed a reverse osmosis system to create distilled water for lab procedures at the WWTP.
3. Repaired a four-inch reclaim main line to the WWTP.
4. Worked with TESCO to upgrade and test the emergency call out system.

**TRABUCO CANYON WATER DISTRICT
ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | MARCH 2, 2022**

Mr. Ulloa provided a review of the Monthly Non-Domestic Water (NDW) System Summary report for February 2022. He mentioned that the District's non-domestic water supplies are in good condition going into upcoming spring/summer months.

RECOMMENDED ACTION

The Committee received the status update. There was no action taken.

ITEM 7: MAINTENANCE DEPARTMENT UPDATES

Mr. Stroud reviewed the projects and repairs for January 2022, and he provided the additional highlights:

1. Delivered the new service truck to the Water department.
2. Performed various upgrades to service truck #6.
3. Conducted annual preventative maintenance on the emergency generator's with Duthie Power Services.
4. Assisted Hydrotech Electric with troubleshooting the Canyon Creek Booster Pump Station hydropneumatics system.
5. Worked with TESCO Controls on communication towers.
6. Assisted the Sanitation department on the recycled supply pipeline repair at the Robinson Ranch Wastewater Treatment Plant.

There was a discussion on the control panel compatibility of the new portable generator at various District facilities.

RECOMMENDED ACTION

The Committee received the status update. There was no action taken.

ITEM 8: OTHER MATTERS/REPORTS

Mr. Perea provided a brief update on the accident which involved the new replacement truck, and he reported that the claim was submitted to the District's insurance provider ACWA JPIA.

RECOMMENDED ACTION

There was no action taken.

ADJOURNMENT

Director Dopudja adjourned the March 2, 2022 Engineering/Operational Committee Meeting at 7:39 AM.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

CONSENT CALENDAR

ITEM 4: EXECUTIVE COMMITTEE MEETING RECAP

RECOMMENDED ACTION:

Approve the following Executive Committee Meeting Recap(s) and recommend that the Board receive and file same (Consent Calendar):

1. *February 7, 2022*
2. *March 14, 2022*

CONTACTS (staff responsible): PALUDI/PEREA/SANGI



TRABUCO CANYON WATER DISTRICT EXECUTIVE COMMITTEE MEETING RECAP | FEBRUARY 7, 2022

DIRECTORS PRESENT

Vice President Stephen Dopudja, Committee Chair
President Don Chadd, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager

PUBLIC PRESENT

There were no members of the public present

CALL MEETING TO ORDER

Vice President Dopudja called the February 7, 2022 Executive Committee Meeting to order at 4:00 PM.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

No comments were received.

REPORT FROM THE GENERAL MANAGER

No comments were received.

ADMINISTRATIVE MATTERS

ITEM 1: EXECUTIVE COMMITTEE MEETING RECAP

Mr. Paludi presented the Executive Committee Meeting Recap for Committee review in accordance with the agenda.

RECOMMENDED ACTION:

The Committee recommended that the February 7, 2022 Executive Committee meeting recap be forwarded to the Board of Directors for approval (Consent Calendar).

DISCUSSION MATTERS

ITEM 2: BOARD AGENDA PLANNING CALENDAR

Mr. Paludi presented this matter for Committee consideration, and he provided a handout highlighting certain proposed Board agenda planning calendar updates including, but not limited to:

February 2022

Special Board Meeting

- Agenda review

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING RECAP | FEBRUARY 7, 2022**

Regular Board Meeting

- Agenda review

March 2022

- Rate Study Consultant Contract Award
- District Treasurer’s Annual Statement of Investment Policy
- MWDOC Preliminary Budget & Rates
- Water Awareness Day Event Update
- Preliminary District Budget & Capital Improvement Project (CIP) Budget

April 2022

Special Board Meeting

- Rate Study Kick Off – Board Input
- TCWD Long Range Planning

Regular Board Meeting

- TCWD Preliminary FYE 2023 Operating and Capital Budgets
- MWDOC Preliminary Budget & Rates
- Water Awareness Day Event Update

RECOMMENDED ACTION:

There was no action taken.

OTHER MATTERS

ITEM 3: REPORTS OR COMMENTS FROM THE GENERAL MANAGER AND/OR STAFF

There was no other matters reported.

RECOMMENDED ACTION:

None

ADJOURNMENT

Vice President Dopudja adjourned the February 7, 2022 Executive Committee Meeting at 4:37 PM.



TRABUCO CANYON WATER DISTRICT EXECUTIVE COMMITTEE MEETING RECAP | MARCH 14, 2022

DIRECTORS PRESENT

Vice President Stephen Dopudja, Committee Chair
President Don Chadd, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager

PUBLIC PRESENT

There were no members of the public present

CALL MEETING TO ORDER

Vice President Dopudja called the March 14, 2022 Executive Committee Meeting to order at 4:35 PM.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

No comments were received.

REPORT FROM THE GENERAL MANAGER

No comments were received.

DISCUSSION MATTERS

ITEM 1: BOARD AGENDA PLANNING CALENDAR

Mr. Paludi presented this matter for Committee consideration, and he provided a handout highlighting certain proposed Board agenda planning calendar updates including, but not limited to:

March 2022

Regular Board Meeting

- Agenda Review
- OC LAFCO Call for Nominations

April 2022

Regular Board Meeting

- Presentation by Vicki Osborne – WEROC
- SOCWA Joint Powers Agreement Update
- Water Awareness Day Event Update
- Reimbursement Policy revisions

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING RECAP | MARCH 14, 2022**

May 2022

Special Board Meeting

- Rate Study Kickoff – Board input
- TCWD Budget Workshop

Regular Board Meeting

- Harris Grade Reservoir Cost-Sharing Agreement
- MWDOC Budget & Rates
- OC LAFCO Appointment of Regular/Alternate Special District Seats

RECOMMENDED ACTION:

There was no action taken.

OTHER MATTERS

ITEM 2: REPORTS OR COMMENTS FROM THE GENERAL MANAGER AND/OR STAFF

There was no other matters reported.

RECOMMENDED ACTION:

None

ADJOURNMENT

Vice President Dopudja adjourned the March 14, 2022 Executive Committee Meeting at 5:21 PM.

DRAFT

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

**ITEM 5: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/
ATTENDANCE**

FEES AND EXPENSES

Consistent with Board policy, Directors are reimbursed for expenses incurred while serving in their capacity as Directors. Additionally, Directors earn a per diem stipend for attendance at meetings or functions in a Director capacity. The attached spreadsheet provides a recap of the meetings, seminars, conferences attended by Directors along with expenses recorded to date.

TENTATIVE FUTURE MEETINGS

The attached spreadsheet provides a schedule of the tentative future meetings and attendance items.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

FY 2021/2022 Budgeted Board Expenses: \$38,400

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

RECOMMENDED ACTIONS:

Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from the following period(s):

1. *February 2022*

EXHIBIT(S):

1. Directors Fees and Expenses Monthly Report for February 2022
2. Directors Future/Tentative Meeting/Attendance Schedule for Calendar Year 2022

CONTACTS (staff responsible): PALUDI/PEREA/SANGI


**TRABUCO CANYON WATER DISTRICT
DIRECTORS' FEES AND EXPENSES MONTHLY REPORT | MARCH 2022**

MEETING DESCRIPTION	ACOSTA	CHADD	DOPUDJA	MANDICH	SAFRANSKI
DISTRICT MEETINGS					
Engineering/Operational Committee Meeting			03/02/22	03/02/22	
Bell Canyon Sewer Lift Station Tour				03/30/22	03/30/22
Executive Committee Meeting		03/14/22	03/14/22		
Finance/Audit Committee Meeting	03/09/22			03/09/22	
Individual Meeting with General Manager	03/15/22	03/21/22	03/15/22	03/14/22	03/15/22
Regular Board Meeting	03/17/22	03/17/22	03/17/22	03/17/22	03/17/22
Engineering/Operational Committee Meeting			03/23/22		03/23/22
REPRESENTATIVE MEETINGS					
City of Rancho Santa Margarita Council Meeting					03/09/22
City of Rancho Santa Margarita Council Meeting				03/23/22	
City of Rancho Santa Margarita City Planning Commission Meeting	03/02/22				
Independent Special Districts of Orange County - Luncheon Meeting					
Independent Special Districts of Orange County - Quarterly/Meeting					
Orange County Local Agency Formation Commission (OC LAFCO)					
Santiago Aqueduct Commission Meeting(SAC)					
South Orange County Agencies Group					03/24/22
South Orange County Wastewater Authority (SOCWA) Regular Board Meeting			03/03/22		
South Orange County Wastewater Authority (SOCWA) Finance Meeting					
MO. South Orange County Integrated Regional Watershed Management Executive Committee				03/31/22	
QRTLY South Orange County Integrated Regional Watershed Management Executive Committee				03/03/22	
Water Advisory Committee of Orange County Meeting (WACO)	03/04/22				
NUMBER OF MEETINGS ATTENDED	5	3	6	8	6
FEES (\$125 per each meeting*)	\$625.00	\$375.00	\$750.00	\$1,000.00	\$750.00
DIRECT REIMBURSABLE EXPENSES					
DIRECT REIMBURSABLE EXPENSES TOTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDIRECT REIMBURSABLE EXPENSES					
INDIRECT REIMBURSABLE EXPENSES TOTALS					
TOTAL	\$625.00	\$375.00	\$750.00	\$1,000.00	\$750.00
<i>* Maximum per diem per day is one; maximum per diems per month is 10</i>					

DIRECTOR SIGNATURE

TRABUCO CANYON WATER DISTRICT | 2022 PUBLIC MEETING AND CONFERENCE CALENDAR

2022													
LINE ITEM	MEETING DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DISTRICT PUBLIC MEETINGS													
1	Executive Committee Meeting	TBD			TBD			TBD			TBD		
2	Engineering/Operational Committee Meeting	01/05/22	02/02/22	03/02/22	04/06/22	05/04/22	06/01/22	07/06/22	08/03/22	09/07/22	10/05/22	11/02/22	12/07/22
3	Finance/Audit Committee Meeting	01/12/22	02/09/22	03/09/22	04/13/22	05/11/22	06/08/22	07/13/22	08/10/22	09/14/22	10/12/22	11/09/22	12/14/22
4	Regular Board Meeting	01/20/22	02/17/22	03/17/22	04/21/22	05/19/22	06/16/22	07/21/22	08/18/22	09/22/22	10/20/22	11/17/22	12/22/22
5	District Properties Ad Hoc Committee Meeting	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC MEETINGS													
6	City of RSM City Council Meeting - Meeting No. 1	01/12/22	02/09/22	03/09/22	04/13/22	05/11/22	06/08/22	07/13/22	08/10/22	09/14/22	10/12/22	11/09/22	12/14/22
7	City of RSM City Council Meeting - Meeting No. 2	01/26/22	02/23/22	03/23/22	04/27/22	05/25/22	06/22/22	07/27/22	08/24/22	09/28/22	10/26/22	11/23/22	12/28/22
8	Independent Special Districts of Orange County Meeting	01/04/22	02/01/22	03/01/22	04/05/22	05/03/22	06/07/22	07/05/22	08/02/22	09/06/22	10/04/22	11/01/22	12/06/22
9	Independent Special Districts of Orange County Meeting	01/27/22	-	-	04/28/22	-	-	07/28/22	-	-	10/27/22	-	-
10	Orange County Local Agency Formation Commission (OC LAFCO)	01/12/22	02/09/22	03/09/22	04/13/22	05/11/22	06/08/22	07/13/22	08/10/22	09/14/22	10/12/22	11/09/22	12/14/22
11	Santiago Aqueduct Commission Meeting	-	-	03/17/22	-	-	06/16/22	-	-	09/15/22	-	-	12/15/22
12	Quarterly South Orange County Integrated Regional Watershed Management Executive Committee	-	-	03/03/22	-	05/05/22	-	-	08/04/22	-	-	11/03/22	-
13	Monthly South Orange County Integrated Regional Watershed Management Executive Committee	01/27/22	02/24/22	03/24/22	04/28/22	05/26/22	06/23/22	07/28/22	08/25/22	09/22/22	10/27/22	11/24/22	12/22/22
14	South Orange County Water Agencies Group Meeting*	01/27/22	-	03/24/22	-	05/26/22	-	07/28/22	-	09/22/22	-	11/24/22	-
15	South Orange County Wastewater Authority Regular Board Meeting	01/06/22	02/03/22	03/03/22	04/07/22	05/05/22	06/02/22	07/07/22	08/04/22	09/01/22	10/06/22	11/03/22	12/01/22
16	Water Advisory Committee of Orange County	01/07/22	02/04/22	03/04/22	04/01/22	05/06/22	06/03/22	07/01/22	08/05/22	09/02/22	10/07/22	11/04/22	12/02/22
CONFERENCES													
17	ACWA Spring Conference - Sacramento, CA					5/3 - 5/6							
18	ACWA Fall Conference - Indian Wells, CA											11/29 - 12/2	
19	CSDA Annual Conference -Palm Springs, CA								8/22 - 8/25				
20	CSDA GM Leadership Summit - Coronado, CA						6/19 - 6/21						
21	Urban Water Institute (UWI) Annual Conference - San Diego, CA								8/24 - 8/26				
22	CSDA SDLA Conference - Napa, CA									9/18 - 9/21			

LEGEND
 District Observed Holiday - Reschedule Meeting
 *4th Tuesday of the Odd Numbered Month

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

**ACTION CALENDAR
FINANCIAL MATTERS**

ITEM 6: DISTRICT FINANCIAL ANALYSIS AND RATE STUDY CONTRACT AWARD

Trabuco Canyon Water District’s (District) Board of Directors last adopted rates and charges for water, sewer, and recycled water services in December 2020, to be implemented January 1, 2021 and adjusted every January 1 thereafter through Calendar Year 2025 according to the adopted rate schedule. As required by California law, the District’s rates are established through a cost-of-service analysis that helps ensure that proposed rates accurately reflect the District’s costs associated with providing the services.

However, since the adoption of the current rate schedule, the District has experienced significant operating and capital cost increases due to labor adjustments and the highest inflation in the past 40 years. In addition, the District in 2021 is conducting the first update to its facility master plan since 1999 and the first comprehensive assessment of its assets, both of which will result in a more detailed Capital Investment Plan (CIP) that will show what the District needs to invest to maintain the reliability of its assets over the long term. These factors have prompted the need for an updated rate study. District staff anticipates recommending a new five-year rate schedule for adoption by the Board in 2023.

The scope of work for the rate study includes a two or more board workshops, financial and capital plan development, revenue requirements, cost-of-service and rate analyses including drought rates, Prop. 218 public hearing support, and a rate study report. A Request for Proposals for the rate study was issued on January 18, 2022, and the District received proposals from the following consulting firms, shown with their proposed total hours and fee:

Respondent	Hours	Proposed Fee
Bartle Wells Associates	333	\$79,445
Harris & Associates	762	\$149,890
IB Consulting	488	\$97,620
RDN	414	\$67,800

The District’s evaluation panel conducted interviews with IB Consulting and RDN based on the strength of their written proposals, proposed level of effort and fee, and strength of references. After conducting the interviews, the evaluation panel concluded that IB Consulting performed best in a presentation and question/answer format and that, taking all the evaluation criteria into account, including accessibility of key personnel to District staff (IB’s offices located in Temecula), IB Consulting should be recommended to perform the financial plan and rate study. IB Consulting’s written proposal is included as Exhibit 1.

FUNDING SOURCE:

General Fund

FISCAL IMPACT:

Budget not-to-exceed \$107,382 (consultant fee plus 10% contingency)

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

RECOMMENDED ACTION:

Authorize the General Manager to execute an agreement with IB Consulting for a Financial Analysis and Rate Study for \$97,620 plus a 10% contingency of \$9,762, for a total not-to-exceed amount of \$107,382.

EXHIBIT(S):

1. IB Consulting Rate Study Proposal

CONTACTS (staff responsible): PALUDI/PEREA



Solutions through Collaboration

Trabuco Canyon Water District
Financial Analysis and Rate Study

Submittal Date:

February 14, 2022

Date: February 14, 2022
Karen Warner - Principal Accountant
Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, CA. 92679

Dear Ms. Warner,

IB Consulting is excited to submit this proposal to assist the Trabuco Canyon Water District (District) with updating its utility financial plans and developing corresponding cost-based rates. Our proposal includes detailed steps for preparing a comprehensive cost-of-service study for water, recycled water, and wastewater rates.

Our firm specializes in utility financial planning and rate consulting. As managing partners of the firm, myself and Andrea Boehling, will both be intimately involved throughout the entire study. The District will benefit from two seasoned utility rate experts with over 30 years of combined experience that spans the entire State of California and covers water rates, wholesale water rates, wastewater rates, recycled water rates, drought rates, and utility capacity charges.

We have assisted municipalities with long-term financial planning and structuring rates to reflect the cost-of-service, including the justification for tiered rates, and equity between customer classes. In addition, we will conduct a policy framework workshop with the District Board to obtain an understanding of what are the most important rate objectives to achieve with this rate study and to provide our insight on rate alternatives and considerations unique to the District. Our scope also includes Board meetings throughout the study to keep the District Board engaged and to receive direction on options presented.

We understand the importance of each utility's ability to be self-sufficient to meet its ongoing operating expenses as well as system reinvestment to ensure safe and reliable services. Our proposal is valid for 90 days and I will be the primary contact during the RFP review process. If you have any questions regarding the proposal or would like to discuss any section in more detail, please contact me.

Habib Isaac - Principal | Managing Partner
951-595-9354
hisaac@ibconsultinginc.com
Temecula, CA. 92592



Overview and Approach

The District is seeking a well-versed and experienced project team to assist with updating each of its utility's financial plans, developing sound capital funding options, evaluating rate alternatives, and deriving cost-based rates in compliance with Proposition 218. The project will span approximately 12 months and our management includes periodic check-ins to ensure the project is completed on time, within budget, and reflects the unique characteristics of the District.

Throughout the study, we will have meetings scheduled with staff to ensure clear lines of communication are established from the start. We will go over pertinent data, identify outstanding items, determine if additional data is needed based on the approach we are taking and set aside time to walk-through model development at each milestone.

Collaborating with staff is a cornerstone of our business practice and generates tailored results reflecting each client's unique characteristics

We have found that this approach allows our clients to become very comfortable with our models, generates a clear understanding of our recommendations, and ensures "no surprises" occur at workshops or Board meetings.

We will develop technically defensible rates, account for changes in water demand and revenue from drought conditions, account for changes in wastewater flows, satisfy revenue requirements while minimizing rate spikes and comply with debt covenants.

Obtaining community buy-in is also important to utility rate studies. The best way to achieve community buy-in is to hold meetings throughout the project and separate the project into easily digestible components that build upon one another. We must also understand competing objectives between what's best for the utility and what's important to various stakeholders. The key is to clearly explain why certain options are recommended for each utility and obtain feedback from the District Board for each major milestone of the study.

All approaches and recommendations will be discussed with staff. We will obtain feedback and present viable rate recommendations to the District Board for consideration. The preferred rate alternative selected by the District Board will be incorporated into the Proposition 218 notice.

IB CONSULTING APPROACH:



Discuss the utility's current financial position, customer makeup, usage characteristics, policy directives, rate objectives, and project schedule.



Review Reserve Policies and provide recommendations based on best management practices and direct experience with similar agencies throughout California. Our review will assess minimum requirements, targets, and whether any additional reserves should be considered.



Develop viable rate alternatives for consideration. The District will benefit from two rate experts with direct experience in modeling rate alternatives, including uniform rates that vary by customer class, seasonal rates, tiered water rates, and budget-based water rates. As part of setting rates, we will develop and identify rate components that make up proposed fixed charges and proposed variable rates, including tiers. We will also discuss the number of tiers that are appropriate for the District to consider.



Review existing wastewater rates with staff to understand how well current rates are performing. Residential rates were recently separated between Single-Family and Multi-Family. Non-residential rates include a monthly fixed charge and flow rates that vary by commercial type (Low, Medium, and High). Rate alternatives will be discussed and compared to current rates.



Account for the District's capital plan. Capital planning warrants its own discussion and funding approach. We will incorporate the ability to develop and select different capital scenarios that may differ by the inclusion/exclusion of capital projects, level of capital spending, the timing of projects, and available funding sources, including debt-financing. The last study reflected debt issues in FY 2022 and FY 2024 for both Water and Wastewater. We will revisit the capital funding approach with the new 10-year capital plan and if debt-financing will / should be used.



Meet with District staff as part of each task to discuss our findings, recommendations, and path moving forward. Doing so will promote our collaboration with the District, provide ongoing model training throughout the engagement, and identify progress to date.



Document our findings and recommendations in a Final Report for the District's administrative record on rates. Our reports focus on readability to make sure it's clear and easily understood by the layperson.



Qualifications and Experience

IB Consulting, LLC (IB Consulting) is a public consulting firm located in Temecula, California. As co-founders of the firm, Habib Isaac and Andrea Boehling have specialized in the public finance consulting sector for 19 years and 16 years, respectively, and are leading experts in the utility rate industry. Prior to forming IB Consulting, Habib worked at Raftelis from 2013 to 2019 and was a Senior Manager and West Coast Staff Lead. Andrea worked at Raftelis from 2014 to 2019 and was a Manager. We are members of CSMFO and AWWA and have presented at annual conferences regarding capital funding, utility reserve policies, best management practices with developing rates, and long-term financial planning.

Our business philosophy is to establish long-term relationships with our clients, provide ongoing consulting services beyond a specific project, and become a resource to agency staff. Whether the work involves a utility rate study, capacity fee update, or fiscal impact analysis, these projects contribute to the agency's overall strategic objectives for its utility enterprises and influence other initiatives. Our clients benefit from both of us working on each project.

We focus on only working with a handful of municipalities concurrently to ensure our services generate tailored deliverables and quick responsiveness to all correspondence. Focusing on only a few clients allows a “hands-on” approach to all projects, fosters more thoughtful discussions, ensures we are available when needed, and generates viable solutions for consideration by elected officials.

Our management approach starts with determining whether or not we pursue a project. ***We only propose on RFPs if we have adequate capacity to devote the appropriate amount of time necessary to garner well-thought-out financial plans with corresponding rates that are equitable and cost-based.***

Our business model generates a competitive advantage for our clients with our availability and dedicated time to each project.

We urge you to follow up with any of our references and clients to assess our performance, work products, availability, and responsiveness.

Below is a list of relevant project experience over the last 2 years similar to what the District has requested. IB Consulting staff has experience spanning the last five years and beyond that are within each resume. The first three agencies are included within the Reference section of this proposal but please feel free to contact any clients listed below.

Agency: Helix Water District - *(Included as Reference)*

Project Description: Water Rate Study, Capacity Fee and User Fee Study, and Annual Updates

Contact: Jennifer Bryant, Administrative Services Director; 619.667.6259

Key Personnel: Habib Isaac, Andrea Boehling

Agency: East Valley Water District - *(Included as Reference)*

Project Description: Budget-Based Water Rate and Wastewater Rate Study, Capacity Fee, User Fees

Contact: Brian Tompkins, Finance Director; 909.645.2079

Key Personnel: Habib Isaac, Andrea Boehling

Agency: Elsinore Valley Municipal Water District - *(Included as Reference)*

Project Description: Water Rate, Recycled Water Rate, Drought Rates, and Sewer Rates

Contact: Robert Hartwig, AGM - Business Services/CFO; 951.674.3146 ext. 8242

Key Personnel: Habib Isaac, Andrea Boehling

Agency: City of Roseville

Project Description: Water, Recycled Water, Sewer, and Solid Waste Rate Study

Contact: Janet Vargas, Business Services Administrative Administrator; 916.774.5300

Key Personnel: Habib Isaac, Andrea Boehling

Agency: Delta Diablo

Project Description: Wastewater Rate and Recycled Water Rate Study

Contact: Vince De Lange, General Manager; 925.756.1920

Key Personnel: Habib Isaac, Andrea Boehling

Agency: Phelan Pinon Hills CSD

Project Description: Water Rate Study

Contact: Lori Lowrance, Administrative Services Manager; 760.868.1212

Key Personnel: Habib Isaac, Andrea Boehling, Lauren Demine

Agency: City of Livermore

Project Description: Sewer Rate Study and Water Rate Study

Contact: Anthony Smith, Management Analyst II; 925.960.8121

Key Personnel: Habib Isaac, Andrea Boehling, Lauren Demine

Detailed Work Plan

As part of our Scope of Services, each task provides details regarding meetings, deliverables, and District staff impact. Through our frequent collaboration, District staff will be completely familiar with the models and their functionality. The detailed scope below describes each task and sets forth how we envision working through this engagement.

PROJECT MANAGEMENT

Our project management approach starts with determining whether or not we pursue a project. We first ensure that we have the capacity to take on a project and provide the appropriate amount of time commitment to garner a well-thought approach to proposed rates. Throughout the study, we will have meetings scheduled with District staff to go over pertinent data, identify outstanding items, determine if additional data is needed based on the approach we are taking and set aside time to walk-through model development at each milestone of the study. Through this approach, we have found that our clients become very comfortable with our models and are aware of the approach we are taking as we work towards the next milestone.

Our project management includes the following components:

1. Prior to each milestone, models and other deliverables are peer-reviewed for quality assurance and quality control. We also ensure that all model components discussed with District staff are incorporated and reflect any requested functionality.
2. Pertinent data will be thoroughly reviewed by our project team before any discussions with District staff. Through our review, we will develop topics of discussion and questions we have to clarify our understanding of data.
3. Periodic meetings will be scheduled to collaborate with District staff as the financial plan, cost-of-service, and rate alternatives are developed. Meetings will be followed up with meeting minutes to keep track of our discussions and the direction received. Utility studies take months to complete and tracking decisions and action items throughout the study is a critical component to stay on task and meet the project timeline.
4. Billing will occur on a monthly basis with tasks worked on, hours spent on tasks, and total project cost to date.

Task 1: Data Collection and Kick-off Meeting

As part of project initiation, we will meet with District staff to discuss the overall approach to the project, topics for the Policy and Rate Objective Workshop with Board (Task 2), an initial timeline for completion, and identify key milestones. To ensure a productive kick-off meeting, we will first provide a data request of the items required for developing the financial plans, cost-of-service analyses, and corresponding rates. Ideally, the kick-off meeting will be scheduled two to three weeks after providing the data request to allow ample time to compile and review the data. Before our kick-off meeting, we will thoroughly review District's current rate structures, the last cost-of-service rate studies, and capital-related documents. During our meeting, we will discuss the following items:

1. Questions we have regarding the data received.
2. Overview of each utility's current financial position.
3. Capital needs with funding options.
4. Reserve policies and industry best management practices.
5. Policy considerations, state mandates, and any regulatory requirements to address.
6. Identify any areas of concern and/or recommended adjustments to rate structures with reasoning for the changes. One critical component will be confirming that a 4-tier rate structure is appropriate and costs within each tier clearly differentiate between tiers.
7. Rate alternatives to evaluate while complying with Proposition 218 and Proposition 26.



The kick-off meeting will conclude with an initial framework of the study, clear lines of communication between us and District staff, and specific dates for scheduled meetings.

Meetings: One (1) kick-off meeting with District staff.

Deliverable: Data request, agenda for kick-off discussion, and meeting minutes.

District Staff Impact: Provide any readily available data based on request prior to the meeting and participate at the kick-off meeting. We expect a week for District staff to compile the requested data.

Task 2: Policy and Rate Objective Workshop

Changing financial conditions and the ongoing development of a comprehensive 10-year Capital Improvement Program (CIP) have necessitated the need for a new rate study to ensure that the District meets its long-term operational and asset funding needs with adequate financial reserves. With these changing conditions, it is important to conduct a Policy and Rate Objective Workshop with the District Board to understand specific policy considerations to incorporate into the new study and rate objectives to achieve with proposed rates. We will review financial policies and reserves, rate trends in the industry, rate alternatives to evaluate, approach for adequately funding capital, and other considerations most important to the District Board.

The Policy and Rate Objective Workshop will also provide a forum to:

1. Introduce/refresh Board members in the rate-setting process.
2. Review cost-of-service requirements of Proposition 218.
3. Develop trust/familiarity between consultants and the District.
4. Obtain buy-in from the District Board on our approach.
5. Receive feedback from the District Board from the very beginning.

The workshop will conclude with all parties aware of the approach that will be taken, rate alternatives to evaluate, and next steps and meetings.

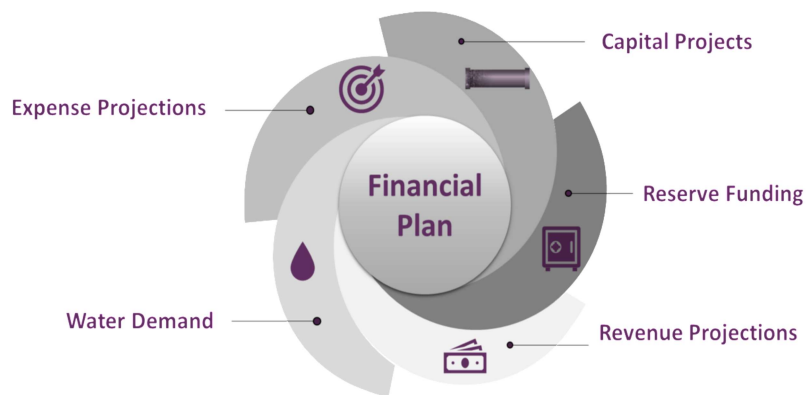
Meetings: One (1) Workshop with the District Board.

Deliverable: Presentation material, Proposition 218 and cost-of-service requirements, and meeting minutes for the Workshop.

District Staff Impact: Review presentation materials, provide feedback and any additions for the Workshop, and attendance at the Workshop.

Task 3: Financial Plan Development

Financial planning incorporates numerous considerations besides projecting operating expenses. Utilities need to account for changes in water demand driven by variations in usage and changes to flows for wastewater. In addition, system reinvestment, reserves, and debt compliance also influence revenue needs in future years. Therefore, a comprehensive financial plan reviews various aspects of a utility.



We will review the District's revenue requirements to ensure all costs are captured, including debt coverage and reserve funding. We will include both historical financial performance and projected revenue requirements, including the District's long-term capital plan.

CAPITAL PLANNING

Developing a funding approach to the District's CIP is a critical component to any rate study to ensure rates generate adequate revenue for maintaining and reinvesting in the utility systems. With the array of capital spending needs, identifying the timing of projects and sources of funding can generate various scenarios to consider as part of prioritizing short-term needs and long-term planning. Our model will incorporate the ability to select from different capital plan scenarios and toggle between each scenario to instantly review how the capital spending plan folds into the District's total revenue requirements and level of future rate increases. Our modeling will include:

1. Projections of each utility's revenue needs for the next 20 years to capture any significant capital costs on the horizon.
2. Annual replacement costs of the system by using the District's current assets / depreciation.
3. CIP funding sources, including existing reserves, capacity fees, grants, and debt financing.

A sound capital facility funding plan is one of the primary ways to minimize rate spikes by slowly building up reserves for future capital needs and utilizing debt instruments to amortize major capital projects over the useful life of the improvements. Our capital planning assessment will provide a means to determine impacts to customers and show how certain scenarios can smooth out rates by adjusting the capital schedules.

REVENUE REQUIREMENTS

For each enterprise, we will develop a multi-year cash flow pro forma to determine revenue adjustments for the planning period. Expenses will be projected and will incorporate separate inflationary categories including, but not limited to, salaries, benefits, PERS/OPEB, energy, and detailed calculations for purchased water costs (treated and untreated). Historical financial data will provide a reference for expense trends and new line items added over the years.

Our financial plans will also include a comprehensive consumption analysis for each utility. We will calculate rate revenue using the raw billing data and compare it to actual revenues within the District's latest audited financials. Doing so will provide an initial quality assurance check that the raw billing data and units of service driving the updated model is fundamentally sound for forecasting future revenue needs. This will also allow us to model "what-if" scenarios with changes to growth, water demand, purchased water, wastewater flows, and projected usage between customer classes. As part of this task, we will also model existing reserve policies and identify any recommended adjustments to reserves based on our direct experience and industry best management practices for utilities.

The financial plan models will include an infographic interface (Financial Dashboard) created with the end-user in mind. The Financial Dashboard will include, but will not be limited to, the current financial operating position and projected annual net income, required capital needs with funding sources, the current makeup of reserves, ending reserve balances, and toggles to dynamically change assumptions and compare scenarios. Our Financial Dashboards are a key element to our models and assist with communicating the financial health of the utilities.

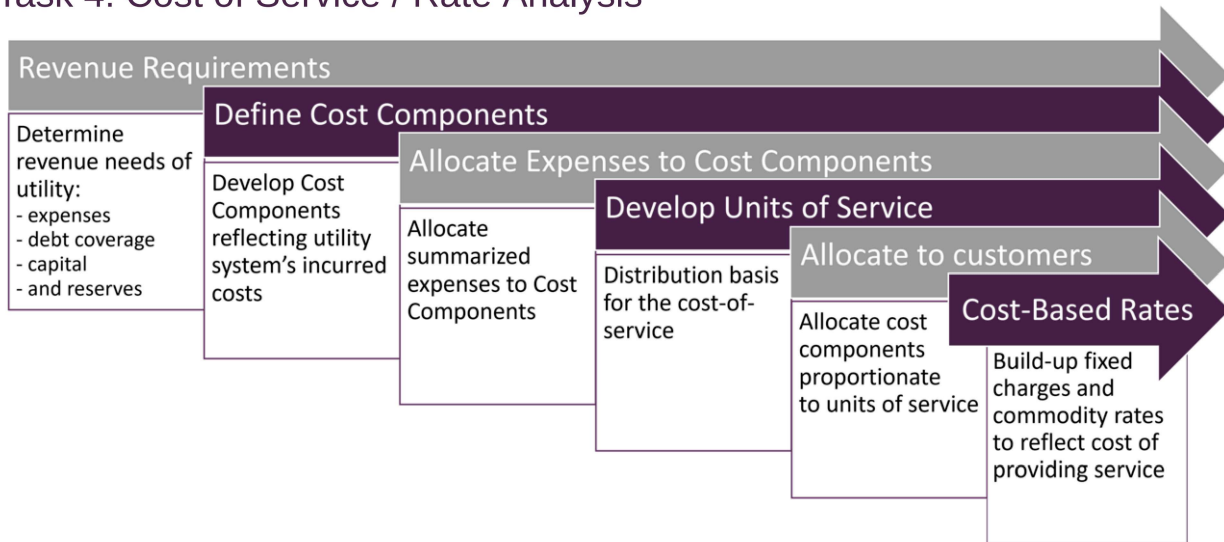


Meetings: Webinars as needed to review financial plans, 1 in-person meeting with District staff to finalize the financial plans. We also expect a meeting with the District Board to review the proposed long-term financial plans of each utility (Water, Recycled Water, and Wastewater).

Deliverable: Financial plan models including total accounts by customer classes, consumption analysis by class and tier, flows by wastewater customer class, and current fixed/variable revenue profile.

District Staff Impact: Available periodically to discuss utility budgets, specific costs, current reserve policies, and participate in webinars, 1 in-person meeting, and attendance at Financial Plan Board Workshop.

Task 4: Cost of Service / Rate Analysis

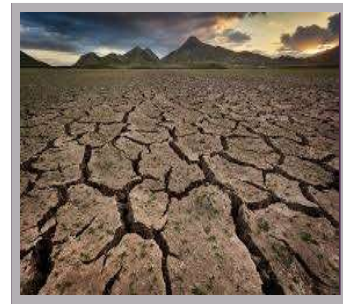


The cost-of-service analysis is a critical component of any rate study and directly ties to how rates will adjust, which ultimately impacts customer bills and provides a sound nexus between costs incurred and proposed rates. Through our discussions with District staff at the kick-off meeting and from our collaboration with developing the financial plans, the initial cost-of-service analysis will reflect feedback received from District staff, and the District Board. We will walk District staff through the cost-of-service and identify recommended adjustments based on best management practices and ensure compliance with Proposition 218. Discussion points will include:

1. Comparison of revenue recovered from fixed charges versus how much is recovered from variable rates and percent change from the current rate recovery. Adjustments between the fixed / variable split will be driven by identifying how cost recovery has shifted to enhance revenue sufficiency.
2. Comprehensive consumption analysis for each utility to capture new usage trends and provide insight on the amount of revenue recovered between customer classes.
3. Rate components that make up the rates to ensure Proposition 218 compliance.
4. Surcharges for pumping by zone.
5. Sensitivity analysis with any changes to the rate structure and water demand projections, including impacts to customer classes. Representative bills within each class over the usage continuum will be incorporated into our final rate analysis.
6. Drought rates that connect to the various stages of the District's Conservation Ordinance.
7. Customer impacts for each utility and customer class.

The recycled water rate will be built up to cover the recycled water system operating costs and system reinvestment needs. We will also identify operational costs that recycled customers should cover or in which they should have a proportionate share, such as, tertiary treatment, energy costs, and capital.

Drought rates will also be developed to maintain the necessary revenue recovery during potential drought conditions and / or water shortages. Drought rates will curtail any revenue losses from significant usage reductions outside the District's control. We will model various reductions in water usage and develop drought rates that continue to meet the District's revenue needs.



Drought rates may be structured differently than how base rates are developed. The revenue loss could be recovered solely through increased variable rates (which is where the revenue loss occurred) or the revenue loss may be recovered through higher fixed charges when certain conservation stages are reached. These policy decisions will be discussed along with bill impacts.

With the proposed rates completed and thoroughly discussed, rate workshops will be held to discuss rate alternatives, review the financial position of each utility with proposed rates, and receive feedback from the District Board.

Each financial plan scenario and rate alternative will include impacts to customer bills for each utility. Doing so will provide insight to the District Board on affordability and help with selecting the most appropriate rate alternative for their customers.

Meetings: Webinars with District staff to review cost-of-service analysis and corresponding rate alternatives.

Deliverable: Rate models for each utility, including drought rates.

District Staff Impact: Meetings to review and discuss the cost-of-service analysis for each utility and an in-person meeting to finalize rate alternatives.

TASK 5: Rate Workshops

With the proposed rate alternatives for each utility completed and thoroughly discussed with District staff, two rate workshops will be held with the District Board. During the first workshop, rate alternatives

will be discussed as well as how each alternative impacts the District's short-term and long-term financial health and how proposed rates impact customer bills.



We will also include financial metrics for the District Board to consider when determining the best rate option for its constituency including, the percent of revenue recovery between fixed / variable, revenue requirements assigned to each customer class and comparison to current revenue recovery, level of debt-financing, and explanation regarding any rate structure adjustments. **Our presentations to the District Board will also include a rate survey with neighboring agencies to compare current and proposed rates.** We expect a second Board Rate Workshop to finalize rates after receiving feedback from the District Board on our initial recommendations and rate alternatives.

Meetings: Webinars with District staff to review presentation material for rate workshops. Two Rate Workshops with the District Board to finalize rates.

Deliverable: Presentation material and rate survey.

District Staff Impact: Review and discuss presentation material and attend Rate Workshops.

Task 6: Rate Study Report

Once the analysis is completed and rates finalized, we will draft a Report in compliance with Proposition 218 to serve as part of the administrative record. Our Report will document assumptions, describe the methodology, and walk the reader through the underlying calculations that derive the updated water, recycled water, and wastewater rates. We will also include an Executive Summary highlighting the primary drivers of any necessary revenue adjustments, financial plan review, and corresponding rates.

The Final Report includes all of the technical analysis as a backup to the proposed rates; however, we also focus on the readability of our reports to make sure it's easily digestible to the layperson. This is achieved by incorporating infographics that complement the narrative discussions within the Report and we limit the amount of technical jargon that may only be understandable to industry professionals.

We recognize that the Final Report serves two distinct purposes: 1) backup to our technical analysis and 2) a clear and concise story of the issues facing the District to its constituency. With this in mind, our Reports are straightforward and easy to read.

Meetings: Conference calls as needed to finalize Report.

Deliverable: Draft Report and Final Report.

District Staff Impact: Review Report and provide any edits/comments for Final Report.

Task 7: Noticing and Public Hearing

We will assist the District with drafting the Prop. 218 Notice. The notice will tie directly to our analysis and Report with visuals to convey proposed rates in an easily digestible manner. We will provide any required tables and incorporate graphics showing customer impacts.

We will be in attendance at the Public Hearing to answer any technical questions and will provide a brief presentation if desired, summarizing the Report, our findings, and proposed rates.

Meetings: 1 meeting to attend Public Hearing.

Deliverable: Final Report and presentation, if requested.

District Staff Impact: Prepare staff report for Public Hearing and attend Public Hearing.

Key Personnel



Habib Isaac

Principal | Managing Partner

hisaac@ibconsultinginc.com

- BS in Applied Mathematics
- 19 years experience
- Specialize in cost-of-service
- Skilled facilitator



Andrea Boehling

Principal | Managing Partner

aboehling@ibconsultinginc.com

- BS/BA in Accounting
- 16 years experience
- Specialize in financial planning
- Expert modeler



Lauren Demine

Senior Consultant

ldemine@ibconsultinginc.com

- BA in Geology
- 5 years utility experience
- Specialize in data analysis

As Principals of the firm, Habib and Andrea will be involved throughout the project with additional analytical support from Lauren Demine - Sr Consultant. Both Principals will work in concert with District staff to prepare a framework outlining the overall approach, develop long-term financial plan models that are usable for ongoing updates, establish a sound nexus for rates, deliberate on policy decisions, facilitate all meetings and workshops, and prepare final reports that are readable with a key focus on quality.

Our project team for this engagement will not change and the District will benefit from having both Principals fully engaged and available throughout the project

Collectively, the project team has completed more than 50 utility rate studies throughout California, including water rates, recycled rates, and wastewater rates. Below is a list of recent similar projects:

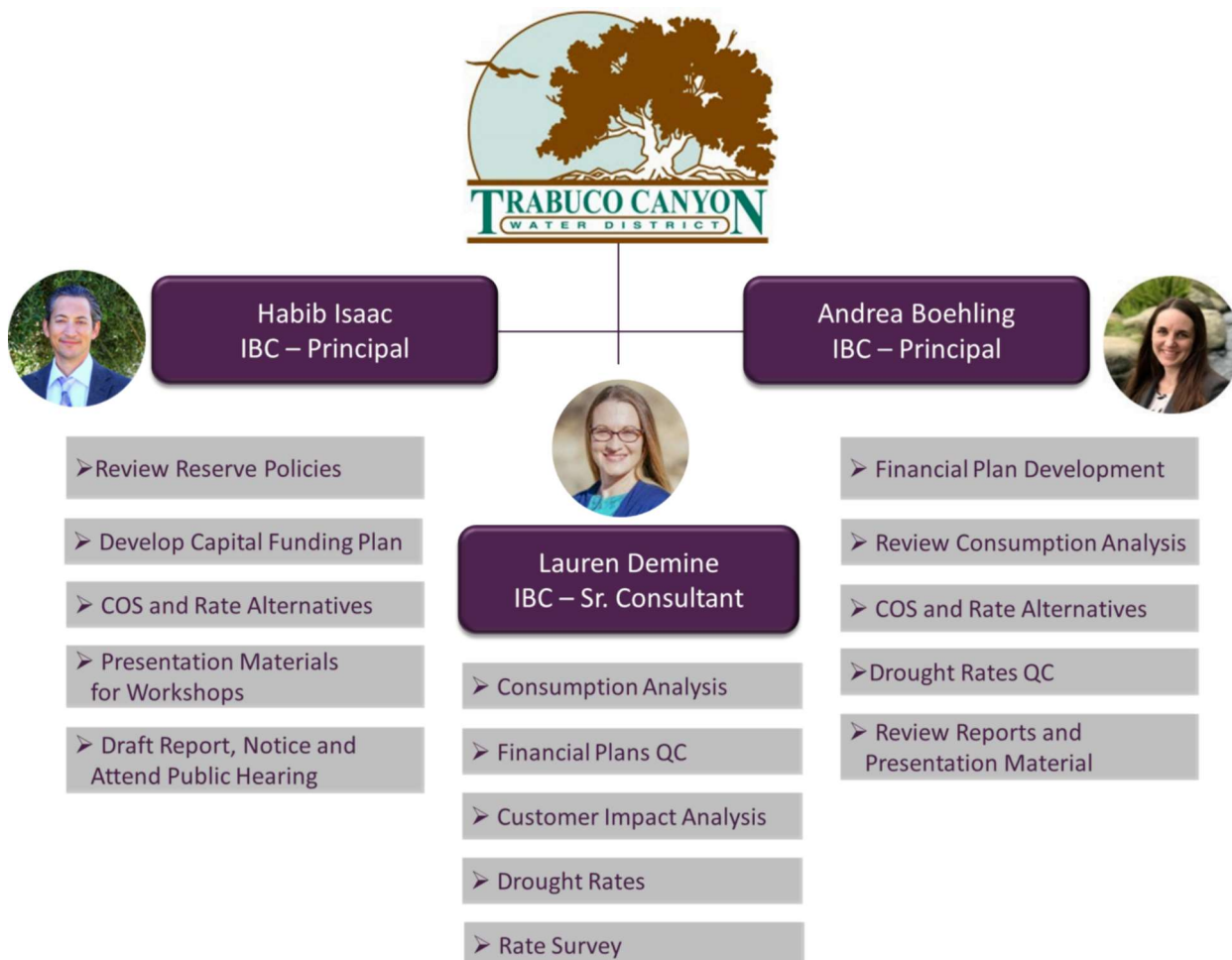
- City of Roseville (water / recycled / sewer / trash)
- City of Livermore (water / sewer)
- City of Galt (water / sewer / capacity fees)
- Delta Diablo (sewer / recycled)
- Citrus Heights WD (water)
- Sacramento Suburban WD (water)
- Helix WD (water / capacity fees / user fees)
- Rainbow MWD (fiscal impact analysis / rates)
- Elsinore Valley MWD (water / recycled / sewer)
- Phelan Pinon Hills CSD (water / capacity fees)
- Temescal Valley WD (water / recycled / sewer)
- East Valley WD (water / sewer / capacity fees)



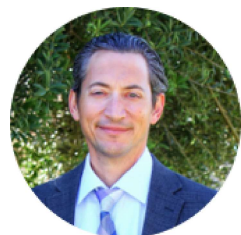


Project Staffing

As part of our workflow and emphasis on our internal QA/QC procedures, both Principals will be responsible for developing the financial plans and rate alternatives. Andrea will lead the financial plan development of each utility with analytical support from Senior Consultant - Lauren Demine. Concurrently, Habib will develop presentation materials for the Policy and Rate Objective Workshop with the District Board, review reserve policies and capital funding options, and prepare presentation materials and the Report. Both Principals will be involved with developing the cost-of-service analysis and rate alternatives for each utility. Lauren Demine will focus on the consumption analysis, customer impacts, drought rates, and rate surveys. Our internal QA/QC includes reviews on all models, presentations, and reports prior to submitting deliverables to the District.



Resumes



Habib Isaac - Principal / Managing Partner

Habib focuses on delivering innovative solutions to water and wastewater utilities that are clearly laid out and understandable to the community at large while backed by sound technical expertise to answer unforeseen questions that may arise during each project.

Education

San Diego State University
*BS in Applied Mathematics with
Emphasis in Computational Science*

College Publications
*Physics Letter A Journal
Encryption Using Cycling Chaos*

Work Experience - 19 Yrs

IB Consulting LLC: (2019 – Present)
Managing Partner

Raftelis: (2013 – 2019)
Senior Manager / West Coast Lead

Willdan: (2004 – 2013)
Principal Consultant

David Taussig & Assoc: (2003 – 2004)
Senior Analyst

Expertise

Utility Financial Planning
Utility Rate Consulting
Special Tax Consulting
Impact Fees
Risk Assessment
Utility Expert Witness

Proficiency

Utility BMPs
Financial Policies
Rate Alternatives
Prop. 218 Compliance
Expert Facilitator
Public Outreach

Industry Involvement

CSMFO – 2021
Planning for Uncertainty with Utility Rates

UMC – 2020
*Planning and Funding 2030 Capital Needs
in 2020 Through Community Engagement*

ACWA – 2019
*Building Tomorrow's Water District:
Customer Engagement & Cycle Replacement*

AWWA – NV/CA Section - 2015
*Developing Defensible Water/Wastewater
rates in Ca.*

AWWA – NV/CA Section - 2014
Long-Range Wage and Benefit Planning

Publications

AWWA Source Magazine - Winter 2016
Developing Defensible Tier Rates

AWWA Source Magazine - Fall 2015
*There's Opportunity in the San Juan
Capistrano Rates Decision*

Recent Project Experience - (Abbreviated for Proposal)

Rubidoux CSD: Water / Recycled / Wastewater Rate Study – **Active (Public Hearing: Dec 2022)**

Escondido, City: Water / Recycled Water / Wastewater Rate Study – **Active (Public Hearing: Nov 2022)**

Santa Fe Irrigation District: Water Rate Study – **Active (Public Hearing: Nov 2022)**

Galt, City: Water / Wastewater Rate – **Active (Public Hearing: Jun 2022)**

Livermore, City: Water Rate Study – **Active (Public Hearing: Apr 2022)**

Temescal Valley Water District: Water / Recycled / Sewer Study – **Active (Public Hearing: Apr 2022)**

Phelan Pinon Hills CSD: Water Rate Study / Capacity Fees – Nov 2021

Delta Diablo: Wastewater / Recycled Water Rate Study / Capacity Fees – June 2021

Elsinore Valley Water District: Water / Wastewater Rate Study – June 2021

Roseville, City: Water / Wastewater / Solid Waste Rate Study – May 2021

East Valley Water District: Water / Wastewater Rate Study – May 2021

Helix Water District: Water Rate Study – April 2021

Tustin, City: Water Rate Study – 2020

Livermore, City: Wastewater Rate Study – 2020

Monterey County WRA / Monterey 1 Water: New Source Water Funding – 2019

Roseville, City: Water / Wastewater Rate Study – 2019

Sacramento Suburban Water District: Water Rate Study / Capacity Fees – 2019

Citrus Heights Water District: Funding Strategies for Mainline Replacement – 2019

Elsinore Valley Water District: Budget-Based Water Rate Study – 2019

San Diego, City: Wastewater Rate Study / IWCP Review: 2018

Galt, City: Wastewater Rate Study / Capacity Fees – 2018

Atwater, City: Wastewater Rate Study / Bond Refinancing – 2018

Lake Hemet Water District: Water Rate Study – 2018

Elsinore Valley Water District: Wastewater Plan and Rate Study – 2017

Livermore, City: Water / Wastewater Rate Study – 2017

Sierra Madre, City: Water / Wastewater Rate Study – 2017

Helix Water District: Water Rate Study / Annual Updates – 2016 to 2020



Andrea Boehling - Principal / Managing Partner

Andrea focuses on customizing each financial plan and utility model to the client's preferred specifications. Each model is built from scratch in concert with agency staff to provide ongoing exposure to the model from inception through completion. Model training isn't a final task, but rather, it's an underlying objective of the project.

Education

University of Alabama
BS/BA – Major in Accounting
DeVry University
Studied Computer Engineering

Expertise

Utility Financial Planning
Utility Rate Consulting
Capacity Fees
Prop. 218 Compliance
Alt. Funding Sources
Budget Auditing

Industry Involvement

CSMFO – 2021
Planning for Uncertainty with Utility Rates
ACWA – 2019
*Building Tomorrow's Water District:
Customer Engagement & Cycle Replacement*
UMC – 2017
*How to Best Fund Your Agency's Critical
Asset Repair and Replacement Needs*
UMC Young Professionals – 2015 / 2016
Planning Committee Member

Work Experience - 16 Yrs

IB Consulting LLC: (2019 – Present)
Managing Partner
Raftelis: (2014 – 2019)
Manager
Willdan: (2012 – 2014)
Senior Analyst
State of Tennessee: (2006 – 2012)
Auditor II

Proficiency

Communications
Excel Modeling
Rate Design
Data Analysis
Presentations
Quality Control

Publications

WEF Manual – 2018
*Chapter 13 – Rates for reuse or
Reclaimed Water*

Recent Project Experience - (Abbreviated for Proposal)

Rubidoux CSD: Water / Recycled / Wastewater Rate Study – **Active (Public Hearing: Dec 2022)**
Escondido, City: Water / Recycled Water / Wastewater Rate Study – **Active (Public Hearing: Nov 2022)**
Santa Fe Irrigation District: Water Rate Study – **Active (Public Hearing: Nov 2022)**
Galt, City: Water / Wastewater Rate Study – **Active (Public Hearing: Jun 2022)**
Livermore, City: Water Rate Study – **Active (Public Hearing: Apr 2022)**
Temescal Valley Water District: Water / Recycled / Sewer Study – **Active (Public Hearing: Apr 2022)**
Phelan Pinon Hills CSD: Water Rate Study / Capacity Fees – Nov 2021
Rainbow Municipal Water District: Water Rate Study – Public Hearing: August 2021
Delta Diablo: Wastewater / Recycled Water Rate Study / Capacity Fees – June 2021
Elsinore Valley Water District: Water and Wastewater Rate Study – June 2021
Roseville, City: Water / Wastewater / Solid Waste Rate Study – May 2021
East Valley Water District: Water / Wastewater Rate Study – May 2021
Helix Water District: Water Rate Study – April 2021
Delta Diablo: Wastewater / Recycled Water Rate Study and Capacity Fees – 2020
Livermore, City: Wastewater Rate Study – 2020
San Diego, City: Water / Wastewater Financial Plan and Rate Study – 2019
Dublin San Ramon Services District: Water / Wastewater Rate Study – 2019
Roseville: Water / Wastewater Rate Study – 2019
Sacramento Suburban Water District: Water Rate Study and Capacity Fees – 2019
Ramona Water District: Water Rate Study and Capacity Fees – 2019
Elsinore Valley Water District: Budget-Based Water Rate Study – 2019
Leucadia Wastewater District: Wastewater Rate Study – 2018
San Diego, City: Wastewater Financial Plan and Rate Study and IWCP Review – 2018
Galt, City: Wastewater Rate Study and Capacity Fees – 2018
Livermore, City: Water / Wastewater Plan and Rate Study – 2017
Rainbow Municipal Water District: Water Rate Study – 2017
Western Municipal Water District: Budget-Based Water Rate Study – 2017
Santa Cruz, City: Water Rate Study – 2016
Helix Water District: Annual Water Financial Plan and Rate Updates – 2016 to 2020



Lauren Demine - Senior Consultant
Lauren's primary focus is on database management and excel modeling. Utility models require significant data analysis for developing new rate structures, changes in tiers, and reviewing consumption trends. Her proficiency provides the ability to identify issues with the data, solutions for addressing anomalies, and modeling customer rate impacts.

Education

San Bernardino State University
BA in Geology

Expertise

Utility Financial Planning
 Utility Rate Consulting
 Capacity Fees
 Data Analytics
 Rate Impacts

Industry Involvement

WEF Member

Work Experience - 16 Yrs

IB Consulting LLC: (2021 – Present)
Senior Consultant

Raftelis: (2017 – 2021)
Senior Consultant

GEOVision: (2007 – 2017)
Senior Staff Geophysicist

GeoConcepts, Inc.: (2005 – 2007)
Staff Geologist

Proficiency

Data Management
 Excel Modeling
 Presentations
 Technical Writing

Publications

SCEC Annual Meeting – Summer 2016
Geophysical Characterization of Twelve CSMIP Stations Sites in Riverside County, Ca.

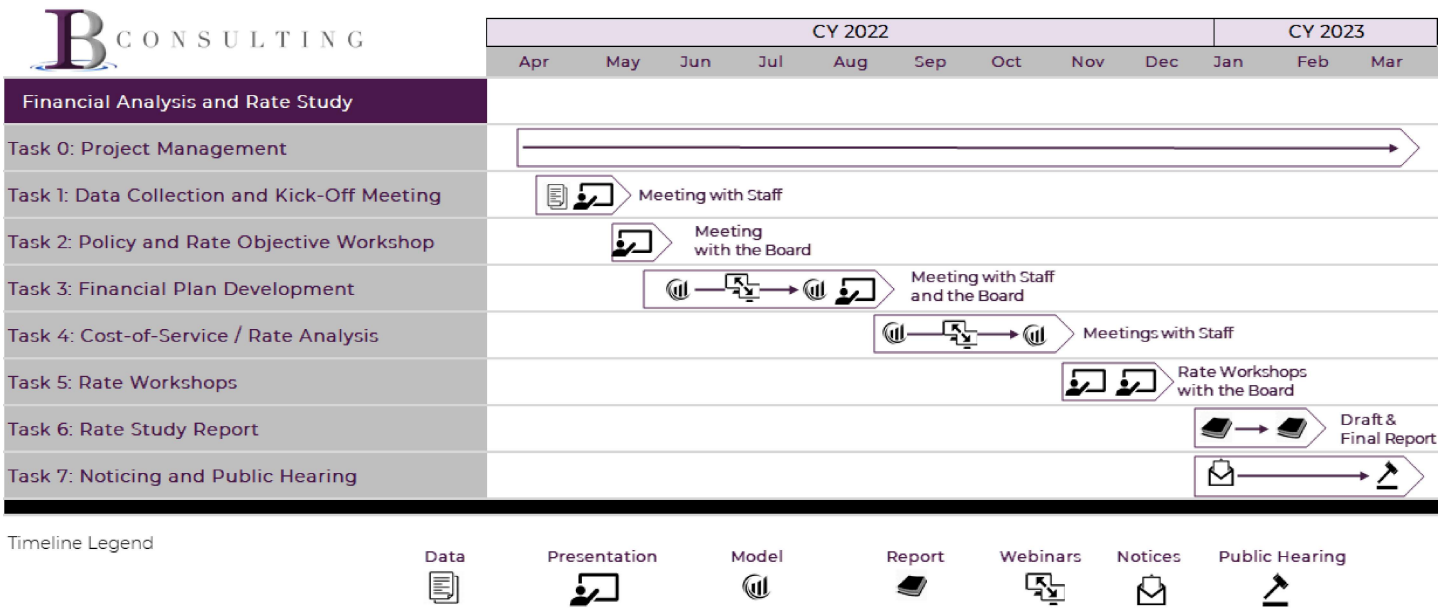
Recent Project Experience - (Abbreviated for Proposal)

- Rubidoux CSD:** Water / Recycled / Wastewater Rate Study – **Active (Public Hearing: Dec 2022)**
- Escondido, City:** Water / Recycled Water / Wastewater Rate Study – **Active (Public Hearing: Nov 2022)**
- Santa Fe Irrigation District:** Water Rate Study – **Active (Public Hearing: Nov 2022)**
- Galt, City:** Water / Wastewater Rate Study – **Active (Public Hearing: Jun 2022)**
- Livermore, City:** Water Rate Study – **Active (Public Hearing: Apr 2022)**
- Phelan Pinon Hills CSD:** Water Rate Study / Capacity Fees – Nov 2021
- Borrego Water District:** Water / Wastewater Rate Study – 2021
- Crescenta Valley Water District:** Water Rate Study – 2021
- Industry Public Utilities:** Water Rate Study – 2021
- Poway, City:** Wholesale Water Rate Study – 2021
- Redlands, City:** Water / Wastewater / Non-Potable Rate Study – 2021
- Rancho California Water District:** Water / Wastewater Rate Study Update – 2021
- San Geronio Pass Water Agency:** Water Financial Plan – 2021
- Beaumont-Cherry Valley Water District:** Water / Recycled Water Rate Study – 2020
- Coastside County Water District:** Water Rate Study Update – 2020
- Irvine Ranch Water District:** Water / Wastewater COS & Rate Design Study – 2020
- Malibu, City:** Wastewater / Recycled Water Rate Study Update – 2020
- San Clemente, City:** Wastewater Rate Study – 2020
- San Jacinto, City:** Water / Wastewater Rate Study – 2020
- Monterey Peninsula Water Management District:** Water Rate Survey – 2019 & 2020
- Citrus Heights Water District:** Water Rate Study – 2019
- Dublin San Ramon Services District:** Water Rate Study – 2019
- East Bay Municipal Utility District:** Wastewater Rate Study & Capacity Fees – 2019
- Galt, City:** Water / Wastewater Rate Study Update – 2019
- Jurupa Community Services District:** Water / Wastewater Rate Study – 2019
- Poway, City:** Water / Wastewater Rate Study – 2019
- Rancho Santa Fe Community Services District:** Wastewater Capacity Fees – 2019
- Roseville, City:** Water / Wastewater / Recycled Water / Solid Waste Rate Study – 2019
- Sacramento Suburban Water District:** Water Rate Study – 2019
- Lake Hemet Municipal Water District:** Water / Wastewater Rate Study – 2018
- Leucadia Wastewater District:** Wastewater / Recycled Water / Capacity Fees – 2018



Project Schedule

Below is our recommended timeline for the completion of the study with a Public Hearing in March 2023. Although the new 10-year CIP may not be available until fall 2022, we will build the model in advance and be able to drop in the new CIP, once available. We will update the schedule with specific dates for deliverables as part of our kick-off meeting with District staff.



References

Helix Water District - Water Rate Study / Capacity Fee / User Fee

Contact: Jennifer Bryant, Director of Administrative Services

Phone / Email: 619.667.6259 / jennifer.bryant@helixwater.org

Total Fee: \$107,621



Habib and Andrea have been working with Helix Water District since 2015, starting with a cost-of-service study and ongoing annual updates to their water rates. IB Consulting was hired in 2019 to assist the District with conducting a comprehensive update to its water rates, user fees, and capacity fees. The study started in the summer of 2019 and concluded with a public hearing in April 2021. The District decided not to increase rates during the pandemic, and the project was delayed by one fiscal year. The study includes a 50-year long-term financial plan model to evaluate revenue requirements in the short-term and significant capital projects expected further out over the planning horizon.

East Valley Water District - Water / Wastewater Rate Study

Contact: Brian Tompkins, CFO

Phone / Email: 909.381.6463 / btompkins@eastvalley.org

Total Fee: \$104,112



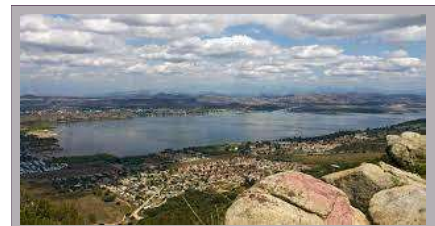
We recently completed a comprehensive study to update water rates and establish new wastewater rates. The District has multiple water supplies and tiered rates were structured to correlate to the various water supplies with local water used for tier 1 and purchased water for the higher tiers. The District is also currently constructing its own wastewater treatment plant (Sterling Natural Resource Center), and it's expected to be online by March of 2022. We worked with District staff to restructure their wastewater rates to reflect the new wastewater treatment plant operational costs. The District's previous wastewater treatment rates were a direct pass-through of the City of San Bernardino rates. With the District's new treatment plant coming online, the restructured treatment rates reflect the District's characteristics instead of the City of San Bernardino.

Elsinore Valley MWD - Water / Recycled / Wastewater Rate Update

Contact: Robert Hartwig, CPA - Assistant General Manager

Phone / Email: 951.674.3146 Ext. 8242 / rhartwig@evmwd.net

Total Fee: \$73,661



IB Consulting recently completed an update to the District's water rates, recycled rate, and wastewater rates which concluded with a Public Hearing on June 24, 2021. Habib and Andrea have been working with Elsinore Valley Water MWD since 2015, starting with updating the District's capacity fees. In 2017, the District decided to tie its wastewater rates to indoor water budgets. If a customer requests a higher water indoor budget based on the number of people per household, that same number would be used for determining expected flow and charges for wastewater. In 2019, Habib and Andrea conducted a comprehensive cost-of-service update to their budget-based rates.

Fee Proposal

Below is our not-to-exceed cost estimate for the scope of services outlined herein. We will bill monthly based on our all-inclusive hourly rates and we do not charge for direct travel expenses. In addition, the cost for printing and mailing the Proposition 218 notices are not included as part of the cost estimate provided below. We will work with staff to adjust the fee schedule if any changes to the detailed scope or number of meetings are requested.

Tasks	Description	H. Isaac	A. Boehling	L. Demine	Estimated Hours	Estimated Cost
		Principal \$210	Principal \$210	Sr. Consultant \$180		
-	Project Management	-	-	-	-	-
1	Data Collection and Kick-Off Meeting	8	8	8	24	\$4,800
2	Policy and Rate Objective Workshop	6	6	2	14	\$2,880
3	Financial Plan Development	22	96	64	182	\$36,300
3.1	Consumption Analysis	2	8	32		
3.2	Water Financial Plan	8	40	16		
3.3	Recycled Water Financial Plan	4	24	8		
3.4	Wastewater Financial Plan	8	24	8		
4	Cost-of-Service / Rate Analysis	58	40	72	170	\$33,540
4.1	Water Rate Model	24	16	8		
4.2	Recycled Water Rate Model	8	8	16		
4.3	Wastewater Rate Model	24	8	16		
4.4	Drought Rates	2	4	16		
4.5	Customer Impacts & Rate Survey	-	4	16		
5	Rate Workshops	12	8	4	24	\$4,920
6	Rate Study Report	40	8	8	56	\$11,520
7	Noticing and Public Hearing	8	6	4	18	\$3,660
Subtotal		154	172	162	488	\$97,620

2022 Hourly Rate Schedule		\$ / Hr
Habib Isaac - Principal		\$210
Andrea Boehling - Principal		\$210
Lauren Demine - Sr. Consultant		\$180





Affirmations

- Our firm and employees **do not** have any conflicts of interest with the District or services requested.
- Our proposal **does not** include any proprietary information.
- The project team assigned **will not change** throughout the study.
- Our insurance meets the District's guidelines and evidence is provided on the next page.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

ACTION CALENDAR

FINANCIAL MATTERS

ITEM 7: DISTRICT EXPENSE REIMBURSEMENT POLICY AND PROCEDURES UPDATE

Trabuco Canyon Water District (District) has a Code of Conduct & Expense Reimbursement Policy that was adopted by the Board of Directors on January 17, 1996. District staff has worked with General Counsel to review the existing policy for outdated practices and to ensure that the policy is consistent with current State law and Fair Political Practices Commission rules. After careful review of the policy, District staff and General Counsel determined that bifurcating the existing policy would better serve the District. Included for Committee consideration and review is a proposed Expense Reimbursement Policy and Procedures that has been prepared and reviewed by District staff and General Counsel.

Additionally, District staff is working with General Counsel to prepare an updated Ethics Policy that will address the need to update the Code of Conduct portion of the 1996 Policy. Additional information may be presented at the time of the meeting.

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

RECOMMENDED ACTION:

Recommend the Board of Directors approve the proposed Expense Reimbursement Policy and Procedures Update and rescind the Expense Reimbursement Guidelines approved on January 17, 1996.

EXHIBIT(S):

1. Code of Conduct & Expense Reimbursement Policy (1996)
2. DRAFT Expense Reimbursement Policy and Procedures

CONTACTS (staff responsible): PALUDI/PEREA

**TRABUCO CANYON WATER DISTRICT
CODE OF CONDUCT AND
EXPENSE REIMBURSEMENT GUIDELINES
BOARD APPROVED JANUARY 17, 1996**

The Board of Directors of the Trabuco Canyon Water District (“TCWD” or “District”) hereby establishes the following policy:

SECTION 1.0 GIFTS BY VENDORS, CONTRACTORS AND CONSULTANTS

- (a) The existing laws governing the acceptance and reporting of gifts are contained in the Fair Political Practices Act (Government Code, 82028 et. seq.).
- (b) The acceptance of plaques and commemorative mementos, of nominal value or of value only to the recipient, to the extent permitted by state law, is acceptable for all Directors and district employees, e.g., recognition pins, service awards, retirement mementos.

SECTION 1.1 ENTERTAINMENT FROM VENDORS, CONTRACTORS, AND CONSULTANTS

- (a) The acceptance of meals, travel, lodging and entertainment by vendors, contractors and consultants shall be reported on Form 730 filed annually by Directors and employees who are required to do so.

SECTION 1.2 VENDOR, CONTRACTOR, CONSULTANT REPORT OF GIFTS

- (a) By January 31st of each calendar year, all vendors, contractors and consultants of TCWD shall submit a summary of all gifts (including meals) made to, or on behalf of, employees or Directors of the District that have occurred in the normal course of business during the previous calendar year. Failure to provide this information to the District may result in the termination of services of the vendor, contractor or consultant.

SECTION 1.3 OUTSIDE CONSULTING/BUSINESS ACTIVITY BY DISTRICT EMPLOYEES AND DIRECTORS

- (a) District employees and Directors are prohibited from entering into consulting agreements or conducting work for consideration with any vendor, landowner, or consulting firm currently under contract with the District. Any outside consulting to be performed by the General Manager must receive pre-approval by the Board of Directors. District employees shall follow the guidelines as established in the current Board approved Personnel and Salary Policy.
- (b) All other business associations with vendors, contractors, consultants and District landowners shall be subject to disclosure on the annual “Statement of Economic Interest” Form 730 filed annually by each Director and District employees who are required to do so.

SECTION 1.4 VENDOR, CONTRACTOR AND CONSULTANT EMPLOYMENT OF DEPENDENTS OF DISTRICT EMPLOYEES

- (a) It is expressly forbidden for vendors, contractors and consultants of TCWD to employ dependents, as defined within the current Board approved Personnel and Salary Policy, of TCWD employees.
- (b) It is expressly forbidden for employees of TCWD to solicit jobs for immediate family or immediate relatives with vendors, contractors and consultants of TCWD.

SECTION 2.0 TRAVEL, EXPENSES WHILE TRAVELING

The following limits and guidelines shall apply to identified expense categories and items. Exceptions to these limits and items may be authorized by the District's Board of Directors only. This policy, its categories, limits and items shall be reviewed and approved annually by the Board of Directors. Amendments and/or adjustments in dollar values specified shall be included in the review and supported by the appropriate findings. All District travel shall be for the express purpose of performing tasks related to District business.

SECTION 2.1 TRAVEL AUTHORIZATION

All business travel shall be specified and justified by the appropriate supervisory personnel. The District Treasurer shall countersign all travel authorizations. All travel arrangements, including air transportation, hotel and rental car reservations, must be made through District-approved providers. The Administrative Assistant is designated as the person responsible for coordinating all travel arrangements. The Administrative Assistant will advise which carriers, travel agents, car rental company, etc. are to be used. Each provider has been instructed to secure air transportation and hotel accommodations at the lowest reasonable fares and rates. All reasonable attempts shall be made to take advantage of promotional air, hotel and ground transportation rates.

SECTION 2.3 AIR TRANSPORTATION

- (a) Cost saving opportunities are enhanced by providing general departure and arrival times, rather than specifying certain carriers and flight numbers. Significant savings are realized by planning in advance. TCWD employees *and* Directors are expected to exercise good business judgment and planning to avoid last minute ticket purchases which are most costly. Providers are instructed to provide the least expensive airline alternative.
- (b) All domestic air travel must be coach (upgrades will be paid personally). Changes to previously approved travel arrangements, while en-route, should not be taken for personal convenience purposes if it increases the cost of the flight.

- (c) Personal travel included within the itinerary of a business trip, which include additional costs, will be paid by the employee or Director.

SECTION 2.4 TICKETING PROCEDURES

- (a) Directors and employees will hold off on receiving tickets until as late as practical due to the possibility of changes or cancellations in travel plans or scheduled meetings. Changes enroute, if necessary, should be made with the travel agency office during their normal operation hours.
- (b) Unused Tickets: In the event a trip is canceled or changed and the traveler is in the possession of unused tickets, he/she is responsible for returning them to the Administrative Assistant for return to the travel agent. A photocopy of returned tickets must be kept for the traveler's records. Unused airline tickets should never be attached to the expense report.
- (c) Canceled prepaid arrangements should be reported to the District immediately so they can obtain authority to process a refund.
- (d) Lost Tickets: Lost tickets must be reported immediately so that the District can process the appropriate lost ticket application.

SECTION 2.5 LODGING

- (a) The District has requested that its designated travel agent select moderately priced facilities in reasonable proximity to the office or location where the traveler's business is being performed. Receipts for lodging must accompany the report of expenses.
- (b) When corporate rates have been negotiated locally with specific hotel properties, these hotels must be used.
- (c) All hotel rooms will be guaranteed for late arrival. In this case, if the traveler does not show up, the District will be charged for the room. Therefore, it is mandatory for the traveler to notify the travel agent or the hotel, if their itinerary changes, and a room needs to be canceled. No lodging expenses in Orange County shall be reimbursed unless specifically approved by the Board of Directors.

SECTION 2.6 AUTOMOBILE RENTAL

- (a) Rental cars should be used only when less expensive transportation is not available. Approved District travel providers shall use their best efforts to secure the most cost effective rental rates on compact and mid-size vehicles. The cost of the rental will not be reimbursed for weekend or holiday travel unless the car is required and used for District business during this time.
- (b) Do not obtain additional insurance when renting cars. Employees are covered for car rentals by existing District insurance policies, as long as the rental is being made for business purposes.

- (c) Traveling personnel must use their best efforts to fill up with fuel before returning the rental as gasoline charges from rental companies are excessive. Non compliance must be explained on the expense report.
- (d) Fines for parking or speeding violations are not reimbursable.
- (e) In the event of any accident, a police report must be obtained. The employee or Director must notify the District by telephone immediately. If the accident occurs after normal business hours, the employee or Director shall notify the District at the beginning of the next work day. Follow the accident instructions listed in the rental car company's rental agreement/receipt.
- (f) Employees driving rental vehicles on District business are bound by the same rules prohibiting alcohol consumption during working hours. Driving a rental vehicle while under the influence of alcohol or drugs will result in immediate disciplinary action, up to and including termination.

SECTION 2.7 MEALS

- (a) Actual costs of meals, plus associated tips are reimbursable. Receipts of all meals expenses must be submitted with the business purpose clearly stated. The reimbursable limit for all meals will not exceed \$50.00 per day, per Director or employee.
- (b) It is expressly stated that the District will not reimburse for alcoholic beverages consumed.
- (c) The daily meal limit is the amount that can be reimbursed. Any amount above prescribed limits will be the responsibility of the employee.

SECTION 2.8 PERSONAL EXPENSES

- (a) Personal expenses are not authorized and are not reimbursable by the District. Personal expenses are defined as those expenses not essential to the conducting of District business. Examples of such items are personal entertainment (theaters, nightclubs, sporting events, golf games, haircuts, shoe shines, newspapers, magazines, tobacco, etc.).

SECTION 2.9 TELEPHONE EXPENSES

- (a) TCWD business-related telephone calls will be reimbursed.

SECTION 2.10 LAUNDRY OR VALET SERVICE

- (a) The reasonable actual costs of such services are allowable when the travel exceeds five business days. On shorter trips, laundry or valet service will be allowed only in unusual circumstances.

SECTION 2.11 TIPS

- (a) Non-meal tips will be allowed if they are reasonable and directly related with the travel. Normal non-business standards are a good guide to reasonability; 12-15% is typical in most instances.

SECTION 2.12 ADDITIONAL NIGHTS STAY

- (a) When the overall net cost savings to the District is the result of an employee or Director extending a business trip to utilize lower excursion rates for airfare, the employee or Director shall be reimbursed for additional expenses incurred due to the extension of the trip. The additional expenses eligible will be limited to the cost of an additional night's lodging and a reasonable allowance for one additional day(s) meal(s) as prescribed in Section 2.7.

SECTION 2.13 TRAVEL REPORTING PROCEDURES

- (a) Travel Advances. Travel expense advances, not to exceed \$200.00, will be allowed upon pre-approval by the General Manager and the Treasurer.
- (b) Travel Authorization Request. Prior to any travel estimated to exceed \$50.00, travel expenses must be itemized on a Authorization Request, a photocopy of which is attached hereto. The Authorization Request will then be forwarded to the Accounting Department with appropriate approvals. Appropriate approvals are the signatures of the Director, employee, employee's supervisor and the Treasurer.
- (c) Travel Expense Reports. All travel expenses exceeding \$50.00 must be itemized on the standard Expense Report, a photocopy of which is attached hereto, and forwarded to the Accounting Department with appropriate approvals and receipts. Appropriate approvals are the signatures of the employee's supervisor and the Treasurer. All original receipts must be included with the exception of non-meal gratuity which may not exceed \$5.00 per day.
- (d) It is not intended that an employee or Director incur any financial loss while on District business nor is it intended that he/she realize a financial gain. If an employee or Director incurs expenses which do not appear to be covered under this policy but which are believed to be charges to the District, the employee or Director should submit these charges on an expense report with a full explanation and supporting receipts. The District will not be responsible for interest payments or late charges that occur on credit cards. It is the employee's and Director's personal responsibility to submit an expense report and make the payments in a timely manner, within 30 days. The District will in turn make every effort to reimburse properly documented and approved expenses in a timely manner.
- (e) The Accounting Department will reimburse approved Expense Reports within seven business days. Check signatories are not authorized to sign reimbursement checks to themselves.

SECTION 3.0 PERSONAL AUTOMOBILE USE CRITERIA

- (a) An employee or Director who uses a personal vehicle for District business will be reimbursed for mileage at the rate allowable under the District's current Board approved Personnel and Salary Policy and consistent with the most current limit permitted by the Internal Revenue Service. Parking and toll charges will be reimbursed upon submission of receipts.
- (b) No additional allowance will be paid for passengers who travel with the employee or Director, even if they are on District business.
- (c) Damage to the employee's or Director's vehicle which occurs on District business is the responsibility of the employee or Director.
- (d) All employees who are to use their personal automobile for District use are responsible for carrying the required level of general liability coverage, as required by state law. No reimbursements shall be made unless this insurance criteria is in place. Proof of insurance is required and must be kept on file with the District.

SECTION 4.0 FUELING OF VEHICLES

- (a) All District vehicles shall be fueled at a service station(s) on a monthly account established by TCWD. Purchases charged at the service station(s) shall be limited to fuel and oil.
- (b) The District shall designate, in writing, those vehicles which may be fueled or for which oil may be purchased on the District account.
- (c) At the time of the purchase the employee shall provide the license plate number of the vehicle, the vehicle mileage at the time of purchase, show identification as a designated purchaser, and provide a signature.

SECTION 5.0 USE OF DISTRICT VEHICLES

- (a) The General Manager, Sanitation Superintendent and Water Superintendent shall be provided with a district vehicle, for business purposes only, to include driving to and from the workplace. The vehicles shall be maintained in proper operating order by the District.
- (b) Standby duty personnel shall have use of a District vehicle during standby duty. The use of the vehicle shall be strictly limited to business use. Any abuse of the limitation will result in the elimination of standby duty.

SECTION 6.0 DISTRICT-ISSUED CREDIT CARDS

- (a) District credit cards shall not be issued.

SECTION 7.0 DISCIPLINARY ACTIONS FOR NON-COMPLIANCE

- (a) Intentional non-compliance with the District's Code of Conduct and Expense Reimbursement Guidelines by District employees shall subject the employee to disciplinary actions commensurate with the code violation, up to and including termination. Inadvertent non-compliance will be taken under consideration by a review committee comprised of the Budget/Personnel Review Committee and the General Manager.
- (b) The Code of Conduct and Expense Reimbursement Guidelines shall be reviewed annually by the District's Board of Directors and amended when appropriate. Amendments shall require majority consent of the Board.

attachments(2)

**TRABUCO CANYON WATER DISTRICT
CODE OF CONDUCT AND
EXPENSE REIMBURSEMENT GUIDELINES
BOARD APPROVED JANUARY 17, 1996**

**REVISION TO SECTION 5.0
BOARD APPROVED JANUARY 21, 2004**

SECTION 5.0 VEHICLE ACCOUNTABILITY POLICY

- (a) The General Manager shall be provided with a District vehicle, for business purposes only, to include driving to and from the workplace. Pursuant to the Internal Revenue Code, applicable taxes will be withheld on an annual basis, as required. The vehicles shall be maintained in proper operating order by the District.
- (b) The Assistant General Manager shall be provided with a District-owned or leased vehicle, for business purposes only, to include driving to and from the workplace. Pursuant to the Internal Revenue Code, applicable taxes will be withheld on an annual basis, as required. The vehicle shall be maintained in proper operating order by the District.
- (c) At the discretion of the General Manager, the Wastewater System Chief Operator, Water System Chief Operator and Chief Mechanical Technologist may be provided with a District-owned or leased vehicle, for business purposes only, to include driving to and from the workplace. Pursuant to the Internal Revenue Code, applicable taxes will be withheld on an annual basis, as required. The vehicles shall be maintained in proper operating order by the District.
- (d) Standby duty personnel shall have use of a District vehicle during standby duty. The use of the vehicle shall be strictly limited to business use. Any abuse of the limitation will result in the elimination of standby duty. Pursuant to the Internal Revenue Code, no taxes will be withheld for standby duty personnel

**TRABUCO CANYON WATER DISTRICT
CODE OF CONDUCT AND
EXPENSE REIMBURSEMENT GUIDELINES
REVISION TO SECTION 5.0
BOARD APPROVED JANUARY 21, 2004**

I HAVE READ, UNDERSTAND AND AGREE TO COMPLY WITH THE REVISION TO THE TRABUCO CANYON WATER DISTRICT CODE OF CONDUCT AND EXPENSE REIMBURSEMENT GUIDELINES AS STATED HEREIN:

(Print Name)

(TCWD Position/Title)

(Signature)

(Date)

cc: Employee Personnel File

Less Amount Advanced:

Room Deposit (_____)

Cash Advance (_____)

Balance Due To:

Individual(_____)

TCWD(_____)

Amount Paid _____

Date Paid _____

Received by _____

**TRABUCO CANYON WATER DISTRICT
EXPENSE REIMBURSEMENT POLICY
BOARD APPROVED _____**

The Trabuco Canyon Water District (**District**) is obligated to ensure that expenditures made by the District are solely for public purposes. The District also is responsible to taxpayers and the public to be prudent and wise in making those expenditures. The purpose of this **Policy** is to govern and provide for a process by which a member of the District's Board of Directors or a District employee may seek reimbursement for expenses that they have incurred in the conduct of agency business.

This Policy is adopted pursuant to Government Code Section 53232.2, which provides that if a local agency reimburses members of its legislative body for actual and necessary expenses incurred in the performance of official duties, then the agency's governing board must adopt a written policy, in a public meeting, specifying the types of activities that qualify for reimbursement of expenses such as those related to travel, meals and lodging. District Board members and employees should ensure that their proposed expenses are reimbursable before incurring the expenses. Additional procedures are set forth in Attachment A, which may be amended from time to time by the General Manager in accordance with applicable laws and in furtherance of the purposes of this Policy.

SECTION 1. AUTHORIZED EXPENSES. Expenses incurred in connection with the following types of activities generally constitute authorized and reimbursable expenses, and do not need pre-expense approval of the Board, as long as the other requirements of this Policy and implementing procedures are met:

- (a) Communicating with representatives of regional, state and national governments on Board-adopted policy positions;
- (b) Attending conferences or educational seminars designed to improve the skills and knowledge of Board members or District employees, so long as the skills and knowledge relate to their position with the District;
- (c) Participating in regional, state and national organizations whose activities affect the District's interests;
- (d) Performing tasks related to District business;
- (e) All other expenses must be approved by the Board, in a public meeting, before the expense is incurred.

SECTION 2. EXPENSES NOT ELIGIBLE FOR REIMBURSEMENT. Expenses that are not eligible for reimbursement include:

- (a) The personal portion of any trip;
- (b) Political or charitable contributions;
- (c) Family expenses, including a partner's expenses when accompanying a Board member or an employee on District-related business, as well as child- or pet-related expenses;
- (d) Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf-related expenses), or other cultural events;
- (e) Alcohol/personal hotel honor bar expenses;
- (f) Tips greater than 20 percent (unless automatically included in the bill);
- (g) Regular commuting costs and personal automobile expenses, including for vehicle maintenance and repairs, traffic and parking citations, insurance and gasoline;
- (h) Personal losses incurred while on District business; and
- (i) Visitor gym fees where the lodging includes free gym services.

Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority before the expense is incurred.

SECTION 3. TRANSPORTATION. Board members and employees are encouraged to use public transit and carpool to the maximum extent possible when travelling on District business. If transportation is needed for Directors or employees to travel for District business other than in District vehicles, costs are eligible for reimbursement as follows:

- (a) Airfare: Airfares that are reasonable and economical (coach fare) are eligible for reimbursement. Ticket purchases should be made well in advance to take advantage of low fares when possible.
- (b) Automobile:
 - (1) Personal automobile mileage is reimbursed at Internal Revenue Service (IRS) rates in effect at the time of travel. Tolls are eligible for reimbursement, unless the charges are incurred as part of the Director or employee's normal commute to or from the District.
 - (2) An employee of the District, authorized to travel on District business by use of a privately-owned motor vehicle, shall be reimbursed for the actual miles traveled. Reimbursement for auto mileage shall not exceed the cost of coach airfare for the same trip when it would be less expensive to fly than drive.
- (c) Car Rental: Rental car costs and fees are authorized for reimbursement only when necessary and when other transportation is not feasible or car rental is more economical. Cars are to be reserved at a rate that does not exceed the standard-size car rate.
- (d) Taxis/Rideshare: Taxi/Rideshare fares and gratuity (of no more than 20%) will be reimbursed only when shuttle or public transportation is not practical.
- (e) Parking and Shuttles: Reasonable parking costs will be reimbursed. Long-term parking or shuttle service to and from the airport may be claimed as a miscellaneous expense for reimbursement.
- (f) Public Transit: Actual fares for public transit will be reimbursed.

SECTION 4. LODGING. Lodging costs are only reimbursable when Directors or personnel travel for purposes set forth in Section 1, above. Lodging expenses at the single-room rate will be reimbursed or paid for when travel on District business reasonably requires an overnight stay. If such lodging is in connection with a conference, training or other educational activity, lodging expenses must not exceed the group rate published by the conference sponsor or training provider for the event in question, if such rates are available at the time of booking. If the group rate or lodging is not available, reimbursement will be limited to within a reasonable percentage of the [U.S. General Services Administration \(GSA\) rate](#) at the time of travel.

SECTION 5. MEALS & INCIDENTAL EXPENSES. Meals and incidental expenses are reimbursable whenever Directors or personnel travel for purposes set forth in Section 1, above, and as otherwise set forth below.

- (a) Business Meetings: Actual and reasonable costs of business meals and gratuities are allowed when representing the District, regardless of geographic location.
- (b) Conference, Seminar or Training: When Directors attend conferences, seminars and trainings for the District, reimbursements will be provided for the actual cost of meals, capped by the maximum established GSA for all meals, based on the locations of the events. Employees are entitled to reimbursement at the GSA rates for all meals not provided under conference, seminar and training registration fees.
- (c) Alcohol: The District will not pay for alcohol or hotel-room personal bar/honor bar expenses.
- (d) Other: Employees may be reimbursed for other meal costs under the following conditions:
 - (i) When the employee is performing emergency work and cannot leave the job during the normal meal period.
 - (ii) When an exempt employee is required to work outside of their normal work hours.
 - (iii) When a meal is purchased for non-District personnel performing a complimentary service for the District, e.g., serving on a District oral interview panel.
 - (iv) When provided during staff meetings, open houses and other District-sponsored obligatory meetings.

SECTION 6. REGISTRATION FEES

Registration fees for conferences or meetings will be reimbursed at actual cost.

SECTION 7. FAX/INTERNET

Board members and employees will be reimbursed for actual fax or internet connection expenses incurred for District business.

SECTION 8. LAUNDRY OR VALET SERVICE

The reasonable actual costs of laundry or valet services are allowable when the travel exceeds five business days. On shorter trips, laundry or valet service will be allowed only in unusual circumstances.

SECTION 9. REPORTS TO THE BOARD

When a Board member attends a conference, training, seminar or other event for which they seek reimbursement from the District, the Board member must submit a brief oral or written report at the next regular Board meeting. If multiple members attended, a joint report may be made.

SECTION 10. COMPLIANCE WITH LAWS

District Board members and employees should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expense reports, Travel Authorization Forms and accompanying documentation are public records subject to disclosure under the Public Records Act and other applicable laws.

SECTION 11. IMPLEMENTING PROCEDURES

The District and its Board members and employees must follow the procedures adopted to implement this Policy. The procedures may be revised by the General Manager in compliance with all laws and in furtherance of this Policy.

SECTION 12. DISCIPLINARY ACTIONS FOR NON-COMPLIANCE

Misuse of public resources or falsifying expense reports in violation of District Policy or procedures may result in any or all of the following:

- (a) Loss of reimbursement privileges;
- (b) Required restitution to the District;
- (c) The District reporting the expenses as income to State and Federal tax authorities;
- (d) Civil Penalties of up to \$1,000 per day and three-times the value of the resources used (Gov't Code §§53232.4 and 8314);
- (e) Prosecution for misuse of public resources;
- (f) For employees, discipline up to and including employee termination; and
- (g) For Board members, censure by the Board or such other measure as may be determined by the Board.

**ATTACHMENT A:
PROCEDURES IMPLEMENTING
TRABUCO CANYON WATER DISTRICT
EXPENSE REIMBURSEMENT POLICY**

1. PURPOSE

These procedures implement the Trabuco Canyon Water District (**District**) Expense Reimbursement Policy (**Policy**). The procedures provide guidance for how the District will reimburse Board members and employees for authorized expenses incurred in the normal conduct of District Business. These procedures may be amended from time to time by the General Manager in accordance with applicable laws and in furtherance of the Policy.

2. AUTHORIZING AUTHORITIES

- a. Only the following individuals can authorize travel and approve expense report forms:
 - i. The Board for the Board of Directors and the General Manager;
 - ii. The General Manager for the Assistant General Manager; and
 - iii. The General Manager or Assistant General Manager for all other District employees. The General Manager has the discretion to approve employee expenses that occur under unusual circumstances when there is clearly a benefit to the District.
- b. Additionally, check signatories are not authorized to sign reimbursement checks to themselves. In the event that a finance audit committee member is being reimbursed, the alternative committee member must sign reimbursement checks.

3. TRAVEL AUTHORIZATION REQUEST

- a. Directors must obtain approval from the Board of Directors and employees must submit travel authorization forms to the General Manager and Assistant General Manager before District travel:
 - i. To attend any meeting, conference, training or other event involving overnight accommodations;
 - ii. Outside of the counties of Orange, Los Angeles, San Diego, San Bernardino or Riverside.
- b. The District Secretary or Assistant District Secretary will coordinate all travel arrangements, including air transportation, hotel and rental car reservations, through District-approved providers.

4. TRAVEL ADVANCES – EMPLOYEES ONLY

- a. From time to time, it may be necessary for an employee to request a cash advance to cover anticipated expenses while traveling or doing business on the District's behalf.
- b. Such requests must be submitted to the General Manager on an Expense Report Form. Completed Expense Report Forms must document that the expense in question met the requirements of the Policy.
- c. Overpayment on advances shall be repaid no later than seven calendar days after the subject purchase is made or the employee returns from the subject travel, unless an extension of time is provided by the General Manager.
- d. No employee will be permitted an advance if that employee has an outstanding expense report.

5. EXPENSE REPORTS

- a. Expense report forms must be submitted within 30 calendar days of an expense being incurred, and must include the following attachments:
 - i. Approved travel authorization forms, when relevant for reimbursement of travel costs;
 - ii. Original receipts showing the claimed expenses (e.g., restaurant receipts as opposed to credit card receipts or statements), except for employee meals being reimbursed at per diem rates in accordance with the Policy;

- iii. Names and positions of participating individuals, as well as a description of the purpose of the meeting, for reimbursement of meals for individuals in addition to the Director or employee submitting the request.
- iv. A copy of the Program or Agenda of the event(s) attended, when relevant;
- v. If a Director or employee does not attend a planned trip and nonrefundable expenses have been incurred for registration, lodging and/or travel, a written explanation of the reasons for non-attendance; and
- vi. When original receipts are required under these procedures, but have been lost, a duplicate receipt if available;
- vii. If neither an original nor duplicate receipt is available, or if a receipt is not available for a small expenditure (e.g., parking meters), a detailed explanation of the expenditure and explanation of which receipts are not available; and
- viii. Telephone bills identifying calls made on District business, when relevant.
- ix. It is the employee's and Director's personal responsibility to submit an expense report and make payments in a timely manner. The District will not be responsible for interest payments or late charges that occur on credit cards. The District will in turn make every effort to reimburse properly documented and approved expenses in a timely manner, typically within seven business days.
- b. It is not intended that an employee or Director incur any financial loss while on District business nor is it intended that they realize a financial gain. If an employee or Director incurs expenses which do not appear to be covered under the Policy but which are believed to be charges to the District, the employee or Director should submit these charges on an expense report with a full explanation and supporting receipts. The approving authority shall determine if the expenses were reasonable, given all the circumstances, and if so may approve the reimbursement of those expenses.

6. AUDITS OF EXPENSE REPORTS

All evidence of expenses and related documentation are subject to verification that they comply with the Policy and these Procedures.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

**ACTION CALENDAR
FINANCIAL MATTERS**

ITEM 8: DISCUSSION CONCERNING MUNICIPAL WATER DISTRICT OF ORANGE COUNTY PROPOSED FISCAL YEAR 2022/2023 RATES, CHARGES, AND BUDGET

Trabuco Canyon Water District's (District) is a member agency of Municipal Water District of Orange County (MWDOC). MWDOC is currently seeking input to the second draft operating budget for Fiscal Year Ending (FYE) 2023 (included as Exhibit 1). This budget includes the following proposals:

- A proposed increase of \$0.75 (5.8%) to the retail service charge bringing the retail rate to \$13.75 per retail meter. The impact to the District is approximately a 5.5% increase as follows:

Total Meters	Charge/ Meter	Total Charges	%
4,078	\$ 13.00	\$ 53,014	94.5%
4,078	\$ 0.75	\$ 3,059	5.5%
		\$ 56,073	100%

- The groundwater customer charge to OCWD increases by \$33,117 (9.6%) to \$368,501. These charges are calculated under the new rate structure adopted by the MWDOC Board last year.
- A budget total of \$194,461,165 (revenue) including Core & Choice, water sales, outside funding, and WEROC, which is an increase of 5.2%. This estimate is likely to increase pending Metropolitan's adoption of new rates.
- A consolidated general fund budget is \$11,160,825 (revenue) with an increase of \$608,540 (5.8%).
- The total revenue amount for the Core budget is \$9,402,874; an increase of \$487,257 (5.5%) over the current year's budget.
- A net planned reserves contribution of \$263,868 consisting of contributions to the Election Reserve of \$300,728 and the Building Reserve of \$437,590 offset by a budgeted I draw of \$474,450. This will result in the reserves being approximately \$374,529 below fully funded target levels.
- The proposed salary contribution pool is at 7.1% of salaries and wages and reflects the rate of inflation (CPI = 3.84%) and merit considerations. No COLA (Cost of Living Adjustment) is being proposed.

A budget workshop for member agencies was held on April 6, 2022 with a presentation by MET Chief Financial Officer (CFO) regarding the MET proposed biennial budget, and the MWDOC Elected Officials Forum was held the following day on April 7th. The final budget is scheduled for approval by the MWDOC Board of Directors at the April 20, 2022 Regular Board meeting. District staff will present additional information regarding the MWDOC proposed budget and rate structure modifications at the Committee meeting.

FUNDING SOURCE:

General Fund

FISCAL IMPACT:

The District's share of the MWDOC Core budget for Fiscal Year Ending 2023, as currently proposed in the second draft, is approximately \$56,073.

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate

EXHIBITS

1. MWDOC FYE 2023 Second DRAFT Budget – March 9, 2022 Administration & Finance Committee Meeting

CONTACTS (staff responsible): PALUDI/PEREA



DISCUSSION ITEM
March 9, 2022

TO: Board of Directors

FROM: Administration & Finance Committee
(Directors Seckel, Dick, Thomas)

Robert Hunter **Staff Contact: Hilary Chumpitazi**
General Manager

SUBJECT: Year (FY) 2022-23 Second Draft Budget

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee, MWDOC Board of Directors, Member Agencies, and the public review, discuss and provide input and comments on the second draft of MWDOC’s budget for FY 2022-23 (Fiscal Year Ending 2023, FYE’23).

Pertinent aspects of the second draft budget include:

1. The second draft budget includes a proposed increase of \$0.75 (5.8%) to the retail service charge bringing the retail rate to \$13.75 per retail meter. The groundwater customer charge to OCWD increases by \$33,117 (9.6%) to \$368,501. These charges are calculated under the new rate structure adopted by the MWDOC Board last year.
2. The second draft has a budget total of \$194,461,165 (revenue) including Core & Choice, water sales, outside funding, and WEROC. This is an increase of 5.2%. This estimate is likely to increase pending Metropolitan’s adoption of new rates. This MET rate increase will not impact the MWDOC rates.
3. The consolidated general fund budget is \$11,160,825 (revenue) with an increase of \$608,540 (5.8%).
4. The total revenue amount for the Core budget is \$9,402,874; an increase of \$487,257 (5.5%) over the current year’s budget.
5. Interest revenues are budgeted with a \$74,029 reduction (33.7%) to reflect decreased returns.
6. The proposed second draft budget includes a net planned reserves contribution of \$263,868 consisting of contributions to the Election Reserve of \$300,728 and the Building Reserve of \$437,590 offset by a budgeted

Budgeted (Y/N): NA	Budgeted amount:	Core __	Choice __
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			

- draw of \$474,450. This will result in the reserves being approximately \$374,529 below fully funded target levels.
7. The unfunded CALPERS liability annual payment of \$207,000 is proposed.
 8. The proposed salary contribution pool is at 7.1% of salaries and wages and reflects the rate of inflation (CPI = 3.84%) and merit considerations. No COLA (Cost of Living Adjustment) is being proposed.
 9. There is an increase (1.41 FTE) in the Full-time Employee staffing level (33.66 FTE) driven by an increase in Choice program staffing (1.45 FTE). The total staffing level increases by 1.31 FTE.
 10. The Building Improvement expenses are reduced \$656,489 from the current budget and the carryover funds are expended in the current budget year. The Seismic Retrofit and Remodeling project will be completed in the current fiscal year. FYE'23 includes the remodel of the kitchen and breakroom and the replacement of the wooden trellis in the atrium (termite damage).
 11. The Capital Acquisition expenses decrease by \$197,059 in the FYE'23 budget and the prior year carryover funds are expended in FYE'22.
 12. Outside funding for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$8,545,274; an increase of \$5,926,522 over this year's budget.
 13. Total outside funding (WUE & Local Resource Project (LRP) sources) is budgeted to be approximately \$14,053,268. This is 142% of MWDOC's Core total expenses.
 14. LRP funding is budgeted to be \$1,371,906 (33%) greater than in the previous year's budget.
 15. Expenses are increased for the Core Professional Fee expenses \$50,616 (5.9%) and Outside Consulting Expense \$30,000 (7.9%).
 16. Software Support & Expenses increase by \$65,828 (80%) and Computers and Equipment by \$20,500 (87%) largely related to cybersecurity actions and accelerated computer replacement.
 17. Conference & Travel expenses return to pre-COVID conditions as it is anticipated that in-person meetings will be the norm again in FYE'23.
 18. Similar to last year, the schedule for the budget process impacts the timing of Choice budget elections by Member Agencies. Therefore, the Choice budget estimates in the second draft budget should be considered preliminary.

Items that are not incorporated in the budget pending Committee discussion and direction include:

- A. Capital funding of the WEROC Primary Emergency Operations Center;
- B. Expenses from the future findings of the IT external audit which will not be completed until April 2022.

The fixed Retail Meter Charge and Rate and the Ground Water Customer Charge presented in this budget are based on the rate structure approved by the MWDOC Board of Directors and implemented for FYE'22.

A reminder that memberships outlined in the Budget (Exhibit D) are approved by the Board with approval of the budget and therefore, each membership will not be brought to

the Board for approval on an individual basis. Any new memberships not included in the budget will be brought to the Board for consideration.

Similar to memberships, budget approval for conferences includes Board and Staff approval for attendance at “standard conferences”. Standard conferences are those listed on Exhibits E and F and approval includes staff travel/attendance at any out of state conferences listed on Exhibits E and F. Subsequent to the budget adoption, any new, out of state conferences will be brought to the Board for consideration.

The detailed draft budget is included as Attachment A.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

CHANGES FROM THE PRIOR DRAFT TO CURRENT DOCUMENT

This is the second draft budget and there are minimal changes from the prior draft. The total core expenses increase by \$26,849 (0.3%) between the first and second draft budgets. The decision during the February A&F meeting to implement a 5% increase in the director per diem rate accounts for \$21,618 (81%) of that change. The increase in the core revenue was only \$1,033 with the difference between the changes in expenses and revenue resulting in a slightly larger draw on reserve (\$25,817).

MAJOR YEAR-TO-YEAR CHANGES IN THE CURRENT BUDGET

The budgets and rates for the last two years, FYE'21 & FYE'22, have been significantly impacted by COVID-19. FYE'21 had an actual rate reduction for both the Retail Meter Rate (-\$0.20/meter) and the Groundwater Customer Charge (-\$2,925). Under the prior rate structure, the FYE'22 rates would have had relative minor changes for the Retail Meter Rate (increase of \$0.40/meter (3.3%) and the Groundwater Customer Charge (reduction of \$24,072 (4.0%)). For the proposed FYE'23 budget, COVID-19 impacts are expected to decline but inflation is a more prominent factor, particularly for salary costs.

The year-to-year (YTY) changes in the Core Operating Expenses are an increase of \$284,129 (3.3%). The addition of building and election costs and reserve expenses yields an YTY Core Total Expense increase of \$865,960 (9.6%).

- The largest Core expense is the combined cost categories for Employee, MWDOC Director and MWD Director salaries, wages and benefits with an YTY increase of \$246,927 (4.5%). These combined expense categories constitute 57.6% of the total core expense budget.
- The multi-year seismic retrofit and office remodel project will complete the planned phases in FYE'22. Building expenses are included in the FYE'23 budget for comparatively small projects and significantly lower than in recent years. The Building Reserve is replenished with a \$437,590 contribution.
- The other large core expense increases in descending order are Software Support & Expense (\$65,813), Professional Fees (\$50,616), WEROC

- Contribution (\$35,944), Outside Consulting Expense (\$30,000), Computers and Equipment (\$20,500), and Staff Travel & Accommodations (\$20,500).
- The Membership/Sponsorship expenses only include items previously approved by the Board of Directors.

Choice YTY expenses are largely unchanged at this early point in the budget process. The year-to-year changes in the total Choice expenses between FYE'22 and FYE'23 are an increase of \$121,283 (7.4%).

DETAILED REPORT

This committee and board item presents information and discusses the MWDOC FYE'23 budget. There is a simultaneous process being conducted to review the MWDOC Reserve Policy that was last updated in June 2017. The Metropolitan District of Southern California (MET) is also working through their budget process. MET's new rate structure may modify MWDOC's budget estimates of the value of water sales but it will not impact the proposed rates and charges in the MWDOC budget.

MWDOC's budget process normally includes three versions of draft budget with the final budget being approved at the April Board of Directors meeting. It is anticipated that the proposed changes to the rates will be approved at the same April 20th meeting. The second draft budget presents revenue figures based on the current rate structure.

The FYE'23 MWDOC Budget is developed through a transparent and iterative process. Key topics discussed below include:

1. MWDOC Budget Process & Schedule
2. Budget Principles
3. Reserves
4. Compensation Pool Guidelines
5. Budget Input from Member Agencies
6. Key Priorities & Initiatives for FYE'23
7. Core/Choice Programs
8. Water Rates and Charges
9. Proposed New Items Not Included Pending Committee Discussion

A short discussion on each item follows:

1. MWDOC Budget Process & Schedule

MWDOC's budget schedule is designed to accommodate the budget and rate schedules of our Member Agencies. Under this schedule, the Year-End Projections and Conceptual Budget were discussed at the January Administration & Finance (A&F) Committee. The first draft budget is presented at the February A&F Committee meeting. The second and third draft budgets are scheduled for the March and April committee meetings. The final budget is scheduled for approval by the MWDOC Board of Directors at the April 20, 2022 Board meeting.

Similar to last year, the Choice budget elections and commitments will lag behind this proposed schedule and staff will bring back to the Board a revised Final Choice Budget in September or October 2022 to reflect the reconciliations and final program commitments of our Member Agencies. Changes in Choice programs do not impact the rates and charges passed in April for Core activities.

A budget schedule is included in Attachment A.

2. MWDOC Budget Principles for FYE'23

Staff continues to utilize the following Budget Principles to develop the draft budget:

- **Principle #1: Budget Investments Align with MWDOC's Priorities & Values**
The Budget should reflect the mission and goals of MWDOC and align proposed activities with the valued benefits of the Board and our stakeholders. The budget process should be transparent and readily facilitate public review and input.
- **Principle #2: Activities Based on a County-wide Perspective**
MWDOC's service area extends to Orange County's borders and the budgeted activities must comprehensively address issues, needs, and benefits for the entire service area and our regional involvement in the service area and operations of the Metropolitan Water District of Southern California (MET).
- **Principle #3: Efficient Program Design & Performance**
The budgeted programs must consider complementary and cooperative designs to maximize benefits from other regional and local water resource programs to maximize value.
- **Principle #4: Full Cost Recovery**
The budget will be developed so as to support full cost recovery of all expenses via the rates and charges without the unplanned use of reserves.
- **Principle #5: Compliance with Administrative Code**
The proposed budget and budget process should fully comply with applicable sections of the MWDOC Administrative Code.

FYE'23 Goals and objectives for the eight MWDOC departments (Cost Centers) are included as Attachment D. It is anticipated that these goals and the associated funding levels will be discussed at MWDOC committee meetings. The input from these public meetings are incorporated into future budget drafts.

3. Projected Year-End Reserve Fund Balances, Reserve Targets, and Budget Goals

One goal of the budget process is the early identification of Reserve Fund impacts. A parallel process is being conducted to review the current MWDOC reserve policy which was adopted by the MWDOC Board of Directors in June 2017.

A stepwise process is utilized to update the target reserve amounts, project expected reserve amounts at the end of the fiscal year, and then determine whether the budget should add to or draw from the reserves to achieve the targets.

Reserve Targets

Table A summarizes the initial step of updating the reserve target for the FYE'23 budget.

TABLE A: Year-to-Year Reserve Target Adjustment			
Designated Reserves	FYE'22 Target Reserve	Adjustment Factor	FYE'23 Target Reserve
General Operations	\$ 3,727,775	# Days Cash	\$ 3,751,085
Grant & Project Cash Flow	1,500,000		1,500,000
Building Reserve	435,648	# Days Cash	437,590
Election Reserve	362,406	Cycle	762,406
OPEB Reserve est. 9/2018	297,147	Actuarial	297,147
TOTALS	\$ 6,322,976		\$ 6,748,228

The first column of Table A lists MWDOC's specific designated reserve accounts as established in the Administrative Code and the second column lists the reserve account targets from the FYE'22 approved budget. An annual adjustment is made to each account to calculate the new target for the upcoming budget (FYE'23).

General Operations and Grant & Project Cash Flow: The reserve targets for these two accounts are pooled under the reserve policy. The combined total target reserve is set at 180 days cash. The calculation is the Operating Budget divided by 365 days per year multiplied by 180 days. Therefore, the annual reserve target fluctuates with the previous year's operating budget. Amounts held in the General Operations reserve cover fluctuations and differences between revenues and expenses during the year. Grants and Project Cash Flow reserves are available to cover cash flow needs while MWDOC submits requests for reimbursement for expenditures and recovers the funds under various grant agreements and rebate programs.

Building Reserve: The target reserve is set at 15 days cash and is calculated in a similar fashion (Operating Budget divided by 365 days per year multiplied by 15 days). The Building Reserve is intended for unplanned or emergency repairs to the building resulting from accidents or unexpected events.

Election Reserve: The district needs to be prepared to fund seven director elections every four years. The election cycle has either three or four directors coming up for election every two years. In order to smooth the rate impacts of the election cycles, the funding of the Election Reserve is set at one fourth of the total potential election cost for seven directors at the unit cost of the last election. The calculation is cost of last single director election multiplied by seven directors divided by four years. The calculation is corrected for elections where a director does not have an opponent and no election costs are incurred. The cost per election has been rising over the last few cycles.

OPEB Reserve: The OPEB Reserve was established in 2018 as part of the mechanism to fund “Other Post-Employment Benefits” in combination with a trust account. The reserve is set to cover 5-15% of MWDOC’s outstanding retiree health obligations. Actions regarding the reserve target are taken after review of the biennial actuarial report on the OPEB liability and assets. This budget is in the off-year for the actuarial report.

The calculation for the FYE’23 budget indicates that the designated reserve targets increase by \$425,252 to a total of \$6,748,228. The increase in the Election Reserve target is \$400,000 (94%) of the total target increase.

Reserve Balances

Table B summarizes the information on current and projected reserve balances.

TABLE B: Current & Projected Reserve Balances			
Designated Reserves	FYE’22 Beginning Reserve Balances	FYE’22 Projected Year End Reclass to Reserves	FYE’22 Projected Ending Reserve Balances
General Operations	\$ 3,738,505	\$ 12,580	\$ 3,751,085
Grant & Project Cash Flow	1,500,000	-	1,500,000
Building Reserve	436,542	(436,542)	-
Election Reserve	461,678	74,104	535,782
OPEB Reserve est. 9/2018	297,147	-	297,147
TOTALS	\$ 6,433,872	\$ (349,858)	\$ 6,084,014

FYE’22 Beginning Reserve Balances: The beginning year balances originate from MWDOC’s FYE ’21 reserve amounts as modified by the actual revenues and expenses from that year. The reported balances are reviewed in the annual financial audit and then brought forward as the beginning reserve balances for the following fiscal year (FYE’22).

FYE’22 Projected Year End Reclass to Reserves: Based on the year end projections from the current budget process a determination is made as the anticipated draw from or addition

to the beginning reserves. The current projections are that the total reserves will have a draw (reduction) of \$349,858 which was allocated between the General Operations, Building Reserve, and Election Reserves.

FYE'22 Projected Ending Reserve Balances: The projected reserve balance is the sum of the previous two columns.

Table B indicates that the reserve balances are projected to decrease by \$349,858 during FYE'22 to a total of \$6,084,014.

Budget Reserve Funding Goal

The stated goals of the MWDOC Board of Directors include having the reserves fully funded and that the budget should be balanced relative to meeting those reserve targets. Table C summarizes information relative to funding requirements to meet these goals.

TABLE C: FYE'23 Budget Reserve Funding Goal			
Designated Reserves	FYE'23 Target Reserve	FYE'22 Projected Ending Reserve Balances	FYE'23 Budget Reserve Funding Goal
General Operations	\$ 3,751,085	\$ 3,751,085	\$ -
Grant & Project Cash Flow	1,500,000	1,500,000	-
Building Reserve	437,590	-	437,590
Election Reserve	762,406	535,782	226,624
OPEB Reserve est. 9/2018	297,147	297,147	-
TOTALS	\$ 6,748,228	\$ 6,084,014	\$ 664,214

FYE'23 Target Reserve: From Table A

FYE'22 Projected Ending Reserve Balances: From Table B

FYE'23 Budget Reserve Funding Goal: The amount of funding the proposed budget should generate to either increase or decrease the reserves to reach the target reserve levels.

Table C indicates that the FYE'23 budget should generate enough funds to contribute \$664,214 to the designated reserves in order to fully fund the reserve target levels.

FYE'23 Budget Reserve Circumstances

As noted above, some of MWDOC's reserve targets are based on a "Number of Days Cash" basis and therefore change in proportion to the budget. The Building Seismic Retrofit and Remodeling Project expenses have been relatively large in magnitude and will be non-recurring in nature for MWDOC. We anticipate the budget growth and therefore the reserve targets growth to moderate in future budget cycles. Therefore, the FYE'23 budget does not plan to fully fund the reserves to the full target levels but is designed to reach the anticipated target level over two years and thereby smooth rate impacts.

Normally, the goal for rate setting in the FYE'23 budget would be to have a budget surplus of \$664,214 to fully fund the reserves. The second draft budget includes contributions to the Building Reserve of \$437,590 and the Election Reserve of \$300,728. These contributions are partially offset by the planned draw from reserves of \$474,450, resulting in a net reserve contribution of \$263,868. This leaves an unfunded amount of \$400,346 necessary to fully fund the FYE'23 reserve target.

4. Compensation Pool Guidelines

MWDOC's compensation system includes both job classification-specific salary ranges and person-specific salaries. Annual modifications to both are implemented under different but inter-related practices. A common goal of both practices is to maintain competitive and appropriate salaries and benefits within the Southern California market.

Job Classification Salary Ranges.

MWDOC annually adjusts our salary ranges by the local Consumer Price Index (CPI) for the previous calendar year. The 2021 CPI for the LA/Long Beach/Anaheim area was 3.84%. This is 134% higher than the 2020 number. The CPI of 3.84% falls into MWDOC's moderate inflation range. Every three years MWDOC contracts for a Comprehensive Baseline Survey that reviews our job classifications with similar agencies and job functions. This Benchmark Survey was conducted last fiscal year, appropriate changes were incorporated in the FYE'22 budget and the budget impacts were minor. In general, MWDOC has found limited salary range corrections to be necessary and that the CPI adjustment process performs well. Therefore, we will continue the CPI-based salary range adjustment for FYE'23.

Employee-Specific Salaries

MWDOC does not have a Cost of Living Adjustment (COLA) and a COLA is not included or proposed in this budget. As part of the budget process, MWDOC establishes a Compensation Pool that facilitates employee salary increases allocated solely on merit. MWDOC conducts an annual direct labor market survey as part of the budget process and most of the water agencies in the survey have both defined merit and COLA components to their annual salary increases. The functional difference is that while both approaches cover both merit and inflation, other agencies will guarantee a COLA pay increase to all employees, while MWDOC employees are at risk of no salary increase depending upon their performance.

There is an objective comparison as to how well MWDOC's salary system has been performing relative to the market. As noted above, MWDOC's salary ranges have been

generally tracking the labor market conditions. In addition, MWDOC salaries have largely maintained a mid-range position with predominately only long-tenured employees bumping up against the range ceiling for their position.

The MWDOC annual survey of approximately 20 water utilities is utilized as a comparison of proposed salary increases. As is usual for the second draft budget, this comparative information is not yet complete with approximately half the utilities having responded. While incomplete, the results generally support the proposed compensation pool figure. These results will be updated in the third draft budget.

MWDOC utilizes a system of CPI based formulas to calculate the proposed Compensation Pool. An analysis of 10-year compensation increases and CPI data was conducted to quantify the past practices that had successfully maintained MWDOC’s salaries both competitive and within job classification ranges. The result was a system of four CPI ranges with associated Compensation Pool formulas as summarized below.

COMPENSATION POOL CPI RANGES & FORMULAS		
Category	CPI Range	Formula
Negative	< 0%	2% + (CPI x 0.5)
Low	0% to 2.4%	2% + CPI
Moderate	2.4% to 4.7%	CPI x 1.85
High	> 4.7%	4% + CPI

The 2021 annual CPI was 3.84% for the region which is in the 2.4% to 4.7% “moderate inflation” effective range. Applying the CPI x 1.85 moderate inflation range formula to the 3.84% CPI yields a compensation pool of 7.10% which was used to calculate the employee salary expense increase in the second draft budget.

The Director per diem adjustment is determined by the lesser of the employee increase or 5.0%. The Board set the increase for FYE’23 at 5.0%.

5. Budget Input from Member Agencies

In November 2021, MWDOC sent a letter to all of its member agencies informing them of the start of the MWDOC FY 2021-22 Budget Process, and invited their formal participation in the process which can include suggestions of activities and general comments. The FYE’22 budget year-end projections and the conceptual FYE’23 budget were discussed at the January 2022 Administration & Finance Committee meeting as well as the January 2022 MWDOC Agencies Managers Meeting and the first draft budget during the February 2022 meetings. Comment and request letters on the draft budget are included in Attachment C.

No additional comment letters were received the draft budget since the presentation of the first draft budget in February 2022. Only one comment letter was received earlier in the process and it dealt with the MWDOC reserve policy. General Manager Markus of OCWD requested additional information on the reserve calculation, that the MWDOC Board engage

in discussions regarding the reserve policy, and that the MWDOC reserves remain at current levels until such discussions take place.

The reserve section of the second draft budget has been modified so as to clarify the target and funding process. The foundation of the current MWDOC reserve policy is the June 2010 reserve account categories established by the MWDOC Board and the 2011 settlement agreement between MWDOC and its Member Agencies. That reserve targets and adjustment procedures from the five-year settlement agreement were modified during that period to address specific conditions and were publicly discussed at committee and board meetings. A third party review of the reserve policy was conducted in 2017 and the recommendations were adopted by the MWDOC Board following public discussions. These discussions have continued since then with particular focus during the budget process. The MWDOC reserve policy is currently being reviewed again and the recommendations of that study will be presented and publicly discussed. The reserve policy issue was also specifically included in the interview questions for the Member Agency Facilitated Discussion Project currently underway and every Member Agency was invited to present their views.

6. Key Priorities & Initiatives for FYE '2023

MWDOC's MISSION

To provide reliable, high quality supplies from MWD and other sources
to meet present and future needs,
at an equitable and economical cost and
to promote water use efficiency for all of Orange County

MWDOC was formed in 1951 to serve the majority of Orange County as its MET member agency representative and make imported water available within Orange County. This remains MWDOC's primary purpose. Although this purpose has taken various forms and has evolved over the decades, the emphasis continues to be MET representation and advocacy on behalf of the retail water districts and the residents and businesses of Orange County, to provide water reliability, and to provide value to the residents and ratepayers in Orange County. All functions included in the annual budget address components of MWDOC's mission

MWDOC's key priorities and initiatives are discussed for the following major departments and cost centers:

- Reliability Planning & Engineering (Cost Center 21)
- Metropolitan (MET) Issues & Water Policy (Cost Center 23)
- Water Use Efficiency (WUE) (Cost Centers 35, 62 & 70)
- Water Emergency Response (WEROC) (Cost Center 25)
- Communication/Public Affairs (Cost Center 32 & 63)
- Government Affairs Department (Cost Center 31)
- Administration Department (Cost Centers 11, 12, 13, & 19)
- Finance & Information Technology (Cost Centers 41 & 45)

While MWDOC is organized into several functional departments or cost centers, operationally, there is significant internal support and cooperation on the different tasks of our mission. For example, a critical issue like the Delta Conveyance Project will involve Reliability Planning & Engineering, MET Issues, Government Affairs, Public Affairs, the Board of Directors and Administrative Support.

It should be clear from the following discussion that many of the issues are not addressed in departmental silos but are shared responsibilities under various departments in carrying out MWDOC's overarching mission.

Reliability Planning and Engineering (Cost Center 21)

The Reliability Planning and Engineering (Engineering) Department efforts are varied and aimed at helping MWDOC member agencies navigate and understand the implications of long-term supply and emergency planning as well as the numerous intricacies involved in coordinating with MET to provide imported water (e.g., service connections, metering of water, pipeline operations, water quality, etc.). Engineering Department activities tie directly back to MWDOC's Mission Statement. Engineering activities include:

- shutdown planning,
- coordination of operations and maintenance activities and responsibilities of various regional pipelines in Orange County,
- identification and resolution of water quality issues in the regional distribution system, and
- analysis and planning for Orange County water reliability,
- coordination of MET's pipeline relining program (particularly the AMP),
- developing the ability and protocols to allow for pumping of local water supplies into the East Orange County Feeder #2 pipeline (EOCF#2),
- work on integration aspects of potential, future local water supply projects into the regional water distribution system including Poseidon, Doheny and San Juan Watershed projects.

The Engineering Department also provides internal support to other MWDOC departments; most notably Administration and WEROC by providing project management for MWDOC's office building and EOC improvements. Support is also provided to MET Issues and Water Policy Department as many MET issues overlap between the two departments in covering MET activities and their implications to MWDOC member agencies.

Areas of overlap with MET Issues and Water Policy include:

- analysis of various reliability improvement projects and MET initiatives including the MET Regional Recycled Water Program (Carson Project),
- MET's Local Resources Program (LRP),
- water quality issues in the regional distribution system that may impact MWDOC member agencies,
- MET emergency storage planning,
- emergency use of MET pipelines in circumstances when MET is unable to supply water,

- MET's Water Supply Allocation Plan (WSAP),
- MET System Resiliency Study,
- MET's Integrated Resources Plan (IRP),
- MET rates,
- Coordination with OCWD in examining opportunities to refill the groundwater basin.

Regional Water Reliability and OC Water Reliability Studies

The completion of the OC Water Reliability Study in 2016, which comprehensively evaluated the then current and future water supply and system reliability for all of Orange County, established important components of the analysis methodology for supply and system reliability planning in Orange County. As conditions continued to evolve, and understanding of climate and ecosystem changes improved, an updated Study was completed in 2018.

Now in FYE'22 and FYE'23, efforts to further enhance the OC Water Reliability Study continue through updates to water demand forecasts and additional analysis of the economic impacts of drought reductions and catastrophic disruptions (earthquakes) to Orange County's water supplies. Efforts to mitigate these impacts require that Orange County have a credible estimate of the value of water supply reliability to avoid over-investing or under-investing in water supply projects. This additional economic benefits analysis, currently underway, includes quantification of the impacts these circumstances may have on the economy for both residents and businesses.

FYE'23 Priorities

Emergency Use of East OC Feeder #2

Complete the necessary water quality impact analyses and develop an operating strategy to put local water supplies into the MET system consistent with MET Administrative Code 4519 - Emergency Deliveries of Member Agency Water Supplies in Metropolitan's System. MWDOC has volunteered to be the first 'test case' for the recent policy to allow emergency use of MET pipelines. A detailed work plan for a pilot project has been developed with MET this year. It is anticipated that this technical demonstration project and the associated development of legal agreements will require substantial effort in FYE'23. This is likely a 2-3 year effort

MET Shutdown Planning

Continue to coordinate a number of shutdowns this year and to continue work on phasing of the Allen McColloch Pipeline Prestressed Concrete Cylinder Pipe (PCCP) Rehabilitation Program.

- Diemer Shutdown – 7-day plant shutdown to repair a chlorine diffuser pipe – Rescheduled from Feb 2022 but in active discussion as to alternate schedules
- OC Feeder & OC Feeder Extension
- Continue AMP Shutdown Working Group meetings

Reliability Study and Demand Forecast Update

Periodic updates of the OC Water Reliability Study are anticipated as new information becomes available regarding changing conditions and projects. MET is completing the

update of its IRP. Information from Economic Studies and the MET IRP will be included in this update.

GIS – Member Agency and Division Boundary Refinement

Work with LAFCO, CDR, and member agencies to clear up legacy boundary discrepancies. GIS capabilities have greatly improved and both legal and service area boundaries are in need of refinement. Goal is a common basis for legal and service area boundaries going forward.

Primary WEROC EOC Project

- Support WEROC through completion of design phase of a new Primary EOC building. Notice to Proceed with design issued Nov 23, 2021.
 - 30% Design and Cost Estimate anticipated in March 2022.
- Completion of design and cost estimate anticipated in September 2022.

Breakroom/Kitchen & Atrium Trellis Construction Projects

Provide Project Management support to HR & Administration Department for remodel of the Breakroom/Kitchen and the repair or replacement of the atrium trellis due to termite damage.

Metropolitan (MET) Issues and Water Policy (Cost Center 23)

The Metropolitan (MET) Issues and Water Policy Department leads the District on MET issues and policy, as well as water supply and demand program coordination and analysis. Over the years, this department of four full time employees (FTE) has also become the primary clearinghouse on local, regional, state, and federal water policy issues. It ensures all key policy issues are analyzed and thoroughly evaluated for the MWDOC Board of Directors, our MWDOC-MET Delegation and our member agencies. As it relates to MET issues, the Department represents and advocates for Orange County on local resource projects and programs, water costs and rates, regional storage, water supply reliability management, demand management programs, water use efficiency programs, and water policy implementation. The Department also provides analysis and advocacy for Orange County on water policy issues that extend beyond the scope of MET. Broader water policy issues covered include the State-wide water conservation regulations (such as the “stress-test”), progress and development of the Delta Conveyance Project, the development of additional regional and local resource projects, and the effects of Colorado River demand management measures.

Department routine functions include:

- Support for the MWDOC-MET Delegation in promoting Orange County objectives;
- To act as the District’s liaison for MET information and water policy issues;
- Collaboration with MET staff on the development and management of programs and policies;
- Collaboration with other fellow MET member agencies on MET water policy issues;

- Support and advocate on behalf of our member agencies for issues such as Local Resources Program (LRP) applications and certifications, shutdown coordination, and MET water use programs (e.g., Coastal Pumping and Transfer Program);
- Coordination and monitoring of water supply management projects and programs such as replenishment deliveries (e.g., Conjunctive Use Program (CUP) and In-lieu programs) and MET & MWDOC's Water Supply Allocation Plan for times of drought;
- Development of countywide water supply and demand projections;
- Development of Water Reliability Studies and Reports (e.g., Urban Water Management Plan and water shortage contingency "Stress-Tests");
- Assessment and calculation of MWDOC's annual water rates and charges (e.g., Readiness to Serve, Capacity Charge, and Groundwater Service Charge).

In addition, the Department also provides internal support to other departments, such as water policy and water management review on legislative matters, water use efficiency rules and regulations, and public outreach efforts. The Department also provides critical involvement with WEROC in relation to MET and MWDOC member agency's emergency planning and operations. The Department plays an essential role at both the WEROC Emergency Operation Center (EOC) and as liaisons at the County's Operational Area (OA) emergency operation center to aid in County water and wastewater representation during a disaster.

FYE'23 Priorities

Metropolitan's Business Model and Long Term Financial Planning

As part of the General Manager's Strategic Priorities and the Post IRP Implementation Plan, Metropolitan will engage in reviewing its Business Model and its Long Term Financial Plan. This analysis will include its impacts to Metropolitan's future Rates and Charges as well as assess whether modifications to Metropolitan's rate structure are needed. In addition, there will be Cost of Service Assessment on Metropolitan's Regional Recycling Water Project's full-scale operation and financial configuration. The MWDOC staff will fully engage in this process.

MET's Post-Integrated Resource Planning (Phase 2) Implementation Plan and Adaptive Management Plan

With the expected Metropolitan Board adoption of the 2020 IRP Regional Needs Assessment Report (Phase I) in March 2022, Metropolitan will begin a collaborative IRP implementation phase and adaptive management plan to identify specific actions informed by the needs assessment findings. This phase seeks to bring together imported and local supplies, storage, and demand management plans & activities into one strategic approach. It also expects to monitor core supply conditions, drivers of changes (i.e. population growth, water demands, economic conditions, etc.) as well as track the performance of MET's policies, actions, and programs through a set of metrics to assess whether future actions need to adapt.

MWDOC staff goals include:

- Ensure the outcome of these Post-IRP Plans promote a balance reliability portfolio of core water supply development, storage enhancement, local supply development and water use efficiency.

- Encourage a clear and efficient implementation strategies to achieve MET's 2020 IRP reliability goals (For example, clear understandable IRP metrics that guide the Board in policy discussions).
- Seek input from the MWDOC Board, MET Directors and member agencies on the development of these Post-IRP implementation plans.

Colorado River Issues

The Department of the Interior declared the first-ever Colorado River Basin water shortage for 2022. The Level 1 Shortage Condition at Lake Mead underscored the value of the collaborative agreements we have in place with the seven basin states, Tribes, water users and Mexico in the management of water in the Colorado River Basin.

MET will also startup discussions on the Colorado River Lower Basin's new interim guidelines. These new guidelines need to be agreed upon by 2026.

MWDOC staff goals are to:

- Monitor Drought Contingency Plan shortage reductions and water saving contributions.
- Monitor and attend key meetings and discussions on the Colorado River new interim guidelines.
- Advocate for suitable Colorado River salinity control measures and actions
- Encourage and advocate that MET maintains accessibility and reliability of its core Colorado River supplies, as forecasted in its 2020 IRP.
- Support MET in having access to its ICS storage during all hydrologic conditions on the Colorado River.

SWP Delta Conveyance & Infrastructure Improvement Activities

Completion of the Environmental work, preferred alignment and Record of Decision (ROD) on the Delta Conveyance Project is in-progress. Draft environmental planning documents planned for public release and review in mid-2022. Then activity will begin on which SWP contractors are willing to financially participate in the Project. In addition, MET is currently engaged with the State and other water agencies in further expansion and investments in surface storage projects and groundwater water banking program along the California Aqueduct. As well as, make significant capital improvement investments in the SWP dependent areas of the MET system for operational flexibility.

MWDOC staff goals are to:

- Financially analyze the cost/benefit of MET's participation in the DCP, as well as its cost impact to MWDOC and the member agencies.
- Encourage MET's engagement and investment in further access to storage, in particular its involvement with Sites Reservoir.
- Advocate for MET staff to start renegotiate its current storage and banking programs along the SWP to improve its "take" capacity.
- Support the prioritization of improving the operational flexibility of the SWP dependent areas of the MET system to ensure a balance reliability to all member agencies.

Regional Recycled Water Project (RRWP) in Carson

In partnership with the Sanitation Districts of LA County, MET is developing Regional Recycled Water Project (RRWP) that will purify up to 150 MGD of recycled water to be delivered to groundwater basins and industrial sites throughout the west and central part of LA County as well as Orange County; with the potential to be delivered to two MET treatment Plants (as Direct Potable Reuse, DPR). Prior to full scale Board approval, MET will conduct a Cost of Service Assessment to analyze the project's cost as well as how it will be configured in its rate structure.

MWDOC staff goals are to:

- Advocated & supported the preparation of environmental documentation and technical studies for the program.
- Ensure the option remains available for Orange County to ultimately receive water from the RRWP; either directly or indirectly.
- Evaluate and analyze the project's full-scale operational and financial configuration once it presented to the Board for consideration.
- Support the financial partnerships of Southern Nevada Water Authority (SNWA) and the Central Arizona Project (CAP) in the program, including a potentially water exchange program.

Metropolitan's Drought Resilience & Planning

As a result of the critically low SWP "Table A" allocations and low levels in Lake Mead these past years, MET plans to review and update their Water Surplus and Drought Management (WSDM) Plan. Changes can include the prioritization of "put and take" of MET storage, the location of storage and other water management actions under surplus and drought conditions. In addition, MET plans to prepare a Severe Drought Assessment that will include three consecutive low SWP "Table A" allocations.

MWDOC staff goals are to:

- Engage in the analysis of modification to MET's WSDM Plan. The WSDM Plan was last updated in 1999.
- Ensure proper signals that result in fair and equitable distribution of water to the MET service area during times of drought allocation and system constraints.
- Promote a balance distribution of "put and take" supplies to ensure a regional reliability and operational flexibility.

Water Use Efficiency (WUE) Department (Cost Centers 35, 62 & 70)

The Water Use Efficiency Department consists of both Core and Choice budgets and focuses primarily on two programs: Water Use Efficiency Program and Water Loss Control Shared Services Program. Both programs benefit from the Metropolitan Water District of Southern California's Conservation Credits Program; a program that provides financial incentives to member agencies to implement water use efficiency programs. This funding is focused on programs that provide the broadest benefits throughout the service area and

enhance developing long-term programs such as water loss control. Outside funding for WUE programs was budgeted at \$2,618,752 for FYE'22 but is projected to increase to \$8,307,490. The FYE'23 outside funding budget is \$8,545,274. This exceptional increase in funding is associated with rebates (MET + local matching funds) and increased BOR grant funding.

Water Use Efficiency mandates continue to evolve from the 20% by 2020 framework adopted in 2009 to the new efficiency standards-based approach. Providing the technical and policy expertise and program support along with securing funds for water use efficiency efforts is a priority for MWDOC. MWDOC has been providing this function since 1991. In partnership with our member agencies, MWDOC and MET will continue to implement a comprehensive portfolio of water use efficiency programs that include incentives and educational programs to all customer sectors. Emphasis will be on landscape water saving opportunities as irrigation accounts for approximately 50% of urban water use in Orange County. MWDOC will maximize access to Conservation Credits Program funding from MET and grant funding from the California Department of Water Resources (DWR) and US Bureau of Reclamation (BOR). Areas of focus include:

- Staff will continue to provide legislative and regulatory process leadership. California's new Long Term Water Use efficiency framework will require significant research to better understand and inform stakeholders and policy makers as the final standard setting occurs. This research may be focused locally or through partnerships beyond Orange County such as the California Water Efficiency Partnership and Alliance for Water Efficiency. Also, it is anticipated that new legislative proposals will be introduced. Staff will actively work to shape proposals in a way that benefits our member agencies.
- Metropolitan WUE policy development will be a main focus for the department especially in helping to prepare agencies for compliance with new state mandates. Staff will advocate for Program refinements at MET that ensure Orange County program needs are met and continue to evolve.
- Staff will participate in the update or establishment of device, appliance or fixture water use standards contained in the Cal Green Plumbing Code, Public Utilities Commission, and EPA WaterSense Program.
- MWDOC will continue to promote the Water Savings Incentive and Recycled Water Retrofit Programs including the addition of supplemental grant funding whenever available.
- MWDOC will continue to use the Droplet rebate administration platform for both Turf Removal and Spray-to-Drip rebate processing including electronic signatures.
- Staff will provide Landscape Design and Maintenance Assistance for rebate program participants.
- Staff will provide leadership for the California Water Efficiency Partnership Board and committees.
- MWDOC will work to secure program funding from outside sources.

Water Loss Control Shared Services

Since 2016, MWDOC has been coordinating a water loss control program for our Member Agencies. This program has moved beyond water loss technical assistance such as audits into shared services field activities including meter testing and distribution system leak

detection. Orange County is now a state leader in terms of experience and data. This has allowed MWDOC to provide hard data to state regulatory agencies to influence developing regulations. MWDOC's expertise has also been beneficial in workgroups addressing the numerous water use efficiency legislative and regulatory proposals. Implementation of Water Loss Control Shared Services per the business plan adopted by the Board in December 2018 will continue and expand. These services will be provided through a combination of Core services currently funded by MWDOC and Choice services funded by participating agencies. Core services that are currently funded by MWDOC include Water Balance Validation, Leak Detection Equipment lending, and state-wide water loss policy monitoring and development. The Choice Shared Services will include Meter Accuracy Testing, Distribution System Leak Detection, Distribution System Pressure Surveys and Distribution System Flushing. These Choice services will be provided by the combination of increased field staff and contracted services.

Looking toward the next 3 – 5 years, staff anticipates continued focus on three main areas. These include Member Agency compliance assistance with the new water use efficiency mandates, implementation of water loss control shared services and technical assistance programs, and legislative and regulatory process leadership.

Water Emergency Response (WEROC) (Cost Center 25)

MWDOC provides the administrative umbrella for the Water Emergency Response Organization of Orange County (WEROC). The services and support provided by WEROC are intended to be an extension of Member Agency staffing in their preparedness efforts, and a resource during emergencies to ensure representation and recovery. WEROC staff works with its member agencies on emergency plans and standard operating procedure development and review; state and federal required trainings for grant eligibility and disaster readiness; disaster exercise development; grant identification and application; and response and recovery coordination. WEROC also maintains two emergency operation centers, its own response plans, and trained staff. In providing these services, WEROC continues to be a strong leader for regional water and wastewater emergency coordination and response.

The WEROC program provided major COVID-19 support function in FYE'21 and '22; all the while continuing to move projects forward while supporting water and wastewater agencies. WEROC staff continues to develop and provide the resources, tools, and trainings targeted at enhancing Member Agency preparedness and resilience.

Some of WEROC's Key Initiatives for FYE'23

Enhance Response Readiness

Maintain WEROC and OC water and wastewater agencies in a state of readiness to respond to emergency situations. This priority is the foundation to build upon agency resiliency and is on-going. One major component is the implementation of the WEROC Assessment Report action items focusing on key aspects including training, exercises, and updating emergency plans as part of the revision and review schedule in coordination with member agencies.

WEROC Emergency Operation Center Phase 2

- Continue to seek funding from other mechanisms such as grants or appropriation requests.
- Once Design & Engineering (D&E) and Costs Analysis is completed, present to the MWDOC Member agencies and MWDOC Board of Directors.
- Approval D&E and Cost Analysis for this project to move forward.

Cyber Security

Implementation and training on the Regional Cyber Security Coordination Annex as part the WEROC EOP.

- Train agencies on the plan
- Conduct one regional workshop/tabletop on the plan specific
- Continue quarterly Cyber Security Working Group meetings.

Planning and Operational Procedures

Update and revision of WEROC Hazard or Functional Specific Annexes or Standard Operating Procedures in line with the WEROC revision schedule including Communications, Drought, Earthquake, and Tsunami.

Finish Development and Implementation of the Logistics Plan

The Logistics Plan will incorporate how personnel, supplies, and equipment are requested, procured, tracked, and supported within the WEROC Organization.

Training & Test Exercises

Maintain the training and test exercise programs to improve the state of readiness, capabilities and resiliency of member agencies by Increase training on basic emergency management.

Points of Distribution (PODS) – Commodities

Work with the County, water and wastewater agencies by region to establish the responsibilities, process and procedures for Points of Distribution (PODS) for water, and other supplies to residents and businesses.

Communication - Public Affairs Department (Cost Centers 32 & 63)

The MWDOC Public Affairs Department's (Department) charge is to elevate public awareness about critical water issues, showcase the District's activities and programs, and continue to provide opportunities and resources that offer significant value to the region. While the purpose is multifold, the priority is District transparency. The last decade has seen a dramatic shift in the way people receive information. In a world where truth is sacrificed or, in some cases, neglected to win the race of who publishes first, regardless of accuracy, content is available at lightning speed. Today, anyone, no matter their experience or expertise, can disseminate information to the public. With the public's trust of government and the media arguably at an all-time low, water providers are under pressure to prove themselves relevant, trustworthy, and necessary. We continue to garner public trust by

communicating value to stakeholders using a wider variety of tools and channels to meet them where they are – online, at community events, in schools, on social media, and through an array of partnerships.

Establishing and maintaining credibility and creating confidence in the District's decisions, expertise, and offerings continue through MWDOC's outreach efforts. Additional support comes from award-winning recognition by reputable local and international organizations for outstanding programs and communications activities. Creating a memorable, meaningful impression with stakeholders and others establishes the trust and credibility needed to place MWDOC in a visible leadership position as the go-to voice for Orange County water.

Over the past few years, the Department has invested significant time, talent, and resources to build and enhance MWDOC's communications tools and programs. A reputable online presence has been established and supported through the District's website and social media platforms. The Department will evaluate the various essential tools, materials, and communications channels currently used and identify gaps or areas for improvement. The annual social media audit, new website auditing tool results, Search Engine Optimization (SEO) effort, along with recommendations provided by current contractors, will drive the progress or shifts needed in these areas.

Key Initiatives for Public Affairs 21/22

Imported Water: Delta Conveyance Project & Colorado River Aqueduct

MWDOC will continue the programs designed to educate stakeholders on the importance of reliable deliveries from the State Water Project and the Colorado River. This is a multi-faceted approach which includes social media, videos, the speakers bureau, and the Water Policy Forum. Priority target audiences will include Orange County elected officials, business leaders and organizations. This work will dovetail with the efforts of Government Affairs. In addition to the agreement negotiation and supply issues for the Colorado River information will also include salinity considerations.

Strengthen MWDOC Speakers Bureau

As organizations begin to return to face-to-face meetings, Public Affairs is ready to strengthen and expand the MWDOC Speakers Bureau.

Presentations on various topics will be formalized, added to the Department event calendar, and incorporated into the Communications Program & Plan. These presentations will be available for the Board of Directors and staff for (virtual and in-person) presentations to be made to various target audiences.

The Speakers Bureau may also serve as the area for developing components for a future Orange County Water Academy for more comprehensive public programs.

Website Refresh

MWDOC's "new" website is now five-years old and is scheduled for a refresh. This is a significant updating but short of a major overhaul to include content and performance improvements.

Public Sentiment Analysis for Orange County (Survey)

Public Affairs plans to utilize FlashVote to perform scientific surveys with targeted audiences to gauge public sentiment regarding water issues. The information and data will be critical to MWDOC and our Member Agencies as we advance reliability issues and address public concerns.

Education

For FYE'23, the Department will invest time and resources towards advancing the District's water education initiatives and implementing environmental literacy – an education strategy that uses the local environment as the context for learning. By guiding students towards a deeper understanding of how social, economic, and civic decisions affect the water resources Orange County depends on, sound investments in water infrastructure, resource planning, and good water stewardship will make more sense now and far into adulthood.

The Department will examine, evaluate, and amend all District outreach programs and activities that target MWDOC's youngest water users. These programs include the K-12 Choice School Programs, Scouts programs, Water Energy Education Alliance, community events, partnerships, and post-secondary education efforts. MWDOC and education partners such as the Orange County Department of Education, the State Education and Environment Roundtable, and others will reintroduce the environmental literacy rollout plan initially proposed in FYE'21. The rollout, whose initial execution was impeded by COVID-19, includes formal instruction and materials for MWDOC Choice School Program contractors and select Orange County teachers and administrators.

The Water Energy Education Alliance (WEEA) has proven to be an extremely successful endeavor, supported by nearly 60 organizations across the State. These organizations are made up of water, energy, and education leaders working to build and strengthen workforce pathways for high school students in the Energy, Environment, and Utility Sectors (EEU). While this effort reinforces work being done across Southern California, Orange County is a notable beneficiary. New, commanding education and business connections have been made, and working groups are being formed and led through WEEA that are advancing workforce pathways for MWDOC and its 28 member agencies. Additional work is being done to implement environmental literacy guidelines into Career Technical Education programs at the state level, further securing the need and appreciation for water education in high schools.

MWDOC will continue to promote participation in the Wyland National Mayor's Challenge for Water Conservation. However, to reinforce the new direction of the MWDOC education programs, the incentive will shift from community city park to school project opportunity. This will include a new initiative linking schools, organizations and artists for public display programs.

Finally, the Department will identify opportunities through these partnerships and others that not only support and advance the goals and mission of the District but also provide value to the region.

Water Policy Forums/Dinners

One of MWDOC's hallmark programs, Water Policy Dinners, will also be evaluated and refined. Maximizing relationships with entities such as OCBC, ACC-OC, local chambers,

and others, the Department looks to increase event attendance by promoting a specific schedule and speakers/topics planned for the entire fiscal year. With a set schedule and speakers, attendees can calendar accordingly, and staff will be able to plan logistics, promotions, and secure appropriate speakers. This initially was a priority for the previous fiscal year, however, like most everything else, COVID-19 forced a transition to Virtual Water Policy Forums. The Department looks to establish a partnership with another venue to host the more formal dinners when social distance mandates are lifted.

Governmental Affairs Department (Cost Center 31)

Governmental Affairs continues to work at the local, state and national levels with our Member Agencies, regional partners (three cities, Metropolitan, MET Member Agencies), organizations, delegations, regulatory agencies and bureaus to advance Orange County's agenda. Central to this effort are policy, legislative and regulatory developments and opportunities.

The department will rely on our local, state, and federal advocates to track, monitor and assist in education outreach on these issues. In addition, our Grants Program continues to be an asset for our Member Agencies and provide helpful information and tools for them, along with MWDOC to obtain funding for various programs and infrastructure.

The shutdown of the California Legislature forced Government Affairs to adopt novel ways to advocate for MWDOC's interests. Lobbying over Zoom and social distancing requirements made for a challenging environment, but we successfully adjusted and achieved important goals. One of the most significant accomplishments of the past two years was learning how to be effective in an environment that prevented us from using most of the traditional tools of advocacy. There is no denying that the shutdown impacted our legislative efforts but we are now seeing the beginning of the reemergence of face-to-face meetings.

Priorities for FYE'23

- Actively engage on issues, legislative and regulatory, that will affect the Delta Conveyance Project
- Actively engage on the ongoing concerns with the indoor and total water use standards in cooperation with the WUE group and our Member Agencies and industry associations
- Actively engage and advocate for federal funding for the Army Corps of Engineers, the Bureau of Reclamation, the EPA, and WIFIA Programs
- Advocate for changes in the IRS Code with respect to turf removal programs.
- Advocate for cost effective reliability and local resources projects that benefit Orange County.
- Actively engage on regulations at SCAQMD related to wildfires and Public Safety Power Shutoffs (PSPS) that impact water districts.
- Actively engage on legislation and regulatory proceedings related to Constituents of Emerging Concern (CECs).
- Actively engage on regulations implementing the Low Income Rate Assistance, or "LIRA", program.

- Actively engage on SB 200 (disadvantaged and noncompliant water systems) implementation.
- Continue our outreach efforts with Orange County's delegation on the federal, state and local level.

Administration Department (Cost Centers 11, 12, 13, &19)

The Administrative Department is comprised of Board Administration, General Administration, Personnel and Overhead. The Administration Department provides support to the entire District to ensure operations run smoothly and efficiently. Fundamental activities include:

- Staff attendance, preparation and compilation of Board and Committee Agendas and minutes;
- Ensure compliance with the District Administrative Code, Contracts Manual and publication of required legal notices and coordination of all Public Records requests.
- The oversight and maintenance of the Electronic Records Management System for the District; ensure that all required documents are retained in accordance with the retention schedule and legal requirements as well as train staff on policies related to accessing, storing and transmitting electronic records;
- The oversight and maintenance of the District's Database Management System in an effort to provide a centralized database for staff in improving efficiencies;
- Personnel activities include recruitment, screening, selection, employee orientation, benefits and compensation administration, employee documentation, performance management, research and surveys, employee training and development;
- Oversight of the Safety and Risk Management and the District's Workers Compensation, Liability and Property Insurance Programs;
- Oversight of all items related to building facilities management.

Key initiatives in the coming year include:

- Continued COVID-19 policy evolution and transition back into the MWDOC office environment;
- Oversee building remodel improvements to kitchen area and atrium trellis (termite damage);
- Implement Individual staff training and development;
- Implementation and training of Performance Evaluation Process;
- Succession Planning for upcoming retirements (WUE);
- Increase Employee Engagement and implement Organizational Values;

MWDOC Building Improvements

Administration, Engineering, and WEROC staff have worked together to coordinate multiple improvement projects at the MWDOC Administration Building that will be completed in FYE'22. Comparatively minor construction projects in FYE'23 include the renovation of the Kitchen/lunchroom area and the likely replacement of the trellis in the atrium due to termite damage.

Finance & Information Technology (Cost Centers 41 & 45)

The Finance department includes Accounting and Information Technology (IT). The Department provides support to MWDOC through payroll, accounts payable/receivable, fixed assets, investments, grant funding, reconciliations and technology. Staff provides support to WEROC for disaster recovery at both the District office and the Emergency Operation Center. Finance and IT's priorities are Financial Stewardship and Auditing & Controls, which is demonstrated by receiving an unmodified opinion from our annual audit process.

Finance also provides monthly accounting to our Member Agencies through monthly billing of water deliveries, in-lieu credits, LRP payments, conservation rebates and choice programs.

IT provides uninterrupted service for our phones and computers with firewall protection to prevent threats, viruses and hackers from penetrating our system. As well as, providing & maintaining properly working office equipment. Significant modifications to the cybersecurity operations were identified and implemented in FYE'22 and will continue into FYE'23.

Key Initiatives in the coming year include:

- Maintain functional operations and support while staff is working remotely and hybrid meetings are being conducted;
- Implement the findings of the third-party IT audit;
- Upgrade the IT systems to Windows 11 and Microsoft Office 365
- Continue with IT's PC/Printer refresh program and security updates which, exchanges out equipment after it's useful like to prevent the loss of any data;
- Continue training on our new financial software;
- Continue with ongoing professional training;
- IT system security and back up testing;
- Continue to assist staff in maneuvering through our new financial software;
- Support the District with any future financing needs.

7. Core/Choice Programs for FY 2020-21

As noted above, the Choice Programs for FY 2020-21 are offered in both the Public Affairs and Water Use Efficiency Departments. The programs include:

- School Program - As discussed above the School Program represents a continuum of options from kindergarten through high school. Substantial efforts are underway to with Orange County teachers and State organizations to integrate critical water messages within the required curriculum structure with the goal of increasing the utility and acceptance of our programs. Also included are programs focusing on career path recruitment and training.
- Water Use Efficiency - Will continue to access MET WUE funding and grants from other sources for implementation programs for OC.

- Water Loss Control Shared Services – This program was developed in conjunction with our Member Agencies and continues significant expansion with increase funding through MET.

8. Water Rates and Charges

MWDOC's revenue funding for its Core Budget derives from the Retail Meter Service Charge and the Groundwater Customer Charge. The rate structure was initially developed as part of the 2016 rate study and was implemented by the MWDOC Board of Directors for FYE'17. The rate structure was reevaluated in 2021 and was adopted by the MWDOC Board for the FYE'22 budget and rate process. No changes are proposed to the rate structure and process.

Proposed New Rates

Based on the Proposed Budget and the current rate structure:

For FYE'23 the proposed Retail Meter Service Charge is \$13.75 per meter.
For FYE'23 the proposed Groundwater Customer Charge is \$368,501.

All other charges cover the cost of water supply including MET water purchases and MET associated charges (i.e. Readiness-to-Serve (RTS) and Capacity Charge). The proposed Total Water Purchases expense for FYE'23 is budgeted at \$174,477,132.

9. Proposed New Items Not Included Pending Committee Discussion

By convention, proposed new items are not incorporated in the budget until concurrence is reached at the committee level. These items for the second draft budget are:

- A. Construction funding of the WEROC Primary Emergency Operations Center
- B. Expenses from the future findings of the IT external audit which will not be completed until April 2022.

Attachments:

Attached hereto are the following:

- Attachment A - MWDOC detailed draft budget for the coming fiscal year
- Attachment B - Budget Schedule
- Attachment C - Comment and request letters
- Attachment D - Departmental goals for FYE'23



Annual Budget for Fiscal Year 2022-23

Second Draft

MWDOC's mission is:

To provide reliable, high-quality supplies from MWD and other sources to meet present and future needs, at an equitable and economical cost, and to promote water use efficiency for all of Orange County

**Exhibit A2
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CORE FUND**

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 3,629,660	\$ 3,639,452	\$ 9,793	\$ 3,835,412	\$ 195,959	\$ 205,752
Employee Benefits	1,193,667	1,214,738	21,071	1,260,901	46,163	67,234
Director Compensation	288,800	271,112	(17,688)	288,793	17,681	(7)
Director Benefits	161,248	125,019	(36,230)	135,201	10,182	(26,048)
MWD Representation	165,029	150,945	(14,084)	165,025	14,080	(4)
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	(305,425)	(337,327)	(31,903)	(333,099)	4,228	(27,674)
Health Insurance Coverage for Retirees	101,099	85,448	(15,651)	94,554	9,106	(6,545)
Audit Expense	30,220	57,566	27,346	35,000	(22,566)	4,780
Automotive & Toll Road Expenses	17,050	1,600	(15,450)	14,400	12,800	(2,650)
Conference Expense - Staff	44,560	41,295	(3,265)	56,205	14,910	11,645
Conference Expense - Directors	16,845	17,825	980	25,155	7,330	8,310
Outside Consulting Expense	380,000	236,000	(144,000)	410,000	174,000	30,000
Insurance Expense	130,000	135,000	5,000	140,000	5,000	10,000
Legal Expense - General	225,000	229,221	4,221	235,750	6,529	10,750
Maintenance Expense	153,400	98,800	(54,600)	155,400	56,600	2,000
Membership / Sponsorship	143,041	140,295	(2,746)	145,847	5,552	2,806
CDR Participation	65,249	55,189	(10,060)	57,462	2,273	(7,787)
Miscellaneous Expense	76,381	49,020	(27,361)	60,120	11,100	(16,261)
Postage / Mail Delivery	8,600	9,614	1,014	10,900	1,286	2,300
Professional Fees	865,859	827,196	(38,664)	916,475	89,280	50,616
Rents & Leases	1,800	1,660	(140)	1,800	140	-
Outside Printing, Subscription & Books	83,700	75,800	(7,900)	85,000	9,200	1,300
Office Supplies	35,000	15,000	(20,000)	35,000	20,000	-
Building Repair & Maintenance	15,000	15,000	-	22,056	7,056	7,056
Computer Maintenance	8,000	8,000	-	7,000	(1,000)	(1,000)
Business Expense	2,500	2,048	(452)	2,500	452	-
Software Support & Expense	82,580	125,580	43,000	148,408	22,828	65,828
Computers and Equipment	23,450	23,450	-	43,950	20,500	20,500
Telecommunications Expense	41,400	36,805	(4,595)	40,790	3,985	(610)
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	50,000	40,087	(9,914)	45,000	4,914	(5,000)
Tuition Reimbursement	5,000	-	(5,000)	5,000	5,000	-

(1)
(2)

Exhibit A2
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CORE FUND

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	69,825	45,877	(23,948)	90,325	44,448	20,500
Travel & Accommodations - Directors	21,250	19,136	(2,114)	32,900	13,764	11,650
MWDOC's Contribution to WEROC: Operations	260,346	260,346	-	296,290	35,944	35,944
Capital Acquisition (excluding building)	273,059	540,996	267,937	76,000	(464,996)	(197,059)
Capital Acq Prior Year Carryover Dr/(Cr)	(5,803)	(208,991)	(203,188)	-	208,991	5,803
OPERATING EXPENSES	\$ 8,569,390	\$ 8,255,801	\$ (313,589)	\$ 8,853,519	\$ 597,718	\$ 284,129
MWDOC's Building Expense	\$ 903,089	\$ 1,082,686	\$ 179,597	\$ 246,600	\$ (836,086)	\$ (656,489)
Building Expense Prior Year Carryover Dr/(Cr)	\$ (461,116)	\$ (164,236)	\$ 296,880	\$ 476,477	\$ 640,713	\$ 937,593
Contribution to Election Reserve	\$ -	\$ -	\$ -	\$ 300,728	\$ 300,728	\$ 300,728
TOTAL EXPENSES	\$ 9,011,363	\$ 9,174,251	\$ 162,888	\$ 9,877,323	\$ 703,072	\$ 865,960

(3)

REVENUES:						
Retail Meter Charge	\$ 8,357,232	\$ 8,357,232	\$ -	\$ 8,885,401	\$ 528,169	\$ 528,169
Ground Water Customer Charge	335,385	335,385	-	368,501	33,117	33,117
Interest Revenue	220,000	128,777	(91,223)	145,971	17,194	(74,029)
Miscellaneous Income	3,000	3,000	-	3,000	-	-
TOTAL REVENUES	\$ 8,915,617	\$ 8,824,394	\$ (91,223)	\$ 9,402,874	\$ 578,480	\$ 487,257

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (95,747)	\$ (349,858)	\$ (254,111)	\$ (474,450)	\$ (124,592)	\$ (378,703)

(4)

- (1) Total FY2022-2023 Salaries & Wages includes \$18,394 for intern support
- (2) Total FY2022-2023 Benefits includes \$1,745 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.87% for Classic employees and 7.47% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will increase by 4% for FY22-23.
- (3) Of the \$476,477, \$437,590 is to replenish the building reserve thru FY22/23.
- (4) Based on FY21-22 projections and FY22-23 MWDOC designated reserve target, designated reserves will be essentially fully funded in a few years.

Exhibit A3
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CHOICE FUNDS

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 548,882	\$ 611,678	\$ 62,796	\$ 593,718	\$ (17,960)	\$ 44,836
less for Recovery from Grants	(18,665)	(30,874)	(12,209)	(20,000)	10,874	(1,335)
Employee Benefits	163,063	174,632	11,569	180,931	6,299	17,867
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	305,425	337,327	31,903	333,099	(4,228)	27,674
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	200	500	300	1,200	700	1,000
Vehicle Expense	5,800	4,343	(1,457)	7,343	3,000	1,543
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Outside Consulting Expense	-	-	-	-	-	-
Insurance Expense	-	-	-	-	-	-
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
Miscellaneous Expense	12,000	12,000	-	12,000	-	-
Postage / Mail Delivery	643	400	(243)	400	-	(243)
Professional Fees	609,781	620,770	10,989	599,781	(20,989)	(10,000)
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Supplies - Water Loss Control	4,000	4,000	-	4,000	-	-
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	2,100	2,300	200	2,300	-	200
Telecommunications Expense	1,440	1,170	(270)	2,900	1,730	1,460
Computers and Equipment	-	-	-	-	-	-
Temporary Help Expense	-	-	-	-	-	-
Training Expense	2,000	2,000	-	8,000	6,000	6,000
Tuition Reimbursement	-	-	-	-	-	-

(1)

(2)

Exhibit A3
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CHOICE FUNDS

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	-	-	-	-	-	-
Travel & Accommodations - Directors	-	-	-	-	-	-
Capital Acquisition	-	-		32,280	32,280	32,280
Subtotal Expenses	\$ 1,636,669	\$ 1,740,247	\$ 103,577	\$ 1,757,952	\$ 17,705	121,282.65
TOTAL EXPENSES	\$ 1,636,669	\$ 1,740,247	\$ 103,577	\$ 1,757,952	\$ 17,705	\$ 121,283

REVENUES:						
Choice Revenue	\$ 1,636,669	\$ 1,740,247	\$ 103,577	\$ 1,757,952	\$ 17,705	\$ 121,283
TOTAL REVENUES	\$ 1,636,669	\$ 1,740,247	\$ 103,577	\$ 1,757,952	\$ 17,705	\$ 121,283

- (1) Total FY2022-2023 Salaries & Wages includes \$92,435 for intern support
- (2) Total FY2022-2023 Benefits includes \$8,764 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.87% for Classic employees and 7.47% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 4% for FY22-23.

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 4,178,542	\$ 4,251,131	\$ 72,589	\$ 4,429,130	\$ 177,999	\$ 250,588
less for Recovery from Grants	(18,665)	(30,874)	(12,209)	(20,000)	10,874	(1,335)
Employee Benefits	1,356,730	1,389,370	32,640	1,441,831	52,461	85,101
Director Compensation	288,800	271,112	(17,688)	288,793	17,681	(7)
Director Benefits	161,248	125,019	(36,230)	135,201	10,182	(26,048)
MWD Representation	165,029	150,945	(14,084)	165,025	14,080	(4)
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	-	-	-	-	-	-
Health Insurance Coverage for Retirees	101,099	85,448	(15,651)	94,554	9,106	(6,545)
Audit Expense	30,220	57,566	27,346	35,000	(22,566)	4,780
Automotive & Toll Road Expenses	17,250	2,100	(15,150)	15,600	13,500	(1,650)
Vehicle Expense - Water Loss Control	5,800	4,343	(1,457)	7,343	3,000	1,543
Conference Expense - Staff	44,560	41,295	(3,265)	56,205	14,910	11,645
Conference Expense - Directors	16,845	17,825	980	25,155	7,330	8,310
Outside Consulting Expense	380,000	236,000	(144,000)	410,000	174,000	30,000
Insurance Expense	130,000	135,000	5,000	140,000	5,000	10,000
Legal Expense - General	225,000	229,221	4,221	235,750	6,529	10,750
Maintenance Expense	153,400	98,800	(54,600)	155,400	56,600	2,000
Membership / Sponsorship	143,041	140,295	(2,746)	145,847	5,552	2,806
CDR Participation	65,249	55,189	(10,060)	57,462	2,273	(7,787)
Miscellaneous Expense	88,381	61,020	(27,361)	72,120	11,100	(16,261)
Postage / Mail Delivery	9,243	10,014	771	11,300	1,286	2,057
Professional Fees	1,475,640	1,447,966	(27,675)	1,516,256	68,291	40,616
Rents & Leases	1,800	1,660	(140)	1,800	140	-
Outside Printing, Subscription & Books	83,700	75,800	(7,900)	85,000	9,200	1,300
Office Supplies	35,000	15,000	(20,000)	35,000	20,000	-
Supplies - Water Loss Control	4,000	4,000	-	4,000	-	-
Building Repair & Maintenance	15,000	15,000	-	22,056	7,056	7,056
Computer Maintenance	8,000	8,000	-	7,000	(1,000)	(1,000)
Business Expense	2,500	2,048	(452)	2,500	452	-
Software Support & Expense	84,680	127,880	43,200	150,708	22,828	66,028
Computers and Equipment	23,450	23,450	-	43,950	20,500	20,500
Telecommunications Expense	42,840	37,975	(4,865)	43,690	5,715	850
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	52,000	42,087	(9,914)	53,000	10,914	1,000
Tuition Reimbursement	5,000	-	(5,000)	5,000	5,000	-

(1)

(2)

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	69,825	45,877	(23,948)	90,325	44,448	20,500
Travel & Accommodations - Directors	21,250	19,136	(2,114)	32,900	13,764	11,650
MWDOC's Contribution to WEROC: Operations	260,346	260,346	-	296,290	35,944	35,944
Capital Acquisition (excluding building)	273,059	540,996	267,937	108,280	(432,716)	(164,779)
Capital Acq Prior Year Carryover Dr/(Cr)	(5,803)	(208,991)	(203,188)	-	208,991	5,803
OPERATING EXPENSES	\$ 10,206,060	\$ 9,996,048	\$ (210,012)	\$ 10,611,471	\$ 615,423	\$ 405,411
MWDOC's Building Expense	\$ 903,089	\$ 1,082,686	\$ 179,597	\$ 246,600	\$ (836,086)	\$ (656,489)
Building Expense Prior Year Carryover Dr/(Cr)	\$ (461,116)	\$ (164,236)	\$ 296,880	\$ 476,477	\$ 640,713	\$ 937,593
Contribution to Election Reserve	\$ -	\$ -	\$ -	\$ 300,728	\$ 300,728	\$ 300,728
TOTAL EXPENSES	\$ 10,648,033	\$ 10,914,498	\$ 266,465	\$ 11,635,275	\$ 720,778	\$ 987,243

REVENUES:						
Retail Meter Charge	\$ 8,357,232	\$ 8,357,232	\$ -	\$ 8,885,401	\$ 528,169	\$ 528,169
Ground Water Customer Charge	335,385	335,385	-	368,501	33,117	33,117
Interest Revenue	220,000	128,777	(91,223)	145,971	17,194	(74,029)
Miscellaneous Income	3,000	3,000	-	3,000	-	-
Choice Revenue	1,636,669	1,740,247	103,577	1,757,952	17,705	121,283
TOTAL REVENUES	\$ 10,552,286	\$ 10,564,640	\$ 12,354	\$ 11,160,825	\$ 596,185	\$ 608,540

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (95,747)	\$ (349,858)	\$ (254,111)	\$ (474,450)	\$ (124,592)	\$ (378,703)

(1) Total FY2022-2023 Salaries & Wages includes \$110,829 for intern support

(2) Total FY2022-2023 Benefits includes \$10,509 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.87% for Classic employees and 7.47% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 4% for FY22-23.

(3) Of the \$476,477, \$437,590 is to replenish the building reserve thru FY22/23.

(4) Based on FY21-22 projections and FY22-23 MWDOC designated reserve target, designated reserves will be essentially fully funded in several years.

Exhibit A5
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
WATER FUND

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
Water Revenues						
Water Sales	\$ 159,262,425	\$ 169,882,775	\$ 10,620,350	\$ 163,128,712	\$ (6,754,064)	\$ 3,866,286
Local Resource Program Incentives	(4,136,088)	(5,511,964)	(1,375,876)	(5,507,994)	3,970	(1,371,906)
Readiness-To-Serve Charge	11,142,354	10,849,877	(292,477)	11,142,354	292,477	-
Capacity Charge	4,732,610	5,064,335	331,725	5,396,060	331,725	663,450
Interest Revenue - Tier 2 Cont.	10,500	3,789	(6,711)	4,547	758	(5,953)
SCP/SAC Pipeline Surcharge	315,000	339,939	24,939	318,000	(21,939)	3,000
TOTAL WATER REVENUES	\$ 171,326,801	\$ 180,628,751	\$ 9,301,949	\$ 174,481,679	\$ (6,147,072)	\$ 3,154,877
Water Expenses						
Water Purchases	\$ 159,262,425	\$ 169,882,775	\$ 10,620,350	\$ 163,128,712	\$ (6,754,064)	\$ 3,866,286
Local Resource Program Incentives	(4,136,088)	(5,511,964)	(1,375,876)	(5,507,994)	3,970	(1,371,906)
Readiness-To-Serve Charge	11,142,354	10,849,877	(292,477)	11,142,354	292,477	-
Capacity Charge	4,732,610	5,064,335	331,725	5,396,060	331,725	663,450
SCP/SAC Pipeline Surcharge	315,000	339,939	24,939	318,000	(21,939)	3,000
TOTAL WATER EXPENSES	\$ 171,316,301	\$ 180,624,962	\$ 9,308,660	\$ 174,477,132	\$ (6,147,830)	\$ 3,160,830
Changes to Fund Balance:						
Tier 2 Contingency	\$ 10,500	\$ 3,789	\$ (6,711)	\$ 4,547	\$ 758	\$ (5,953)

Exhibit A6
SUMMARY OF FUNDING AND EXPENSES
For All Water Use Efficiency Programs

	FY 2021-2022 ADOPTED BUDGET	FY 2021-2022 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2022-2023 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2021-2022 BUDGET
Funding						
Metropolitan Water District	\$ 1,459,112	\$ 4,931,111	\$ 3,471,998	\$ 5,643,486	\$ 712,376	\$ 4,184,374
USBR	122,020	1,117,192	995,172	780,262	(336,930)	658,243
DWR	748,233	818,730	70,497	367,919	(450,811)	(380,314)
Member Agencies	239,387	1,390,457	1,151,070	1,703,607	313,149	1,464,220
MWDOC	50,000	50,000	0	50,000	-	0
TOTAL OUTSIDE FUNDING	\$ 2,618,752	\$ 8,307,490	\$ 5,688,738	\$ 8,545,274	\$ 237,784	\$ 5,926,522
Program Expenses Funded from Outside Sources						
Installation Verification	\$ 68,600	\$ 108,261	\$ 39,662	\$ 108,369	\$ 108	\$ 39,770
Rebate Incentives	2,252,822	7,458,441	5,205,619	6,518,281	(940,161)	4,265,458
TOTAL PROGRAMS EXPENSES	\$ 2,618,752	\$ 8,307,490	\$ 5,688,738	\$ 8,545,274	\$ 237,784	\$ 5,926,522

**Exhibit B
Expenditures by Program**

Cost Center	PROGRAM	FY 2021-2022 BUDGET FTE	FY 2022-2023 BUDGET FTE	FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
11	Administrative - Board	1.58	1.56	\$ 1,269,023	\$ 1,123,473	\$ 1,266,451
12	Administrative - General	3.97	3.97	789,058	709,839	839,870
13	Personnel / Staff Development	1.69	1.81	393,261	351,668	429,925
19	Overhead	4.15	4.23	1,355,294	1,308,195	1,206,523
21	Reliability Planning and Engineering	2.57	2.67	679,793	711,835	797,116
23	Metropolitan Issues and Water Policy	3.98	3.81	959,009	801,501	935,272
31	Governmental Affairs	0.85	0.85	495,760	489,437	471,604
35	Water Use Efficiency (Core)	0.95	1.06	465,589	550,050	484,084
32	Public Affairs	4.76	4.59	1,006,360	965,501	1,140,950
41	Finance	3.37	3.19	583,812	624,322	601,942
45	Information Technology	0.99	0.99	312,086	359,637	383,491
25	MWDOC's Contribution to WEROC	3.11	3.10	260,346	260,346	296,290
CORE TOTAL		31.97	31.83	\$ 8,569,390	\$ 8,255,801	\$ 8,853,519
62	Water Use Efficiency Program	4.90	4.69	915,132	1,013,220	831,328
63	School Programs	0.06	0.06	430,221	380,924	429,838
70	Water Loss Control	1.39	3.05	291,317	346,103	496,786
CHOICE TOTAL		6.35	7.80	\$ 1,636,669	\$ 1,740,247	\$ 1,757,952
CORE & CHOICE TOTAL		38.32	39.63	\$ 10,206,060	\$ 9,996,048	\$ 10,611,471
Includes:	Full-time employees	32.25	33.66	(2)		
	Part-time employees	1.52	0.00			
	Interns	1.44	2.87			
	WEROC Full-time employees	3.11	3.10			

(1)

(1) Total Operational Costs of WEROC is allocated among MWDOC, OCWD, OCSD, Anaheim, Santa Ana, Fullerton and South Orange County Wastewater Authority. Capital Expenditures are provided by MWDOC. Dollars shown are MWDOC's share only.

(2) FTE's for 2021-2022 are calculated based on 2088 hours of work for the year. FTE's for 2022-2023 are calculated based on 2088 hours worked for the year. This corresponds to the actual working days for the fiscal year which varies year to year. MWDOC and WEROC combined are budgeted to have a total of 37 full-time employees, 0 part-time employee and 6 interns. Several full-time employees are budgeted to work less than 40 hours a week which explains the fractions of an FTE for full time employees. The decrease in part-time employees from 3 to 0 is due to the change in status of 2 PT public affairs employees (one left and one was converted to full-time) and the change is status of an admin employee from PT to FT. This also explains the increase of 2 full-time employees. There is also an increase in interns from 3 to 6 (one addition to public affairs and 2 new interns positions in Conservation.)

**Municipal Water District of Orange County
2022-2023 FISCAL MASTER PLAN PROJECTIONS**
(in thousands)

	Projected	BUDGET	FISCAL MASTER PLAN PROJECTIONS ¹				
	ACTUALS		FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Beginning Designated Reserve Balance - MWDOC	\$6,434	\$ 6,084	\$ 5,615	\$ 5,990	\$ 6,601	\$ 7,250	\$ 7,950
less OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	6,137	5,787	5,318	5,693	6,304	6,953	7,653
Revenues							
Water Rate Revenues:							
Retail Meter Agency Charge	8,357	8,885	9,253	9,621	9,830	10,039	10,250
Ground Water Customer Charge	335	369	378	387	396	406	416
Subtotal	8,693	9,254	9,630	10,008	10,226	10,445	10,666
Other Revenues:							
Choice Revenues	1,740	1,758	1,801	1,846	1,891	1,937	1,985
Interest Earnings	129	146	174	215	269	337	421
Misc./Reimbursements	3	3	3	3	3	3	3
Subtotal	1,872	1,907	1,978	2,064	2,163	2,277	2,409
Total Revenues	10,565	11,161	11,608	12,072	12,389	12,722	13,076
Expenses							
Core Expenses	7,924	8,778	8,993	9,215	9,441	9,674	9,912
Choice Expenses	1,740	1,758	1,801	1,846	1,891	1,937	1,985
Capital Acquisitions (not including building)	332	108	20	20	20	20	20
Total Expenses w/o Building & Election	9,996	10,644	10,815	11,080	11,352	11,631	11,917
Revenue Over Expenses w/o Building & Election	569	517	793	992	1,037	1,091	1,159
ELECTION Reserve Beginning Balance	462	462	110	491	1	382	110
Annual Election Reserve Contribution	-	301	381	381	381	381	381
Annual Election Expense	-	653	-	871	-	653	-
Election Reserve Ending Balance	462	110	491	1	382	110	491
BUILDING Reserve Beginning Balance	437	-	438	426	416	413	413
Annual Building Reserve Contribution	442	685	38	-	7	10	10
Annual Building Expense	918	247	50	10	10	10	10
Building Reserve Ending Balance	-	438	426	416	413	413	413
CASH FLOW Reserve Beginning Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Annual Cash Flow Reserve Contribution	-	-	-	-	-	-	-
Cash Flow Reserve Ending Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Ending General Fund & Cash Flow Reserves	\$ 5,325	\$ 4,770	\$ 4,776	\$ 5,887	\$ 6,158	\$ 7,130	\$ 7,517
Document does not reflect MWDOC's irrevocable trust towards OPEB liability							
MWDOC Water Rates							
Total Retail Customer Meters	642,864	646,211	649,300	652,300	655,300	658,300	661,300
Connection Charge	\$ 13.00	\$ 13.75	\$ 14.25	\$ 14.75	\$ 15.00	\$ 15.25	\$ 15.50
Fixed Charge %		100%	100%	100%	100%	100%	100%
Rate Increase Proposal:							
Connection Charge		\$ 0.75	\$ 0.50	\$ 0.50	\$ 0.25	\$ 0.25	\$ 0.25

1 Assumptions for FMP: five year rolling average Inflation rate: 2.46% per year
Rate of return on Investment of portfolio: 1.00% per year

Working Capital and Interest Revenue Projections

	FISCAL MASTER PLAN PROJECTIONS				
	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Working Capital:					
Designated Reserve Fund	5,615	5,990	6,601	7,250	7,950
Average Revenue from Agencies	4,815	5,004	5,113	5,223	5,333
WUE use of fund	(200)	(200)	(200)	(200)	(200)
Water Payment Float	7,138	7,163	7,188	7,213	7,238
Average Working Capital	17,368	17,957	18,702	19,486	20,321
Interest rate	1.00%	1.20%	1.44%	1.73%	2.07%
Interest Revenue Projections:					
Interest income - General	174	215	269	337	421
Total Interest Revenue Projections	174	215	269	337	421

Total Core Expenses

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,629,660	3,639,452	3,835,412
6090	Directors Compensation - MWDOC	288,800	271,112	288,793
6095	Directors Compensation - MWD	165,029	150,945	165,025
6105	Benefits - Admin	1,193,667	1,214,738	1,260,901
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	(305,425)	(337,327)	(333,099)
6115	Benefits - Directors	161,248	125,019	135,201
6120	Health Insurance Coverage for Retirees	101,099	85,448	94,554
6205	Training	50,000	40,087	45,000
6210	Tuition Reimbursement	5,000	-	5,000
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	380,000	236,000	410,000
7020	Legal - General	225,000	229,221	235,750
7030	Audit	30,220	57,566	35,000
7040	Other Professional Fees	865,859	827,196	916,475
7110	Conference - Employee	44,560	41,295	56,205
7115	Conference - Directors	16,845	17,825	25,155
7150	Travel & Accommodations - Employee	69,825	45,877	90,325
7155	Travel & Accommodations - Director	21,250	19,136	32,900
7210	Membership / Sponsorship	143,041	140,295	145,847
7250	CDR Participation	65,249	55,189	57,462
7305	Business Expense	2,500	2,048	2,500
7310	Office Maintenance	147,400	96,000	149,400
7315	Building Repair & Maintenance	15,000	15,000	22,056
7320	Rents & Leases	1,800	1,660	1,800
7330	Office Supplies	35,000	15,000	35,000
7340	Postal / Mail Delivery	8,600	9,614	10,900
7350	Subscriptions / Books	1,000	900	1,000
7360	Reproduction Expense	82,700	74,900	84,000
7410	Computer & Peripherals Maint	8,000	8,000	7,000
7430	Software Purchase	33,940	76,940	92,793
7440	Software Support	48,640	48,640	55,615
7450	Computers and Equipment	23,450	23,450	43,950
7580	Maintenance Expense	6,000	2,800	6,000
7610	Automotive / Mileage	16,000	1,400	13,500
7615	Toll Road Charges	1,050	200	900
7620	Insurance Expense	130,000	135,000	140,000
7640	Utilities - Telephone	41,400	36,805	40,790
7650	Bank Fees	3,200	2,600	2,600
7670	Miscellaneous Expenses	73,181	46,420	57,520
8810	Capital Acquisition	273,059	540,996	76,000
	Total Expenditure	8,314,847	8,204,446	8,557,229
	MWDOC's Contribution to WEROC Oper	260,346	260,346	296,290
	MWDOC's Contribution to Election Rsrv	-	-	300,728
	Capitol Acq Prior Year Carryover Dr/(Cr)	(5,803)	(208,991)	-
	MWDOC's Building Expense (8811)	903,089	1,082,686	246,600
	Building Prior Year Carryover Dr/(Cr)	(461,116)	(164,236)	476,477
		<u>9,011,363</u>	<u>9,174,251</u>	<u>9,877,323</u>

Total Choice Revenue and Expense

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
4215	Choice Revenue	1,231,890	1,190,854	1,757,952
4205	School Contracts	120,895	120,895	-
4705	Prior Year Carry Over	283,884	213,153	-
		-	-	-
	Choice billing over/under	-	215,345	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total Revenue	1,636,669	1,740,247	1,757,952

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	548,882	611,678	593,718
	S & B Reimb. DSC or Recov from Grants	(18,665)	(30,874)	(20,000)
6090	Directors Compensation - MWDOC	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	163,063	174,632	180,931
6111	Overhead Reimbursement	305,425	337,327	333,099
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	2,000	2,000	8,000
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Outside Consulting Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	192,100	251,300	182,100
	Other Professional Fees - School Programs	417,681	369,470	417,681
7110	Conference - Employee	-	-	-
7115	Conference - Directors	-	-	-
7150	Travel & Accommodations - Employee	-	-	-
7155	Travel & Accommodations - Director	-	-	-
7210	Membership / Sponsorship	-	-	-
7250	CDR Participation	-	-	-
7310	Office Maintenance	-	-	-
7320	Rents & Leases	-	-	-
7330	Office Supplies	-	-	-
7332	Supplies - Water Loss Control	4,000	4,000	4,000
7340	Postal / Mail Delivery	643	400	400
7350	Subscriptions/Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	2,100	2,300	2,300
7440	Software Support	-	-	-
7450	Computers and Equipment	-	-	-
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	-	-	-
7612	Vehicle Expense	5,800	4,343	7,343
7615	Toll Road Charges	200	500	1,200
7620	Insurance Expense	-	-	-
7640	Utilities - Telephone	1,440	1,170	2,900
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	12,000	12,000	12,000
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	-	-	32,280
	Total Expenditure	1,636,669	1,740,247	1,757,952

Total Core and Choice Expenses

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	4,178,542	4,251,131	4,429,130
	S & B Reimb. DSC or Recov from Grants	(18,665)	(30,874)	(20,000)
6090	Directors Compensation - MWDOC	288,800	271,112	288,793
6095	Directors Compensation - MWD	165,029	150,945	165,025
6105	Benefits - Admin	1,356,730	1,389,370	1,441,831
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	-	-	-
6115	Benefits - Directors	161,248	125,019	135,201
6120	Health Insurance Coverage for Retirees	101,099	85,448	94,554
6205	Training	52,000	42,087	53,000
6210	Tuition Reimbursement	5,000	-	5,000
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	380,000	236,000	410,000
7020	Legal - General	225,000	229,221	235,750
7030	Audit	30,220	57,566	35,000
7040	Other Professional Fees	1,057,959	1,078,496	1,098,575
	Other Professional Fees - School Programs	417,681	369,470	417,681
7110	Conference - Employee	44,560	41,295	56,205
7115	Conference - Directors	16,845	17,825	25,155
7150	Travel & Accommodations - Employee	69,825	45,877	90,325
7155	Travel & Accommodations - Director	21,250	19,136	32,900
7210	Membership / Sponsorship	143,041	140,295	145,847
7250	CDR Participation	65,249	55,189	57,462
7305	Business Expense	2,500	2,048	2,500
7310	Office Maintenance	147,400	96,000	149,400
7315	Building Repair & Maintenance	15,000	15,000	22,056
7320	Rents & Leases	1,800	1,660	1,800
7330	Office Supplies	35,000	15,000	35,000
7332	Supplies - Water Loss Control	4,000	4,000	4,000
7340	Postal / Mail Delivery	9,243	10,014	11,300
7350	Subscriptions / Books	1,000	900	1,000
7360	Reproduction Expense	82,700	74,900	84,000
7410	Computer & Peripherals Maint	8,000	8,000	7,000
7430	Software Purchase	36,040	79,240	95,093
7440	Software Support	48,640	48,640	55,615
7450	Computers and Equipment	23,450	23,450	43,950
7580	Maintenance Expense	6,000	2,800	6,000
7610	Automotive / Mileage	16,000	1,400	13,500
7612	Vehicle Expense	5,800	4,343	7,343
7615	Toll Road Charges	1,250	700	2,100
7620	Insurance Expense	130,000	135,000	140,000
7640	Utilities - Telephone	42,840	37,975	43,690
7650	Bank Fees	3,200	2,600	2,600
7670	Miscellaneous Expenses	85,181	58,420	69,520
8810	Capital Acquisition	273,059	540,996	108,280
	Total Expenditure	9,951,517	9,944,693	10,315,181
	MWDOC's Contribution to WEROC Oper	260,346	260,346	296,290
	MWDOC's Contribution to Election Rsrv	-	-	300,728
	Capitol Acq Prior Year Carryover Dr/(Cr)	(5,803)	(208,991)	-
	MWDOC's Building Expense (8811)	903,089	1,082,686	246,600
	Building Prior Year Carryover Dr/(Cr)	(461,116)	(164,236)	476,477
		10,648,033	10,914,498	11,635,275

Administrative - Board
11

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	254,524	202,951	253,955
6090	Directors Compensation - MWDOC	288,800	271,112	288,793
6095	Directors Compensation - MWD	165,029	150,945	165,025
6105	Benefits - Admin	81,036	68,115	80,397
6115	Benefits - Directors	161,248	125,019	135,201
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General	215,000	221,400	225,750
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors	16,845	17,825	25,155
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director	21,250	19,136	32,900
7210	Membership / Sponsorship	37,840	37,056	36,776
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	5,000	6,714	7,000
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computers & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	11,000	600	9,000
7615	Toll Road Charges	650	100	500
7620	Insurance Expense			
7640	Utilities - Telephone	300		
7650	Bank Fees			
7670	Miscellaneous Expenses	10,500	2,500	6,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	1,269,023	1,123,473	1,266,451

1	• Best, Best & Krieger	\$ 210,000
	• Aleshire & Wynder	\$ 15,750
		<u>\$ 225,750</u>
2	• Best, Best & Krieger	\$ 200,722
	• Aleshire & Wynder	\$ 20,678
		<u>\$ 221,400</u>

- 3 • See Exhibit F.
- 4 • See Exhibit D.

MWDOC's Contribution to Election Reserve			300,728
	<u>1,269,023</u>	<u>1,123,473</u>	<u>1,567,179</u>

Administrative - General
12

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	346,964	325,895	356,645
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	140,159	132,496	153,562
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help	5,000		5,000
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	1,200	1,200	1,200
7110	Conference - Employee	44,560	41,295	56,205
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	69,825	45,877	90,325
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	105,201	103,239	109,071
7250	CDR Participation	65,249	55,189	57,462
7305	Business Expense	2,500	2,048	2,500
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books	1,000	900	1,000
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	5,000	800	4,500
7615	Toll Road Charges	400	100	400
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,000	800	2,000
8810	Capital Acquisition			
	Total Expenditure	789,058	709,839	839,870

1 • See Exhibit J.

2 • See Exhibit E.

3 • See Exhibit D.

Personnel / Staff Development
13

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	240,032	226,790	274,174	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	73,818	69,892	81,251	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	50,000	40,087	45,000	1
6210	Tuition Reimbursement	5,000		5,000	
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General	10,000	5,000	10,000	2
7030	Audit				
7040	Other Professional Fees			-	
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	14,411	9,900	14,500	3
8810	Capital Acquisition				
	Total Expenditure	393,261	351,668	429,925	

1 • Staff Technical Training & Leadership Development Training

2 • Best, Best & Krieger

3 • Employee Recognition \$ 2,200
 • Applicant Background Checks & Physical \$ 1,500
 • Team Building, Lunch meetings \$ 600
 • Holiday Lunch \$ 3,000
 • OCWD Health Fair \$ 200
 • Employee Flu Shots \$ 100
 • Job Ads Recruiting \$ 2,500
 • Workforce Development testing \$ 2,000
 • COVID-19 Online Pre-Screen \$ 2,400
\$ 14,500

Overhead
19

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	540,477	550,738	567,507	1 • For 15 Retirees
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	171,726	175,471	178,480	2 • Pension Plan administration by Dissinger Associates \$ 4,000
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	• Cafeteria Plan IGOE \$ 700
6111	Overhead Reimbursement from Choice	(305,425)	(337,327)	(333,099)	• Health Equity \$ 125
6115	Benefits - Directors				\$ 4,825
6120	Health Insurance Coverage for Retirees	101,099	85,448	94,554	1
6205	Training				3 • Window Cleaning \$ 2,000
6210	Tuition Reimbursement				• OCWD \$ 78,000
6220	Temporary Help				• Receptionist \$ 24,000
7010	Outside Consulting Services				• Maint. Labor \$ 7,800
7020	Legal - General				• Plant Maintenance \$ 5,000
7030	Audit				• Landscape/Maintenance Atrium \$ 12,000
7040	Other Professional Fees	4,760	4,000	4,825	• Binding Machine Renewal \$ 800
7110	Conference - Employee				• Carpet & Extra Office Cleaning \$ 9,800
7115	Conference - Directors				• Contingency \$ 10,000
7150	Travel & Accommodations - Employee				\$ 149,400
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				4 • Sewer Flush \$ 1,800
7220	CUWA Participation				• Emergency Lighting Maint. \$ 2,400
7240	AWWARF Participation				• HVAC and Misc. Repairs Maint \$ 17,856
7250	CDR Participation				\$ 22,056
7310	Office Maintenance	147,400	96,000	149,400	3
7315	Building Repair & Maintenance	15,000	15,000	22,056	4
7320	Rents & Leases	1,800	1,660	1,800	5
7330	Office Supplies	35,000	15,000	35,000	6
7340	Postal / Mail Delivery	3,600	2,900	3,900	7
7350	Subscriptions / Books				
7360	Reproduction Expense	6,200	4,900	6,500	8
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				7 • OCWD \$ 1,900
7510	Site Maintenance				• Norco/FedEx/UPS \$ 500
7450	Computers and Equipment				• POB \$ 1,500
7580	Maintenance Expense	6,000	2,800	6,000	\$ 3,900
7610	Automotive / Mileage				
7615	Toll Road Charges				8 Ricoh Copier
7620	Insurance Expense	130,000	135,000	140,000	9 Generator Maintenance
7640	Utilities - Telephone	40,200	36,000	40,000	10 • Spectrum \$ 14,040
7650	Bank Fees	3,200	2,600	2,600	• Verizon \$ 480
7670	Miscellaneous Expenses	4,000	3,000	4,000	• EE Cell Reimb \$ 25,480
8410	Overhead Reimbursement				\$ 40,000
8610	Depreciation Expense				
8710	Election Expenses				
8810	Capital Acquisition	249,059	516,996	76,000	11 Wall Displays, Copier, Kitchen remodel
	Total Expenditure	1,361,097	1,517,186	1,206,523	
	Capitol Acq Prior Year Carryover Dr/(Cr)	(5,803)	(208,991)	-	12 • FY21-22 & FY22-23 carryover Debit/(Credit) are the cumulative
	MWDOC's Building Expense (8811)	903,089	1,082,686	246,600	dollars from prior years that were unspent and will be
	Building Prior Year Carryover Dr/(Cr)	(461,116)	(164,236)	476,477	applied toward work projected to be completed in future years.
		<u>1,797,267</u>	<u>2,226,645</u>	<u>1,929,600</u>	

Reliability Planning and Engineering
21

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	359,247	379,719	397,327
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	114,046	117,410	123,374
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services	200,000	214,000	275,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone	500	305	315
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	400	1,100
8810	Capital Acquisition			
	Total Expenditure	679,793	711,835	797,116

1 See Exhibit J

Metropolitan Issues and Water Policy

23

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	583,428	580,325	598,871
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	195,580	199,026	201,152
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services	180,000	22,000	135,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7045	Other Professional Fees - MET			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses		150	250
8810	Capital Acquisition			
	Total Expenditure	959,009	801,501	935,272

1 See Exhibit J

Government Affairs
31

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	134,709	131,661	142,924	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	47,551	47,776	48,680	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	309,000	309,000	276,000	1
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	4,500	1,000	4,000	2
8410	Overhead Reimbursement				
8610	Depreciation Expense				
8710	Election Expenses				
8810	Capital Acquisition				
	Total Expenditure	495,760	489,437	471,604	

1 • BB&K	\$ 96,000
• NRR	\$ 96,000
• Ackerman	\$ 42,000
• Grant Research & Acquisition	\$ 42,000
	<u>\$ 276,000</u>

2 • WACO	\$ 2,000
• Outreach	\$ 2,000
	<u>\$ 4,000</u>

Public Affairs
32

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	486,932	477,383	513,866	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	146,879	147,975	154,008	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	272,949	249,543	378,500	1
7047	Prof Service-Grant Recovery				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7220	CUWA Participation				
7240	AWWARF Participation				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense	76,500	70,000	77,500	2
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7450	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone	400	500	475	
7650	Bank Fees				
7670	Miscellaneous Expenses	22,700	20,100	16,600	3
8810	Capital Acquisition				
	Total Expenditure	1,006,360	965,501	1,140,950	

1 Public Affairs Activities:

• Resolutions/Proclamations	\$	5,000
• Consumer Confidence Reports	\$	50,000
• Delta Conveyance Program Support	\$	30,000
• Wyland Mayors Challenge	\$	10,000
• Scouts Program	\$	7,500
• Education Initiatives	\$	35,000
Subtotal	\$	137,500

Communications Plan Activities:

• Strategic Digital Outreach	\$	95,000
• Advertising	\$	20,000
• Website Refresh	\$	50,000
• Polling Public Sentiment Analysis	\$	25,000
• Special events(OC Water summit, WPD Reg/AV support, Poster Slogan awards, event displays)	\$	51,000
Subtotal	\$	241,000
Total	\$	378,500

2 • Promotional Items, Branded Materials

• Info Items Handouts, Books, Folders	\$	45,000
	\$	32,500
	\$	77,500

3 • Ricki Maint and Repair

• Sponsorship Contingency Fund	\$	2,000
• Storage Facility	\$	5,000
• Science Fair Sponsorship	\$	3,500
• Member Agency Workshops PAW	\$	100
	\$	6,000
	\$	16,600

**Water Use Efficiency
(Core)
35**

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	157,145	217,151	186,878
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	47,444	71,899	61,206
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	255,000	255,000	230,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8810	Capital Acquisition			
	Total Expenditure	465,589	550,050	484,084

- 1 • General Research \$ 75,000
- Water Loss Control Work Grp \$ 55,000
- WLC Business Plan Implement \$ 25,000
- Aerial Imagery & LiDAR Study \$ 75,000
- \$ 230,000

General Finance
41

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	399,902	418,972	407,817
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	129,740	138,832	132,175
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit	30,220	57,566	35,000
7040	Other Professional Fees	22,950	8,453	25,950
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	500	1,000
8810	Capital Acquisition			
	Total Expenditure	583,812	624,322	601,942

1 • Annual Audit	\$ 25,000
• Single Audit	\$ 5,000
• WUE Grant Review	\$ 5,000
	\$ 35,000

2 • Custodial Bank fees	\$ 6,500
• Financial Consulting	\$ 15,000
• OPEB Actuarial	\$ 3,750
• CalPERS GASB 68 Report	\$ 700
	\$ 25,950

Information Technology
45

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	126,298	127,868	135,448
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	45,687	45,848	46,616
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General	-	2,821	
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AWWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computers & Peripherals Maint	8,000	8,000	7,000
7430	Software Purchase	33,940	76,940	92,793
7440	Software Support	48,640	48,640	55,615
7510	Site Maintenance			
7450	Computers and Equipment	23,450	23,450	43,950
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,070	2,070	2,070
8810	Capital Acquisition	24,000	24,000	-
	Total Expenditure	312,086	359,637	383,491

- 1 • Computer, iPad, Server hardware maintenance \$ 7,000
- 2 • Various software upgrades and license \$ 92,793
- 3 • Cisco Smartnet for Phone system (hardware and software)
 - Cisco Smartnet for POE and non-POE switches
 - Cisco Smartnet for Voice Gateway/Router \$ 5,200
 - Cisco Smartnet for Firewall
 - Wireless APs and router
 - ECS Laserfiche annual support \$ 5,500
 - Laserfiche WORM Storage Cloud backup \$ 1,100
 - Mwdoc Website Support (LA Design Studio) \$ 15,000
 - Mwdoc.com Web hosting service
 - Arcserv UDP license renewal (11 licenses) \$ 3,300
 - Support for Recruiting Insight Software for HR \$ 5,000
 - ACT! \$ 2,000
 - Exchange + AD monitoring software (renew in May) \$ 2,000
 - Annual support for Finance AccuFund software \$ 9,695
 - Exchange online annual licenses \$ 4,000
 - Tracker investment software usage cost \$ 2,820
- 4 • RICOH color printer annual maintenance (3/19/21-3/19/22) \$ 350
 - Replace 2 Department network printers \$ 2,000
 - Maintenance for Plotter \$ 600
 - 10 laptops to replace WEROC borrowed laptops \$ 9,000
 - 10 Replacement Computers with monitors or laptops for Staff \$ 15,000
 - Cloud hybrid backup storage \$ 4,000
 - Virtual office for District Diaster Recovery center (per year) \$ 6,500
 - Replace 3 laptops for Staff \$ 4,500
- 5 • Miscellaneous expenses \$ 2,000
 - Amazon Cloud Cam annual plan \$ 70

**Water Use Efficiency
(choice)
62**

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
4215	Choice Revenue	844,401	803,364	831,328
4705	Prior Year Carry over	70,731		
	Choice billing over/under		209,856	
	Total Revenue	915,132	1,013,220	831,328

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2022 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2020-2021 PROPOSED BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	431,097	499,047	388,480
6012	Salaries & Benefits - Recovery from Grants	(18,665)	(30,874)	(20,000)
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	128,773	138,177	113,498
6111	Overhead Reimbursement	240,184	273,369	215,850
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	127,100	127,100	127,100
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	643	400	400
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8810	Capital Acquisition			
	Total Expenditure	915,132	1,013,220	831,328

- 1 • Marketing of WUE programs \$ 40,000
- Residential Installation Verification Inspec \$ 50,000
- Droplet Rebate Processing & E-Signature \$ 37,100
- \$ 127,100

**School Program
(choice)
63**

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
4215	Choice Revenue	96,173	96,173	429,838
4205	School Contracts	120,895	120,895	
4705	Prior Year Carry over	213,153	213,153	
	Choice billing over/under		(49,297)	
	Total Revenue	430,221	380,924	429,838

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2022 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2020-2021 PROPOSED BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	6,559	6,064	6,441
6105	Benefits - Admin	2,216	1,951	2,060
6111	Overhead Reimbursement	3,765	3,438.61	3,656
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7040	Other Professional Fees - School Programs	417,681	369,470	417,681
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	Total Expenditure	430,221	380,924	429,838

- 1 • High Schools \$ 63,930
- Elementary Schools \$ 288,310
- Middle Schools \$ 65,441
- \$ 417,681

**Water Loss Control
(choice)
70**

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
4215	Choice Revenue	291,317	291,317	496,786
4705	Prior Year Carry over			
	Choice billing over/under		54,786	
	Total Revenue	291,317	346,103	496,786

		FY 2020-2021 PROPOSED BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	111,226	106,567	198,797
6012	Salaries & Wages - Reimb. from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	32,075	34,503	65,373
6111	Overhead Reimbursement	61,476	60,519	113,593
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	2,000	2,000	8,000
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	65,000	124,200	55,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AAWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7332	Supplies - Water Loss Control	4,000	4,000	4,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase	2,100	2,300	2,300
7440	Software Support			
7450	Computers and Equipment	-		
7510	Site Maintenance			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7612	Vehicle Expense	5,800	4,343	7,343
7615	Toll Road Charges	200	500	1,200
7620	Insurance Expense			
7640	Utilities - Telephone	1,440	1,170	2,900
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			32,280
	Total Expenditure	291,317	346,103	496,786

1 • Meter Testing \$ 35,000
 • USA Leak detection \$ 20,000
\$ 55,000

2 • Vehicle Fuel & Oil \$ 7,000
 • Auto Insurance \$ 343
\$ 7,343

3 • Leak Det. Equip \$ 32,280
 (3XSewerin Aqua Test
 T10 Ground Mic's)

WEROC
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		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
4320	MWDOC Contribution to Operations	260,346	260,346	296,290
4210	WEROC Contracts	260,346	260,346	269,651
4205				
4230	Reimbursements			
4240				
4410				
4805				
	TOTAL WEROC Revenue	520,692	520,692	565,941

1 • OCSD	\$	52,852
• SOCWA	\$	20,493
• OCWD	\$	134,826
• 3 Cities -- \$20,493/ea	\$	61,480
	\$	269,651

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	350,504	334,065	374,337
6012	Salaries & Benefits - Reimbursed	(11,750)		
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	125,727	125,379	132,314
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	8,200	6,150	8,200
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7110	Conference - Employee	3,800	3,176	3,200
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	4,750	4,227	9,500
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	850	889	880
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office & Radio Supplies	1,500	900	1,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	1,000	250	250
7410	Computer & Peripherals Maint	5,060	5,040	5,060
7430	Software Purchase			
7440	Software Support	9,300	9,481	9,800
7450	Computers and Equipment		280	-
7510	Site Maintenance	700	640	700
7580	Maintenance - Generators	1,000	980	1,000
7581	Maintenance - Radios	2,000	1,900	2,000
7582	Maintenance - EOC's	2,000	2,200	2,200
7610	Automotive / Mileage	2,000	1,158	1,500
7615	Toll Road Charges	50	-	-
7620	Insurance Expense			
7640	Utilities - Telephone	10,000	9,900	10,000
7650	Bank Fees			
7670	Miscellaneous Expenses	1,001	1,400	1,000
7671	Miscellaneous Training	3,000	3,100	3,000
8810	Capital Acquisition			
	Capital Expenditures			
	TOTAL Expenditures	520,692	511,115	565,941

- 2] 2 Cert Meetings Exercises
- 3] 3 • See Exhibit E
- 4] 4 • See Exhibit D

AMP Proceeds Agreement Administration
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		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
4020	Interest Revenue			
4050	O & M Maintenance Deposit			
4230	Reimbursement	11,622	4,128	4,567
4680	Miscellaneous Income			
	Prior Year Carryover			
	Total Revenue	11,622	4,128	4,567

		FY 2021-2022 BUDGET	FY 2021-2022 PROJECTED ACTUALS	FY 2022-2023 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,238	3,251	3,596
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	883	876	971
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General	6,000	-	-
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AAWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	Total Expenditure	10,121	4,128	4,567

Exhibit D

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Proposed District Participation Costs
Fiscal Year 2022-2023**

	Budget FY 2021-2022	Projected FY 2021-2022 Actuals	Budget FY 2022-2023	Approval included in Budget Approval
Required Participation or Service				
LAFCO	\$ 37,500	\$ 36,716	\$ 36,716	√
Subtotal Cost Center 11	\$ 37,500	\$ 36,716	\$ 36,716	
Association of Calif. Water Agencies (ACWA)	\$ 23,000	\$ 23,000	\$ 23,000	√
South OC Watershed Management Area Dues	\$ 10,800	\$ 10,800	\$ 11,250	√
Subtotal Cost Center 12	\$ 33,800	\$ 33,800	\$ 34,250	
Subtotal - Required Participation or Service	\$ 71,300	\$ 70,516	\$ 70,966	
Elective Participation				
Colorado River Water Users Assn. (CRWUA 2-Directors)	\$ 60	\$ 60	\$ 60	√
Orange County Water Association (OCWA 4 Directors)	\$ 280	\$ 280	\$ -	√
Subtotal Cost Center 11	\$ 340	\$ 340	\$ 60	
Association of California Cities- Orange County (ACCOG)	\$ 5,100	\$ 5,100	\$ 5,100	√
American Water Works Association (AWWA)	\$ 1,800	\$ 1,800	\$ 1,800	√
Association of Metropolitan Water Agencies (AMWA)	\$ 21,876	\$ 21,876	\$ 21,876	√
CA Chamber of Commerce (HR California)	\$ 580	\$ 580	\$ 580	√
Cal Desal	\$ 5,100	\$ 5,000	\$ 5,100	√
California Association of Public Information Officers (CAPIO)	\$ 840	\$ 275	\$ 825	√
California Environmental Literacy Initiative	\$ -	\$ -	\$ 600	√
California Municipal Treasurers Association (CMTA)	\$ 175	\$ 175	\$ 175	√
California Municipal Utilities Association (CMUA)	\$ 6,480	\$ 6,480	\$ 6,480	√
California Society of Municipal Finance Officers (CSMFO)	\$ 120	\$ 120	\$ 120	√
California Special Districts Association (CSDA)	\$ 8,100	\$ 8,100	\$ 8,100	√
California Water Efficiency Partnership (CalWEP)	\$ 6,100	\$ 6,100	\$ 6,030	√
California Water, Energy and Education Alliance (CWEEA)	\$ -	\$ -	\$ 1,200	√
Colorado River Water Users Assn.	\$ 92	\$ 92	\$ 100	√
Department of Water Resources Education Committee	\$ -	\$ -	\$ 1,500	√
Government Finance Officers Association (GFOA)	\$ 170	\$ 170	\$ 170	√
Indep. Special Districts of Or. Co. (ISDOC)	\$ 50	\$ 50	\$ 50	√
International Association of Business Communicators (IABC)	\$ 375	\$ 375	\$ 375	√
International Personnel Management Association (IPMA)	\$ 60	\$ 60	\$ 60	√
National Water Resources Assn., Mun. Caucus	\$ 545	\$ 545	\$ 545	√
OC Chapter-Calif. Landscape Contractors Assoc.	\$ 1,900	\$ 1,900	\$ 2,250	√
Orange County Business Council (OC Chamber)	\$ 5,250	\$ 5,250	\$ 5,250	√
Orange County Public Affairs Association (OCPAA)	\$ 625	\$ 625	\$ 625	√
Orange County Water Association (OCWA)	\$ 115	\$ 115	\$ 250	√
Public Relations Society of America/O.C. (PRSA)	\$ 1,632	\$ 335	\$ 1,340	√
Society of Human Resources Management (SHRM)	\$ 225	\$ 225	\$ 229	√
Southern California Personnel Management Assoc. (SCPMA)	\$ 60	\$ 60	\$ 60	√
South Orange County Economic Coalition (SOCEC)	\$ 1,630	\$ 1,630	\$ 1,630	√
Southern California Water Coalition (SCWC)	\$ 1,020	\$ 1,020	\$ 1,020	√
Urban Water Institute	\$ 1,326	\$ 1,326	\$ 1,326	√
Water Environment Federation	\$ 55	\$ 55	\$ 55	√
Subtotal Cost Center 12	\$ 71,401	\$ 69,439	\$ 74,821	
Subtotal - Elective Participation	\$ 71,741	\$ 69,779	\$ 74,881	
International Association of Emergency Managers	\$ 460	\$ 390	\$ 390	√
AWWA CA/NV Sec Spring 2023		294	\$ 196	√
California Emergency Services Association	\$ 390	\$ 205	\$ 294	√
WEROG Program Total	850	889	880	
GRAND TOTAL - General Fund	\$ 143,041	\$ 140,295	\$ 145,847	

Exhibit E

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Summary of Proposed Staff Registration & Travel Budget ⁽¹⁾
Fiscal Year 2022-2023**

Conference / Meeting	Location/Date/Staff	Registration	Travel⁽¹⁾	Approval included in Budget Approval
Association of California Water Agencies (ACWA)	DC Conference, July 12-14, 2022	\$ 4,400	\$ 8,100	✓
	DC Conference, February 2023	\$ 4,400	\$ 10,800	✓
	Fall Conference, Nov. 29 - Dec. 2, 2022, Indian Wells, Ca	\$ 5,960	\$ 4,000	✓
	Spring Conference, TBD	\$ 4,470	\$ 6,000	✓
	Region 10, TBD	\$ 80		✓
	Legislative Symposium, Sacramento, TBD	\$ 285	\$ 600	✓
Association of California Cities- Orange County (ACCOC)	Sacramento, TBD	\$ 1,600	\$ 1,000	✓
	Washington DC, TBD	\$ 5,100	\$ 3,000	✓
Association of Metropolitan Water Agencies(AMWA)	Misc. Conference TBD	\$ 950	\$ 1,800	✓
	Water Policy Conference TBD	\$ 950	\$ 1,800	✓
	Executive Mgmt Conference, Oct. 30-Nov.2, 2022, Savannah, Georgia	\$ 950	\$ 1,800	✓
American Water Works Association (AWWA)	Cal Nevada Fall Conference, Oct 24-26, 2022 Sacramento, Ca	\$ 1,750	\$ 1,200	✓
	Cal Nevada Section Annual Conference, San Diego, Ca TBD	\$ 1,750	\$ 1,600	✓
	Sustainable Water Management TBD	\$ 575	\$ 1,200	✓
California Association of Public Information Officials (CAPIO)	Annual Conference, TBD	\$ 1,120	\$ 2,250	✓
Cal Desal	Annual Conference, TBD	\$ 250	\$ 500	✓
California Environmental Literacy Initiative	Sacramento Ca, TBD		\$ 1,500	✓
California Employees Public Retirement System(CalPERS)	Annual Employer Education Forum, 2022, November 1-3, 2022, Anaheim Ca	\$ 800		✓
California Municipal Utilities Association (CMUA) Capitol Days	Capital Days, Sacramento, TBD	\$ 195	\$ 800	✓
California Municipal Utilities Association (CMUA) Annual Conference	Annual Conference, April 16-18, 2023, Sacramento, Ca	\$ 900	\$ 800	✓
Colorado River Water Users Association (CRWUA)	Annual Conference, December 14-16, 2022, Las Vegas, NV	\$ 2,020	\$ 2,400	✓
California Special Districts Association (CSDA)	Legislative Days, May 2023, Sacramento, Ca	\$ 275	\$ 800	✓
	Annual Spring Conference, August 22-25, 2022, Palm Springs, Ca	\$ 500	\$ 800	✓
California Water Efficiency Partnership (CalWEP) Membership(fmr: CUWCC)	Membership Meetings, 1=No. Cal & 2=So. Cal		\$ 600	✓
	Board Meetings, 2=No. Cal & 2=So. Cal		\$ 450	✓
	Peer to Peer, TBD	\$ 2,250	\$ 2,925	✓
Department of Water Resources Education Committee	Sacramento, TBD		\$ 2,500	✓
Department of Water Resources (DWR)/State Water Resources Control Board (SWRCB)	Urban Advisory Group Meetings, Sacramento		\$ 1,600	✓
Legislative Advocacy	Sacramento		\$ 6,000	✓
	Washington DC		\$ 8,000	✓
Liebert, Cassidy Whitmore	Annual Public Sector Conference, TBD	\$ 1,200		✓
Multi-State Salinity Coalition	Annual Salinity Summit, February 2023, Las Vegas, NV	\$ 300	\$ 800	✓
Orange County Business Council (OCBC)	Advocacy, Sacramento, TBD	\$ 900	\$ 3,200	✓
	Advocacy, DC, TBD	\$ 3,600	\$ 1,600	✓
Public Relations Society of America	Annual Conference, TBD	\$ 1,900	\$ 1,000	✓
Urban Water Institute	Fall Conference, TBD	\$ 1,300	\$ 400	✓
	Spring Conference, TBD	\$ 975	\$ 1,500	✓
Water Smart Innovations	Annual Conference, Las Vegas NV, TBD	\$ 1,000	\$ 3,000	✓
Miscellaneous*		\$ 3,500	\$ 4,000	✓
	General Fund Total **	\$ 56,205	\$ 90,325	
Conferences/Meetings/Trainings				
International Assoc. of Emergency Managers	Savannah, GA November 11-17, 2022	\$ 1,500	\$ 4,850	✓
California Emergency Services Association (Fall)	TBD Northern California	\$ 1,200	\$ 3,450	✓
AWWA CA/NV Section	Spring 2023, TBD	\$ 500	\$ 1,200	✓
	WEROC Program Total	\$ 3,200	\$ 9,500	
PROPOSED GENERAL FUND BUDGET		\$ 56,205	\$ 90,325	

* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

** Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit F

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Summary of Proposed Board Registration & Travel Budget⁽¹⁾
Fiscal Year 2022-2023**

Conference	Location/Date/Directors	Registration	Travel⁽¹⁾	Approval included in Budget Approval
Association of California Water Agencies (ACWA)	DC Conference, July 12-14, 2022	\$ 2,200	\$ 5,400	✓
	DC Conference, February 2023	\$ 2,200	\$ 5,400	
	Fall Conference, Indian Wells, Nov. 29 - December 2, 2022	\$ 3,725	\$ 2,500	✓
	Spring Conference, TBD	\$ 2,235	\$ 3,000	✓
	Region 10, TBD	\$ 80		✓
Association of California Cities- Orange County (ACCOC)	Sacramento, TBD	\$ 800	\$ 500	✓
	Washington DC, TBD	\$ 2,550	\$ 1,500	✓
American Water Works Association/Water Environment Federation (AWWA/WEF)	Utility Management Conference, TBD	\$ 875	\$ 1,200	✓
Bond Buyers	Conference, TBD	\$ 300	\$ 200	✓
California Special Districts Association (CSDA)	Legislative Days, Sacramento, May 2023	\$ 275	\$ 800	✓
Cal Desal	Annual Conference, TBD	\$ 2,500	\$ 2,500	✓
Colorado River Water Users Association(CRWUA)	Annual Conference, December 14-16, 2022, Las Vegas, NV	\$ 1,515	\$ 1,800	✓
Legislative Advocacy	Sacramento		\$ 1,500	✓
	Washington DC		\$ 2,000	✓
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento, TBD	\$ 950	\$ 500	✓
	Advocacy Trip-DC, TBD	\$ 1,800	\$ 800	✓
Urban Water Institute	Fall Conference, TBD	\$ 975	\$ 300	✓
	Spring Conference, TBD	\$ 975	\$ 1,500	✓
Miscellaneous*		\$ 1,200	\$ 1,500	✓
TOTAL**		\$ 25,155	\$ 32,900	

PROPOSED GENERAL FUND BUDGET

\$ 25,155	\$ 32,900
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* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

** Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit G

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Proposed Total Membership that Includes Registration & Travel Costs⁽¹⁾ Fiscal Year 2022-2023

Conference / Meeting	Membership	Registration	Travel	Total
American Water Works Assoc./Water Env. Federation (AWWA/WEF)	\$ 1,855	\$ 4,950	\$ 5,200	\$ 12,005
Association of Calif. Water Agencies (ACWA)	\$ 23,000	\$ 30,035	\$ 45,800	\$ 98,835
Association of California Cities- Orange County (ACCOC)	\$ 5,100	\$ 10,050	\$ 6,000	\$ 21,150
Association of Metropolitan Water Agencies (AMWA)	\$ 21,876	\$ 2,850	\$ 5,400	\$ 30,126
Cal Desal	\$ 5,100	\$ 2,750	\$ 3,000	\$ 10,850
California Association of Public Information Officers (CAPIO)	\$ 825	\$ 1,120	\$ 2,250	\$ 4,195
California Environmental Literacy Initiative	\$ 600		\$ 1,500	\$ 2,100
California Municipal Utilities Association (CMUA)	\$ 6,480	\$ 1,095	\$ 1,600	\$ 9,175
California Special Districts Assn. (CSDA)	\$ 8,100	\$ 1,050	\$ 2,400	\$ 11,550
California Water Efficiency Partnership (CalWEP)	\$ 6,030	\$ 2,250	\$ 3,975	\$ 12,255
Colorado River Water Users Assn. (CRWUA)	\$ 160	\$ 3,535	\$ 4,200	\$ 7,895
Department of Water Resources (DWR)	\$ 1,500		\$ 4,100	\$ 5,600
Orange County Business Council (OC Chamber)	\$ 5,250	\$ 7,250	\$ 6,100	\$ 18,600
Public Relations Society of America	\$ 1,340	\$ 1,900	\$ 1,000	\$ 4,240
Urban Water Institute	\$ 1,326	\$ 4,225	\$ 3,700	\$ 9,251
Grand Total for Memberships with Conferences/Travel:	\$ 88,542	\$ 73,060	\$ 96,225	\$ 257,827

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit H

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Schedule of Capital Expenditures Fiscal Year 2022-2023

	Proposed Budget	Approval included in <u>Budget Approval</u>
Furniture and Fixtures- 19-8810:		
MWDOC Office Improvements (Wall Displays, Copier, Kitchen Remodel)	\$ 76,000	√
Subtotal 8810 Improvements	\$ 76,000	
 Building Improvements- 19-8811:		
Shade Structures/Kitchen Remodel/Design Fees/Window Coverings	\$ 246,600	√
Subtotal 8811 Improvements	\$ 246,600	
 New Realized Costs - Cost Center 19	 \$ 322,600	
 Water Loss Control- 70-8810:		
Leak Det. Equip(3XSewerin Aqua Test T10 Ground Mic's)	\$ 32,280	√
Total - Cost Center 70	\$ 32,280	

**Exhibit J
Professional / Special Services Authorized
Core Fund**

Department	Consultant	Service	Budget FY 21-22	Budget FY 22-23	* Approval included in Budget Approval
Engineering Expenses					
Planning & Operation (21)	CDR	GIS Retail & Division Boundary Corrections	\$ -	\$ 15,000	√
	CDM Smith	Economic Studies/Reliability Study	\$ 50,000	\$ 100,000	√
	(To be determined)	On Call Work	\$ 75,000	\$ 10,000	
	Hazen, Ed Means Consulting	EOCF#2 Emergency Pilot	\$ 75,000	\$ 150,000	√
Total Planning & Operations Expenses			\$ 200,000	\$ 275,000	
Met Issues & Special Projects (23)	Ed Means Consulting	Consulting on MET issues	\$ 30,000	\$ 25,000	√
	(To be determined)	Financial & Rate Consulting	\$ 75,000	\$ 35,000	
	(To be determined)	MET and Reliability Planning (IRP & Delta)	\$ 75,000	\$ 50,000	
	(To be determined)	Financial Model for MWD	\$ -	\$ 25,000	
Total MET Issues & Special Projects Expenses			\$ 180,000	\$ 135,000	
Total Engineering Expenses			\$380,000	\$410,000	
Legal Expenses					
Administration (11 & 13)	Best, Best & Krieger	General Legal Counsel Services	\$ 200,000	\$ 210,000	√
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	\$ 15,000	\$ 15,750	√
	Best, Best & Krieger	Labor Counsel Services	\$ 10,000	\$ 10,000	√
Total Legal Expenses			\$225,000	\$235,750	
Audit Expenses					
Finance (41)	Vasquez & Company LLP	Annual Financial Audit and Federal Single Audit	\$ 30,220	\$ -	√
	(To be determined)	Annual Financial Audit and Federal Single Audit	\$ -	\$ 35,000	
Training					
Administration (13)	Cal State University Fullerton/Municipal Resources Group/Centre for Organization Effectiveness	Staff Development/Technical Training/Leadership Training	\$ 50,000	\$ 45,000	√
Professional Fees					
Administration (12 & 13 & 19)	Economic Group Pension Services (EGPS) formerly Dissinger Associates	Pension Plan Administration	\$ 4,000	\$ 4,000	√
	IGOE	Cafeteria Plan Administration	\$ 660	\$ 700	√
	Gladwell Services	Records Management Consulting	\$ 1,200	\$ 1,200	√
Governmental Affairs (31)	Health Equity	Health Equity	\$ 100	\$ 125	√
	BBK Legislation	State Legislative Advocate	\$ 96,000	\$ 96,000	√
	Lewis Consulting	County Issues Consulting	\$ 42,000	\$ -	√
	Soto Services	Grant Research and Acquisition Assistance	\$ 39,000	\$ 42,000	√
	Ackerman	Legal and Regulatory	\$ 36,000	\$ 42,000	√
	Natural Resource Results	Federal Legislative Advocate	\$ 96,000	\$ 96,000	√
Public Affairs (32)	Stetson Engineers	Consumer Confidence Report (CCR) Technical Water Quality Advisor	\$ 43,449	\$ 50,000	√
	So Cal Water Coalition	Delta Conveyance Program Support	\$ 30,000	\$ 30,000	√
	(To be determined)	Collateral materials update and resolutions/proclamations	\$ 4,500	\$ 5,000	
	(To be determined)	Event Registration Fees	\$ 12,500	\$ -	
	Hashtag Pinpoint	Strategic Digital Outreach Contract	\$ 95,000	\$ 95,000	√
	(To be determined)	CA Water, Energy & Education Alliance	\$ 5,000	\$ -	
	(To be determined)	Polling Public Sentiment Analysis	\$ -	\$ 25,000	
	(To be determined)	Education Initiatives	\$ -	\$ 35,000	
	(To be determined)	Website Research	\$ -	\$ 50,000	
	(To be determined)	Wyland Mayors Challenge	\$ 10,000	\$ 10,000	
	PSAV	Special Events AV Support	\$ 20,000	\$ 51,000	√
WUE - Core (35)	(To be determined)	Advertising	\$ 20,000	\$ 20,000	
	(To be determined)	Environmental Literacy Initiative	\$ 25,000	\$ -	
	(To be determined)	Scouts Program	\$ 7,500	\$ 7,500	
	(To be determined)	General WUE Research	\$ 75,000	\$ 75,000	
	Water Systems Optimization	Water Loss Control Work Grp (WLC)	\$ 55,000	\$ 55,000	√
Finance & IT (41 & 45)	Water Systems Optimization	WLC Business Plan Implementation	\$ 25,000	\$ 25,000	√
	(To be determined)	Water Conservation Potential Study	\$ 100,000	\$ -	
	OC Data Acquisition P/S (OCDAP)	Aerial Imagery and Landscape Measurement Project	\$ -	\$ 75,000	√
U.S. Bank	U.S. Bank	Custodial Bank fees	\$ 6,500	\$ 6,500	√
	CalPERS	CalPERS GASB 68 Report	\$ 700	\$ 700	√
	Davis Farr	Financial Consulting	\$ 15,000	\$ -	√
	(To be determined)	Financial Consulting	\$ -	\$ 15,000	
	Demsey Filliger & Assoc., LLC	OPEB Actuarial	\$ 750	\$ 3,750	√
Total Professional Fees			\$865,859	\$916,475	

* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

**Exhibit J1
Professional / Special Services Authorized
Choice Funds**

Department	Consultant	Service	Budget FY 21-22	Budget FY 22-23	* Approval included in Budget Approval
Training					
Water Loss Control (70)	(To be determined)	Water lost training	\$ 2,000	\$ 8,000	√
Professional Fees					
Water Loss Control (70)	USA Leak Detection	Leak Detection		\$ 20,000	√
	Westerley & McCall's	Meter Accuracy Testing	\$ 65,000	\$ 35,000	√
Water Use Efficiency (62)	Various Printers	Printing of marketing materials for all WUE programs	\$ 40,000	\$ 40,000	√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	\$ 30,000	\$ 30,000	√
	Droplet	E-Signature Rebate Processing	\$ 7,100	\$ 7,100	√
	Mission Resource Cnsvr District	Residential Installation Verification Inspections	\$ 50,000	\$ 50,000	√
School Program (63)	Discovery Cube/Shows That	Assemblies (Elementary School)	\$ 290,807	\$ 288,310	√
	Bolsa Chica Conservancy	Assemblies (High School)	\$ 66,142	\$ 63,930	√
	Discovery Cube	Assemblies (Middle School)	\$ 45,709	\$ 65,441	√
Total Professional Fees			\$ 594,758	\$ 579,781	

* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

Municipal Water District of Orange County
Fiscal Year 2021-2022 Consolidated Budget Summary

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ⁽¹⁾	Consolidated Budget Total
Revenues:								
Water Sales		\$ 175,452,389				\$ 175,452,389		\$ 175,452,389
Local Resource Program Incentives		(4,136,088)				(4,136,088)		(4,136,088)
Retail Meter Charge	8,357,232					8,357,232		8,357,232
Ground Water Customer Charge	335,385					335,385		335,385
Interest Revenue	220,000	10,500				230,500		230,500
MWDOC's Contribution			260,346			260,346	(260,346)	-
Outside Fundings			2,618,752		11,622	2,890,720		2,890,720
Choice Revenue	1,636,669		260,346			1,636,669		1,636,669
Miscellaneous Income	3,000					3,000		3,000
Total Revenues	10,552,286	171,326,801	2,618,752	520,692	11,622	185,030,153	(260,346)	184,769,807
Expenses:								
Water Purchases		171,316,301				171,316,301		171,316,301
Salaries & Wages	4,178,542			350,504	3,238	4,532,284		4,532,284
less S & W Reimb. DSC or Recov from Grants	(18,665)			(11,750)		(30,415)		(30,415)
Employee Benefits	1,563,730			125,727	883	1,690,340		1,690,340
Engineering Expense	380,000					380,000		380,000
Professional Fees	1,475,640		2,618,752			4,094,392		4,094,392
Contribution to Election Reserve								
Legal Expense - General	225,000				6,000	231,000		231,000
Maintenance Expense	168,400			3,700		172,100		172,100
Insurance Expense	130,000					130,000		130,000
Membership / Sponsorship	143,041			850		143,891		143,891
Director Compensation	288,800					288,800		288,800
MWDOC Contribution to WEROC Operations	260,346					260,346	(260,346)	-
Others:								
MWD Representation	165,029					165,029		165,029
Director Benefits	161,248					161,248		161,248
Health Insurance Coverage for Retirees	101,099					101,099		101,099
Audit Expense	30,220					30,220		30,220
Automotive & Toll Road Expenses	23,050			2,050		25,100		25,100
Conference Expense - Staff	44,560			3,800		48,360		48,360
Conference Expense - Directors	16,845					16,845		16,845
CDR Participation	65,249					65,249		65,249
Business Expense	2,500					2,500		2,500
Miscellaneous Expense	88,381			6,001		94,382		94,382
Postage / Mail Delivery	9,243					9,243		9,243
Rents & Leases	1,800					1,800		1,800
Outside Printing, Subscription & Books	83,700			1,000		84,700		84,700
Office Supplies	39,000			1,500		40,500		40,500
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	84,680			9,300		93,980		93,980
Computers and Equipment	23,450					23,450		23,450
Telecommunications Expense	42,840			10,000		52,840		52,840
Temporary Help Expense	5,000					5,000		5,000
Training Expense	52,000			8,200		60,200		60,200
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	69,825			4,750		74,575		74,575
Travel & Accommodations - Directors	21,250					21,250		21,250
Depreciation Expense (annualized)								
Overhead Reimbursement								
MWDOC Building Expense	441,973					441,973		441,973
Capital Acquisition	267,256					267,256		267,256
All Other Expenses	1,853,198			51,661		1,904,859		1,904,859
Total Expenses	10,648,033	171,316,301	2,618,752	520,692	10,121	185,113,899	(260,346)	184,853,552
EFFECT ON RESERVES / FUND BALANCE	\$ (95,747)	\$ (10,500)	\$ -	\$ -	\$ 1,501	\$ (83,746)	\$ -	\$ (83,746)

1. Adjustment for MWDOC's contributions to other funds.
2. Net change to restricted reserves for interest revenue.

Municipal Water District of Orange County
Fiscal Year 2022-2023 Consolidated Budget Summary

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ⁽¹⁾	Consolidated Budget Total
Revenues:								
Water Sales		\$ 179,985,126				\$ 179,985,126		\$ 179,985,126
Local Resource Program Incentives		(5,507,994)				(5,507,994)		(5,507,994)
Retail Meter Charge	8,885,401					8,885,401		8,885,401
Ground Water Customer Charge	367,670					367,670		367,670
Interest Revenue	145,971	4,547				150,518		150,518
MWDOC's Contribution			8,545,274		4,567	296,290	(296,290)	
Outside Fundings			269,651			8,819,493		8,819,493
Choice Revenue	1,757,952					1,757,952		1,757,952
Miscellaneous Income	3,000					3,000		3,000
Total Revenues	11,159,994	174,481,679	8,545,274	565,941	4,567	194,757,455	(296,290)	194,461,165
Expenses:								
Water Purchases		174,477,132				174,477,132		174,477,132
Salaries & Wages	4,429,130			374,337	3,596	4,807,063		4,807,063
less S & W Reimb. DSC or Recov from Grants	(20,000)					(20,000)		(20,000)
Employee Benefits	1,648,831			132,314	971	1,782,116		1,782,116
Engineering Expense	410,000					410,000		410,000
Professional Fees	1,516,256		8,545,274			10,061,530		10,061,530
Contribution to Election Reserve	300,728					300,728		300,728
Legal Expense - General	235,750					235,750		235,750
Maintenance Expense	177,456		3,700			181,156		181,156
Insurance Expense	140,000					140,000		140,000
Membership / Sponsorship	145,847			880		146,727		146,727
Director Compensation	275,041					275,041		275,041
MWDOC Contribution to WEROC Operations	296,290					296,290	(296,290)	
Others:								
MWD Representation	157,166					157,166		157,166
Director Benefits	135,201					135,201		135,201
Health Insurance Coverage for Retirees	94,554					94,554		94,554
Audit Expense	35,000					35,000		35,000
Automotive & Toll Road Expenses	22,943			1,500		24,443		24,443
Conference Expense - Staff	56,205			3,200		59,405		59,405
Conference Expense - Directors	25,155					25,155		25,155
CDR Participation	57,462					57,462		57,462
Business Expense	2,500					2,500		2,500
Miscellaneous Expense	72,120			6,200		78,320		78,320
Postage / Mail Delivery	11,300					11,300		11,300
Rents & Leases	1,800					1,800		1,800
Outside Printing, Subscription & Books	85,000			250		85,250		85,250
Office Supplies	39,000			1,000		40,000		40,000
Computer Maintenance	7,000			5,060		12,060		12,060
Software Support & Expense	150,708			9,800		160,508		160,508
Computers and Equipment	43,950					43,950		43,950
Telecommunications Expense	43,690			10,000		53,690		53,690
Temporary Help Expense	5,000					5,000		5,000
Training Expense	53,000			8,200		61,200		61,200
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	90,325			9,500		99,825		99,825
Travel & Accommodations - Directors	32,900					32,900		32,900
Depreciation Expense (annualized)								
Overhead Reimbursement								
MWDOC Building Expense	723,077					723,077		723,077
Capital Acquisition	108,280					108,280		108,280
All Other Expenses	2,058,336			54,710		2,113,046		2,113,046
Total Expenses	11,613,665	174,477,132	8,545,274	565,941	4,567	195,206,579	(296,290)	194,910,289
EFFECT ON RESERVES / FUND BALANCE	\$ (453,671)	\$ 4,547	\$ -	\$ -	\$ -	\$ (449,124)	\$ -	\$ (449,124)

1. Adjustment for MWDOC's contributions to other funds.
2. Net change to restricted reserves for interest revenue.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

**ACTION CALENDAR
FINANCIAL MATTERS**

ITEM 9: DISCUSSION CONCERNING DISTRICT PROPOSED FISCAL YEAR 2022/2023 GENERAL FUND AND CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET ASSUMPTIONS

The District fiscal year runs from each July 1 through each June 30. During the last quarter of each fiscal year, District staff reviews financial information and performs analyses relating to projected costs for the upcoming fiscal year in order to recommend a budget to the Board of Directors.

PROPOSED GENERAL FUND BUDGET ASSUMPTIONS

For FY 2022/2023, District staff has prepared the General Fund Budget with the following budgetary assumptions based on eight months of financial data in FY 2021/2022:

Description	Proposed Adjustment %
MWDOC Capacity Charges	5.5%
MET Tier 1 Untreated Water Charges	7.0%
Chemicals	3.0%
Contract Services	5.0%
Electricity	4.0%
Fuel	10.0%
Inflation	5.0%
Professional Services	3.0%
Salary/Compensation	<i>Under Review</i>
Health Benefits	7.0%
Ancillary Benefits (Dental/Vision)	2.0%

PROPOSED CAPITAL IMPROVEMENT PROJECTS, EQUIPMENT, & PROGRAM BUDGETS

Capital Improvement Projects (CIP) completed to date and status for completion by the end of the fiscal year. In addition, District staff prepares a list of proposed projects for the upcoming fiscal year in order to recommend a CIP budget to the Board of Directors. CIP projects are categorized as administrative, water, wastewater, recycled water, or engineering and general projects. District staff is currently preparing a DRAFT CIP budget for review with the Engineering/Operational Committee and Finance/Audit Committee in May 2022.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

In Development

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

CONTACTS (staff responsible): PALUDI/PEREA/WARNER

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

**ACTION CALENDAR
FINANCIAL MATTERS**

ITEM 10: BIOLOGICAL RESOURCES ASSESSMENT AND MAPPING SERVICES CONTRACT AWARD

Trabuco Canyon Water District (TCWD or District) owns certain facilities and properties within and outside of its service area for District-related purposes and uses. In April 2002, the District purchased approximately 120 acres of land in Trabuco Canyon that is more commonly known as the “Porter Ranch Property” (Property). This land primarily includes slopes and is only partially improvable but has remained largely unimproved to date. The Property is influenced and impacted by several factors, including but not limited to, onsite habitat and geologic features, limited road accessibility, adjacent residential neighborhoods, and specific planning control guidelines with local governmental agencies.

District staff issued an RFP to solicit proposals from professional environmental surveying consultants to identify and document the existing biological resources of the Property by performing the following tasks:

- **Literature Review and Database Search** - Review databases and literature of existing data to identify biological resources that could occur on or in the immediate vicinity of the property, including special-status plant and animal species, designated critical habitat, and natural communities of special concern
- **Biological Field Survey** - Perform a field reconnaissance survey to assess the potential presences of special-status plants, animals, and habitats within the property, including any aquatic features that may be under jurisdiction of governmental and regulatory agencies. Map the identified species and habitats using GPS equipment with sub-meter accuracy and provide photo documentation.
- **Biological Resources Report** - Prepare a Biological Resources Report that documents the existing biological resources of the property; the potential occurrence for special status species, potential state and federal jurisdictional waters and non-wetland waters; habitat classifications and mapping, including any critical habitat; wildlife corridors; and any applicable local, state, & federal resource management plans.

The District solicited proposals from three reputable profession firms, and received only two proposals from Psomas Engineering and VCS Engineering. District staff recommends the Board of Directors approve Psomas Engineering for this project and authorize the General Manager to contract with Psomas for the proposed amount with a ten-percent contingency. More information may be presented at the time of the meeting.

FUNDING SOURCE:

General Fund, Professional Services Budget

FISCAL IMPACT:

Proposal Costs:	\$13,925
Total Fiscal Impact with a 10% Contingency:	\$15,318

ENVIRONMENTAL COMPLIANCE:

Not applicable

COMMITTEE STATUS:

This matter was reviewed with the District Properties Committee.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

RECOMMENDED ACTION:

Authorize the General Manager to contract with Psomas Engineering for Biological Resources Assessment and Mapping Services for a not to exceed amount of \$13,925 with a 10% contingency for a total of \$15,318.

EXHIBITS:

1. Psomas Engineering Proposal
2. VCS Engineering Proposal

CONTACTS (staff responsible): PALUDI/PEREA/WARNER

April 6, 2022

Michael Perea
Assistant General Manager
Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, CA 92679

Subject: Proposal for Biological Resource Assessment and Mapping Services for the Trabuco Canyon Water District 120-acre Project Site, Orange County, California

Dear Mr. Perea:

Psomas appreciates the opportunity to provide the Trabuco Canyon Water District (TCWD) with biological consulting services. We are providing a Scope of Work (Attachment A), Proposed Fee (Attachment B), and Fee Schedule (Attachment C) to conduct a literature review and database search, conduct field surveys, and prepare a Biological Resources Report for the TCWD's 120-acre Project Site (also known as the Porter Ranch Property). We have also provided a Work Schedule in Attachment D to meet the TCWD's needs as identified in the RFP.

FIRM PROFILE

Dedicated to balancing the natural and built environment, Psomas is a full service environmental, engineering, construction management, and land surveying firm. A California corporation founded in 1946, we currently provide services from 15 offices throughout California, Arizona, Washington, and Utah. The Psomas Team includes approximately 720 professional staff across our offices.

Psomas' corporate headquarters is located at 555 South Flower Street, Suite 4300, in Los Angeles, California. The local office that will be supporting the TCWD for this effort is located at 5 Hutton Centre Drive, Suite 300, in Santa Ana, California.

PSOMAS QUALIFICATIONS AND EXPERIENCE FOR PUBLIC AGENCIES

The Psomas Team is composed of over 50 individuals with up to 40 years of experience providing biological resources surveys and monitoring; habitat mitigation/restoration planning, implementation, and maintenance services; regulatory permitting; California Environmental Quality Act (CEQA) documentation; and civil engineering support. The staff assigned to the Psomas Team includes technical professionals with the local expertise and qualifications required to complete the full range of services required to support TCWD for this effort.

5 Hutton Centre Drive
Suite 300
Santa Ana, CA 92707

Tel 714.751.7373
Fax 714.545.8883
www.Psomas.com

Michael Perea
April 6, 2022
Page 2

The Psomas Team has provided these types of services to multiple public agencies within the County of Orange, as well as to other private and public sector clients throughout Southern California. Examples of our relevant expertise and successful work for local County of Orange projects and other public agencies include:

- On-Call Biological Support Services for the Transportation Corridor Agencies (TCA), including (but not limited to) the Saddle Club property
- On-call biological resources support for the County of Orange on Trabuco Creek Road, Robinson Ranch Property, and other open space properties in the area managed by OC Parks
- Biological Baseline Surveys and Environmental Planning Support for Measure M Mitigation Properties (Orange County Transportation Authority) including support on their O'Neil Oaks and Ferber Ranch properties in the vicinity of the 120-acre TCWD property
- On-Call Biological and CEQA/NEPA Consultation Services (Irvine Ranch Water District)
- Trampas Canyon Dam and Reservoir CEQA and Updated Mitigation and Monitoring Program (Santa Margarita Water District)
- Alton Parkway Extension On-Site and Of-Site Habitat Mitigation and Monitoring Program
- San Diego Creek Reach II Operation and Maintenance Plan/Peters Canyon Wash Habitat Mitigation Program
- Avenida La Pata Habitat Mitigation Monitoring Program/Erosion Repair Biological Monitoring

These projects are just a small example of the expertise we can offer the TCWD and our ability to perform the required scope of services.

TEAM INTRODUCTION

We have assembled a team of technical professionals who are qualified to provide the required Scope of Work. Only staff members with direct experience providing services similar to the required Scope of Work have been placed in key roles of responsibility for this contract. The Psomas Team will be led by Amber Heredia with QA/QC support provided by Ann Johnston.

Ann Johnston, Vice President, will serve as Principal-in-Charge for the contact. Ann is a seasoned professional who has prepared or overseen the preparation of resource documentation for some of the most prominent and controversial projects in Orange County. Ann possesses a depth of knowledge in regulatory processes, extensive experience in impact analysis and document review, and a practical approach to problem-solving. Ann will also be responsible for conducting in-house quality assurance/quality control (QA/QC) reviews on biological technical studies.

Amber Heredia will serve as the Project Manager. She has over 25 years of experience in environmental documentation pursuant to the federal and State Endangered Species Act (FESA and CESA), CEQA, NEPA, and the federal Clean Water Act (CWA). Amber has extensive experience in managing complex projects that involved multiple local, state, and federal agencies and the concerned public. Her attention to detail and responsiveness provides for the highest level of service to her clients.

The Proposed Biologists who will be supporting Amber include Lindsay Messett and Allison Rudalevige. Resumes for key staff members for this effort have been included in Attachment E.

Michael Perea
April 6, 2022
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CLIENT REFERENCES

Transportation Corridor Agencies (TCA)

Doug Feremenga, PhD, Manager, Environmental Planning

125 Pacifica, Suite 100, Irvine, CA 92618-3304 | (949) 754-3496 | dferemenga@thetollroads.com

On-Call Biological Support Services | Psomas staff have supported TCA projects including, but not limited to, the extension of the SR-241, improvements to the SR-73, and multiple mitigation properties. Services provided to TCA include conducting plant and special status wildlife surveys; preparing technical studies, evaluating mitigation sites, conducting nesting bird surveys, and providing monitoring as needed.

County of Orange

Jennifer Shook, Manager, OC Mitigation and Construction Compliance

2301 N. Glassell Street, Orange, CA 92865 | (714) 955-0615 | jennifer.shook@ocpw.ocgov.com

Alton Parkway Extension Project Habitat Mitigation Program | Psomas prepared the EIR; conducted vegetation mapping, general plant and wildlife surveys, focused surveys over multiple years, and biological monitoring; prepared Biological Technical Report, Biological Resources section of EIR, and Biological Assessment; and provided technical support throughout jurisdictional permitting and the streamlined Section 7 Consultation.

Orange County Transportation Authority

Dan Phu, Section Manager of Project Development or Leslie Hill Project Manager,
Environmental Planning

550 South Main Street, Orange, CA 92863-1584 714.560.5907 | dphu@octa.net/ lhill@octa.net

Psomas provided Environmental Planning Support Services for the Measure M2 Freeway Environmental Mitigation Program (EMP). Our staff has a contract for Baseline Biological Surveys for Acquired Properties to perform biological resources surveys at 5 properties acquired by OCTA as part of the EMP. The purpose of the studies is to provide current and unbiased information regarding sites that have been acquired or are to be potentially acquired by OCTA with Measure M2 funds.

Irvine Ranch Water District (IRWD)

Kellie Welsh, Water Resources Manager

15600 Sand Canyon Avenue, Irvine, CA 92618 | (949) 453-5604 | welch@irwd.com

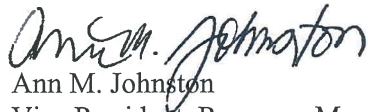
On-Call CEQA/NEPA Consultation Services | Prepared a variety of CEQA document for the IRWD including, but not limited to, IS/MND for the Irvine Lake Pipeline North Conversion Project, ILP-North Conversion Project Mitigation Monitoring, and Zone A to Rattlesnake Reservoir Pump Station IS/MND. Also prepared air quality analysis, biological resources assessment, cultural resources assessment, greenhouse gas analysis, and noise assessments.

Michael Perea
April 6, 2022
Page 4

We are available to begin work upon written authorization to proceed. We look forward to assisting you with this opportunity. If you have any questions or need additional information, please contact me at 714.481.8046.

Sincerely,

P S O M A S



Ann M. Johnston
Vice President, Resource Management

Attachments: A – Scope of Work
B – Proposed Fees
C – Fee Schedule
D – Work Schedule
E – Resumes

ATTACHMENT A

**SCOPE OF WORK
BIOLOGICAL RESOURCE ASSESSMENT AND MAPPING SERVICES
120-ACRE PROJECT SITE (ALSO KNOWN AS THE PORTER RANCH PROPERTY)**

April 6, 2022

TASK 1 LITERATURE REVIEW AND DATABASE SEARCH

Prior to the field visit, Psomas will conduct a literature review to determine the species that may have potential to occur on the project site or immediate vicinity. The literature review will include: (1) a database search of the California Natural Diversity Database (CNDDDB); (2) a database search of the Electronic Inventory of the California Native Plant Society; (3) special status species lists from the California Department of Fish and Wildlife (CDFW); (4) critical habitat maps for each federally listed Endangered or Threatened species potentially occurring in the vicinity of the project site; (5) aerial photographs and topographic maps; and (6) any other biological studies conducted in the vicinity of the project site (if any are available).

TASK 2 BIOLOGICAL FIELD SURVEY

Psomas Biologists (including a botanist and wildlife biologist) will conduct a general walk-over survey of the project site. The botanist will identify and map the extent and distribution of vegetation types on the project site. The dominant species for each vegetation type will be recorded, and disturbances noted (if applicable). In addition, the Biologists shall identify any potential aquatic features that may be under jurisdiction of the US Army Corps of Engineers (USACE), Regional Water Quality Control Board (RWQCB), and CDFW (e.g., non-wetland waters, wetland waters, streambed, associated vegetation, and potentially non-jurisdictional features). Plant and wildlife species observed by the Biologists during the survey will be recorded in field notes. The location of any notable observations will be recorded with a Global Positioning System (GPS) unit or an iPad with sub-meter technology and site photographs. The Biologists will assess the potential for special status plant and wildlife species to occur based on observations and field notes taken during the survey. Any special status plant or wildlife species observed will be reported to the CNDDDB per requirements of the surveying Biologists' permits. The task does not include focused surveys for special status plant and wildlife species or a formal jurisdictional delineation.

TASK 3 BIOLOGICAL RESOURCES REPORT

A Biological Resources Report describing the biological resources on the project site will be prepared based on the results of the literature review and field survey. The report will describe: (1) the methodology used to conduct the biological survey; (2) a general description of the existing vegetation types (including a vegetation map) and associated wildlife; (3) the potential of the project site to support special status biological resources; (4) the potential presence of jurisdictional resources; (5) identification/mapping of any critical habitat, known or potential wildlife corridors, and any local, state and federal resource management plans that may be applicable to the property; (6) potential biological constraints on development; and (7) recommendations for further surveys, if necessary. This Scope of Work assumes one draft and one final version of the Biological Resources Report (incorporating one round of changes) delivered in PDF format. Additional revisions to the report will be billed on a time-and-materials basis and may require a contract adjustment.

ASSUMPTIONS AND EXCLUSIONS

- Focused surveys for special status plants or wildlife species are not included.
- The TCWD will provide right-of-entry documentation and any associated keys/lock codes required for entry to the project site.
- Any special status species observed will be reported to the CDFW's CNDDDB.
- The costs are estimates and each task will be performed on a time and materials, not to exceed, basis. Each cost has been estimated based on Psomas' current knowledge of the project. Client requests that would entail additional out-of-scope work efforts not explicitly described above will require an additional Scope of Work and associated fee estimate.
- Other services not expressly described are excluded.

ATTACHMENT B

PROPOSED FEES
BIOLOGICAL RESOURCE ASSESSMENT AND MAPPING SERVICES
120-ACRE PROJECT SITE (ALSO KNOWN AS THE PORTER RANCH PROPERTY)

April 6, 2022

PROFESSIONAL FEES

Name	Title	Rate	Hours	Total
TASK 1 - LITERATURE REVIEW AND DATABASE SEARCH				
Allison Rudalevige	Senior Botanist	\$140.00	2.0	\$280.00
Lindsay Messett	Senior Botanist	\$148.00	2.0	\$296.00
Amber Heredia	Project Manager	\$187.00	1.0	\$187.00
directs				\$-
Total Task 1				\$763.00
TASK 2 - BIOLOGICAL FIELD SURVEY				
Allison Rudalevige	Senior Botanist	\$140.00	13.0	\$1,820.00
Lindsay Messett	Senior Botanist	\$148.00	9.0	\$1,332.00
Amber Heredia	Project Manager	\$187.00	1.0	\$187.00
Mike Deseo	GIS Supervisor	\$145.00	3.0	\$435.00
directs				\$80.00
Total Task 2				\$3,854.00
TASK 3 - BIOLOGICAL RESOURCES REPORT				
Allison Rudalevige	Senior Botanist	\$140.00	22.0	\$3,080.00
Lindsay Messett	Senior Botanist	\$148.00	12.0	\$1,776.00
Amber Heredia	Project Manager	\$187.00	8.0	\$1,496.00
Mike Deseo	GIS Supervisor	\$145.00	8.0	\$1,160.00
Ann Johnston	Principal	\$240.00	3.0	\$720.00
Word Processing	WP	\$116.00	6.0	\$696.00
Technical Editor	Technical Editor	\$95.00	4.0	\$380.00
Total Task 3				\$9,308.00
Total Task 1 – 3				\$13,925.00

ATTACHMENT C

FEE SCHEDULE

**ENVIRONMENTAL SERVICES FEE SCHEDULE
EFFECTIVE THROUGH 12/31/2022**

<u>CLASSIFICATION</u>	<u>HOURLY BILLING RATES</u>
Principal-in-Charge	\$240–\$265
QA/QC Manager	\$215–\$265
Air Quality, Climate Change and Noise Manager	\$220
Habitat Restoration Manager	\$195
Regulatory Permitting Manager	\$200
Senior Project Manager, Environmental	\$180–\$230
Senior Environmental Planner	\$145–\$195
Senior Restoration Ecologist	\$145–\$180
Senior Project Manager/Biological Resources Manager	\$140–\$200
Senior Archaeologist/Paleontologist	\$140–\$155
Project Manager ¹	\$135–\$175
Environmental Planner	\$130–\$155
Regulatory Permitting Specialist	\$128–\$165
Senior Field Technician ²	\$125–\$145
Certified Arborist	\$120–\$160
Assistant Project Manager, Environmental	\$110–\$150
Senior Biologist/Senior Ecologist	\$120–\$150
Air Quality, Climate Change, and Noise Specialist	\$140–\$195
Environmental Analyst	\$100–\$135
Biologist	\$100–\$135
Archaeologist/Paleontologist	\$90–\$125
Field Technician ²	\$90–\$125
GIS Manager	\$145–\$155
Senior GIS Analyst	\$120–\$145
GIS Specialist	\$90–\$115
Graphic Artist	\$100–\$125
Technical Writer/Editor	\$95–\$120
Word Processor	\$100–\$120
Project Assistant/Administrative Assistant	\$80–\$100

REIMBURSABLE COSTS

Mileage	Federal Standard Mileage Rate
Reprographics (Outside)	at cost plus 10%
Reprographics (Inside)	Request Printing fee sheet
Other Out-of-pocket Expenses	at cost plus 10%
Subconsultants	at cost plus 10%
Plotting:	
Color Bond	\$1.50 per sq ft
Color Photo Gloss	\$2.50 per sq ft
Aerial Maps: Fewer than 500 acres	\$200
Aerial Maps: 500–1,500 acres	\$350
Aerial Maps: Greater than 1,500 acres	\$500

¹ Environmental Planning, Biological Resources and Cultural Resources

² Air Quality/Climate Change/Noise Analysis, Biological Resources, and Cultural Resources

ATTACHMENT D

**WORK SCHEDULE
BIOLOGICAL RESOURCE ASSESSMENT AND MAPPING SERVICES
120-ACRE PROJECT SITE (ALSO KNOWN AS THE PORTER RANCH PROPERTY)**

April 6, 2022

Task	Week
Consultant Services Start/TCWDA issues Notice to Proceed	0
Task 1. Literature Review and Database Search	1
Task 2 Biological Field Survey	2
Task 3 Biological Resources Report (Draft)	3-4
Comments from TCWDA on Draft	5
Task 3 Biological Resources Report (Final)	6

ATTACHMENT E

RESUMES



Ann Johnston – Psomas

Resource Management Team Leader/Principal

Ann Johnston is the Team Leader of Resource Management projects and a Principal of Psomas. She has 32 years of experience in biological resources inventories/evaluations; sensitive species surveys; mitigation monitoring; resource agency permitting and processing; conservation and strategic planning; and technical peer reviews. Ann's professional experience has focused on finding solutions to development challenges where potential impacts to biological resources may occur, and on the assessment and integration of biological data (particularly on sensitive species) into environmental documentation that complies with the requirements of CEQA, NEPA, FESA, and CESA. Over the past 29 years, she has managed and/or authored the biological resources sections of numerous EIRs; EISs; Biological Technical Reports; Biological Assessments (pursuant to Section 7 consultations with the USFWS); Natural Environment Studies (NESs) (pursuant to Caltrans guidelines); focused surveys for sensitive species; tree reports; resource management plans; mitigation monitoring reports; and general biological assessments and constraints analyses.

EDUCATION

1989/BA/Biology/California State University, Long Beach

PROFESSIONAL AFFILIATIONS

Women's Transportation Seminar, Orange County Chapter

IRWA Chapter 67

EXPERIENCE

With Psomas for 26 years; with other firms for 7 years

Experience

SR-241 Extension Project Biological Documentation and Permitting – Orange County, CA:

Principal-in-Charge/Project Manager for the proposed extension of State Route 241. This extension is a portion of the project that has also been referred to as the South Orange County Transportation Infrastructure Improvement Project or the Foothill Transportation Corridor-South project. Ann currently serves as an extension of the Transportation Corridor Agencies' (TCA) staff on the proposed extension of State Route 241. Ann has provided the TCA with technical and strategic assistance regarding the biological documentation and permitting processes with the following agencies: the Federal Highway Administration (FHWA), Caltrans, the USACE, the USFWS, the California Coastal Commission (CCC), the CDFW, the RWQCB, and the Marine Corps Base Camp Pendleton. Ann has worked on this project in varying capacities since 1990. She has served as the Lead Biologist on the project, conducting many plant and special status wildlife surveys; overseeing daily scientific activities of other biologists; ensuring approved methodologies are followed and results are accurately documented; and preparing/reviewing multiple versions of the project's Natural Environment Study (NES) in accordance with Caltrans guidelines. She was also responsible for preparing multiple Biological Assessments pursuant to consultation with the USFWS required for various alternatives of the project. Ann has also provided strategic planning for the TCA on biological resources issues related to design alternatives; the entitlement process; consensus building with government agencies; mitigation strategies; and negotiations with resource agencies.

State Route 73 Northbound Widening Project Biological and Cultural Resources Monitoring – Orange County, CA: Principal-in-Charge/Project Manager for the State Route (SR) 73 Northbound Widening

project. The improvements increased traffic lanes and bridge structures within the center median area. The project team was responsible for daily monitoring and for preparing the monitoring reports required as part of the environmental documentation. Ann managed biological and cultural resources monitoring during construction for the widening of the northbound lanes of SR-73.

**Santa Ana River Interceptor Sewer Line Maintenance Project
Biological Documentation and Permits – Yorba Linda, CA:**

Principal-in-Charge/Project Manager for this Orange County (OC) Sanitation District project, which involved maintenance activities of three grade stabilizers at Green River Golf Course, Gypsum Canyon, and Savi Ranch within the Santa Ana River. The emergency repairs of the Santa Ana River Interceptor (SARI) sewer line included restoration of existing grade stabilizers and scour pockets and the creation of new bank armor. Pre-construction surveys were conducted for special status wildlife species including the coastal California gnatcatcher and Santa Ana sucker. Ann facilitated resource agency permits for the OC Sanitation District and prepared biological resources documentation of the work areas before and after emergency operations. Ann oversaw the monitoring activities and assisted contractors with minimizing impacts within sensitive habitat potentially supporting Threatened and Endangered species. Ann also prepared a riparian Habitat Restoration Plan to provide guidelines for native habitat restoration as mitigation for temporary impacts associated with the 2008 Emergency Repairs project.

**North Yorba Linda Estates Biological Resources Documentation –
Yorba Linda, CA:**

Project Manager on 3 Shapell Industries project sites (Tentative Tracts 16208, 16209, and 16264) that total approximately 1,600 acres in Yorba Linda. Issues analyzed include potential impacts to coastal California gnatcatcher and special status habitats such as coastal sage scrub and riparian vegetation types. Ann prepared the biological resources documentation and coordinated focused survey efforts for the three project sites. She also prepared the Biological Assessment and mitigation programs for the project sites to prepare them for regulatory processing in coordination with the USFWS and the USACE.

Canyon Crest Jurisdictional Delineation – Brea, CA: Project Manager for this project to determine the existence, quantity, and type of resources under the jurisdiction of the USACE, RWQCB, and CDFW. The jurisdictional delineation was completed in accordance with the USACE's 2008 Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Arid West Region and the Environmental Laboratory's 1987 Corps of Engineers Wetlands Delineation Manual regulatory compliance documents. Additionally, jurisdictional resources were evaluated using the CRAM to further characterize the ecological quality of these resources. The Jurisdictional Delineation Report will be used as the jurisdictional resources baseline and impact assessment document for obtaining an Approved Jurisdictional Determination or Preliminary Jurisdictional Determination from the regulatory agencies for the preparation and processing of regulatory permit notifications/applications.

**Ortega Highway Safety Improvements Arroyo Toad Surveys/Studies
and Invasive Species Control – Cleveland National Forest, CA:**

Ann Johnston (Continued)

Principal-in-Charge for the Ortega Highway Improvements project. The project involved the widening of the existing two-lane State Route (SR) 74 and improvements to San Juan Creek tributary drainage culverts on the Orange County side of the Cleveland National Forest. The project involved a three-year program to evaluate populations of the Endangered arroyo toad in adjacent San Juan Creek. The project required coordination with Caltrans, the U.S. Forest Service (USFS), the USFWS, the County of Orange, and the construction contractor to ensure that monitors were present during construction activities and that mitigation measures were enforced. As part of the mitigation program required by the USFWS Biological Opinion, annual focused surveys and population studies for the arroyo toad were conducted. An invasive aquatic species control program to remove exotic wildlife species posing an immediate threat to the continued existence of the arroyo toad in San Juan Creek was also instituted. Target species included the red-swamp crayfish, American bullfrog, and African clawed frog. The invasive species control program utilized an adaptive methodology that experimented with several different equipment types and techniques to determine the most efficient means of removal, as well as data collection and analysis of the predatory behavior of the bullfrog in San Juan Creek. Aerials were examined to identify perennial water sources that could facilitate exotic species recruitment within a three-mile radius of the project site. Surveys were conducted at suitable sites to determine target species' presence or absence, and the control program was implemented at occupied sites. Given the success of the program, the USFWS requested continued funding as mitigation for other Caltrans 2010 emergency projects on SR-74. Accordingly, focused surveys and invasive species control in San Juan Creek were funded through 2011.

Newport Banning Ranch Biological Resources Services – Newport Beach, CA: Biological Resources Manager for this development project. In support of the project's EIR, Psomas completed a general biological survey, including vegetation mapping; focused surveys for special status plants, fairy shrimp, coastal California gnatcatcher, least Bell's vireo, southwestern willow flycatcher, and burrowing owl; a jurisdictional delineation and report; a biological technical report. Biologists also prepared the biological resources portions of the IS and EIR, which included preparing mitigation measures to mitigate for impacts as a result of the development. Ann conducted peer reviews of technical studies prepared by the Project Applicant; prepared the Biological Technical Report; served as an extension of City staff; and prepared the Biological Resources Section of the EIR. She also provided strategic planning for the City on biological resources issues related to project design, the entitlement process, and mitigation strategies.

Sunset Ridge Park Project Biological Resources Services – Newport Beach, CA: Principal-in-Charge for this project, which proposed to develop the approximate 18.9-acre site with active and passive recreational uses. In support of the project's EIR, Psomas completed a general biological survey, including vegetation mapping; focused surveys for special status plants, coastal California gnatcatcher, least Bell's vireo, southwestern willow flycatcher, and burrowing owl; a jurisdictional delineation and report; and a biological technical report. Biologists also prepared the biological resources portions of the IS and EIR, which included preparing mitigation measures to

mitigate for impacts as a result of the park. Psomas also assisted the City in obtaining regulatory permits, including Section 7 permitting, a Section 404 permit, a Section 1602 permit, a Section 401 certification, a CDFW consistency determination, and a Coastal Development Permit. Once the Project was approved and construction began, Psomas reviewed the Lighting Plan and provided biological monitoring services. Ann oversaw all surveys on site and prepared the Biological Technical Report and Biological Resources Section for the project EIR. She also provided strategic planning for the City on biological resources issues related to project design, the entitlement process, mitigation strategies, and negotiations with resources agencies and the California Coastal Commission.

OC Invasive Plant Species Mapping – Orange County, CA: Team Leader on this project, which included mapping weeds located on OC Parks lands. Field surveys were conducted throughout OC Park lands including Ronald W. Caspers Wilderness Park, O'Neill Regional Park, Thomas F. Riley Wilderness Park, East Orange I and II, and Mountain Park. Collectively, these parks total over 13,700 acres. Data was collected electronically in the field using iPads to minimize time for data entry following fieldwork; data was also recorded on hard copy field forms as a backup. Over 817 acres of weed polygons were mapped during the effort.

Orange County Transportation Authority, Baseline Biological Surveys for Acquired Properties – Orange County, CA: Principal-in-Charge/Project Manager for this project, which has allowed the Orange County Transportation Authority (OCTA) to establish a biological baseline of seven acquired properties, with special attention on species covered under the draft OCTA National Community Conservation Plan (NCCP)/Habitat Conservation Plan (HCP). Surveys were conducted in a manner that allowed the greatest opportunity to document non-Covered Species and habitats that add value to a potential conservation area. The specific survey and documentation tasks undertaken to establish the biological baseline include literature review; general biological surveys and vegetation mapping; acquisition, restoration, and management criteria evaluation; special status plant surveys; special status wildlife surveys for coastal California gnatcatcher, coastal cactus wren, least Bell's vireo, southwestern willow flycatcher, and special status bat species; a jurisdictional delineation and CRAM evaluation; and Biological Technical Reports documenting the findings of all these surveys.



Amber Heredia – Psomas

Associate/Senior Project Manager, Biological Resources

Amber Heredia is a Senior Project Manager and Senior Biologist with 22 years of experience in the preparation of Biological Technical Reports to meet the requirements of the FESA, CESA, CEQA, NEPA, and the CWA. She has worked throughout Southern California from Kern County south through San Diego County with most of her work focused in Los Angeles, Orange, and Riverside counties. Amber has a wide range of knowledge on the plants, wildlife, and vegetation communities of Southern California, especially those listed as Threatened or Endangered. As Senior Project Manager, she has managed a variety of project types including transportation, dam/reservoir, flood control, utility, and private development projects. Amber has a thorough knowledge of protocol survey methodologies for each listed species within the region and is well-versed in the requirements of various multiple species habitat conservation plans including the Orange County Central Coastal Natural Communities Conservation Plan (NCCP)/Habitat Conservation Plan (HCP) and the Southern Subregion HCP; the Western Riverside County and Coachella Valley Multiple Species Habitat Conservation Plans (MSHCPs); the Metropolitan Bakersfield Habitat Conservation Plan (MBHCP); the Bakersfield Regional HCP/NCCP, the Kern Valley Floor HCP; and the West Mojave Plan. Amber has experience preparing Biological Technical Reports; Biological Constraints Reports; Biological Resources Reports; Focused Survey Reports; Biological Assessments; Natural Environment Studies (NESs) and Natural Environment Studies (Minimal Impact [MI]) for Caltrans; Biological Assessments/Biological Evaluations (BA/BE) and Management Indicator Species (MIS) Reports for the U.S. Forest Service (USFS), Habitat Assessments; and Determination of Biologically Equivalent or Superior Preservation (DBESP) Reports for the Western Riverside County MSHCP. As a Senior Biologist, Amber conducts vegetation mapping, general wildlife surveys, focused surveys for southwestern willow flycatcher, least Bell's vireo, coastal California gnatcatcher, western yellow-billed cuckoo, and burrowing owl, and assists with spring botanical surveys, herpetology surveys, and revegetation monitoring.

Experience

Alton Parkway Biological Resources Services – Irvine and Lake Forest, CA:

Biologist for the Alton Parkway Extension project, which extended Alton Parkway from Irvine Boulevard to State Route 241. Psomas completed general and focused plant and wildlife surveys; a Biological Technical Report and the Biological Resources Section of the EIR; and a Biological Assessment to evaluate impacts to the least Bell's vireo. Psomas also completed a jurisdictional delineation and assisted in the Section 7 jurisdictional permitting process with the USFWS. Amber assisted with vegetation mapping; conducted general wildlife surveys; assisted with special status plant surveys; conducted focused surveys for the least Bell's vireo and southwestern willow flycatcher; and managed focused surveys for special status plant species, coastal California gnatcatcher, least Bell's vireo, and

EDUCATION

2005/MS/Biology/University of California, Riverside

1998/BS/Ecology and Evolution/University of California, Santa Barbara

1998/BS/Environmental Studies/University of California, Santa Barbara

CERTIFICATIONS

Principal Investigator for Psomas' CDFW Entity Scientific Collecting Permit/SC-190240016/California Department of Fish and Wildlife/SC-190240016

10(a)(1)(A) Permit for coastal California gnatcatcher, southwestern willow flycatcher, and yellow-billed cuckoo/TE-148554-5/U.S. Fish and Wildlife Service/TE-148554-5

PROFESSIONAL AFFILIATIONS

Urban Land Institute Orange County/Inland Empire

Sea & Sage Audubon Society

American Ornithological Society

Southern California Botanists

The Wildlife Society

California Native Plant Society

EXPERIENCE

With Psomas for 23 years; with other firms for 2 years

Amber Heredia (Continued)

southwestern willow flycatcher over multiple years. Amber prepared the Biological Technical Report to evaluate impacts for the County portion of the project (from Irvine Boulevard to Commercentre Drive) and to provide mitigation measures consistent with the Central-Coastal NCCP/HCP; prepared the Biological Resources section of the EIR; and prepared the Biological Assessment. Amber also provided biological technical support for the jurisdictional permitting process and Section 7 Consultation with the USFWS. She also coordinated project design features to protect biological resources with the Nature Reserve of Orange County (NROC) and project engineers as required by the mitigation measures. Amber made presentations about the project to the NROC Executive Committee and the NROC Board discussing wildlife movement across the roadway and proposed mitigation.

Edinger Avenue Bridge Replacement Project Biological Resources Services – Orange County, CA:

Biological Resources Manager for this project, which replaced the Edinger Avenue Bridge over Bolsa Chica Channel to provide access to the Sunset Aquatic Regional Park. In support of the project's IS/MND, Psomas completed vegetation mapping surveys, general plant and wildlife surveys, a jurisdictional delineation, a CRAM analysis, and focused surveys for special status plant species, Belding's savannah sparrow, California least tern, and light-footed clapper rail. In addition, aquatic resources surveys for eelgrass, invasive algae, benthic macroinvertebrates (BMI), and essential fish habitat (EFH) were conducted. Potential biological constraints on project development were summarized in a Biological Resources Report and an NES was completed pursuant to Caltrans guidelines. Psomas also monitored construction activities during the bridge replacement. Amber oversaw the general plant and wildlife surveys, vegetation mapping, and preparation of a NESMI for geotechnical investigations to support the Coastal Development Permit application to the CCC. Amber also oversaw the preparation of the project's NES.

San Diego Creek/Peters Canyon Wash Habitat Mitigation Program – Irvine, CA:

Biological Resources Manager for this habitat mitigation program (HMP) project. The County of Orange acquired the 23-acre Peters Canyon Wash Mitigation Area parcel in order to provide compensation for impacts to riparian habitat associated with OC Public Works projects located in the San Diego Creek Watershed through the restoration and enhancement of existing riparian and upland resources at Peters Canyon Wash. The HMP discusses potential channel degradation and impairment to hydrological functions and the specifics of the mitigation program, including site-preparation guidelines; non-native vegetation removal and plant establishment methods; fuel modification guidelines; long-term site-maintenance and site-performance monitoring; and site status documentation. Additionally, the HMP addresses potential channel degradation and related impairment to hydrological functions by including guidelines for implementing an "Incised Template" in accordance with the Special Area Management Plan (SAMP) for the San Diego Creek Watershed. The project also includes a five-year maintenance and monitoring program. Monitoring activities consist of regular qualitative and quantitative site examinations and the development of site-status documentation. Amber oversaw general plant and wildlife surveys, vegetation mapping, and preparation of a Biological Constraints Report that included measures to protect coastal California gnatcatcher, least Bell's vireo, nesting

Amber Heredia (Continued)

birds, and nesting raptors, which are all known to occur in the park. Amber also provides oversight for issues related to protection of Endangered species during invasive species removal and advises the County of Orange on their requirements under the Central-Coastal NCCP/HCP. (04/2007 to Present)

Orange County Public Works' San Diego Creek Reach II Operation and Maintenance Project – Irvine, CA: Biological Resources Manager for biological monitoring of annual vegetation and sediment removal along San Diego Creek Channel. Amber reviewed project permits and prepared a Worker Environmental Awareness Program (WEAP) training to be implemented by Biological Monitors; oversees preparation of pre-construction surveys needed (depending on season) and preparation of reports to document compliance with project permits.

Orange County Public Works' La Pata Extension Project – San Clemente, CA: Biological Resources Manager for daily biological monitoring of erosion issues at five repair sites along the recently constructed La Pata Avenue. She reviewed project permits and prepared a Worker Environmental Awareness Program (WEAP) training to be implemented by Biological Monitors, oversaw pre-construction surveys for nesting birds and western spadefoot, and oversaw the preparation of Daily Monitoring Forms that document compliance with project permits. (10/2019 to Present)

Irvine Ranch Water District On-Call CEQA/NEPA Consultation Services – Irvine, CA: Senior Biologist for this on-call contract. Task orders under this on-call included the Irvine Lake Pipeline North Conversion Project which required an IS/MND for the conversion of the Irvine Lake Pipeline from a water pipeline to a recycled water pipeline and subsequent Mitigation Monitoring for the project. Amber conducted and oversaw a focused survey for the coastal California Gnatcatcher and was the primary author for the Biological Resources Report for the IS/MND. In addition, she oversaw the biological surveys for the implementation of the Irvine Lake Pipeline Conversion project.

Wagon Wheel Creek Restoration Project Initial Study/Mitigated Negative Declaration, Biological Technical Report, Focused Surveys, and Jurisdictional Delineation – Coto De Caza, CA: Biological Resources Manager for the preparation of an IS/MND for this project, which included a number of improvements along Wagon Wheel Creek located within the General Thomas F. Riley Wilderness Park. The goal of the Wagon Wheel Creek Restoration Plan is to stabilize Wagon Wheel Creek for public safety and to protect the remaining oak and sycamore woodland and other riparian vegetation resources through the strategic placement of specific improvements within the creek. Amber conducted focused surveys for the coastal California gnatcatcher, least Bell's vireo, and southwestern willow flycatcher. She also coordinated vegetation mapping, general plant and wildlife surveys, focused surveys for special status plant species, and preparation of a jurisdictional delineation. Amber oversaw the preparation of a Biological Technical Report and the Biological Resources section of the IS/MND.

Biological Resources Construction Plan for the Middle Chiquita Canyon Water Facilities Project – Orange County, CA: Project Manager for Santa Margarita Water District's Middle Chiquita Canyon Water

Facilities project in southern Orange County. The project would construct a tank and multiple water lines to serve Rancho Mission Viejo's Planning Area 2 (just north of Ortega Highway). Amber prepared a memo comparing various alternative alignments to identify biological resources impacts of each alternative within the context of the Southern Subregion HCP. Analyzing potential impacts of each alternative assisted Santa Margarita Water District (SMWD) in selecting a preferred alignment. Because the preferred alignment was outside the previously analyzed alignment in the Southern Subregion HCP, the alignment had to be reviewed and approved by the USFWS. Once an alternative was approved, Amber prepared a Biological Resources construction Plan (BRCP) per the requirements of the Southern Subregion HCP to describe the pre-construction surveys and mitigation requirements of the Project.

Rancho Las Lomas Project Biological Services and Initial Study/Mitigated Negative Declaration – Portola Hills, CA:

Biological Resources Manager for a privately owned, 21.4-acre event facility in unincorporated Orange County. The project would complete the development of 33 structures that were started in the 1980s and the 1990s without approved permitting; allow for the construction of one additional structure; and allow for the replacement of three existing bridges. Primary project issues include (1) the retroactive documentation of previously completed site development and associated impacts; (2) the assessment of completed activities and impacts during the completion of the IS/MND and during CDFW, USACE, and RWQCB permitting procedures; (3) the incorporation of Foothill/Trabuco Specific Plan requirements into the project plans and into coast live oak management programs; and (4) the incorporation of non-native species control requirements set forth in CDFW permits into ongoing site landscape management procedures. Amber mapped vegetation on the site, conducted general plant and wildlife surveys, and prepared a Biological Resources Report, which contains mitigation measures consistent with the Central-Coastal NCCP/HCP and the Foothill/Trabuco Specific Plan (FTSP).

Chiquita Water Reclamation Plant Solar Panel Project Biological Resources Construction Plan/Monitoring – Orange County, CA:

Biological Resources Manager for Santa Margarita Water District's Chiquita Water Reclamation Plant (CWRP) Solar Panel Project in southern Orange County. The project involves installing solar panels sufficient to generate approximately one megawatt alternating current at the existing CWRP facility. Amber prepared the Biological Resources Construction Plan (BRCP) which described the project's impacts and construction measures to minimize impacts on biological resources; the BRCP was submitted to the USFWS and CDFW for review. Amber worked with Psomas' survey team to get Environmentally Sensitive Area (ESA) fencing in place prior to vegetation clearing, Amber also oversaw the biological monitoring effort throughout construction, which involved weekly visits to ensure that all construction staff were trained in the environmental sensitivities of the project site and surrounding vicinity and that ESA fencing remained intact during construction.



Lindsay Messett, CWB® – Psomas

Senior Biologist

Lindsay Messett, a Certified Wildlife Biologist® with a specialty in wildlife biology, has 21 years of experience in data collection, field research, resource management, and environmental document preparation. She has conducted focused surveys and habitat assessments throughout California for several wildlife species, including the Quino checkerspot butterfly, least Bell's vireo, coastal California gnatcatcher, southwestern willow flycatcher, western yellow-billed cuckoo, burrowing owl, arroyo toad, Santa Ana Sucker and desert tortoise. She has also worked with brown-headed cowbirds and several species of marine mammals. Lindsay has conducted general biological reconnaissance surveys and nesting bird surveys throughout a variety of habitats, including desert, chaparral, coastal sage scrub, riparian, and grassland. She has also performed construction monitoring for the coastal California gnatcatcher, least Bell's vireo, snowy plover, California least tern, red-legged frog, California tiger salamander, and desert tortoise. In addition, she has authored the biological resources sections of numerous EIRs, Biological Technical Reports, focused survey reports for sensitive species, and general biological assessments and constraints analyses.

Experience

Nohl Canyon Water Storage Tank Environmental Impact Report – Anaheim, CA: Biologist for this project which involved demolition and removal of the former Olive Hills Reservoir and construction of a new, partially buried, ten-million-gallon water tank on the same site. Lindsay conducted a biological survey to evaluate any potential biological constraints present on the project site and prepared a letter report.

Orange County Transportation Authority, Baseline Biological Surveys for Acquired Properties – Orange County, CA: Biologist for this project, which has allowed the Orange County Transportation Authority (OCTA) to establish a biological baseline of seven acquired properties, with special attention on species covered under the draft OCTA National Community Conservation Plan (NCCP)/Habitat Conservation Plan (HCP). Surveys were conducted in a manner that allowed the greatest opportunity to document non-Covered Species and habitats that add value to a potential conservation area. The specific survey and documentation tasks undertaken to establish the biological baseline include literature review; general biological surveys and vegetation mapping; acquisition, restoration, and management criteria evaluation; special status plant surveys; special status wildlife surveys for coastal California gnatcatcher, coastal cactus wren, least Bell's vireo, southwestern willow flycatcher, and special status bat species; a jurisdictional delineation and CRAM evaluation; and Biological Technical Reports documenting the findings of all these surveys. Lindsay conducted focused surveys for special status plant species, coastal California gnatcatcher, and coastal cactus wren; kept detailed field notes; and assisted in preparing a letter report to document the survey results.

EDUCATION

1999/BS/Ecology and Systematic Biology, Concentration: Wildlife Biology/California State Polytechnic University, San Luis Obispo

CERTIFICATIONS

10(a)(1)(A) Permit for Quino checkerspot butterfly, coastal California gnatcatcher, yellow-billed cuckoo, and southwestern willow flycatcher/No. TE067064-3/U.S. Fish and Wildlife Service/TE067064-5

Electrofishing Principles and Safety Certification/Smith-Root/

Independent Researcher for Psomas' CDFW Entity Scientific Collecting Permit/SC-182810004/California Department of Fish and Wildlife/SC-182810004

Scientific Collecting Permit permission to handle and relocate western spadefoot toad/SC-007530/California Department of Fish and Wildlife/007530

Certified Wildlife Biologist®/The Wildlife Society/

PROFESSIONAL AFFILIATIONS

The Wildlife Society

National Audubon Society

Western Field Ornithologists

EXPERIENCE

With Psomas for 16 years; with other firms for 6 years

Lindsay Messett,
CWB®
(Continued)

Serrano Creek Stabilization and Restoration Project Fifth Annual Mitigation Monitoring Report – Lake Forest, CA: Biologist for the project, which included annual quantitative surveys within the restoration site and the preparation of the Fifth Annual Mitigation Monitoring Report in collaboration with OC Parks staff, County maintenance personnel, and other project team members. Data collected during the annual surveys included native plant species coverage, diversity and density, and various habitat functional qualities; the data were used to determine compliance with required success criteria. Lindsay conducted pre-construction surveys for nesting birds to document breeding bird activity on the project site prior to construction activities and prepared a letter report upon completion of survey efforts. Lindsay also conducted biological monitoring during construction activities, which included invasive, non-native vegetation removal within Serrano Creek. The nesting bird surveys and biological monitoring were conducted in compliance with the requirements of the USACE 404 Permit, the RWQCB 401 Permit, and the CDFW Streambed Alteration Agreement.

San Diego Creek Siltation Removal Project Biological Technical Report, Focused Surveys, Wildlife Corridor Analysis, and Biological Monitoring – Newport Beach and Irvine, CA: Biologist for this long-term maintenance project to remove silt and vegetation periodically along the creek for flood-control purposes. Lindsay monitored construction activities in habitat known to be occupied by the least Bell's vireo. The purpose of the monitoring was to prevent any adverse impacts to vireo in the vicinity of construction activities.

Aliso and Wood Canyons and O'Neill Regional Parks Trail Repair Project, Biological and Environmental Services – Aliso Viejo and Mission Viejo, Orange County, CA: Biologist for the Orange County Parks Trail Repair project. The project involves six trail repair sites within two regional parks, four sites within Aliso and Wood Canyons Regional Park, and two sites within O'Neill Regional Park to improve public safety for trail users and to restore emergency vehicle access to the parks and surrounding areas. Lindsay conducted a survey for active nests within the work area immediately prior to the start of construction surveying for the project, which was located within coastal California gnatcatcher and least Bell's vireo habitat. Lindsay monitored all surveying activities prior to construction to ensure that workers stayed outside sensitive habitat and/or active nest locations. At the conclusion of monitoring efforts, she prepared a summary memo describing work efforts.

Caspers Wilderness Park Domestic Water Distribution Piping Replacement Project (East Ridge [Area 3]) Biological Constraints Report and Focused Surveys – San Juan Capistrano, Orange County, CA: Biologist for the Caspers Wilderness Park Domestic Water Distribution Piping Replacement project located at East Ridge (Area 3) in Caspers Wilderness Park. Lindsay conducted focused coastal California gnatcatcher surveys during the non-breeding season (September 1 - February 14) in order to document the presence or absence of this species on the project site. Surveys were conducted in accordance with the guidelines issued by the USFWS. A focused survey report was prepared once surveys were completed.

Lindsay Messett,
CWB®
(Continued)

South Orange County Transportation Infrastructure Improvement Project Focused Surveys – Orange County, CA: Biologist for the project to extend State Route 241 (SR-241) to Interstate 5 (I-5). Lindsay conducted focused coastal California gnatcatcher surveys during the breeding season (February 15 - August 30) to document the presence or absence of this species within the project site boundaries. Additionally, Lindsay monitored construction activities that involved geotechnical boring investigations within coastal sage scrub habitat occupied by the coastal California gnatcatcher. The purpose of the monitoring was to prevent any adverse impacts to gnatcatchers within the vicinity of the geotechnical boring locations.

Carbon Canyon Sediment Removal Project – Orange County, CA: Biologist for this project which included removal of sediment from Carbon Canyon, which was located immediately adjacent to least Bell's vireo habitat. Lindsay conducted pre-construction surveys for least Bell's vireo on the project site and, prior to each day's construction activities, surveyed all riparian habitat located within approximately 500 feet of the work areas to determine the presence or absence of the vireo in these locations and prepared a brief memo when surveys were completed. The survey area consisted of Carbon Canyon Creek and an unnamed drainage located just west of the park entrance, both of which were vegetated with willow scrub.

Storm Drain Reconstruction Project – San Clemente, CA: Biologist for the City of San Clemente's Storm Drain Reconstruction project. Lindsay conducted pre-construction surveys for nesting birds to document breeding bird activity on the project site prior to construction activities and prepared a brief memo once survey efforts were completed.

San Diego Creek Weed Eradication Monitoring Project – Orange County, CA: Biologist for the San Diego Creek project. Lindsay monitored the weed eradication activities at a restoration site along San Diego Creek in Orange County to maintain compliance with nesting season protection measures.

Transportation Corridor Agencies Geotechnical Borings Project – Orange County, CA: Biologist for the Transportation Corridor Agencies' geotechnical borings project. Lindsay monitored native and non-native vegetation removal associated with geotechnical borings. Most boring locations were within or immediately adjacent to coastal sage scrub vegetation.

Newport Banning Ranch Biological Resources Services – Newport Beach, CA: Biologist for this development project. In support of the project's EIR, Psomas completed a general biological survey, including vegetation mapping; focused surveys for special status plants, fairy shrimp, coastal California gnatcatcher, least Bell's vireo, southwestern willow flycatcher, and burrowing owl; a jurisdictional delineation and report; a biological technical report. Biologists also prepared the biological resources portions of the IS and EIR, which included preparing mitigation measures to mitigate for impacts as a result of the development. Lindsay conducted a focused burrow survey and focused burrowing owl surveys on the project site in accordance with the Burrowing Owl Survey Guidelines and Mitigation Guidelines prepared by the

Lindsay Messett,
CWB®
(Continued)

California Burrowing Owl Consortium. She also completed a focused survey report and assisted with a jurisdictional delineation on the project site.

Sunset Ridge Park Environmental Impact Report – Newport Beach, CA: Biologist for the preparation of an EIR for this project, which proposed to develop the approximate 18.9-acre site with active and passive recreational uses. Components of the park project would include one baseball field; two youth soccer fields; a playground area including a tot lot; a picnic area with shade structures, picnic tables, and seating areas; a memorial garden; an overlook area with a shade structure and seating; and restroom facilities. The park is also proposed to include three pedestrian access areas: one along West Coast Highway and two along Superior Avenue. Use 3NEW002301- BIO for project write up

Sunset Ridge Park Project Biological Resources Services – Newport Beach, CA: Biologist for this project, which proposed to develop the approximate 18.9-acre site with active and passive recreational uses. In support of the project's EIR, Psomas completed a general biological survey, including vegetation mapping; focused surveys for special status plants, coastal California gnatcatcher, least Bell's vireo, southwestern willow flycatcher, and burrowing owl; a jurisdictional delineation and report; and a biological technical report. Biologists also prepared the biological resources portions of the IS and EIR, which included preparing mitigation measures to mitigate for impacts as a result of the park. Psomas also assisted the City in obtaining regulatory permits, including Section 7 permitting, a Section 404 permit, a Section 1602 permit, a Section 401 certification, a CDFW consistency determination, and a Coastal Development Permit. Once the Project was approved and construction began, Psomas reviewed the Lighting Plan and provided biological monitoring services. Lindsay conducted a focused burrow survey and focused burrowing owl surveys on the project site in accordance with the Burrowing Owl Survey Guidelines and Mitigation Guidelines prepared by the California Burrowing Owl Consortium. She also completed a focused survey report and conducted focused coastal California gnatcatcher surveys during the breeding season (February 15-August 30) to document the presence or absence of this species on the project site. A focused survey report was prepared once surveys were completed.

Carbon Canyon Dam Sewer Habitat Mitigation Program and Annual Mitigation Monitoring Report – Olinda Heights/Brea, CA: Biologist for the Orange County Sanitation District's (OCSD's) HMMP that consisted of the installation of a 24-inch-diameter gravity sewer pipeline to service the Olinda Heights development and future developments. The HMMP provided mitigation for project impacts to USACE and CDFW jurisdiction and was developed in compliance with resource agency requirements. The HMMP included guidelines for initial installation and the five-year maintenance and monitoring program. The project also included performance of annual quantitative surveys and the development of the annual site-status report. Lindsay conducted biological monitoring in compliance with the requirements of the USACE 404 Permit, the USFWS Biological Opinion, and the CDFW Streambed Alteration Agreement.



Allison Rudalevige – Psomas

Senior Biologist

Allison Rudalevige is a Senior Biologist with 18 years of experience in the areas of biological and jurisdictional resources. She has experience conducting general and focused plant and wildlife surveys, vegetation mapping, mitigation monitoring, tree surveys, jurisdictional delineations (including use of the Arid West and Western Mountains, Valleys, and Coast regional supplements to the Wetland Delineation Manual and the Mapping Episodic Stream Activity [MESA] protocol), California Rapid Assessment Method (CRAM) analyses, and physical habitat analysis according to the Surface Water Ambient Monitoring Program (SWAMP) protocol. Her experience also includes the preparation of several types of environmental documents, including Biological Constraints Reports; Biological Technical Reports; Habitat Assessment Reports, Consistency Analyses, and Determination of Biologically Equivalent or Superior Preservation (DBESP) Reports for the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP); Natural Environment Studies (NESs) and NES (Minimal Impacts) for the California Department of Transportation (Caltrans); Focused Survey Reports; and Jurisdictional Delineation Reports. She has also prepared application packages for the U.S. Army Corps of Engineers (USACE) Section 404 Permit; the Regional Water Quality Control Board (RWQCB) Section 401 Water Quality Certification and Report of Waste Discharge; the California Department of Fish and Wildlife (CDFW) Notification of Lake or Streambed Alteration; and the California Coastal Commission (CCC) Coastal Development Permit applications. She has completed coursework in the areas of wetland, plant, vernal pool branchiopod, bird, and herpetofauna identification.

Experience

Saddle Club Property – Trabuco Canyon, CA: Senior Biologist to conduct baseline biological surveys for the Saddle Club property including special status surveys, wildlife movement documentation and a tree health inventory. She performed special status plant surveys; intermediate mariposa lily and chaparral nolina were observed. As part of this task, Allison kept detailed field notes, mapped species locations, and assisted in the preparation of the Biological Technical Report, including preparation of CNDDB forms.

Trabuco Creek Road Improvement Project Initial Study/Mitigated Negative Declaration – Orange County, CA: Regulatory Specialist for preparation of an IS/MND for this project, which would install a 2.8-mile road composed of disintegrated granite over aggregate base along the length of the project site and would improve 2 areas where the road crosses the creek and a tributary to the creek. The purpose of the proposed project is to improve (1) safety along the access road for the public; (2) access to the Cleveland National Forest; and (3) the Orange County Fire Authority's (OCFA) ability to perform fire-fighting and fire-suppression activities. She conducted field investigations to identify wetlands and other water resources under USACE,

EDUCATION

2005/MS/Biology/University of California, Riverside

2000/BS/Biology,
Zoology/California State University, Long Beach

CERTIFICATIONS

Scientific Collecting Permit/No. SC-183060003/California Department of Fish and Wildlife/SC-183060003

Plant Voucher Collecting Permit/No. 2081(a)-18-017-V/California Department of Fish and Wildlife/2081(a)-18-017-V

10(a)(1)(A) Permit, Conservancy fairy shrimp, longhorn fairy shrimp, Riverside fairy shrimp, San Diego fairy shrimp, vernal pool fairy shrimp, vernal pool tadpole shrimp/No. TE177979-2/U.S. Fish and Wildlife Service/TE177979-2

Trained Practitioner, California Rapid Assessment Method (CRAM), Riverine and Estuarine Wetland Modules/California Wetlands Monitoring Workgroup/

PROFESSIONAL AFFILIATIONS

California Native Plant Society
Southern California Botanists
Society of Wetland Scientists
Rancho Santa Ana Botanic Garden
Sea & Sage Audubon Society

EXPERIENCE

With Psomas for 18 years;

RWQCB, and CDFW jurisdictions. Allison subsequently prepared a Jurisdictional Delineation Report presenting the field delineation results.

**Oso Creek Barrier and Pump Station Improvement Project
Categorical Exemption and Categorical Exclusion – Mission Viejo, CA:**

Biologist for the preparation of a Categorical Exemption (CE) pursuant to CEQA and a Categorical Exclusion pursuant to NEPA for the Oso Creek Barrier and Pump Station Improvement project. The proposed project involved physical improvements to the non-storm flow diversion and pumping system along upper Oso Creek in Mission Viejo in order to decrease the effort and frequency of sediment removal; reduce pump bearing wear; enhance aesthetics along the 14th hole of the Mission Viejo Golf Course; and increase reliability, flexibility, and efficiency. The project involved federal grant funding from the U.S. Environmental Protection Agency (USEPA) and permits from the RWQCB, the CDFW, and the USACE. She assisted with a jurisdictional delineation to identify wetlands and other water resources under USACE, RWQCB, and CDFW jurisdictions and in the preparation of a Jurisdictional Delineation Report to present the delineation results. She also assisted in the preparation of applications for a USACE Section 404 Permit, an RWQCB Section 401 Water Quality Certification, and a CDFW Notification of Lake or Streambed Alteration. As part of this task, she summarized the biological resources and jurisdictional delineation data in the applications and organized project materials to meet each agency's requirements.

**Serrano Creek Stabilization and Restoration Project Fifth Annual
Mitigation Monitoring Report – Lake Forest, CA:**

Biologist for the project, which included annual quantitative surveys within the restoration site and the preparation of the Fifth Annual Mitigation Monitoring Report in collaboration with OC Parks staff, County maintenance personnel, and other project team members. Data collected during the annual surveys included native plant species coverage, diversity and density, and various habitat functional qualities; the data were used to determine compliance with required success criteria. Allison assisted with vegetation sampling for the fifth annual monitoring report. Survey methodology included line-intercept and belt transects at permanent transect locations and photographic documentation of the project site. Data were collected on a Personal Digital Assistant with the Restoration Studio program.

**San Diego Creek Wildlife Corridor Habitat Restoration Services –
Irvine, CA:**

Biologist for the San Diego Creek Wildlife Corridor Project. She prepared a wildlife corridor analysis; conducted a literature review of structures designed to facilitate wildlife movement; and prepared a memo that presented three alternative structural designs to project engineers. This information was used by the project team to select the best alternative for the project's site conditions. Allison also prepared an updated memo that outlined the project's selected design alternative and the benefits of this approach.

**Aliso and Wood Canyons and O'Neill Regional Parks Trail Repair
Project, Biological and Environmental Services – Aliso Viejo and
Mission Viejo, Orange County, CA:**

Regulatory Specialist for the Orange County Parks Trail Repair project. The project involves six trail repair sites within two regional parks, four sites within Aliso and Wood Canyons Regional Park, and two sites within O'Neill Regional Park to improve public safety for trail users and to restore emergency vehicle access to the parks and

Allison Rudalevige (Continued)

surrounding areas. She assisted with jurisdictional delineations to identify wetlands and other water resources under USACE, RWQCB and CDFW jurisdictions at four trail repair sites in Aliso and Wood Canyons Wilderness Park and at two sites in O'Neill Regional Park. A Jurisdictional Delineation Report was prepared for each park to present the delineation results. Allison also assisted in the preparation of applications for the USACE Section 404 Permit, RWQCB Section 401 Water Quality Certification, and CDFW Notification of Lake or Streambed Alteration for the project. She summarized the biological resources and jurisdictional delineation data within the applications and organized project materials to meet each agency's requirements.

Caspers Wilderness Park Domestic Water Distribution Piping Replacement Project (East Ridge [Area 3]) Biological Constraints Report and Focused Surveys – San Juan Capistrano, Orange County, CA: Biologist for the Caspers Wilderness Park Domestic Water Distribution Piping Replacement project located at East Ridge (Area 3) in Caspers Wilderness Park. Allison conducted general plant and wildlife surveys and vegetation mapping of three project areas and prepared a Biological Constraints Report that identified potential biological constraints on project development. Issues analyzed included potential impacts to special status plant and wildlife species and nesting birds.

Renewed Measure M2 Freeway Environmental Mitigation Program Fact Sheets – Orange County, CA: Biologist for the Renewed Measure M2 Freeway Environmental Mitigation Program fact sheets on the biological resources present at 29 potential mitigation sites. The fact sheets included data on project location; surrounding land uses; and vegetation types, jurisdictional resources, and special status species potentially present on the sites.

Biological Services for Walnut Canyon Reservoir – Anaheim, CA: Regulatory Specialist for this project. She performed a CRAM assessment of a 0.034-acre mitigation area in compliance with Section 401 Certification requirements. She prepared summary documentation that described the results of the CRAM evaluation. Final success criteria were achieved based on Psomas' recommendations for weed control and supplemental planting provided to the City following the 2016 CRAM evaluation of the site.

Ball Road Basin Park Project – Anaheim, CA: Senior Biologist for the Ball Road Basin Park EIR. The project proposes to develop a former 19.5-acre water recharge basin as an active park to serve the residents and workforce of the City. Project elements would include soccer playing fields, a children's play area, improvements to the regional riding and hiking trail, and meeting space. On-site parking and lighting elements are also proposed. The project requires an amendment to the Anaheim General Plan to redesignate the site from Open Space to Parks and a Zoning Reclassification from transition to public recreation. Allison conducted general plant and wildlife surveys, vegetation mapping, and field investigations to identify wetlands and other water resources under USACE, RWQCB, and CDFW jurisdictions. Allison subsequently prepared a Biological Constraints Report to evaluate potential impacts of the project.

East Garden Grove-Wintersburg Channel Project – Huntington

Beach, CA: Regulatory Specialist for this project, which will widen and stabilize approximately 1.8 miles of channel. Residential uses are immediately adjacent to both sides of the eastern reach of the channel; the western reach traverses the Bolsa Chica wetlands. She assisted with field investigations to identify wetlands and other water resources under USACE, RWQCB, and CDFW jurisdictions. A Jurisdictional Delineation Report presenting the results of the field delineation was also prepared.

Santiago Creek Dam Biological Constraint – Orange County, CA:

Senior Biologist for initial study environmental documentation including vegetation mapping for the Santiago Creek reservoir improvements. She conducted general plant and wildlife surveys, vegetation mapping, and field investigations to identify wetlands and other water resources under USACE, RWQCB, and CDFW jurisdictions. Allison subsequently prepared a Biological Constraints Report and Jurisdictional Delineation Report presenting the field survey results. Allison also conducted focused surveys for special status plant species; kept detailed field notes; and prepared a letter report to document survey findings.

Orange County Transportation Authority, Baseline Biological Surveys for Acquired Properties – Orange County, CA:

Senior Biologist for this project, which has allowed the Orange County Transportation Authority (OCTA) to establish a biological baseline of seven acquired properties, with special attention on species covered under the draft OCTA National Community Conservation Plan (NCCP)/Habitat Conservation Plan (HCP). Surveys were conducted in a manner that allowed the greatest opportunity to document non-Covered Species and habitats that add value to a potential conservation area. The specific survey and documentation tasks undertaken to establish the biological baseline include literature review; general biological surveys and vegetation mapping; acquisition, restoration, and management criteria evaluation; special status plant surveys; special status wildlife surveys for coastal California gnatcatcher, coastal cactus wren, least Bell's vireo, southwestern willow flycatcher, and special status bat species; a jurisdictional delineation and CRAM evaluation; and Biological Technical Reports documenting the findings of all these surveys. Allison mapped vegetation on the sites, conducted focused surveys for special status plant species, and performed jurisdictional delineation surveys. She prepared Letter Reports, Biological Technical Reports, and Jurisdictional Delineation Reports for the sites.

Talbert Lake Water Quality Improvement Project – Huntington

Beach, CA: Regulatory Specialist for project diverting flood-control water and incorporating a natural treatment system into the lake in Huntington Beach Central Park. She assisted with jurisdictional delineations to identify wetlands and other water resources under USACE, RWQCB, and CDFW jurisdictions and prepared a Jurisdictional Delineation Report to present the delineation results. Allison also assisted in the preparation of applications for the USACE Section 404 Permit, RWQCB Section 401 Water Quality Certification, and CDFW Notification of Lake or Streambed Alteration, which involved summarizing the biological resources and jurisdictional delineation data within the applications and organizing project materials to meet each agency's requirements.

April 12, 2022

Michael Perea
Trabuco Canyon Water District
32003 Dove Canyon Drive,
Trabuco Canyon, CA 92679

Dear Michael:

Thank you for the opportunity to provide this proposal in response to the Trabuco Canyon Water District's RFP for Biological Resources Assessment and Mapping Services.

Vandermost Consulting Services, Inc. doing business as VCS Environmental (VCS) is a California S Corporation specializing in full service environmental consulting. VCS is headquartered in San Juan Capistrano, California. VCS specializes in CEQA/NEPA, Biology, Regulatory, and Cultural Resources, and has over 25 years of experience providing environmental consulting services for our clients. We have a highly focused team of professionals with decades of experience. We believe that our people are our strongest asset. Our model allows us to be nimble, meet deadlines more effectively, and pivot quickly when situations dictate a fast response. Our goal is to serve our clients with excellence in order to maintain their business year over year. We have extensive experience working with public agencies and private firms to assist them in meeting project goals. Our approach is one of advocacy, where we assist our clients in identifying the best strategies while troubleshooting to minimize risk and liability. VCS has a wide variety of experience working on jobs ranging from smaller development projects to \$1.8 billion transportation improvements. Our clients include builders/developers, cities, regional transportation agencies, water districts, school districts and the State of California.

We look forward to the opportunity to work with the Trabuco Canyon Water District. I am authorized to bind the company for this proposal. Please do not hesitate to contact me at 949.234.6070 or at jbeeman@vcsevenvironmental.com should you have any questions.

Sincerely,



Julie Beeman
President

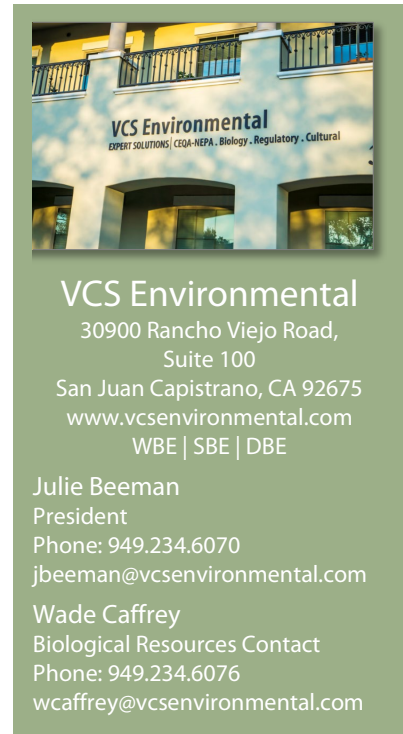


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SECTION 1.0 SERVICE PROVIDER DESCRIPTION

Vandermost Consulting Services, Inc. doing business as VCS Environmental (VCS) was founded in 1996. VCS is a California S Corporation. We have a staff of 25 professionals who are located at our corporate office at 30900 Rancho Viejo Road, Suite 100, San Juan Capistrano, CA 92675. VCS is registered with the Department of Industrial Relations (No. 1000513423).

VCS Environmental is dedicated to delivering quality, personalized, multi-disciplinary services to a variety of municipalities, private sector clients, and state and federal agencies. Our services include:

CEQA/NEPA

PREPARATION OF CEQA/NEPA DOCUMENTS

- Prepare/process California Environmental Quality Act (CEQA) documents
- Prepare/process National Environmental Policy Act (NEPA) documents
- Public presentations/technical translation of CEQA/NEPA documents to the community and decision makers

BIOLOGICAL

MAPPING, ENDANGERED SPECIES SURVEYS, AND REPORTS

- Biological technical reports
- Vegetation mapping
- Focused surveys for endangered species
- Biological assessments and Endangered Species Act Section 7 consultations
- Western Riverside County Multiple Species Habitat Conservation Plan, surveys, reports, and HANS process
- Conservation easements
- Construction monitoring

REGULATORY

REGULATORY PERMITS AND WETLANDS/WATERS DELINEATIONS

- Delineation of wetlands and waters of the U.S. and State
- U.S. Army Corps of Engineers, Section 404 permits
- California Department of Fish & Game, Section 1602, and maintenance agreements
- Regional Water Quality Control Board, Section 401 certifications
- Regional Water Quality Control Board, Waste Discharge Requirements
- U.S. Environmental Protection Agency 404(b)(1) alternatives analyses
- Coastal Development permits
- Coastal Zone Consistency Determinations
- Constraints and feasibility analyses

CULTURAL

- Area of potential effect mapping
- Phase I cultural and paleontological assessments
- Phase II resource evaluation and testing
- Phase III data recovery/mitigation studies
- Phase IV construction monitoring mitigation programs
- Historic resources evaluation reports
- Worker environmental awareness training
- Native American scoping and consultation
- Fossil salvage, identification, evaluation, and preparation for curation
- Caltrans studies and documentation (HPSR, ASR, HRER, FOE, PIR, PER, PMP, et al.)
- Site recordation on DPR 523 series site recording forms
- Section 106 of the National Historic Preservation Act compliance
- Construction monitoring

ADDITIONAL SERVICES

MITIGATION BANKING AND HABITAT RESTORATION

- Mitigation Bank document preparation, processing and sales
- Habitat Mitigation, Monitoring, and Reporting Plans (HMMP)
- HGM and CRAM analyses
- Coordination with landscape design and maintenance contractors
- Preparation of annual reports

PEER REVIEW AND DUE DILIGENCE

- CEQA/NEPA documents and technical studies
- Regulatory permit applications and strategies
- Project sites and/or existing permits and documents for clients considering property acquisitions FHA

FAA APPROVED DRONE SERVICES

- Initial project site assessment
- High-resolution aerial photography for surveys and mapping
- Construction monitoring; High resolution Orthomosaic Imagery of project sites
- Inspection of areas inaccessible by vehicle, foot, or watercraft
- Real estate photography and videography
- 3D aerial photography and modeling

Biological Resources

Biological resource protection is governed by various laws, including the Federal Endangered Species Act (FESA), Executive Order 13112 – Invasive Species, the Migratory Bird Treaty Act (MBTA), the California Endangered Species Act (CESA), and the California Fish and Game Code (FGC). These laws cover a range of biological resources, but in general protect the diverse range of wildlife and plant species that exist in California, as well as the habitats that sustain them. As part of the environmental documentation process, it is necessary to evaluate whether a project is compliant with these laws, and often concurrence must be obtained from the responsible agency.

VCS prepares and peer reviews a range of biological assessments for projects in Southern California, including technical reports/memorandums, Biological Resource Assessments, Natural Environment Studies (Caltrans), Biological Assessments, and various other studies specific to a particular need. Our biological assessment process typically includes initial coordination with our clients, background research, study area delineation, field surveys, reporting, and additional coordination. Field surveys follow accepted protocols, as applicable. Our reports follow the requested template from our client, if applicable, but are generally formulated to present the regulatory setting for a project, study methodology, existing biological conditions, potential project impacts, measures to avoid, minimize, or mitigate those impacts, and any additional regulatory or consultation requirements. VCS is experienced in the preparation of technical documentation meeting the requirements of resource agencies including but not limited to the U.S. Army Corps of Engineers (USACE), U.S. Fish and Wildlife Service (USFWS), and California Department of Fish and Wildlife (CDFW) as well as transportation agencies such as Caltrans and the Federal Highway Administration. VCS prepares the following:

- | | |
|---|--|
| ■ Biological Technical Reports | ■ Section 404 Permitting |
| ■ Biological Reconnaissance Surveys | ■ Section 1602 Streambed Alteration Agreements |
| ■ Biological Resource Studies & Analysis | ■ Section 7 Consultation |
| ■ Biological Assessments | ■ Natural Environment Studies |
| ■ Nesting Surveys | ■ Focused Surveys for Endangered Species |
| ■ Spring Surveys | ■ Mitigation Compliance Monitoring |
| ■ Protected Species Surveys | ■ Construction Monitoring |
| ■ Wetland Delineation | |
| ■ Section 401 Water Quality Certification | |

- Conservation Easements
- Habitat Assessment
- Habitat Restoration
- Offsite Mitigation
- GIS Analysis & Mapping

VCS also provides coordination assistance in the approval of technical analysis and consultation with resource agencies. For projects that require consultation under Section 7 of the FESA, VCS coordinates submittals of supporting documentation and provides management support needed to obtain Concurrence Letters and Biological Opinions from the USFWS and NMFS. VCS' familiarity with the regulatory procedures allows us to streamline the process and avoid project delays.

For each project, biological sources reviewed include: (1) special status species lists from the California Department of Fish and Game (CDFG), U.S. Fish and Wildlife Service (USFWS), and California Native Plant Society (CNPS); (2) database searches of the California Natural Diversity Database (CNDDDB) and the Electronic Inventory of the CNPS; (3) the most recent Federal Register listing package and critical habitat determination for each federally listed Endangered or Threatened species potentially occurring within the project site; (4) the CDFG Annual Report on the status of California's listed Threatened and Endangered plants and wildlife; and (5) other biological studies conducted in the vicinity of the project site.

SECTION 2.0 PROJECT UNDERSTANDING, MANAGEMENT AND APPROACH

VCS prepares biological technical reports on a regular basis for public sector and private clients throughout Southern California and have prepared many documents in Orange County. We are very familiar with the flora and fauna in the County and have worked specifically in various foothill areas. We will require 30 days to survey and prepare our report, with the caveat that a plant survey may trail depending on flowing dates this year. We understand that you do not desire focus surveys for coastal California gnatcatcher or arroyo toad. Both species have critical habitat on the site and have been observed nearby. However, critical habitat is only recognized if there is a federal nexus on site, such as impacts to a jurisdictional water of the United States.

SECTION 3.0 TEAM AND EXPERIENCE

JULIE BEEMAN | Experience: 30+ years



President | Role: Contract Administrator, QA/QC

ABOUT

Julie Vandermost Beeman is President and founder of Vandermost Consulting Services, Inc., doing business as VCS Environmental, a full-service environmental firm headquartered in San Juan Capistrano. VCS was founded in 1996 and specializes in CEQA/NEPA, biology, regulatory and cultural services. Julie leads a 25-member team that serves private sector and public agencies throughout Southern California.

SELECT PROJECTS

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY (SBCTA) ON-CALL

Julie manages the SBCTA On-call contract for the San Bernardino County Transportation Authority. The first five-year contract was \$3.7 million. VCS is in its second \$3 million, five-year contract to provide staffing services on an as-needed basis for major transportation projects throughout San Bernardino County. Julie assigns and manages staff to assist with projects and leads key projects, including:

- 33-Mile I-10 Express Lanes | SBCTA, San Bernardino County
- I-15/I-215 Devore Interchange | SBCTA | San Bernardino
- 15-Mile I-15 Express Lanes | SBCTA | San Bernardino County
- Numerous Interchanges and Grade Separations

TUSTIN MARINE BASE REDEVELOPMENT | TUSTIN, CA

Julie developed the regulatory permitting strategy for the Tustin Marine Base working on behalf of Shea Homes and the City of Tustin. Julie was successful in negotiating the permit & mitigation package, which resulted in reconstructing & widening lower Peters Channel. Julie also oversaw pond turtle and migratory bird surveys for the project. Julie successfully led her team through negotiations with the USACE, the Santa Ana RWQCB, and the CDFW that resulted in the impacts to the project area being deemed as self-mitigating and released Shea Homes from five-year Habitat Mitigation and Monitoring Plan requirements.

MILL CREEK WETLANDS | CHINO, CA

Julie was instrumental in bringing together various public agencies to establish the award-winning Mill Creek wetlands/water quality/recreation plan in the Prado Flood Control Basin. Julie worked closely with the U.S. Army Corps of Engineers (Corps), the County of San Bernardino Parks Department and the City of Ontario along with several builders to design and implement this regional example of a public/private partnership to benefit the environment.

MITIGATION BANKS | LAND VERITAS | SOUTHERN CALIFORNIA

Julie led the technical team for the approval and implementation of two major mitigation banks, which included over 4,500 acres of mitigation valued at over \$100 million. Julie worked closely with the Mitigation Banking Internal Review Team, consisting of the United States Army Corps of Engineers, U.S. Environmental Protection Agency (EPA), California Department of Fish & Wildlife (CDFW), and the Lahontan, Los Angeles and/or Santa Ana Regional Water Quality Control Boards. Additionally, Julie prepared a presentation on the banks and provided outreach services to potential bank users, from public agencies to private firms across Southern California.

EDUCATION

B.A. Sociology, Minor in
Criminal Justice: California
State University, Fullerton
1987

PROFESSIONAL ACTIVITIES

Orange County Women’s
Transportation Seminar,
Board of Directors

PROFESSIONAL AFFILIATIONS

Association of Environmental
Professionals
Association of State Wetlands
Managers
Ecological Restoration Business
Association

WADE CAFFREY | Experience: 13 years

Vice President | Role: Project Manager, Primary Point of Contact



ABOUT

Wade Caffrey is the Vice President of VCS Environmental. Wade oversees the Biological Resources and Regulatory Permitting Department. Wade manages the biological surveys, biological technical reports, regulatory permitting, and habitat mitigation work at VCS. His field work includes monitoring mitigation sites and conducting biological surveys and assessments of onsite resources including special status species and other sensitive resources. Wade manages the preparation of and prepares biological reports and planning documents such as habitat mitigation and monitoring plans (HMMPs), mitigation monitoring reports (MMRs), California Rapid Assessment Method (CRAM) analysis reports, CEQA, biological technical reports, species survey reports, jurisdictional delineations, and habitat conservation plan compliance documents. Wade has extensive expertise in regulatory services, such as the preparation of United States Army Corps of Engineers (USACE) Section 404 Permits, United States Fish and Wildlife Service Section 7 and Section 10 permits, California Department of Fish and Wildlife (CDFW) Section 1602 Streambed Alteration Agreements, and Regional Water Quality Control Board (RWQCB) Section 401 Water Quality Certifications. Wade plays a key role in coordinating with regulatory agencies to secure permits and meet permit compliance requirements. Prior to working at VCS, Wade worked for the City of San Diego Environmental Services Department.

EDUCATION

B.S. Biology, San Diego State University, San Diego, CA 2009

CERTIFICATIONS

SEATAC, County of Los Angeles, March 2022
Wetland Training Institute Certified, July 2011
CRAM Certified, 2013

SPECIALIZED TRAINING

Association of Environmental Professionals

SELECT PROJECTS

ARANTINE HILLS | CORONA, CA

Wade prepared Santa Ana Regional Water Quality Control Board (RWQCB) Section 401 Water Quality Certification, U.S. Army Corps of Engineers (USACE) Section 404 Nationwide Permit, and California Department of Fish and Wildlife (CDFW) Section 1602 Notification of Lake or Streambed Alteration applications. He also prepared a biological technical report and a Western Riverside County Multiple Species Habitat Conservation Plan Determination of Biologically Superior Project and Consistency Determination. He also assisted in the project design phase to identify the optimal alignment of development in relation to the biological resources within the site.

BAKER WATER TREATMENT PLANT | LAKE FOREST, CA

Wade conducted nesting bird surveys prior to construction and monitored construction in close proximity to an active northern mockingbird nest, which went on to successfully fledge all offspring. He also assisted in the processing of payment to the Nature Reserve of Orange County regarding the removal of coastal sage scrub.

ELEPHANT HILLS | POMONA, CA

Trumark Homes is proposing to develop 254 residential units within the property. To accommodate the development, approximately 37 acres will be impacts and approximately 83 acres of the property will remain as open space. Wade completed a due diligence biological technical report and completed biological surveys.

SKYRIDGE RESIDENTIAL DEVELOPMENT | MISSION VIEJO, CA

Wade conducted construction monitoring for work occurring in and adjacent to occupied critical habitat for the coastal California gnatcatcher. He has also assisted in implementing the installation of the mitigation within a 17-acre site and drafting, processing, and recording the conservation easement protecting the 17-acre site in perpetuity.

CARLA MARRINER | Experience: 10 years
Senior Project Manager II | Role: Senior Biologist



ABOUT

Carla Marriner is a Senior Biologist and Project Manager at VCS Environmental. Carla consults on all aspects of habitat mitigation/restoration implementation including design, installation, maintenance, and compliance with regulatory permit guidelines. Her field work includes monitoring mitigation sites, conducting biological surveys and assessments of on-site resources, and coordination with the client and landscape contractors. Carla also assists in preparation of Habitat Mitigation and Monitoring Plans, Mitigation Monitoring Reports, Mitigation Monitoring Annual reports, California Rapid Assessment Method, analysis reports, biological assessment reports, species survey reports, and habitat conservation plan compliance documents. Carla has experience in sustainable development projects and has conducted field research on private and commercial projects within mine sites and habitat restoration areas, wildlife corridors, and ecotourism projects to identify best hiking and driving routes. She has conducted focused surveys for coastal California gnatcatcher, least Bell's vireo and western burrowing owl. She has experience with the following field techniques: nest monitoring, construction monitoring, and Point-intercept transects based on the methodology developed by the California Native Plant Society (CNPS). Carla also oversees projects as well as coordinates with construction managers, project managers, and clients.

FLUENT IN SPANISH

EDUCATION

B.S. Science Environmental Biology (Ecology): Jorge Tadeo Lozano University, Bogota, Colombia 2008; U.S. Equivalence: B.S. in Biology/ Environmental Sciences with a major in Ecology

CERTIFICATIONS

- Metrolink – Rail Safety Training, April 2019
- Rare Plant Survey Protocols, San Diego County, CA, March 2019
- ArcGIS I: Introduction to GIS 5-day General CRAM Training, Orange County, CA. CRAM certified, March 2015.
- OSHA 24 Hour HAZWOPER Training
- 38-hour Army Corps of Engineers Wetland Delineation Training Program- Richard Chinn Environmental Training, Inc., October 2014
- CNDDDB/BIOS Database Training, Inc., October 2014
- Nature Guidance and Tours Education and Environmental Management, 2010

SELECT PROJECTS

SCHAEFER AVENUE STORAGE CENTER SPECIFIC PLAN PROJECT | ONTARIO, CA

The Project proposed to develop a high-quality RV and Self-Storage Center that provides recreation vehicle storage and self-storage within the approximate 37-acre property to meet the current and future needs of residents in the southwestern area of the City of Ontario. Carla prepared the Biological Technical Report and focused burrowing owl surveys.

SUMMERLY | LAKE ELSINORE, CA

Summerly is a 706-acre master-planned golf community in the Lake Elsinore Back Basin. The development consists of approximately 1,955 residential units, 40 acres of roads, and 329 acres of open space, including an 18-hole golf course. The Lake Elsinore Back Basin is subject to U.S. Army Corps of Engineers hydrology requirements and California Department of Fish and Game Section 1600 jurisdiction. VCS assisted the development team in identifying a strategy for regulatory permitting, which included working closely with the City of Lake Elsinore and Elsinore Valley Municipal Water District. Carla performed pre-construction western burrowing owl surveys and biological monitoring for burrowing owl / weekly construction monitoring; nesting bird surveys during the nesting season. Mitigation monitoring (qualitative and quantitative) and reporting for the 10-acre 25-acre mitigation sites and 71-acre mitigation sites.

SKYRIDGE | MISSION VIEJO, CA

Skyridge is an 84-lot residential subdivision on approximately 28.45 acres. VCS prepared an Environmental Impact Report (EIR) including the biological technical study and processed all the necessary regulatory permits. Carla conducted construction monitoring for work occurring in and adjacent to occupied critical habitat for the coastal California gnatcatcher. She has also assisted in implementing the installation of the mitigation within a 17-acre site, and conducted mitigation monitoring, reporting and California Rapid Assessment Method (CRAM) and reporting to RWQCB.

SIERRA VALLADARES | Experience: 4 years

Project Manager I | Role: Biologist/Regulatory Permitting



EDUCATION

B.S. Biology – Organismal
Biology: California State
University, Long Beach, 2017

CERTIFICATIONS

Basic Wetland Delineation
Training, Wetland Training
Institute, February 2020
CNPS Rare Plant and
Vegetation Sampling Lecture
and Field Course, March
2019

ABOUT

Sierra Valladares is a Biologist and Project Manager I at VCS Environmental (VCS). Sierra’s experience in the field includes vegetation mapping, mitigation site monitoring, nesting bird surveys and Burrowing Owl surveys. She also assists senior personnel with the preparation of U.S. Army Corps of Engineers (USACE) Section 404 Permits, California Department of Fish & Wildlife (CDFW) Section 1602 Streambed Alteration Agreements, and Regional Water Quality Control Board (RWQCB) Section 401 Water Quality Certifications.

SELECT PROJECTS

PICO RIVERA REGIONAL BIKEWAY | PICO RIVERIA, CA

Pico Rivera Regional Bikeway Project proposes the construction of a Class IV Bikeway and associated road improvements to Mines Avenue, reconstruction and restriping of a Class II Bikeway and Class I Bikeway along Dunlap Crossing Road and construction of a bicycle/pedestrian bridge over the San Gabriel River. Assisted senior VCS biologists with the project jurisdictional delineation and vegetation mapping. Assisted in drafting the Natural Environmental Study (NES) report. Assisted with the regulatory permit process including drafting permit applications for California Department of Fish & Wildlife (CDFW), Regional Water Quality Control Board (RWQCB), and U.S. Army Corps of Engineers (USACE).

SUMMERLY | LAKE ELSINORE, CA

Summerly is a 706-acre master-planned golf community in the Lake Elsinore Back Basin. The development consists of approximately 1,955 residential units, 40 acres of roads, and 329 acres of open space, including an 18-hole golf course. The Lake Elsinore Back Basin is subject to U.S. Army Corps of Engineers (USACE) hydrology requirements and California Department of Fish and Game (CDFG) Section 1600 jurisdiction. VCS assisted the development team in identifying a strategy for regulatory permitting, which included working closely with the City of Lake Elsinore and Elsinore Valley Municipal Water District. Sierra assisted with pre-construction nesting bird surveys, Western Burrowing Owl surveys, coordinated setup of no work buffers for active nests and active burrowing owl burrows, and monitored construction work near active work buffers. Assisted senior VCS biologists with mitigation monitoring. Assisted senior personnel with Agency coordination regarding various regulatory approvals including conservation easements and permit updates.

TAPESTRY MITIGATION BANK | HESPERIA, CA

The Tapestry Project is a proposed mitigation bank located on approximately 4,100-acres of undeveloped land in Hesperia. Sierra assisted with vegetation surveys and mapping.

ALTFILLISCH MITIGATION | NORCO, CA

The Altfillisch project consists of an 85.4-acre residential development. The project includes a mitigation site which contains conservation areas of riparian scrub, woodland, and forest water habitats associated with the Santa Ana River. Sierra assisted with qualitative and quantitative mitigation monitoring.

WILLA SUMER | Experience: 7 years
 Assistant Project Manager | Role: GIS Specialist



EDUCATION

MURP: University of California, Irvine, 2015
 B.A., Environmental Policy and Economics, Fordham University, New York, 2010

ABOUT

Willa has been working in public and private sector urban planning since 2009, with an emphasis on water resource management and Geographic Information Systems (GIS) technology applications. Duties include preparation and processing of environmental documents and regulatory permits, coordinating with team members, and conducting research and spatial analysis. Prior to joining VCS, Willa worked for the San Diego Association of Governments and the New York City Department of Parks and Recreation. Willa’s main strength is her ability to identify key issues and perform complex analysis to effectively problem-solve.

SELECT PROJECTS

ANITA STREET WET WELL AND COASTAL ACCESSWAY IMPROVEMENT PROJECT | LAGUNA BEACH, CA

The proposed project involves the removal of the Anita Street Lift Station and the construction of a wet well to increase reliability, robustness, and to improve the efficiency of operations and safety. Additionally, the project would rehabilitate the Anita Street Coastal Accessway to create a more visually appealing beach access to Anita Beach. Willa has assisted with vegetation, and other mapping and spatial analysis for the project.

RANCHO DOS HERMANAS MITIGATION BANK | FILLMORE, CA | SOUTHERN CALIFORNIA

This proposed mitigation bank is located at the confluence of the Santa Clara River and Sespe Creek near the City of Fillmore. Willa has assisted with vegetation, rare plant, and other mapping and spatial analysis for the project.

SUMMERLY | LAKE ELSINORE, CA

Summerly by McMillin Companies, LLC, is a master planned golf community in Lake Elsinore for which VCS provided strategic environmental planning and regulatory permitting services. Willa has prepared background research on project history and regulation and utilized ArcGIS to perform analysis and create informational graphics.

CALIFORNIA HIGH-SPEED RAIL | STATE OF CALIFORNIA

VCS is tasked with conducting peer-review of technical reports produced as part of the Palmdale to Burbank Section of the California High-Speed Rail project. Willa has reviewed these technical reports for both editorial and methodological content and provided feedback to the Environmental/Engineering Services team.

BORBA SHAEFER AVENUE STORAGE PROJECT | ONTARIO, CA

The Borba Schaefer Avenue Storage Center Specific Plan provides for the development of 229,200 square feet of indoor self-storage area and 645 vehicle storage spaces. A series of self-storage buildings are proposed along Archibald Avenue and Schaefer Avenue. The proposed buildings have been provided with a variety of articulations, massing, textures, and colors to provide visual interest. A landscaped program, including a landscaped neighborhood edge, is proposed to compliment the building architecture and to enhance streetscape views for motorists and pedestrians. Willa is preparing acreage calculations for soil type and vegetation, in addition to analysis of state- and federally-listed species.

SECTION 4.0 SCOPE OF SERVICES

VCS will review the appropriate state and federal databases for the potential habitat and sensitive species that may occur onsite.

Prior to visiting the field, aerial photographs and topographic maps will be reviewed. Any existing biological reports that the District has will also be reviewed.

VCS biologists will conduct a field survey to map the vegetation communities on site and will conduct a jurisdictional delineation pursuant to requirements of the U.S. Army Corps of Engineers (USACE), Regional Water Quality Control Board (RWQCB), and California Department of Fish and Wildlife (CDFW). As requested by the RFP, and as part of our standard delineations, non-wetland waters, wetland waters, streambed, associated vegetation, and potentially non-jurisdictional features will be quantified. As directed by the RFP, no nesting/breeding bird surveys, multi-season surveys, or protocol/focused surveys for special-status plant and wildlife species will be conducted.

VCS will deliver a CEQA level Biological Resources Report that documents the existing biological resources of the property; the potential occurrence for special status species, potential state and federal jurisdictional waters and non-wetland waters; habitat classifications and mapping, including any critical habitat (should future impacts trigger a federal nexus); a discussion of the potential for wildlife corridors, and any local, state and federal resource management plans that may be applicable to the property and will include responses to the CEQA checklist in the report.

SECTION 5.0 COMPARABLE PROJECTS

SKYRIDGE RESIDENTIAL DEVELOPMENT ENVIRONMENTAL IMPACT REPORT

Reference: Crystal Burckle, Director Community Development
 Phone: (949) 349-8117 | Email: crystal.burckle@lennar.com
 Lennar Homes of California, Inc.
 15131 Alton Parkway, Suite 365, Irvine, CA 92618



Project Description: Skyridge is an 84-lot subdivision on approximately 28.45 acres. Originally in the County of Orange, Skyridge included annexation into the City of Mission Viejo, resulting in the need for a General Plan Amendment, Zone Change and Vesting Tentative Tract Map. The Project faced several challenges including a large landslide, significant cultural resource site and occupied coastal California gnatcatcher habitat. VCS successfully received Planning Commission and City Council approvals from the City of Mission Viejo and annexation approval from LAFCO. VCS prepared an EIR including technical studies (aesthetics/visual simulations, air quality/climate change, noise, traffic and circulation, cultural resources, biological resources, soils and geology, hydrology and water quality and hazards/hazardous materials), response to comments, findings of fact, statement of overriding considerations and the mitigation monitoring and reporting program. VCS conducted all field surveys and prepared a Biological Resources Assessment for the Project, including focused plant surveys, focused coastal California gnatcatcher surveys and jurisdictional delineation and assessment. VCS prepared a Biological Assessment and processed the suite of regulatory permits including Section 404, Section 401, Section 1602, Section 106 and Section 7 authorizations from the Resource Agencies. VCS continues to manage the implementation of offsite mitigation within Trabuco Canyon, CA for the Project.

Project Completed: CEQA completed in 2016. VCS is providing ongoing biological services.

TRUMARK RESIDENTIAL PROJECT INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

Reference: Elaine Lister, Director of Community Development
 Phone: (949) 470-3029 | Email: elister@cityofmissionviejo.org
 City of Mission Viejo – Planning Department
 200 Civic Center, Mission Viejo, CA 92691



Project Description: VCS prepared an Initial Study/Mitigated Negative Declaration (IS/MND) for the Trumark Residential Project. The project site is located in the City of Mission Viejo, within the County of Orange. Locally, the 13.4-acre project site is located within the northeastern area of the City of Mission Viejo on El Toro Road between Marguerite Parkway and State Route 241 (SR-241). The project includes the development of 91 multiple-family dwelling units. The General Plan land use designation was amended from Open Space/Recreation to Residential Planned Development 30 (RPD-30) and the Zoning on the site was changed from Recreation to Residential Planned Development 30 (RPD-30). The project required a Planned Development Permit approval, Lot Line Adjustment and requested variances to the City’s Zoning Code site development standards. Primary issues analyzed within the Initial Study/Mitigated Negative Declaration were air quality/noise (construction-related and long-term operational), biological resources, cultural resources, traffic impacts to the local roadway network and land use compatibility. Amidst COVID-19 conditions, VCS, on behalf of the City of Mission Viejo, was able to hold teleconferencing meetings with the Native American Tribes and the City to obtain consensus on monitoring to close AB52/SB18 consultations to maintain the project schedule. VCS delivered this fast-tracked IS/MND to Public Review within seven weeks of beginning the project. The project was approved 5-0 by the Mission Viejo City Council in August 2020.

Project Completed: CEQA completed August 2020. Biological and Cultural Monitoring Services Ongoing.

SUMMERLY PROJECT

Reference: Barbara Leibold, City Attorney for the City of Lake Elsinore
 Phone: (949) 585-6301 | Email: barbara@ceqa.com
 Leibold McClendon & Mann
 9841 Irvine Center Drive, Suite 230, Irvine, CA 92618



Project Description: Summerly is a 706-acre master-planned golf community in the Lake Elsinore Back Basin. The development consists of approximately 1,955 residential units, 40 acres of roads, and 329 acres of open space, including an 18-hole golf course. The Lake Elsinore Back Basin is subject to U.S. Army Corps of Engineers hydrology requirements and California Department of Fish and Game Section 1600 jurisdiction. VCS assisted the development team in identifying a strategy for regulatory permitting, which included working closely with the City of Lake Elsinore and Elsinore Valley Municipal Water District. VCS conducted pre-construction western burrowing owl surveys and biological monitoring for burrowing owl/weekly construction monitoring; nesting bird surveys during the nesting season. Mitigation monitoring (qualitative and quantitative) and reporting for the 10-acre 25-acre mitigation sites and 71-acre mitigation sites.

Project Completed: VCS completed project in 2020

VICTORIA BASIN MONITORING WELL PROJECT PRE-SCREENING INITIAL STUDY

Reference: Melissa Matlock, Ph.D., Water Resources Specialist II
 Phone: (951) 571-7260 | Email: mmatlock@wmwd.com
 Western Municipal Water District
 14205 Meridian Parkway, Riverside, CA 92518



Project Description: The proposed project involves the construction and operation of a monitoring well cluster (OW-3A and OW-3B) located at Western Municipal Water District’s (Western’s) Victoria Groundwater Recharge Facility. The proposed two-well cluster would provide groundwater level and water quality information for water infiltrated at Victoria Basin. Data from the proposed wells will augment data from the existing monitoring wells onsite to help inform groundwater recharge operations and manage groundwater levels near Victoria Basin. VCS prepared the Pre-Screening Initial Study to demonstrate that the project would not result in any potential significant impacts and would qualify for a Categorical Exemption. The Pre-Screening Initial Study quantified air quality, greenhouse gas emissions, energy demand and construction noise levels. A Cultural Resources, Paleontological and Sacred Lands record searches were obtained to support that no potential significant impacts would occur as well as a biological resources site survey and mitigation recommendations. VCS is currently completing Focused Burrowing Owl Surveys and nesting bird surveys.

Project Completed: Ongoing

SECTION 6.0 FEE PROPOSAL

TASK		COST
1.0	CNDDDB Database Search (assumes 2 hours)	\$214
2.0	Delineation Field Review (assumes 16 hours)	\$3,176
3.0	Biological Technical Report (assumes 50 hours)	\$10,520
4.0	General Coordination (assumes 10 hours)	\$1,936
5.0	Reimbursable Mileage	\$85
TOTAL COST		\$15,931

The VCS project manager reserves the right to make adjustments to staff allocations as necessary within the overall budget.

REIMBURSABLE EXPENSES. Expenses incurred directly for the Client’s project will be billed at the actual cost and are not included in the original contract amount. Expenses include, but are not limited to, reprographics, Federal Express, necessary transportation costs including mileage by automobile at the IRS reimbursement rate, meals and lodging, computer services and color photocopying.

EQUIPMENT CHARGES.

Small Unmanned Aircraft System (Drone) \$100 per day unless georeferencing is required
 GNSS Surveying Device \$25 per day

PAYMENT DUE. Invoices are due upon presentation and shall be considered past due if not paid within 15 (fifteen) calendar days of the due date. Finance charges, computed by a “Periodic Rate” of 1.5% per month, will be charged on all past due amounts.

OVERNIGHT & WEEKEND WORK. Over 8 hours, nighttime and Saturday monitoring are charged at time and a half and work on Sunday is charged at double time.

MULTI-YEAR CONTRACTS. Multi-year contracts are subject to annual billing rate increases.

CHANGE ORDERS. Change Orders may be subject to future fee schedule increases.

2022 Fee Schedule

Job Title	Hourly Rate
President	\$295/hour
Vice President	\$250/hour
Directors	\$235/hour
Assistant Directors	\$225/hours
Senior Project Manager III (Environmental Analyst, Planner, Biologist)	\$215/hour
Senior Project Manager II (Environmental Analyst, Planner, Biologist)	\$210/hour
Senior Project Manager I (Environmental Analyst, Planner, Biologist)	\$202/hour
Project Manager III (Environmental Analyst, Planner, Biologist, GIS Specialist)	\$199/hour
Project Manager II (Environmental Analyst, Planner, Biologist, GIS Specialist)	\$194/hour
Project Manager I (Environmental Analyst, Planner, Biologist, GIS Specialist)	\$187/hour
Assistant Project Manager (Environmental Analyst, Planner, Biologist, GIS Specialist)	\$182/hour
Project Coordinator II	\$172/hour
Project Coordinator I	\$162/hour
Botanist	\$135/hour
Senior Archaeologist/ Paleontologist	\$182/hour
Archaeologist/Paleontologist	\$127/hour
Production Coordinator	\$117/hour
Field Assistant	\$107/hour
Office Assistant	\$107/hour
Cultural Field Monitor	\$99/hour

The VCS project manager reserves the right to make adjustments to staff allocations as necessary within the overall budget as well as the right to move dollars between tasks.

REIMBURSABLE EXPENSES. Expenses incurred directly for the Client’s project will be billed at the actual cost and are not included in the original contract amount. Expenses include, but are not limited to, reprographics, Federal Express, necessary transportation costs including mileage by automobile at the IRS reimbursement rate (58.5 cents per mile), toll road fees, meals and lodging, computer software and services and photocopying.

EQUIPMENT CHARGES.

Small Unmanned Aircraft System (Drone) \$100 per day
 Submeter GNSS Surveying Device \$25 per day
 Field Survey Computer Software \$250 per project

PAYMENT DUE. Invoices are due upon presentation and shall be considered past due if not paid within 15 (fifteen) calendar days of the due date. Finance charges, computed by a “Periodic Rate” of 1-1/2% per month, will be charged on all past due amounts.

OVERNIGHT & WEEKEND WORK. Over 8 hours, nighttime and Saturday monitoring are charged at time and a half and work on Sunday is charged double time.

MULTI-YEAR CONTRACTS. Multi-year contracts are subject to annual billing rate increases/staff promotions.

CHANGE ORDERS. Change Orders may be subject to future fee schedule increases.

SECTION 7.0 CONTRACT PROVISIONS

VCS Environmental is unable to comply with up front defense costs because our insurance carrier will only cover the reimbursement of the cost of defense; please see revisions attached as well as our insurance coverage.

- 8.4 Examination of Records. TCWD shall, until the expiration of three (3) years after final payment under this Contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of Contractor involving transactions related to this Contract.
- 8.5 Change in Contractor's Status. The financial capability and status of Contractor were substantial inducements for TCWD to enter into this Contract. Therefore, Contractor shall, and hereby specifically acknowledges its duty to do so, notify TCWD of any significant financial change, or significant change in status of Contractor within seven (7) days of significant financial change or significant change in status. "Significant financial change" or "significant change in status" shall mean the following:
- Any action(s) by which Contractor shall consolidate with, merge, or convert the Contractor into another partnership or corporation,
 - Any filing of bankruptcy by the Contractor (or any of its partners),
 - Loss of Contractor's professional qualifications, and
 - The fact that Contractor is no longer in compliance with federal or state equal opportunity laws.

SECTION IX

ATTORNEY'S FEES

- 9.1 If either party brings an action or proceeding against the other party by reason of default of any term or condition of this Contract, or otherwise arising out of this Contract, the prevailing party in such action or proceeding shall be entitled to recover, as an element of its cost of suit, and not as damages, reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. The "prevailing party" as the term is used herein, shall be the party who is entitled to recover costs of suit, whether or not such suit proceeds to final judgment, and shall include, without limitation, a party who dismisses an action for recovery hereunder in exchange for payment of the sums allegedly due, performance of covenants allegedly breached, or considerations substantially equal to the relief sought in such action.

SECTION X

INDEMNIFICATION-HOLD HARMLESS

- 10.1 Contractor shall indemnify, ~~defend~~ and save harmless TCWD its officers, officials, ~~agents~~ and employees from any and all claims, demands, damages, costs, expenses (including reasonable attorney's fees), judgments or liabilities arising out of or directly ~~or indirectly~~ related to the negligent performance or attempted performance of the provisions hereof, including any willful or negligent act or omission to act on the part of the ~~Contractor or his agents~~ or employees or other independent contractors directly responsible to him to the fullest extent allowable by law, and excluding to the extent such claims, demands, damages, costs, expenses, judgments, or liabilities arise out of the ~~sole~~ negligence, active negligence, or willful misconduct of TCWD.

Notwithstanding anything to the contrary, no person, entity, or party, including but not limited to the TCWD and the Contractor, shall be allowed to recover attorney's fees that are incurred to enforce or defend this Agreement.

SECTION XI

INSURANCE

- 11.1 Contractor shall comply with all of the insurance requirements set forth in Appendix Four attached hereto.

SECTION XII

MISCELLANEOUS PROVISIONS

- 12.1 Gratuities. Contractor warrants that neither it nor any of its employees, agents, or representatives has offered or given any gratuities to TCWD's employees, agents, or representatives with a view toward securing this Contract or securing favorable treatment with respect thereto.
- 12.2 Interpretation. The parties hereto acknowledge and agree that each has been given the opportunity to independently review this Contract with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions of this Contract.
- 12.3 Project Manager. ~~Contractor~~ shall designate within its proposal its project manager or project representative, who shall have the authority to act on behalf of Contractor for all purposes under this Contract. TCWD Management reserves the right to approve the project manager assigned by ~~Contractor~~ to said work. In the event TCWD disapproves of the project manager assigned to perform work under this Contract, TCWD shall notify Contractor in writing. Contractor shall meet and confer with TCWD Management within ten (10) days of such written notice, and, absent an agreement to the contrary, assign a new project manager within five (5) days of such meeting. Any substitution of ~~Contractor's~~ project manager shall first be approved in writing by TCWD, which shall not unreasonably hold such approval.
- 12.4 Limitation on Assignment. All services to be furnished under this Contract shall be deemed professional services. As such, the ~~Contractor~~ shall have neither the right nor the power to assign, sublet, transfer or otherwise substitute its interest in or obligations under this Contract without the prior written consent of TCWD.
- 12.5 Status of Contractor. ~~Contractor~~ is employed to render a contract service only, and any payments made to Contractor are compensation solely for such services as Contractor may render. ~~Contractor~~ shall at all times retain the status of an independent contractor with TCWD. Nothing within this Contract shall be construed so as to make ~~Contractor, or any of its agents~~ or employees, the employee(s), partner(s), or joint venturer(s) of or with TCWD.

- 12.6 ~~Licensing.~~ Contractor warrants that they have complied, and shall comply, with any and all applicable state licensing requirements.
- 12.7 Entire Contract. This Contract supersedes any and all other Contracts, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other Contract, statement, or promise related to the subject matter of this Contract which is not contained in this Contract shall be valid or binding.
- 12.8 Ownership of Work. All work performed pursuant hereto shall, upon completion, become the property of TCWD. In the event the work is not completed, the completed portions thereof shall become the property of TCWD.
- 12.9 Waiver. Either party to this Contract may specifically and expressly waive, in writing, compliance by the other party hereto with any term, condition, or requirements set forth in this Contract. Either party to this Contract may specifically and expressly waive, in writing, any breach of any term, condition, or requirement of this Contract by the other party hereto. However, in the event that either party makes or gives such a waiver, such action shall not constitute a further or continuing waiver of any preceding or succeeding breach, or requirement of compliance with, the same or any other provision or contractual requirement, unless a specific statement to the contrary is contained within such waiver. The waiving party may, at any time thereafter, require further compliance by the other party hereto with the requirements or provisions of this Contract that have been so waived. The consent of one party to any act by the other party for which such written consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such written consent for the same or similar acts in the future. No waiver or consent shall be implied from the silence or from the failure of any party to an act, except as otherwise specified in this Contract.
- 12.10 Job Costing. Any opinion of the Cost prepared by Contractor represents its judgment as a design professional and is supplied for the general guidance of TCWD. Since Contractor has no control over the cost of labor and material, or over competitive bidding or market conditions, Contractor does not guarantee the accuracy of such opinions as compared to contractor bids or actual cost to TCWD.
- 12.11 Notices. Any notice, request, demand, consent or approval, or other communication required or permitted hereunder by law, shall be validly given and made only if in writing and delivered in person to an officer or duly authorized representative of the party, or deposited in the United States mail, first class postage prepaid, and addressed to the party for whom intended as follows:

To TCWD:

Trabuco Canyon Water District
 Attention: General Manager
 32003 Dove Canyon Dr
 Trabuco Canyon, CA 92679

~~To Contractor:~~

Contractor
 Attention: Name/Title
 Address
 City, ST Zip Code

12.12 Jurisdiction. The parties hereby understand and agree that this Contract, and the attachments hereto, have been negotiated and executed in the State of California and shall be governed by, and construed under, the laws of the State of California. The parties hereto do expressly agree that in the event of a dispute concerning the terms hereof, venue for any legal action shall be with the appropriate court of the County of Orange, State of California.

12.13 Amendments. No addition to, or modification of, any provision contained in this Contract shall be effective unless fully set forth in writing signed by the authorized representative of both of the parties hereto.

12.14 Signatories The signatories hereto do warrant that they are appropriately authorized to execute this Contract on behalf of the party for which they signed.

IN WITNESS WHEREOF, the parties have executed this Contract the day first hereinabove written.

CONTRACTOR

TRABUCO CANYON WATER DISTRICT

By: _____
Name/Title

By: _____
Fernando Paludi, General Manager

Print
Name: _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR ARCHITECTS, ENGINEERS AND SURVEYORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|--|--|
| <p>A. Non-Owned Watercraft – 75 Feet Long Or Less</p> <p>B. Who Is An Insured – Unnamed Subsidiaries</p> <p>C. Who Is An Insured – Retired Partners, Members, Directors And Employees</p> <p>D. Who Is An Insured – Employees And Volunteer Workers – Bodily Injury To Co-Employees, Co-Volunteer Workers And Retired Partners, Members, Directors And Employees</p> <p>E. Who Is An Insured – Newly Acquired Or Formed Limited Liability Companies</p> <p>F. Blanket Additional Insured – Controlling Interest</p> <p>G. Blanket Additional Insured – Mortgagees, Assignees, Successors Or Receivers</p> | <p>H. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Premises</p> <p>I. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Operations</p> <p>J. Incidental Medical Malpractice</p> <p>K. Medical Payments – Increased Limit</p> <p>L. Amendment Of Excess Insurance Condition – Professional Liability</p> <p>M. Blanket Waiver Of Subrogation – When Required By Written Contract Or Agreement</p> <p>N. Contractual Liability – Railroads</p> |
|--|--|

PROVISIONS

A. NON-OWNED WATERCRAFT – 75 FEET LONG OR LESS

1. The following replaces Paragraph (2) of Exclusion **g.**, **Aircraft, Auto Or Watercraft**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:
 - (2) A watercraft you do not own that is:
 - (a) 75 feet long or less; and
 - (b) Not being used to carry any person or property for a charge;
2. The following replaces Paragraph 2.e. of **SECTION II – WHO IS AN INSURED**:
 - e. Any person or organization that, with your express or implied consent, either

uses or is responsible for the use of a watercraft that you do not own that is:

- (1) 75 feet long or less; and
- (2) Not being used to carry any person or property for a charge;

B. WHO IS AN INSURED – UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and

COMMERCIAL GENERAL LIABILITY

- b. Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a. A limited liability company;
 - b. An organization other than a partnership, joint venture or limited liability company; or
 - c. A trust;
- as indicated in its name or the documents that govern its structure.

C. WHO IS AN INSURED – RETIRED PARTNERS, MEMBERS, DIRECTORS AND EMPLOYEES

The following is added to Paragraph 2. of SECTION II – WHO IS AN INSURED:

Any person who is your retired partner, member, director or "employee" that is performing services for you under your direct supervision, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, no such retired partner, member, director or "employee" is an insured for:

(1) "Bodily injury":

- (a) To you, to your current partners or members (if you are a partnership or joint venture), to your current members (if you are a limited liability company) or to your current directors;
- (b) To the spouse, child, parent, brother or sister of that current partner, member or director as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your retired partners, members, directors or "employees", other than a doctor. Any such retired partners, members, directors or "employees" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

(2) "Personal injury":

- (a) To you, to your current or retired partners or members (if you are a partnership or joint venture), to your current or retired members (if you are a limited liability company), to your other current or retired directors or "employees" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that current or retired partner, member, director, "employee" or "volunteer worker" as a consequence of Paragraph (2)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (2)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(3) "Property damage" to property:

- (a) Owned, occupied or used by; or
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your retired partners, members or directors, your current or retired "employees" or "volunteer workers", any current partner or member (if you are a partnership or joint venture), or any current member (if you are a limited liability company) or current director.

D. WHO IS AN INSURED – EMPLOYEES AND VOLUNTEER WORKERS – BODILY INJURY TO CO-EMPLOYEES, CO-VOLUNTEER WORKERS AND RETIRED PARTNERS, MEMBERS, DIRECTORS AND EMPLOYEES

The following is added to Paragraph 2.a.(1) of SECTION II – WHO IS AN INSURED:

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" to a current or retired co-"employee" while in the course of the co-"employee's" employment by you or performing duties related to the conduct of your business, or to "bodily injury" to your other "volunteer workers" or retired partners, members or directors while performing duties related to the conduct of your business.

E. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED LIMITED LIABILITY COMPANIES

The following replaces Paragraph 3. of SECTION II – WHO IS AN INSURED:

3. Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only:

(1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

(2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it;

b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II – Who Is An Insured, each such

organization will be deemed to be designated in the Declarations as:

- a. A limited liability company;
 - b. An organization other than a partnership, joint venture or limited liability company; or
 - c. A trust;
- as indicated in its name or the documents that govern its structure.

F. BLANKET ADDITIONAL INSURED – CONTROLLING INTEREST

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

- a. Such financial control; or
- b. Such person's or organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

2. The following is added to Paragraph 4. of SECTION II – WHO IS AN INSURED:

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

G. BLANKET ADDITIONAL INSURED – MORTGAGEES, ASSIGNEES, SUCCESSORS OR RECEIVERS

The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed,

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subsequent to the signing of that contract or agreement; and

- b. Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

- a. The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such person or organization does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or
 - (2) Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.

H. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair, construction, erection or removal of any of the following for which that governmental entity has issued such permit or authorization: advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away

openings, sidewalk vaults, elevators, street banners or decorations.

I. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- a. Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or
- b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

J. INCIDENTAL MEDICAL MALPRACTICE

1. The following replaces Paragraph **b.** of the definition of "occurrence" in the **DEFINITIONS** Section:

- b. An act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

2. The following replaces the last paragraph of Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs **(1)(a)**, **(b)**, **(c)** and **(d)** above do not apply to "bodily injury" arising out of providing or failing to provide:

- (a) "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician, paramedic, athletic trainer, audiologist, dietician, nutritionist,

occupational therapist or occupational therapy assistant, physical therapist or speech-language pathologist; or

(b) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

3. The following replaces the last sentence of Paragraph 5. of **SECTION III – LIMITS OF INSURANCE:**

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of the insured.

5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

6. The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis,

that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph 2.a.(1) of Section II – Who Is An Insured.

K. MEDICAL PAYMENTS – INCREASED LIMIT

The following replaces Paragraph 7. of **SECTION III – LIMITS OF INSURANCE:**

7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:

- a. \$10,000; or
- b. The amount shown in the Declarations of this Coverage Part for Medical Expense Limit.

L. AMENDMENT OF EXCESS INSURANCE CONDITION – PROFESSIONAL LIABILITY

The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis, that is Professional Liability or similar coverage, to the extent the loss is not subject to the professional services exclusion of Coverage A or Coverage B.

M. BLANKET WAIVER OF SUBROGATION – WHEN REQUIRED BY WRITTEN CONTRACT OR AGREEMENT

The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

If the insured has agreed in a written contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
- b. "Personal and advertising injury" caused by an offense that is committed;

subsequent to the signing of that contract or agreement.

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N. CONTRACTUAL LIABILITY – RAILROADS

1. The following replaces Paragraph **c.** of the definition of "insured contract" in the **DEFINITIONS** Section:
 - c.** Any easement or license agreement;
2. Paragraph **f.(1)** of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

The person or organization does not qualify as an additional insured:

- c. With respect to the independent acts or omissions of such person or organization; or
- d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

- e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.
- f. This insurance does not apply to the rendering of or failure to render any "professional services".
- g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section III – Limits Of Insurance.

- h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.

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3. The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After you have signed that written contract;
- b. While that part of the written contract is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

1. BROAD FORM INSURED

A. Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

- (1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.
- (2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:
 - (a) That is a partnership or joint venture,
 - (b) That is an "insured" under any other policy,
 - (c) That has exhausted its Limit of Insurance under any other policy, or
 - (d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

B. Employees as Insureds

Paragraph A.1. - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

- d. Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

C. Lessors as Insureds

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- e. The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:
 - (1) The agreement requires you to provide direct primary insurance for the lessor and
 - (2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

D. Additional Insured if Required by Contract

- (1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:
 - f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

- (1) During the policy period, and
- (2) Subsequent to the execution of such written contract, and
- (3) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

(2) How Limits Apply

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- (a) The limits of insurance specified in the written contract or written agreement; or
- (b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

(3) Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

(4) Duties in The Event Of Accident, Claim, Suit or Loss

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - OF SECTION IV - BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

E. Primary and Non-Contributory if Required by Contract

Only with respect to insurance provided to an additional insured in 1.D. - Additional Insured If Required by Contract, the following provisions apply:

(3) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

(4) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (3) and (4) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, by the method described in Other Insurance 5.d.

2. AUTOS RENTED BY EMPLOYEES

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The OTHER INSURANCE Condition is amended by adding the following:

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

ACTION CALENDAR

ENGINEERING MATTERS

ITEM 11: DISCUSSION CONCERNING THE 2022 WATER QUALITY REPORT

Since 1990, California public water utilities have been providing a Water Quality Report to their customers which is due on July 1. As a member agency of Municipal Water District of Orange County (MWDOC), Trabuco Canyon Water District (District) utilizes the services of their consultants to coordinate this report, along with 23 other Orange County agencies.

Traditionally, the District has mailed out the report, but this year Staff is proposing to post the report on the Districts' website and notify all customers on their May/June water bill. The State Water Resources Control Board, Department of Drinking Water, requires a water system to mail or directly deliver a copy of the report to each customer. Direct delivery of the report includes sending a URL link to the report via a water bill. The District would also prepare a limited number of printed reports for those customers who request a paper copy. In surveying Orange County water agencies, Staff found that half have moved towards electronic notification to be more cost-conscious and environmentally friendly.

Below is a summary of the total cost of preparing and printing the reports.

Quantity	2021 Cost	2022 Cost*	Difference
4,100	\$4,393.97	\$1,618.41	\$2,775.56

**Based on 100 printed reports*

FUNDING SOURCE:

General Fund

FISCAL IMPACT:

\$1,618.41

COMMITTEE STATUS:

This matter was reviewed with the Engineering/Operational Committee.

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

EXHIBITS

None

CONTACTS (staff responsible): PALUDI/LAUSTEN

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

**ACTION CALENDAR
ENGINEERING MATTERS**

**ITEM 12: SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) JOINT POWERS AGREEMENT (JPA)
DISCUSSIONS UPDATE**

The South Orange County Wastewater Authority (SOCWA) is a Joint Powers Authority (JPA) established in 2001 to facilitate and manage the collection, treatment, reuse, and disposal of wastewater across South Orange County. Each of the JPA’s ten member agencies have different levels of financial participation in SOCWA depending on the services and infrastructure they rely on through specific Project Committees, or PCs.

As a member of SOCWA, Trabuco Canyon Water District’s (District) participation in Project Committees is limited to PC-12 for the purpose of maintaining a Regional Board waste discharge permit for our wastewater recycling operations. The District also purchases chemicals through SOCWA in order to receive a modest pricing discount and is a partner to a sludge hauling contract with an independent third party vendor. In total, the District is responsible for approximately 0.1% of the total SOCWA budget, including its allocation of O&M, PC-12, and SOCWA workforce unfunded pension liability (UAL) and retiree health benefits (OPEB). The District’s portion of the SOCWA annual budget has averaged approximately \$41,000 over the past four years as indicated below:.

SOCWA BUDGET FOR TCWD				
Fiscal Year	PC 12 O&M Budget (TCWD)	PC 12 Admin Budget (TCWD)	Approved Total Budget (TCWD)	Actual TCWD Costs
2018-19	\$ 25,296.00	\$ 18,286.00	\$ 43,582.00	\$ 34,904.49
2019-20	\$ 41,804.00	\$ 24,062.00	\$ 65,866.00	\$ 62,264.00
2020-21	\$ 31,500.00	\$ 14,988.00	\$ 46,488.00	\$ 46,652.00
2021-22	\$ 10,704.00	\$ 13,069.00	\$ 23,773.00	\$ 18,051.00

For the past several years, SOCWA and its member agencies have been involved in a collective effort to update the JPA agreement language and structure, and to clarify the process and conditions under which member agencies can exit the JPA. More recently, a group of member agencies (Ad Hoc Committee) has conducted a preliminary analysis of the pros and cons of transitioning SOCWA assets and operations to individual member agencies, leaving SOCWA as a service-based agency governed by an updated JPA. A presentation delivered by Moulton Niguel Water District on behalf of the Ad Hoc Committee at a recent SOCWA Special Board Meeting is included as Exhibit A for reference.

Currently, there are two JPA members that are either in the process of withdrawing from the JPA or have declared their intent to withdraw. The City of San Juan Capistrano’s (CSJC) wastewater utility assets were transferred to Santa Margarita Water District (SMWD) pursuant to an Orange County LAFCO annexation action effective November 15, 2021. CSJC subsequently notified SOCWA of this annexation and has asserted that, as a result of that notice, its withdrawal as a member of SOCWA will be effective on June 30, 2022 (the last day of the 2021-22 Fiscal Year), consistent with terms of the SOCWA JPA agreement. CSJC and SMWD’s joint notification letter to each SOCWA member agency of their pending withdrawal is included as Exhibit B. However, at the April 7, 2022 SOCWA Regular Board Meeting, SOCWA counsel Procopio opined (Procopio memorandum included as Exhibit E) that the letter was not sufficient notice for withdrawal under the JPA, and has suggested that CSJC will not be eligible for automatic withdrawal until such a notice is provided, or that CSJC may seek the unanimous agreement of the member agencies in order to withdraw sooner.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

Irvine Ranch Water District desires to withdraw from the JPA and has proposed both a Term Sheet and Capacity Transfer and Withdrawal Agreement for consideration by SOCWA and its member agencies. Both documents are included as Exhibits C and D.

The potential fiscal impacts to TCWD due to the withdrawal of CSJC and IRWD are anticipated to be approximately \$10,000 in additional costs per year due to the proportional increase in General Fund costs. As a result of CSJC and IRWD's withdrawals, TCWD will also gain additional voting power on the board as it will now be 1/8th of the votes as opposed to 1/10th. District staff is not recommending action on this matter at this time; however, discussion regarding the costs and benefits of the District's continued participation in SOCWA is warranted. Additional information may be presented at the time of the Committee meeting

FUNDING SOURCE:

General Fund

FISCAL IMPACT:

Undetermined at this time

ENVIRONMENTAL COMPLIANCE:

Not applicable

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate

EXHIBIT(S):

Exhibit A – SOCWA All Hands Presentation (March 11, 2022)

Exhibit B – City of San Juan Capistrano and Santa Margarita Water District letter dated March 18, 2022

Exhibit C – IRWD Withdrawal from SOCWA Term Sheet

Exhibit D – IRWD-SOCWA Capacity Transfer & Withdrawal Agreement

Exhibit E - Procopio Memorandum dated March 31, 2022

CONTACTS (staff responsible): PALUDI/PEREA/COLLINS

Review of Wastewater Operations

Change is INEVITABLE

- Agencies are proposing to exit the JPA
 - Project Committee agreements are expiring
 - Grant opportunities (which warranted the original JPA) have evolved
 - Diversity and complexity of agencies' water reuse objectives
 - Need a holistic approach
 - Consideration of Transitioning Operations will include robust discussions on:
 - Potential advantages
 - Potential disadvantages
- OVERALL: Different world than when SOCWA JPA was formed

Agencies' Goals

- MNWD
 - Reuse opportunities (e.g. DPR) at the Regional Treatment Plant
 - Reduce costs to member agencies and stabilize financial impacts to ratepayers
 - Utilize available resources to support operations and maintenance, including managing complex capital projects
- SMWD
 - Maximize recycled water opportunities, if any, at J.B. Latham Plant
 - Maintain centralized permitting, regulatory, and laboratory services
 - Maximize member agencies' resources including financial and operational

Agencies' Goals (cont.)

- SCWD
 - Assess opportunities to enhance overall long-term operational and capital management of treatment, conveyance, and outfall facilities
 - Maximize recycled water opportunities at JB Latham and Coastal TP
 - Seek full understanding of current agency performance and metrics for comprehensive assessment and consideration of transitioning options
- CLB? CSC? CSJC?
- EBSD? ETWD? IRWD? TCWD?

Conceptual Operational Framework

JPA Agreement

Water
Reclamation
Permitting

Pretreatment
Program

Laboratory
Services

Regulatory
Compliance

Project Agreements

Treatment
Plants

Ocean Outfalls

Effluent
Transmission
Mains

Other SOCWA-
owned facilities
(e.g. SC Land
Outfall, etc.)

Conceptual Framework (cont.)

- Governance by updated Project Agreements (similar to Baker WTP or JRWSS)
- Transition operation and ownership of assets to operating agencies
- Liability of assets reside within the Project Agreement (not the JPA)
 - Workers Comp responsibility of operating agency
- SOCWA remains as Service-based agency governed by updated JPA
 - Permitting and Regulatory support
 - Pre-treatment and Lab Services – Contract basis
- UAL/OPEB
 - SOCWA portion
 - Operating agency portion

What are the reasons to do this?

- Reduced costs to member agencies
- Simplified governance and oversight
 - Impacted agencies manage impacted assets
 - Quarterly meetings (or as needed) to support permitting and regulatory needs
- Reduced liabilities for member agencies
- Increased “Bench” of resources for Operations and Maintenance staff
- Simplified financial management
 - Bill to actuals vs. Budget – no use audit or large quantity of cash on hand
 - Operating agencies maintain financial reserves

Financial Impact

Identified cost drivers:

- Administration and General Fund Budget decreases by \$1.0 million
 - Fringe Rate decrease
 - Reduction of duplicate costs (e.g. licenses, dues and memberships)
- 61 of the 64 positions remain
 - 3 executive level positions duplicative

Operations and Maintenance (Includes GF & Admin)				
	SOCWA FY 21-22 Budget	Draft Proposal (FY 21-22)	Difference	Percent
CoLB	\$ 2,187,387	\$ 1,987,000	\$ 200,387	9.2%
CoSC	225,296	200,000	25,296	11.2%
ETWD	914,848	834,000	80,848	8.8%
EBSD	175,894	141,000	34,894	19.8%
IRWD	220,944	190,000	30,944	14.0%
MNWD	8,767,486	8,092,000	675,486	7.7%
SCWD	3,911,751	3,562,000	349,751	8.9%
TCWD	23,773	17,000	6,773	28.5%
SMWD*	2,809,887	2,574,000	235,887	8.4%
CoSJC*	1,875,393	1,707,000	168,393	9.0%
	\$ 21,112,658	\$ 19,304,000	\$ 1,808,658	8.6%
SMWD/CoSJC*	\$ 4,685,280	\$ 4,281,000	\$ 404,280	8.6%

Collective annual savings of \$1.8M minimum.....

Potential Concerns

- *What happens to the existing SOCWA employees?*
 - 61 of the 64 (95%) existing staff would remain or be transitioned to operating agencies
 - Existing SOCWA staff are vital to the transition and success
 - Opportunity to explore avenues available within a full-service organization
- *No Regional Platform for collaboration*
 - SOCWA remains as a permitting/regulatory agency
 - Regional purchasing contracts will still be implemented
- *Individual agencies assume liability for operations*
 - Mitigated/clarified with project agreement language

Potential Concerns (cont.)

- *Are savings guaranteed?*
 - Projections are conservative
 - Project agreements can stipulate guaranteed initial savings and expected future savings
- *Efficiencies of staff that splits time amongst multiple facilities*
 - Additional efficiencies to be gained
 - Refined at future stage when operating agencies are confirmed
- *Individual agency goals regarding SOCWA's UAL/OPEB*
 - Understand goals then work on mechanism to address

What are the next steps?

- Solicit input/feedback from the SOCWA member agencies
 - Seeking input on the governance, policy, and administrative aspects of proposed structure
 - Propose to use third party to facilitate discussions with individual member agencies
 - Less than \$50K effort reporting to Board Ad-Hoc (bring on by April)
 - Ensure positive outcomes for all agencies
- Consolidate responses and bring back to a future all-hands meeting (May/June)
- Identify gaps or areas of concern to be addressed
- Consider next steps to moving these changing conditions forward
- No action is not an option
 - Holistic action necessary as opposed to a PC-by-PC approach over the next decade



Santa Margarita
Water District



Via FedEx and Email

March 18, 2022

Mr. Stephen Dopudja, Board Vice President
Mr. Glenn Acosta, Board Director
Mr. Fernando Paludi, General Manager
Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, CA 92679

Subject: Withdrawal of the City of San Juan Capistrano (“CSJC”) from South Orange County Wastewater Authority (“SOCWA”)

Dear Managers:

As you are aware, effective November 15, 2021, per order of Orange County Local Agency Formation Commission (“LAFCO”) pursuant to LAFCO Resolution DA 20-21 and pursuant to its authority under Government Code Section 56886 CSJC transferred all assets, obligations, and liabilities of the wastewater utility in, PC No. 2 and No. 5 of SOCWA to the Santa Margarita Water District (“SMWD”). By operation of law SMWD assumed all rights, title, interest, duties, and obligations of CSJC in SOCWA and particularly in PC No. 2 and No. 5.

Per the attached letter (“Notice Letter”) and consistent with section 12.3 of the SOCWA JPA Agreement, notice of SMWD’s annexation of CSJC’s wastewater utility, effective November 15, 2021, was provided to SOCWA. Accordingly, CSJC’s withdrawal as a member of SOCWA shall be effective on June 30, 2022 (the “Withdrawal Date”), the last day of the 2021-22 Fiscal Year.

A copy of the Assignment and Assumption Agreement (“Assignment Agreement”) between CSJC and SMWD, dated September 27, 2021, is attached for reference. Section 5 of the Assignment Agreement addresses SOCWA Membership and Governance matters prior to the Withdrawal Date.

CSJC Withdrawal from SOCWA
March 18, 2022

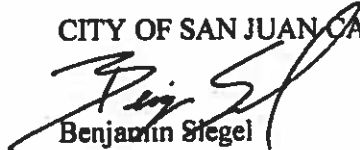
Sincerely,

SANTA MARGARITA WATER DISTRICT



Daniel R. Feron
General Manager

CITY OF SAN JUAN CAPISTRANO



Benjamin Siegel
City Manager

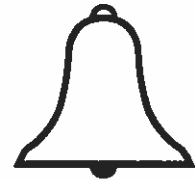
CC: Ms. Betty Burnett, SOCWA General Manager
Ms. Adrianna Ochoa, SOCWA General Counsel

Attachments: Notice Letter ("Assignment of City of San Juan Capistrano Capacity in SOCWA
Project Committees")
Assignment Agreement

BOARD OF DIRECTORS

CHARLES T. GIBSON
SAUNDRA F. JACOBS
JUSTIN McCUSKER
BETTY H. OLSON, PH.D
FRANK URY

DANIEL R. FERONS
GENERAL MANAGER



Santa Margarita Water District

Ms. Betty Burnett
General Manager
South Orange County Wastewater Authority
34156 Del Obispo Street
Dana Point, CA

Subject: Assignment of City of San Juan Capistrano Capacity in SOCWA Project Committees

Dear Ms. Burnett:

Attached is an executed agreement between the City of San Juan Capistrano (City) and the District assigning all the City's rights, title, interest, duties and obligations under the Project Committee Agreements to the District as the effective date of the Annexation of the City's utilities to the District. The effective date is currently anticipated to be November 15, 2021. The City will initiate withdrawal from SOCWA after the effective date per the Joint Exercise of Powers Agreement.

The District is requesting SOCWA to call appropriate Project Committee meetings to meet any requirements of SOCWA to effect the required changes including but not limited to capacity allocations, cost allocations and ongoing projects.

Please let me know if you have any comments or questions.

Very Truly Yours,
SANTA MARGARITA WATER DISTRICT

A handwritten signature in cursive script, appearing to read 'Daniel R. Ferons'.

Daniel R. Ferons
General Manager

CC
Adriana Ochoa, General Counsel
Chairman Collings

ASSIGNMENT AND ASSUMPTION AGREEMENT

This **Assignment and Assumption Agreement**, dated as of September 27, 2021 (this "**Agreement**"), is entered into by and between **SANTA MARGARITA WATER DISTRICT**, a California Water District duly organized and existing under Division 13 of the Water Code of the State of California (the "**Assignee**" or "**SMWD**"), and the **CITY OF SAN JUAN CAPISTRANO**, a municipality duly organized and existing under and by virtue of the laws of the State of California (the "**Assignor**" or "**City**"). Assignor and Assignee are, together, referred to in this Agreement as the "**Parties**" and, individually, as a "**Party**."

RECITALS

- A. The Parties entered into an Annexation Agreement dated as of January 21, 2020 (the "**Annexation Agreement**") wherein City agreed to transfer its potable water system and recycled water system and its wastewater system (collectively the "**Utilities System**") to SMWD in accordance with the terms of the Annexation Agreement and after approval of and consistent with any terms and conditions established by the Orange County Local Agency Formation Commission ("**LAFCO**").
- B. City and SMWD are member agencies of the South Orange County Wastewater Authority, a California joint powers authority ("**SOCWA**").
- C. SOCWA was formed pursuant to a Joint Exercise of Powers Agreement entered into as of July 1, 2001, which brought together former joint powers agencies known as South East Regional Reclamation Authority ("**SERRA**") formed March 9, 1970, Aliso Water Management Agency ("**AWMA**") formed March 1, 1972, and South Orange County Reclamation Authority ("**SOCRA**") formed November 29, 1994. The formation of SOCWA terminated the existence of SERRA, AWMA, and SOCRA and the July 1, 2001 Joint Exercise of Powers Agreement provided that certain underlying agreements for the construction and operation of facilities ("**Project Committee Agreements**") continued as to terms, conditions, and obligations of the parties for facilities of SERRA, AWMA and SOCRA that transferred to SOCWA under its July 1, 2001 Joint Exercise of Powers Agreement ("**SOCWA JPA Agreement**").
- D. SOCWA consolidated interests in Project Committee Agreements into one legal entity with ownership of various wastewater treatment and reclamation facilities and responsibility for operations, maintenance, administration and capital improvements for such facilities. Each participating member agency or party in SOCWA was recognized as holding allocated shares of capacity, with attendant rights and obligations under the Project Committee Agreements.
- E. As a member agency of SOCWA, the City is a participant in certain agreements more particularly described in Exhibit "A" to this Agreement (the "**Project Agreements**") which establish capacity rights and obligations for specific wastewater facilities, interests in certain operational permits, and other rights and obligations related to specific projects.
- F. SMWD is also a participant in all of the City Project Agreements, and the City desires to assign all of its rights, title, interests, duties responsibilities and obligation in the Project

Agreements to SMWD and SMWD desires to accept such assignment to effectuate the annexation of the City's Utilities System to SMWD, with such assignment and acceptance to be effective as of the Annexation Effective Date (as defined in the Annexation Agreement).

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS CONTAINED HEREIN, AND OTHER VALUABLE CONSIDERATION, THE ADEQUACY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

AGREEMENT

1. Recitals.

The recitals above are hereby incorporated in and made a part of this Agreement.

2. Assignment and Acceptance.

As of the Annexation Effective Date, the Assignor, does unconditionally assign and transfer to the Assignee without recourse, all of its rights, title, interest, duties and obligations under the Project Agreements and all rights, title, interests, duties and obligations held by Assignor arising from participation in any SOCWA project committees (including but not limited to such rights, title and interests relating to any personal or real property) and the Assignee unconditionally accepts all of the Assignor's rights, title, interest, duties and obligations under the Project Agreements and all rights, title interests, duties and obligations held by Assignor arising from participation in any SOCWA project committees (including but not limited to such rights title and interests relating to any personal or real property).

3. Representations and Warranties.

The Parties represent and warrant that the execution, delivery and performance of this Agreement have been duly authorized by their respective governing boards by all necessary action.

The Parties represent and warrant that, as of the date of this Agreement, there is no claim, action or proceeding pending and notice of which has been received by such party, or to the knowledge of such party, threatened against such party before any court, arbitrator or governmental agency or regulatory or administrative agency or commission challenging the validity, enforceability or legality of this Agreement.

4. Assumption of Post-Transfer Liabilities.

From and after the Annexation Effective Date, Assignee shall be responsible for all obligations, claims, demands, actions, causes of action, liabilities, losses, costs, damages and expenses (of any nature whatsoever, in law or equity, known or unknown, foreseen or unforeseen, contingent or non-contingent), in any way related to or in any way arising out of or in connection with the Project Agreements, unless such obligations, claims, demands, actions, causes of action, liabilities, losses, costs, and damages or expenses both: (i) arose prior to the Annexation Effective Date, and (ii) are covered under Assignor's risk pool insurance (hereinafter "SOCWA Projects Post-Transfer Liabilities"). Assignee further agrees that from and after the Annexation Effective Date, Assignee

shall pay Assignor's applicable share of costs and expenses associated with Assignor's membership in SOCWA that are not attributable to a particular Project Agreement (including, without limitation, costs and expenses arising from the Assignor's withdrawal of its membership and any costs relating to pension and any other post-retirement benefits), whether such costs or expenses were incurred before, on or after the Annexation Effective Date ("SOCWA Membership Costs").

The intent of the foregoing is for Assignee to assume responsibility for all SOCWA Projects Post-Transfer Liabilities and not expand any liability of Assignee that would not have been the Assignor's liability during its participation in the Project Agreements.

5. SOCWA Membership and Governance.

Nothing in this Agreement is intended to affect the governance of SOCWA, except upon the Annexation Effective Date the City will cease being a Participating Member Agency, as such term is defined in the SOCWA JPA Agreement, with respect to all SOCWA Projects and related project committees and project agreements. The City shall remain a member of SOCWA until such time as withdrawal of the City occurs in accordance with the SOCWA JPA Agreement or any amendment thereto. The City, while it remains a member of SOCWA, will continue to appoint a director in accordance with the SOCWA JPA Agreement. Pursuant to Section 4 of this Agreement, after the Annexation Effective Date SMWD shall be responsible for all City SOCWA Membership Costs and SOCWA Projects Post-Transfer Liabilities.

6. Indemnification.

From and after the Annexation Effective Date, Assignee shall defend, with counsel approved by Assignor, indemnify and hold harmless the Assignor from and against (i) all SOCWA Projects Post-Transfer Liabilities; and (ii) all SOCWA Membership Costs. In addition, from and after the dated date of this Agreement, Assignee shall defend, with counsel approved by Assignor, indemnify and hold harmless the Assignor from and against any action or proceeding to attack, review, set aside, enjoin, void or annul this Agreement. Assignee shall also defend, with counsel approved by Assignor, indemnify and hold harmless Assignor's officials, employees and agents for any matter within the scope of the indemnification under this Section 5, to the same extent, and subject to the same limitations, that apply to the Assignor's obligations to defend, indemnify and hold harmless such Assignor officials, employees and agents under California law or applicable Assignor contract with those officials, employees or agents. Assignee shall not seek reimbursement or contribution from the Assignor for any cost, expenses or damages for, or related to, matters within the scope of the indemnification under this Section 5. The protections in favor of Assignor set forth in this Section 5 and in Section 4: (i) shall not be construed in any way to limit the protections in favor of Assignor under the provisions of the Annexation Agreement, and (ii) shall be in addition to the provisions of the Annexation Agreement.

7. Governing Law and Venue.

The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of California. Venue for any action brought to enforce or interpret this

EXHIBIT "A"

PROJECT AGREEMENTS

1. That certain Agreement for Acquisition, Use, Operation, Maintenance and Expansion of Sewage Treatment Plant of City San Juan Capistrano By South East Regional Reclamation Authority for and on Behalf of Project Committee No. 2, dated June 28, 1973, ("PC 2 Agreement"), as amended by that certain Amendment No. 1, dated May 18, 1998, as further amended by that certain Amendment No. 2 dated June 29, 2000, and as supplemented by Addendum 1 to Amendment No. 2 dated October 5, 2006, Addendum 2 to Amendment No. 2 dated May 3, 2007, and Addendum 3 to Amendment No. 2 dated August, 2008.
2. That certain Agreement for Acquisition of Capacity, Construction, Use, Operation, and Maintenance of Outfall Facilities for South East Regional Reclamation Authority for and on Behalf of Project Committee No. 5 dated August 18, 1977, as supplemented by that certain Addendum dated November 10, 1977, and as amended by that certain Amendment No. 1 dated March 10, 1988, as further amended by that certain Amendment No. 2 dated March 14, 1991, as further amended by that certain Amendment No. 3 dated February 7, 2002, as further amended by that certain Amendment No. 4 dated October 5, 2006.
3. That certain Memorandum of Understanding between the South East Regional Reclamation Authority Acting on behalf of Project Committee No. 5 and all Member Agencies relative to the compliance of Capistrano Beach Sanitary District with the Discharge Requirements contained in Amendment No. 1 to Agreement for Acquisition of Capacity, Construction Use, Operation and Maintenance of Outfall Facilities for South East Regional Reclamation Authority dated March 10, 1988, as amended June 13, 1991.
4. That certain Agreement for Application for Waiver of Ocean Discharge Requirements for the South East Regional Reclamation Authority and on Behalf of Project Committee No. 17, dated September 7, 1982.
5. That certain Agreement for Application for Waiver of Ocean Discharge Requirements for the South East Regional Reclamation Authority and on Behalf of Project Committee No. 17, dated October 13, 1983, as amended by that certain Amendment No. 1 dated August 8, 1985, as further amended by that certain Amendment No. 2 dated October 10, 1985.
6. That certain Agreement for Funding of Management of the South East Regional Reclamation Authority Project Committee No. 15, dated November 10, 1982.
7. That certain Agreement for Design, Construction, Use, Operation and Maintenance of Solids Handling and Cogeneration Facilities at the J.B. Latham Regional Wastewater Treatment Plant for and on Behalf of South East Regional Reclamation Authority for and on Behalf of Project Committee No. 16 dated November 10, 1982.

8. That certain Agreement for the Preparation of a Master Plan for the South East Regional Reclamation Authority for and on Behalf of Project Committee No. 12 dated April 14, 1983.
9. That certain Agreement Between South East Regional Reclamation Authority on Behalf of Project Committee No. 19 and Participating Member Agencies of Project Committee No. 19 Relative to Expansion of J.B. Latham Regional Treatment Plant dated November 9, 1983.
10. That certain Agreement regarding Project Committee Nos. 2, 7 and 7-A of the South East Regional Reclamation Authority Relative to Verification of Liquid Treatment and Solids Handling Capacity at the Jay B. Latham Regional Wastewater Treatment Plant dated November 8, 1984, as further amended by that certain Amendment No. 1 dated May 18, 1998, as further amended by that certain Amendment No. 2 dated June 29, 2000, as further supplemented by Addendum 3 to Amendment No. 2 dated August 7, 2008.

Without limiting the foregoing, "Project Agreements" shall include all agreements, including supplements and amendments thereto, for SOCWA projects for which the City is a participant.

Agreement shall be brought in the appropriate federal or state court in or nearest to the South Orange County Judicial District, County of Orange.

8. Cooperation.

The Parties agree to execute such other and further documents, assignments and instruments and to take such other actions as are or may become necessary or convenient to carry out this Agreement.

9. Authority.

Each of the individuals executing this Agreement verifies that each of them has the authority to enter into this Agreement, that the necessary resolutions or approvals of the governing bodies of the City or SMWD, as applicable, have been passed or obtained, and that this Agreement shall be binding on the party for whom each of them is signing.

10. Partial Invalidity.


If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of any Party shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof. The Parties hereby declare that they would have executed this Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

11. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first written above.

SANTA MARGARITA WATER DISTRICT,
a California Water District

By: 
Its: General Manager
Date: August 23, 2021

ATTEST: Tracy Kucharsky
Santa Margarita Water District Secretary

APPROVED AS TO FORM:

Samuel L. Wong
Sloan Sakai Yeung & Wong LLP,
Santa Margarita Water District Special Counsel

CITY OF SAN JUAN CAPISTRANO,
a municipality
By: [Signature]
Its: City Manager
Date: 7-27-21

ATTEST: [Signature]
City of San Juan Capistrano City Clerk

APPROVED AS TO FORM:
[Signature]
Richards, Watson & Gershon, A Professional Corporation,
City of San Juan Capistrano Special Counsel

IRWD Withdrawal from SOCWA

Term Sheet

Version dated March 8, 2022

1. IRWD will assign its capacity in Reaches B through E of the Effluent Transmission Main (PC 21) and the Aliso Creek Ocean Outfall (PC 24) to El Toro Water District.
2. IRWD will continue to be governed by SOCWA's Pre-Treatment Rules/Regulations which will be managed through El Toro Water District.
3. IRWD will withdraw from SOCWA and will no longer be a member of the Joint Powers Authority.
(Note: IRWD's current participation is in PCs 8, 21 and 24. IRWD previously withdrew from PC 12 and still pays for unfunded pension liability.)
4. IRWD will not have a representative on the SOCWA Board.
5. IRWD will fund its past and future portion of the public pension liability through El Toro Water District as billed from SOCWA for PCs 8, 12, 21 and 24.
6. After its withdrawal from SOCWA, IRWD will not be responsible to SOCWA for liabilities or claims relating to facilities operated by SOCWA that arise on or after the withdrawal date.

IRWD-SOCWA Capacity Transfer & Withdrawal Agreement

This IRWD-SOCWA Capacity Transfer & Withdrawal Agreement (“**Agreement**”) is effective as of _____, 2022 (“**Effective Date**”) and is between Irvine Ranch Water District (“**IRWD**”), El Toro Water District (“**El Toro**”), and the South Orange County Wastewater Authority (“**SOCWA**”). The signatories to this Agreement are each referred to as a “**Party**,” and together as the “**Parties**.”

A. Overview. The *Joint Exercise of Powers Agreement Creating South Orange County Wastewater Authority* (“**SOCWA**”) dated July 1, 2001 (the “**Joint Powers Agreement**”) created a joint powers agency made up of several water purveyors and/or wastewater service providers within the San Juan Creek and/or Aliso Creek watershed. The current members of SOCWA are City of Laguna Beach, the City of San Clemente, the City of San Juan Capistrano/Capistrano Valley Water District, El Toro, Emerald Bay Services District, IRWD, Moulton Niguel Water District, Santa Margarita Water District, South Coast Water District, and Trabuco Canyon Water District (collectively, the “**Member Agencies**”). SOCWA owns and operates wastewater treatment facilities, transmission mains, and outfalls on behalf of its Member Agencies.

B. IRWD Project Committees. Where a SOCWA project or facility involves less than all of the SOCWA's member agencies, the affected member agencies form a “**Project Committee**” (or “**PC**”) that is responsible for the construction, operation, and maintenance of that facility. IRWD is currently a member of PC 8 (Pretreatment Program), PC 21 (Effluent Transmission Main), and PC 24 (Aliso Creek Ocean Outfall), and a former member of PC 12 (Water Reclamation Permits). El Toro is also a member of these four PCs, among others.

C. IRWD Withdrawal from SOCWA. IRWD has determined that it could achieve efficiencies with respect to its participation in and use of SOCWA's programs and facilities by assigning its interests in SOCWA to El Toro, withdrawing from SOCWA, and contracting directly with El Toro for use of capacity in the Effluent Transmission Main and Aliso Creek Ocean Outfall.

D. Project Committee 8 (Pretreatment Program). SOCWA's Project Committee 8 (“**PC 8**”) manages SOCWA's Pretreatment Program, including NPDES permits, for its facilities including the Effluent Transmission Main and Aliso Creek Ocean Outfall. IRWD, as successor to the Los Alisos Water District, and SOCWA, as the successor to the Aliso Water Management Agency (**AWMA**), are parties to the 1994 *Interagency Agreement Between the Aliso Water Management Agency (AWMA) and the Los Alisos Water District (LAWD) Facilitating the Pretreatment Program and Contracting With AWMA To Operate The Los Alisos Pretreatment Program* (the “**Interagency Agreement**”), attached as Exhibit 1, that provides for joint administration and enforcement of an industrial pretreatment program designed to ensure compliance with NPDES and other regulatory requirements in connection with IRWD's use of the Effluent Transmission Main and Aliso Creek Ocean Outfall. In compliance with federal and state law, IRWD intends to continue to fulfill its duties relating to pretreatment, including the adoption and enforcement of a Pretreatment Ordinance, consistent with SOCWA's pretreatment program and the Interagency Agreement.

E. Project Committee 12 (Water Reclamation Permits). IRWD is a former member of PC 12, which handles recycled water permitting. IRWD withdrew from PC 12 in 2018, and

although it is no longer a member, IRWD has continuing unfunded actuarial liability arising out of unfunded pension obligations ("**UAL**") and other post-employment employment benefits ("**OPEB**") obligations.

F. Project Committee 21 (Effluent Transmission Main). IRWD, El Toro and Moulton Niguel (together, the "**PC 21 Member Agencies**") are the participating Member Agencies of Project Committee 21 ("**PC 21**") (originally established as Project Committee No. 2), which governs Reaches B, C, D, and E of the Effluent Transmission Main (the "**Effluent Transmission Main**"). The Parties (or their predecessors) are signatories to the *Agreement for Design, Construction, Use, Operation, Maintenance, Repair and Replacement of Aliso Creek Interceptor Sewer and Pumping Stations for Aliso Water Management Agency For and On Behalf of Project Committee No. 2*, dated January 22, 1975, as amended on October 7, 1999; October 2, 2003; and May 19, 2005; as well as the *Memorandum of Understanding Regarding Allocation of Costs, Grant Funds, and the Use of Facilities Funded by Project Committee No. 2* (together, the "**PC 2/21 Agreement**"). Pursuant to the terms of the PC 2/21 Agreement, the Participating Members (as defined in those agreements) collaborated with AWMA to design, construct, operate, and maintain the Effluent Transmission Main. The AWMA was a joint powers agency established for the purpose of constructing a regional program for wastewater collection, treatment, and disposal. It was consolidated with two other regional water joint powers authorities to form SOCWA in 2001.

G. PC 21 Facility Usage Allocations. SOCWA's Effluent Transmission Main is segmented into 4 reaches, known as Reaches B, C, D and E. Pursuant to the PC 2/21 Agreements, in Reaches B, C, and D, IRWD and El Toro each maintain 50% capacity allocation. In Reach E, IRWD and El Toro each maintain a 23.29% capacity allocation, and Moulton Niguel maintains 53.42% capacity allocation. In addition to the capacity allocation, the PC 2/21 Agreement's Amendment No. 3 provides the terms and conditions under which IRWD may discharge its Shallow Groundwater Unit Effluent (SGU Effluent) and Reverse Osmosis Brine Discharge (RO Brine Discharge) from the Irvine Desalter Project Potable Treatment Plant into the Effluent Transmission Main.

H. Project Committee 24 (Aliso Creek Ocean Outfall). IRWD, El Toro, Moulton Niguel, South Coast, Laguna Beach, and Emerald Bay (together, the "**PC 24 Member Agencies**") are the participating Member Agencies of Project Committee 24 ("**PC 24**") (originally established as Project Committee No. 11-A), which governs the Aliso Creek Ocean Outfall.. The PC 24 Participating Members are signatories to the *Agreement for Acquisition of Capacity Construction, Use, Operation, and Maintenance of Outfall Facilities For Aliso Water Management Agency and For Such Agency On Behalf of Project Committee No. 11-A*, dated September 24, 1976, and subsequently amended five times between November 1976 and June, 1996 (the "**PC 24 Agreement**"). The PC 24 Agreement governed the financing, construction, operation, and maintenance of the Aliso Creek Ocean Outfall, as well as set capacity and use restrictions for each Participating Member Agency in PC 24.

I. PC 24 Facility Capacity Allocations. Pursuant to the PC 24 Agreement and the agreement of the PC 24 Member Agencies, the current capacity allocations in the Aliso Creek Ocean Outfall are as follows:

IRWD	15.76%
El Toro	16.30%

Moulton Niguel	43.85%
South Coast	12.31%
Laguna Beach	11.00%
Emerald Bay	0.78%

J. **Purpose.** The Parties intend by this Agreement to provide for: IRWD's assignment of its rights and duties in SOCWA and its facilities to El Toro; IRWD's payment of all UAL/OPEB liabilities associated with IRWD's historic membership in SOCWA; IRWD's concurrent withdrawal as a member agency from SOCWA; and confirmation of IRWD's continued participation in the Interagency Agreement relating to the NPDES permit and related pre-treatment program requirements.

The Parties therefore agree as follows:

1. **Assignment and Acceptance of Capacity Interests.** IRWD hereby assigns to El Toro and El Toro hereby accepts all of IRWD's capacity interests in SOCWA facilities including specifically the interests in the Effluent Transmission Main and Aliso Creek Ocean Outfall described above, and all rights and obligations pursuant to the PC 2/21 and PC 24 Agreements. Concurrently with this Agreement, IRWD and El Toro are entering into a *Joint Facilities Management Agreement* setting forth the terms under which IRWD will contract with El Toro for the right to continue to discharge into these facilities. The resulting capacity allocations within the Effluent Transmission Main and the Aliso Creek Ocean Outfall, effective as of the Effective Date, are as follows:

Effluent Transmission Main (PC 2/21) Capacity Allocation Following Assignment		
Reaches B, C, D	El Toro	100%
Reach E	El Toro	46.58%
	Moulton Niguel	53.42%

Aliso Creek Ocean Outfall (PC 24) Capacity Allocation Following Assignment	
El Toro	32.06%
Moulton Niguel	43.85%
South Coast	12.31%
Laguna Beach	11.00%
Emerald Bay	0.78%

2. **Withdrawal.** As of the Effective Date, IRWD is no longer a member of SOCWA and therefore no longer a member of the SOCWA Board of Directors, Project Committees 8, 21 and 24, or any other committee. Pursuant to the terms of this Agreement, El Toro will assume all of IRWD's rights and duties in connection with SOCWA and its Project Committees (including the right to discharge SGU Effluent and RO Brine Discharge into the Effluent Transmission Main and Aliso Creek Ocean Outfall) and UAL/OPEB obligations, except for compliance with the Interagency Agreement.

3. **Effect on SOCWA Board Membership.** El Toro will not obtain an additional seat on the SOCWA Board of Directors or any Project Committee as a result of this assignment and assumption; the number of directors on the SOCWA Board of Directors will be reduced by one director as a result of IRWD's withdrawal.

4. **UAL/OPEB Liability.** IRWD acknowledges its responsibility to pay SOCWA for IRWD's proportional share of any UAL/OPEB arising out of IRWD's participation in SOCWA, including its historical participation in PC 8, 12, 21, and 24. IRWD hereby assigns and El Toro hereby accepts IRWD's share of UAL/OPEB liability.

5. **Permitting and Pretreatment.** IRWD will continue to be a party to the Interagency Agreement and will continue to be governed by SOCWA's pre-treatment rules and regulations. SOCWA shall allocate to El Toro all costs associated with IRWD's share of the costs related to the Interagency Agreement.

6. **Costs.** After the Effective Date, IRWD will not have any responsibility to contribute toward any operational, maintenance, capital, or administrative costs incurred by SOCWA or its Member Agencies, except as provided in the *Joint Facilities Management Agreement*.

7. **Liability; Indemnity.** Except for IRWD's satisfaction of its obligations under the Interagency Agreement, SOCWA and its member agencies hereby release IRWD from any and all claims, legal, regulatory, enforcement, or administrative actions ("Claims") and shall indemnify, defend, and hold harmless IRWD from any Claims arising out of or relating to the debts, liabilities, operations, obligations, or facilities owned or operated by SOCWA or any of its Project Committees that arise on or after the Effective Date.

8. **Effect on Prior Rights.** The terms of this Agreement govern the Parties and supersede all contrary terms in prior agreements between the Parties, including but not limited to the Joint Powers Agreement.

9. **Miscellaneous.**

9.1 *Integration, Amendment.* This Agreement represents the entire understanding of the Parties as to their interests and obligations relating to: IRWD's assignment of its capacity rights in all SOCWA facilities to El Toro; IRWD's payment of all unfunded pension liabilities associated with IRWD's membership in SOCWA; IRWD's concurrent withdrawal as a member agency from SOCWA; and confirmation of IRWD's continued participation in the Interagency Agreement relating to the NPDES permit and related pre-treatment program requirements. To the extent that it contradicts or varies from this Agreement, no prior oral or written understanding will be of any force or effect with respect to the matters covered by this Agreement. As to IRWD and El Toro only, this Agreement shall be interpreted together with the *Joint Facilities Management Agreement*. This Agreement cannot be modified except in a writing approved and executed by all applicable Parties.

9.2 *Governing Law.* This Agreement is governed by the laws of the State of California and will be construed as if drafted by all Parties.

9.3 *Third Parties.* This Agreement does not create any third-party beneficiary or any rights in any person or party other than the Parties.

9.4 *Signing Authority.* Each Party represents and warrants that each person or persons executing this Agreement on its behalf is duly authorized to do so by the respective Party and that this Agreement binds the Parties.

9.5 *Notices.* Any written notice required by this Agreement must be made by U.S. mail or by reliable overnight courier and delivered to the following address, together with a courtesy copy by email:

To IRWD: Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92618
Attn: General Manager/Paul A. Cook
(949) 453-5300
cc by email to cook@irwd.com

With a Courtesy Copy by email to: burton@irwd.com

To El Toro: El Toro Water District
24251 Los Alisos Blvd.
Lake Forest, CA 92630

Attn: []

With a Courtesy Copy by email to: _____

To SOCWA: South Orange County Wastewater Authority
34156 Del Obispo Street
Dana Point CA 92629

Attn: []

With a Courtesy Copy by email to: _____

Any Party may, by written notice to the others, designate a different address or addressee, which will be substituted immediately for that specified above.

9.6 *Severability.* If any provision of this Agreement, for any reason, is held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provision of this Agreement, but this Agreement will be construed as if the invalid, illegal, or unenforceable provision had never been set forth, and the remainder will be enforceable to the fullest extent permitted by law to effectuate the original intent of the Parties.

9.7 *Successors & Assigns.* The terms of this Agreement are binding upon and will inure to the benefit of and be enforceable by the respective successors and assigns of the Parties.

9.8 *Counterparts*. This Agreement may be executed in counterparts, each of which is an original, but all of which together will constitute one and the same instrument.

The Parties are signing this Agreement as of the Effective Date.

IRVINE RANCH WATER DISTRICT

Dated: _____

By: _____
Paul A. Cook, General Manager

Approved as to Form:
Hanson Bridgett, LLP

By: _____
District Counsel

EL TORO WATER DISTRICT

Dated: _____

By: _____

Approved as to Form:

By: _____

**SOUTH ORANGE COUNTY WASTEWATER
AUTHORITY**

Dated: _____

By: _____

Approved as to Form:

By: _____

The following Member Agencies of SOCWA consent to this Agreement:

City of Laguna Beach

Dated: _____ By: _____

City of San Clemente

Dated: _____ By: _____

City of San Juan Capistrano/ Capistrano Valley Water District

Dated: _____ By: _____

El Toro Water District

Dated: _____ By: _____

Emerald Bay Services District

Dated: _____ By: _____

Moulton Niguel Water District

Dated: _____ By: _____

Santa Margarita Water District

Dated: _____ By: _____

South Coast Water District

Dated: _____ By: _____

Trabuco Canyon Water District

Dated: _____ By: _____

Exhibit 1

INTERAGENCY AGREEMENT
BETWEEN
THE ALISO WATER MANAGEMENT AGENCY (AWMA)
AND
THE LOS ALISOS WATER DISTRICT (LAWD)
FACILITATING THE PRETREATMENT PROGRAM
AND CONTRACTING WITH AWMA TO OPERATE
THE LOS ALISOS PRETREATMENT PROGRAM

WHEREAS, an agreement was entered into on March 1, 1972 creating the Aliso Water Management Agency (hereafter called AWMA), a Joint Powers Authority, for the purpose of acquiring, owning, constructing, and operating and maintaining regional wastewater treatment and disposal facilities, by and between the Los Alisos Water District (hereafter called LAWD), the El toro Water District, the Moulton Niguel Water District, the South Coast Water District, the City of Laguna Beach, the Emerald Bay Service District, and the Irvine Ranch Water District; and

WHEREAS, the Federal Pollution Control Act of 1972, the Clean Water Act of 1977 and amendments, the federal general Pretreatment Regulations (40 CFR 402) of 1978 and amendments, the California Code of Regulations (Title 23 Subchapter 9) and the National Pollution Discharge Elimination System (NPDES) permit for the AWMA Ocean Outfall require that AWMA service area have an industrial pretreatment program that complies with all federal and state regulations; and

WHEREAS, on September 12, 1982, the AWMA member agencies approved the adoption of the Aliso Water Management Agency Industrial Waste Ordinance, which established and defined the AWMA Pretreatment Program, and

WHEREAS, on December 1, 1982, the Environmental Protection Agency approved the AWMA Pretreatment Program; and

WHEREAS, during March 1989 the State of California, Regional Quality Control Board, San Diego Region, in coordination with the Environmental Protection Agency, Region IX, conducted an audit of the AWMA Pretreatment Program and found deficiencies therein; and

WHEREAS, the parties hereto in order to correct said deficiencies adopted an ordinance Establishing Regulations for the Discharge of Wastewater to Facilities of the Los Alisos Water District, (hereafter "Pretreatment Ordinance") which established the rules and regulations for discharge of industrial wastewaters to the LAWD, and

WHEREAS, the Pretreatment Ordinance provides for AWMA to, upon request by the member agency, administer and operate that member agency's program; and

WHEREAS, LAWD desires to have AWMA administer and operate their pretreatment program; and

NOW THEREFOR, the parties hereto agree to the following:

Section 1. Authority

1. As required by 40 CFR 403.8, AWMA has responsibility for overseeing the conduct of the requirements of the Pretreatment Ordinance within the area tributary to the AWMA Ocean Outfall. To accomplish this responsibility, AWMA will provide oversight services to LAWD, such that AWMA can be confident that the Pretreatment Ordinance and related rules and regulation are being enforced by LAWD.

Section 2. Services to be Provided by AWMA

1. AWMA will provide the following services to LAWD when overseeing the LAWD Pretreatment Program:
 - 1) Development and approval of Industrial Waste Regulations. AWMA will develop Industrial Waste Regulations consistent with applicable federal and state laws. AWMA will cause to have such regulations reviewed and approved by LAWD, the Regional Water Quality Control Board, the State Water Resources Control Board and the Environmental Protection Agency.
 - 2) Standardization of Industrial Waste Program. AWMA will develop uniform procedures and forms for use in the LAWD program. AWMA will supply LAWD with a procedure manual that will define the interface between the Agencies and the oversight responsibilities of AWMA.
 - 3) Industrial User Database. AWMA will compile LAWD supplied information on industrial users in LAWD's service area into a master database. Such information will be kept updated as information is received from LAWD.
 - 4) Local Limits Development. AWMA will perform, conduct or contract for services necessary to determine the local limits for LAWD's share of capacity rights in AWMA facilities.
 - 5) General Oversight. AWMA will perform general oversight duties related to a) reviewing, numbering and signing industrial waste permits, b) reviewing monitoring and periodic reports, c) conducting regular meetings with LAWD staff to ascertain program status, d) reporting to regulatory agencies regarding LAWD's general compliance with pretreatment regulation, and e) periodically auditing LAWD and selected industrial discharges on their compliance with the program.
 - 6) Central Files and Computerized Reporting. AWMA will develop and maintain centralized files containing records of all AWMA member agency programs.

2. Administration and operation of LAWD's Pretreatment Program.

1) Pretreatment Program Audit. AWMA shall complete the work required to comply with the inadequacies noted in the Pretreatment Program Audit issued by the San Diego Regional Water Quality Control Board.

2) Program Administration. AWMA shall provide general administrative, managerial, oversight and clerical services to LAWD in order to effectively and consistently conduct the LAWD Pretreatment Program.

3) Permit Services. LAWD will transmit to AWMA each application for an industrial waste permit submitted to LAWD. AWMA staff will review the application, and if appropriate, recommend joint issuance of a permit and permit conditions.

4) Inspection and Monitoring Services. AWMA will take such samples and conduct such monitoring and inspections as is necessary to fulfill the requirements of the Pretreatment Ordinance. For those monitoring services that are to be billed to a permit holder, AWMA will submit a accounting of costs to LAWD who shall then bill the permit holder.

5) Reporting Services. AWMA shall prepare all reports necessary to comply with requirements of the Pretreatment Ordinance. AWMA shall also review and approve the reports submitted by permit holders to comply with their permit requirements.

6) Enforcement Services. Under the direction of LAWD, AWMA will enforce the provisions of the Pretreatment Ordinance. Such services shall include but not be limited to: interpreting regulations regarding violations of the Pretreatment Ordinance, drafting correspondence to violators, holding meeting with violators, inspecting and monitoring violators for compliance, and assisting with litigation.

Section 3. Services to be Provided by LAWD

1. Agency Representative. LAWD will provide an authorized staff member to interface with AWMA staff on pretreatment program issues. Such representation will be of sufficient rank to make commitments and decisions within the scope of the Pretreatment Ordinance, on behalf of LAWD.

2. Treatment Plant Analyses. LAWD will provide, on a quarterly basis, a full analyses of the influent, effluent, and sludge flows/tonnage from their treatment plant in accordance with requirements of the Pretreatment Ordinance. Such analyses will include NPDES permit parameters, EPA pollutants of concern, and RCRA Appendix 9 scans.

3. Data Management. LAWD shall provide to AWMA copies of permit applications and correspondence relating to pretreatment program issues generated or received by LAWD.

Section 4. Responsibilities of AWMA

1. AWMA shall perform the duties specified in the agreement in a timely, efficient and consistent manner. In the performance of these services, AWMA warrants that it shall not proceed to take any constructive, corrective or enforcement action without first obtaining the approval of the responsible representative of LAWD.
2. In the event that LAWD is unable or unwilling to enforce the Pretreatment Ordinance, this agreement or any other related document concerning the type and condition of sewage and wastes discharged to the AWMA sewage system, AWMA has the responsibility to take such action as is necessary to enforce such documents.

Section 5. Responsibilities of LAWD.

1. LAWD shall adopt and enforce ordinances, resolutions, and rules and regulations concerning the type and condition of sewage and waste permitted to be discharged into the sewers under their control. They shall prohibit persons and users of every kind and nature (including public agencies of all types) from discharging any sewage or wastes which would be detrimental to any part of the AWMA sewage transmission, treatment or disposal facilities. Such rules, regulations and ordinances shall not conflict with the rules, regulations and ordinances adopted by AWMA.

Section 6. Budget

1. By April 1 of each year, AWMA shall prepare an estimated budget detailing the costs to perform the services listed herein and submit said budget to LAWD. Upon review and approval of said budget by the parties hereto, LAWD shall be invoiced on a semi-annual basis for the amounts stated in the budgets.
2. AWMA staff shall keep detailed records of actual costs incurred, and such costs shall be applied to LAWD's contribution. Upon the conclusion of the fiscal year, the funds shall be audited and any excess funds shall be refunded to LAWD or applied to their next year's costs, at LAWD's option. Any deficit funding shall be invoiced separately or shall be included in the first invoice for the next fiscal year, at LAWD's option.

Section 7. Arbitration.

1. Any controversy or claim between the parties to this Agreement, arising out of this Agreement, shall be determined by Arbitration. The party desiring to initiate arbitration shall give notice of its intention to arbitrate to the other party.

Within twenty (20) days of the service of initial demand for arbitration, the American Arbitration Association (hereafter referred to as "AAA") shall submit to all parties a list of names of persons experienced in the field of industrial waste pretreatment regulations, wastewater disposal or on the alternative, public law.

Each party shall have seven (7) days from the mailing date to indicate the order of its preference and return the list to the AAA. If a party does not return the list, then all persons named shall be deemed acceptable. From among the persons approved by both parties, the AAA shall invite three persons to constitute an arbitration panel.

The panel of arbitrators shall determine the rights of the parties in accordance with the law, and the award shall be subject to review as to the panel's application of the law by the court having jurisdiction. As to questions of fact, however, the panel's decision shall be binding upon all parties and shall be final.

The panel, in their discretion, as part of the arbitration award, may impose upon any one party or allocate among the parties the liability for all the arbitration fees and expenses. In the event the panel fails to provide for the allocation of these costs, the fees shall be divided equally between the parties and the expenses shall be borne by the party incurring them.

Section 8. Attorney's Fees.

- 1) In the event any legal action is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall, in addition to any other costs and relief, be entitled to its reasonable attorney's fees.

Section 9. Termination.

- 1) Either party hereto shall have the right to terminate this agreement with six (6) months notice to the other party, or four (4) months notice prior to the start of a new fiscal year.

Section 10. Governing Law.

- 1) The laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall also govern the interpretation of this Agreement.

Section 11. Effective Date.

- 1) This Agreement shall become effective on the day of adoption of such Agreement by the last of the governing bodies of the parties to so act.

ALISO WATER MANAGEMENT AGENCY

Approved as to Form:

Patricia B. Ginn
Attorney for AWMA

Dated 9-1-94

By Herbert Reyes
Chairman

By John P. Bol
Secretary

LOS ALISOS WATER DISTRICT

Approved as to Form:

Don
Attorney for LAWD

Dated August 10, 1994

By Jay C. [Signature]
Chairman

By E.T. McFadden
Secretary

AGENDA ITEM 6.D.

MEMORANDUM

DEL MAR HEIGHTS
LAS VEGAS
ORANGE COUNTY
PHOENIX
SAN DIEGO
SILICON VALLEY

TO: Board of Directors
South Orange County Wastewater Authority

FILE NO: 126694/00000001

FROM: Adriana R. Ochoa, General Counsel

CC: Betty Burnett, General Manager

DATE: March 31, 2022

RE: Update re All-Hands Meeting and City of San Juan Capistrano's Proposed Withdrawal

All-Hands Meeting

The SOCWA Board and SOCWA Member Agency General Counsel and General Managers met on March 11, 2022, to listen to a presentation by the Ad Hoc Committee relating to SOCWA's future and to discuss Irvine Ranch Water District and City of San Juan Capistrano's proposed withdrawals from SOCWA. IRWD circulated a proposed withdrawal agreement which should be presented to each Member Agency and their General Counsel for review and comment.

Follow Up Items

The following legal questions were discussed at the All-Hands Meeting:

1. Can IRWD and/or CSJC assign their rights, interests and obligations to another SOCWA Member Agency and then present 120 days' notice of withdrawal under Section 12.3 of the Joint Powers Agreement in order to properly affect withdrawal?
 - a. Is there a meaningful distinction between a contractual assignment, and an assignment that occurs concurrent with (or as a result of) a LAFCO reorganization that assigns interests from one SOCWA Member Agency to another SOCWA Member Agency, that would affect the answer to this question?

If the answer to question no. 1 above is no, then IRWD and/or CSJC need a written agreement approved by all Member Agencies in order to properly withdraw from SOCWA.

No instruction was given to SOCWA’s legal counsel to investigate the answer to these questions, but we do believe it would be prudent to research these issues and provide an opinion on the matter. We seek direction from the Board in this regard. We may discuss the prospective ramifications of these questions on SOCWA at the April 7, 2022 Board meeting in greater detail if the Board so desires.

Unless directed otherwise, our office will await instruction from the Board and the Ad Hoc Committee with regard to scheduling a follow-up all hands meeting to discuss these matters and next steps with respect to revising the Joint Powers Agreement.

City of San Juan Capistrano Proposed Withdrawal

On October 7, 2021, Santa Margarita Water District sent SOCWA General Manager and General Counsel notice of LAFCO’s approval of the City of San Juan Capistrano’s transfer of its assets, rights and obligations in SOCWA to SMWD. On March 18, 2022, SMWD and CSJC sent a letter to all Member Agencies indicating its plans to withdraw effective June 30, 2022. In response to this letter, SOCWA staff has requested guidance from our office regarding whether it has an obligation to prepare the 2022-23 budget without CSJC’s participation as a Member Agency.

SOCWA JPA, Section 12.3 (Withdrawal) states, “Any Member Agency may withdraw from the Authority effective on the last day of a specified Fiscal Year by giving each of the Member Agencies written notice on hundred and twenty (120) days prior to the end of a Fiscal Year which Fiscal Year shall be specified in said notice; provided, however, in the event the withdrawing Member Agency has any rights in any Project facility, or obligations to the Authority, said Member cannot sell, lease or transfer said rights or be relieved of its obligations, except its obligation to pay its share of operation and maintenance costs directly related to the use of the Project facilities, without the execution of a written agreement executed by it and all the Member Agencies affected by such withdrawal...”

The October 7 letter did not give notice of withdrawal under the Joint Powers Agreement and it was not sent to all Member Agencies. The March 18 letter was not timely as it did not give each Member Agency written notice of withdrawal 120 days prior to June 30, 2022. Because neither letter adhered to the terms of the Joint Powers Agreement, our recommendation to SOCWA staff is to continue preparing the 2022-23 budget with CSJC as a Member Agency.

Of course, CSJC can withdraw effective June 30, 2022, if all Member Agencies agree to waive the 120 days’ notice required by Section 12.3 of the JPA, or if all Member Agencies execute a written agreement approving such a withdrawal.

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**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

**ACTION CALENDAR
LEGISLATIVE AND OTHER MATTERS
ITEM 13: DROUGHT AND WATER SUPPLY UPDATE**

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate

CONTACTS (staff responsible): PALUDI

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | APRIL 21, 2022**

ACTION CALENDAR

LEGISLATIVE AND OTHER MATTERS

ITEM 14: LOCAL GOVERNMENTAL AND LEGISLATIVE MATTER(S)

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate

CONTACTS (staff responsible): PALUDI