

MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Jointly with the

ADMINISTRATION & FINANCE COMMITTEE

August 14, 2019, 8:30 a.m.

Conference Room 101

A&F Committee:

J. Thomas, Chair

J. Finnegan

R. McVicker

Staff: R. Hunter, K. Seckel, J. Berg,

H. De La Torre, K. Davanaugh, C. Harris,

H. Chumpitazi

Ex Officio Member: Director Barbre

MWDOC Committee meetings are noticed and held as joint meetings of the Committee and the entire Board of Directors and all members of the Board of Directors may attend and participate in the discussion. Each Committee has designated Committee members, and other members of the Board are designated alternate committee members. If less than a quorum of the full Board is in attendance, the Board meeting will be adjourned for lack of a quorum and the meeting will proceed as a meeting of the Committee with those Committee members and alternate members in attendance acting as the Committee.

PUBLIC COMMENTS - Public comments on agenda items and items under the jurisdiction of the Committee should be made at this time.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - Determine there is a need to take immediate action on item(s) and that the need for action came to the attention of the District subsequent to the posting of the Agenda. (Requires a unanimous vote of the Committee)

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING -- Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Web site, accessible at <http://www.mwdoc.com>.

PRESENTATION

1. OPEB PRE-FUNDING TRUST PROGRAM AND PENSION RATE STABILIZATION PROGRAM CLIENT REVIEW

PROPOSED BOARD CONSENT CALENDAR ITEMS

2. TREASURER'S REPORT
 - a. Revenue/Cash Receipt Report – July 2019
 - b. Disbursement Approval Report for the month of August 2019
 - c. Disbursement Ratification Report for the month of July 2019
 - d. GM Approved Disbursement Report for the month of July 2019
 - e. Water Use Efficiency Projects Cash Flow – July 31, 2019
 - f. Consolidated Summary of Cash and Investment – June 2019
 - g. OPEB and Pension Trust Fund monthly statement

3. FINANCIAL REPORT
 - a. Draft Combined Financial Statements and Budget Comparative for the Period ending June 30, 2019
 - b. Quarterly Budget Review (deferred to FY 2018-19 Audited Annual Financials)

DISCUSSION ITEMS

4. DISCUSSION RE POLICY RE PRESIDENT CASTING VOTES TO AGENCIES ON BEHALF OF DISTRICT
5. DISCUSSION REGARDING DIRECTOR BARBRE'S REQUEST TO ADD SECTIONS TO ADMINISTRATIVE CODE RE MEMBERSHIPS AND SELF CERTIFICATION OF NO CONFLICT OF INTEREST
6. DISCUSSION REGARDING CALIFORNIA COUNCIL FOR ENVIRONMENTAL AND ECONOMIC BALANCE (CCEEB) MEETING ATTENDANCE
7. DISCUSSION RE COMPLETION OF BUSINESS EXPENSE REPORTS
8. PERSONNEL MANUAL CHANGES

ACTION ITEMS

9. AUTHORIZE THE GENERAL MANAGER TO ENTER INTO METROPOLITAN AGREEMENTS FOR CYCLIC IN-LIEU DELIVERIES
10. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) COMMITTEE CONSIDERATION FOR 2020/2021
11. ACWA REGION 10 ELECTION
12. VEHICLE PURCHASE FOR WATER LOSS CONTROL STAFF
13. AUTHORIZATION FOR STAFF TO ATTEND PUBLIC RELATIONS SOCIETY OF AMERICA INTERNATIONAL CONFERENCE OCTOBER 20-22, 2019

INFORMATION ITEMS – (THE FOLLOWING ITEMS ARE FOR INFORMATIONAL PURPOSES ONLY – BACKGROUND INFORMATION IS INCLUDED IN THE PACKET. DISCUSSION IS NOT NECESSARY UNLESS REQUESTED BY A DIRECTOR.)

14. SEMI-ANNUAL OVERTIME REPORT
15. DIRECTORS ACTIVITIES REPORT
16. DEPARTMENT ACTIVITIES REPORTS
 - a. Administration
 - b. Finance and Information Technology

17. MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION

OTHER ITEMS

18. REVIEW ISSUES REGARDING DISTRICT ORGANIZATION, PERSONNEL MATTERS, EMPLOYEE BENEFITS FINANCE AND INSURANCE

ADJOURNMENT

NOTE: At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Maribeth Goldsby, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.



INFORMATION ITEM

August 14, 2019

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, McVicker)

FROM: Robert Hunter, General Manager Staff Contact: Hilary Chumpitazi

**SUBJECT: OPEB Pre-Funding Trust Program and Pension Rate Stabilization
Program Client Review**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and file the attached information.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

The following is an annual review of MWDOC's OPEB Pre-Funding Trust Program and Pension Rate Stabilization Program (PRSP) and is accompanied by a presentation from PARS and Highmark Capital Management.

In summary:

- OPEB ending balance as of 06/30/19 is \$2,212,236.86; a gain of \$136,998.79 or 6%
- PRSP ending balance as of 06/30/19 is \$217,414.37; a gain of \$10,414.37 or 5%
- Highmark continues to manage our balances with a Moderate HM Plus investment objective. Asset allocation is 52.3% stocks, 46.5% bonds and 1.2% cash.
- The investment portfolio changed the small cap growth from T Rowe Price New Horizons Fund to Victory Small Cap Growth.
- Performance since inception of our OPEB plan (11/2012) is 7.04%
- The 2019 Outlook is a modest GDP growth

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



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

OPEB Pre-Funding Trust Program &
Pension Rate Stabilization Program (PRSP) Client Review
August 14, 2019

PUBLIC
AGENCY
RETIREMENT
SERVICES

PARS

TRUSTED SOLUTIONS. LASTING RESULTS.

CONTACTS



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PARS TRUST TEAM

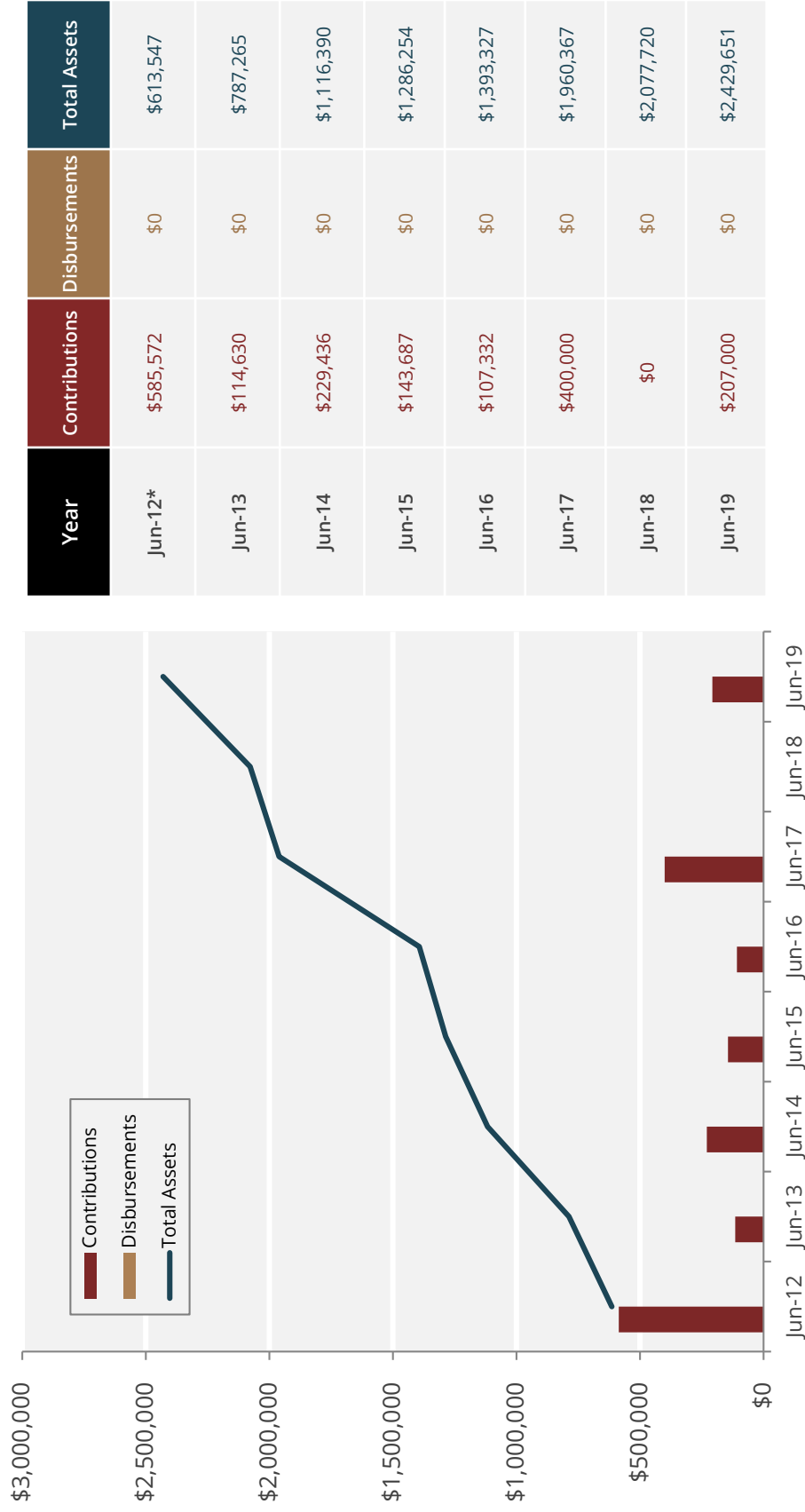


Trust Administrator & Consultant	Trustee	Investment Manager
<ul style="list-style-type: none"> Recordkeeping/sub-trust accounting Actuarial coordination Monitor contributions/process disbursements Monitor plan compliance Ongoing client liaison 	<ul style="list-style-type: none"> Safeguard plan assets Oversight protection Plan fiduciary Custodian of assets 	<ul style="list-style-type: none"> Investment sub-advisor to U.S. Bank Open architecture Investment strategy and asset allocation development Investment policy assistance
Corporate Experience		
35 years (1984 – 2019)	156 years (1863 – 2019)	100 years (1919 – 2019)
Plans Under Administration		
2,000+ plans, 850+ public agencies, 400,000+ participants		
Dollars under Administration		
Over \$3.6 billion	Over \$5.0 trillion	Over \$16.0 billion under management



SUMMARY OF AGENCY'S OPEB PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF JUNE 30, 2019:



Plan Year Ending

*Plan Year Ending June 2011 is based on 9 months of activity.

OPEB ACTUARIAL RESULTS

From the Annual Audit Report for FYE June 30, 2018	June 30, 2018 Valuation 6.00% Discount Rate
Total OPEB Liability (TOL)	\$2,374,867
Plan Fiduciary Net Position	\$2,077,720
Net OPEB Liability (NOL)	\$297,147
Actuarially Determined Contribution (ADC) for FY 2017-18	\$48,878
Annual Benefit Payments (Pay-as-you-Go) for FY 2017-18	\$50,092

Rule of thumb: For every one percent increase in the discount rate, the unfunded liability is lowered by 10-12%.

SUMMARY OF AGENCY'S PENSION PLAN

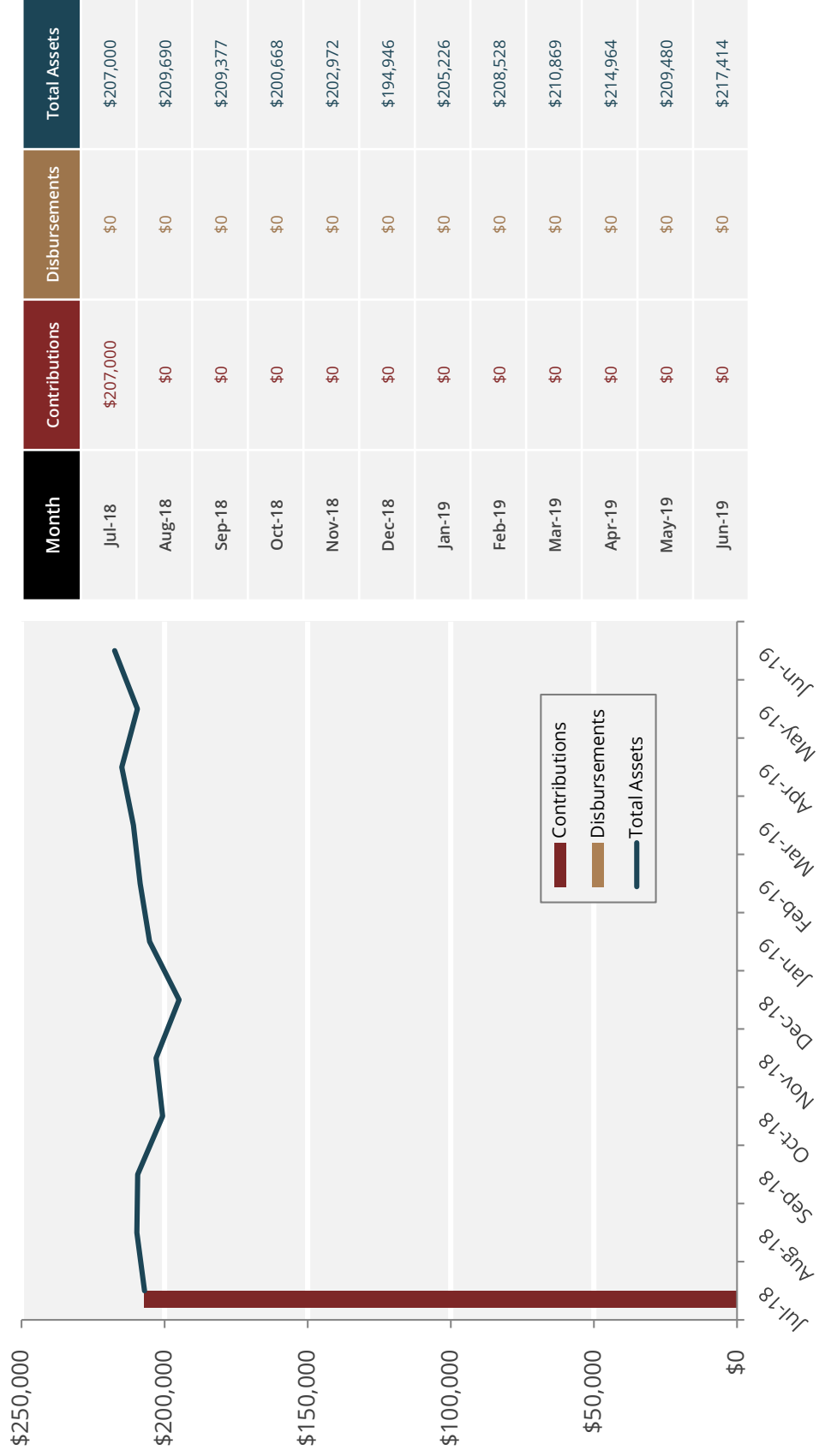
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	February 21, 2018
Plan Administrator:	General Manager
Current Investment Strategy:	Moderate HighMark Plus (Active) Strategy; Pooled Account

AS OF JUNE 30, 2019:

Initial Contribution:	July 2018: \$207,000
Additional Contributions:	\$0
Total Contributions:	\$207,000
Disbursements:	\$0
Net Investment Earnings:	\$10,414
Account Balance:	\$217,414

SUMMARY OF AGENCY'S PENSION PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF JUNE 30, 2019:



Plan Month Ending



PENSION FUNDING STATUS

As of June 30, 2017, Municipal Water District of Orange County's CalPERS pension plan is funded as follows*:

Actuarial Liability	\$11.2 M
Assets	\$9.0 M
Unfunded Liability	\$2.2 M
Funded Ratio	80.6%
Employer Contribution Amount (FY 18-19)	\$383 K
Projected Employer Contribution Amount (FY 24-25)	\$658 K (71.7% ↑)

* Data from Agency's 2017-18 CalPERS actuarial valuation

Municipal Water District of Orange County
August 2019

Presented by
Keith Stribling, CFA

DISCUSSION HIGHLIGHTS- Municipal Water District of Orange County

Investment objective – Moderate HM Plus

Asset Allocation: PARS/Moderate HM Plus (As of 7-31-19)

- Allocation Target – 52.32 stocks (40-60% range), 46.51% bonds (40-60% range), 1.17% cash (0-20% range)
- Large cap 27.68%, Mid-cap 4.15%, Small cap 7.95%, International 10.07%, REIT 2.47%

Performance: Municipal Water District of Orange County OPEB Plan (as of 7-31-19) gross of investment management fees, net of fund fees

- 3 months: 1.80%
- 7 months (YTD): 12.62%
- 1 year: 6.07%
- 3 Years: 7.32%
- 5 Years: 5.84%
- 11-1-2012 (ITD): 7.04%
- Bonds – Credit risk generally outperformed
- Stocks – Stocks are generally strong & active management relative performance has improved

12-Month Changes

- Recently changed small cap growth manager from T Rowe Price New Horizons Fund to Victory Small Cap Growth

DISCUSSION HIGHLIGHTS – Municipal Water District of Orange County

Economic Review

- Trade disagreements still ongoing
- Brexit & a new Prime Minister in the UK
- EU economies struggling so ECB ramps up its QE
 - Negative rates in Europe
- ECB monetary policy & a slowing growth rate alters Fed direction
- Interest rates – yield curve inversion...what does it mean?
- Consumer well positioned & employment remains strong

2019 Outlook

- Modest GDP growth
 - 2018E 2.3% - 2.8%;
 - 10-yr yield 3.0% - 3.5%
- Fed Funds 2.75% - 3.25%

As of: July 31, 2019

Performance Report

Account Name: PARS/PRHCP HIGHMARK PLUS MODERATE

Account ID: xxxxxx9205



	3 Months	Year to Date (7 Months)	1 Year	3 Years	5 Years	Inception to Date 11/01/2012
Cash Equivalents	.57	1.33	2.17	1.30	.82	.61
Lipper Money Market Funds Index	.53	1.27	2.08	1.21	.74	.54
Total Fixed Income	2.92	6.16	7.30	2.54	2.92	2.56
BBG Barclays US Aggregate Bd Index (USD)	3.28	6.35	8.08	2.17	3.05	2.49
Total Equities	.89	19.12	4.97	12.37	8.79	11.84
Large Cap Funds	.95	19.33	6.76	14.09	10.91	13.92
S&P 500 Composite Index	1.69	20.24	7.99	13.36	11.34	14.05
Mid Cap Funds	1.66	22.90	7.32	11.28	8.99	11.49
Russell Midcap Index	1.74	23.08	6.71	11.02	9.60	13.39
Small Cap Funds	2.14	23.66	5.53	15.15	12.05	15.38
Russell 2000 Index (USD)	-.69	17.66	-4.42	10.36	8.53	11.70
International Equities	-1.11	12.99	-2.15	7.52	2.69	4.86
MSCI EAFE Index (Net)	-.44	12.58	-2.60	6.87	2.39	6.19
MSCI EM Free Index (Net USD)	-2.67	9.23	-2.18	8.42	1.84	3.07
REIT Funds	3.41	20.93	12.87	3.34		
Wilshire REIT Index	3.42	19.78	11.61	3.18	8.15	9.48
Total Managed Portfolio	1.80	12.62	6.07	7.32	5.84	7.04

Returns are gross of account level investment advisory fees and net of any fees including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured have no bank guarantee and may lose value.

ASSET ALLOCATION – Moderate HM Plus

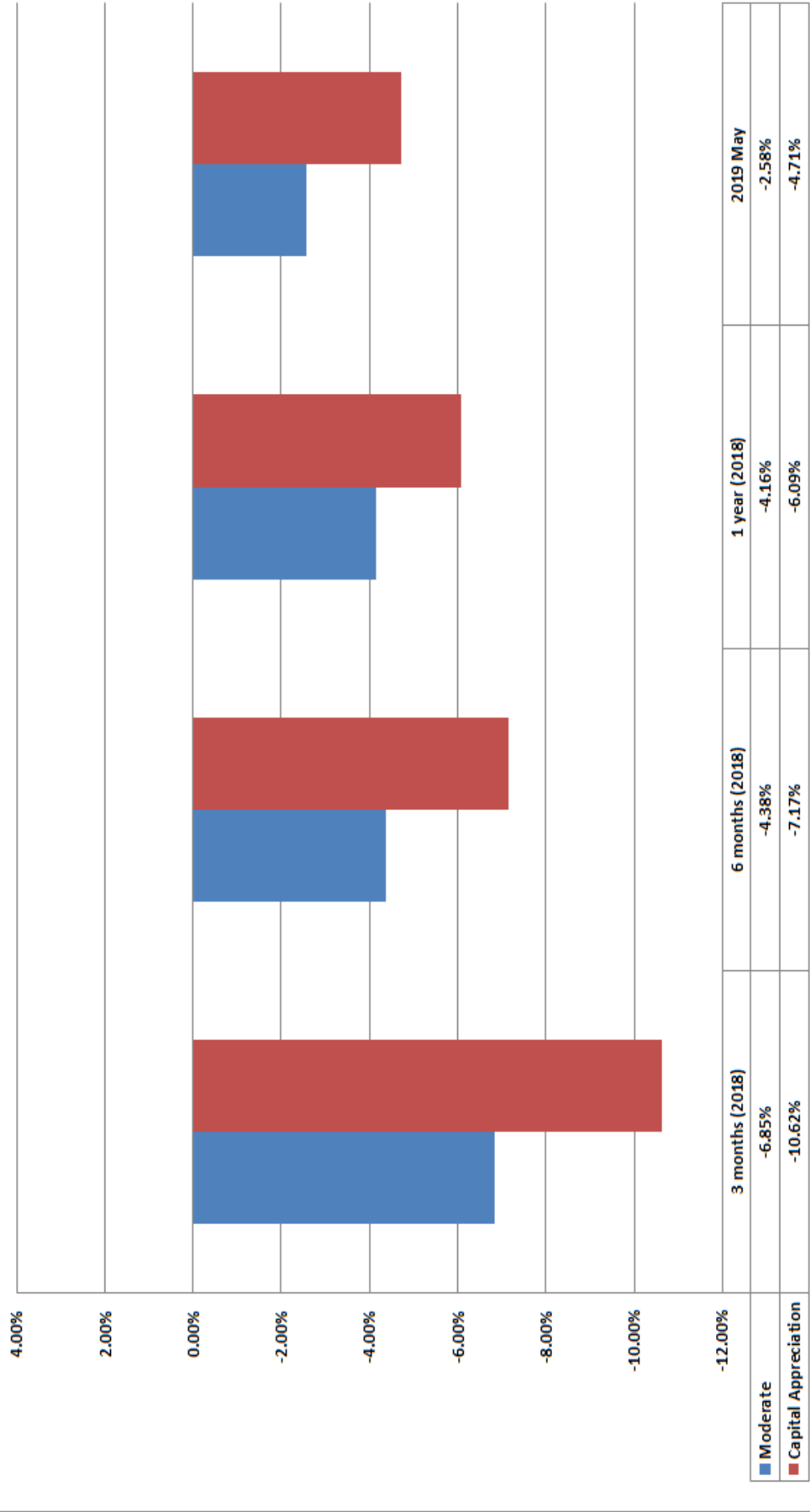
	Ticker	Investment Vehicle	Weight
Equity			52.32%
Large Cap Core	COFYX	Columbia Contrarian Core Cl Y	4.33%
	VGIAX	Vanguard Gro & Inc Admiral Shares	11.04%
Large Cap Value	DODGX	Dodge & Cox International Stock Fund	6.19%
Large Cap Growth	HNACX	Harbor CP Appre Rtrmt Cl	3.05%
	PRUFX	T. Rowe Price Growth Stock Fund	3.07%
Mid Cap Growth	IWR	iShares Russell Mid Cap ETF	4.15%
Small Cap Value	UBVFX	Undiscovered Mgrs Behavrl R6	3.94%
Small Cap Growth	RSEJX	Victory RS Small Cap Growth	4.01%
International Core	DFALX	DFA Large Cap International Port	2.35%
International Value	DODFX	Dodge & Cox International Stock Fund	1.69%
International Growth	MGRDX	MFS International Growth Fund	1.71%
Emerging Markets	HHHYX	Hartford Schrodr Mkts Eq Cl Y	4.32%
REIT	VNQ	Vngrd Index Tr Reit Viper Shs	2.47%
Fixed Income			46.51%
Short-Term	VFSUX	Vanguard Short-Term Corp Adm Fund	9.76%
Intermediate-Term	PTTRX	PIMCO Total Return Instl Fund	12.21%
	PTRQX	Prudential Total Return BD	12.33%
	DBLFX	Doubleline Core Fixed Inc Cl I	12.21%
Cash			1.17%
	FGZXX	First Amern Govt Oblig Fd CL Z	1.17%
TOTAL			100.00%

HIGHMARK CAPITAL MANAGEMENT RETURNS

ACTIVE RETURNS AS OF JUNE 30, 2019

Strategy	Equity (%)	1 Year	3 Years	5 Years	10 Years
Capital Appreciation	65-85%	6.61%	10.10%	6.62%	9.93%
Moderate	40-60%	6.94%	7.95%	5.43%	8.35%

Moderate / Capital Appreciation



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

For Period Ending July 31, 2019

LARGE CAP EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to- Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Columbia Contrarian Core Inst3	1.91	1.83	21.86	7.29	11.45	10.29	13.81
Vanguard Growth & Income Adm	1.46	1.33	19.21	6.61	12.74	11.08	13.99
Harbor Capital Appreciation Retirement	0.60	-0.20	21.90	7.60	18.04	14.03	15.15
T. Rowe Price Growth Stock I	1.76	1.39	22.48	8.63	18.24	14.31	16.07
Dodge & Cox Stock	2.12	0.06	15.55	1.68	13.25	8.91	13.26
S&P 500 TR USD	1.44	1.69	20.24	7.99	13.36	11.34	14.03
MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	1.41	1.70	22.94	6.61	10.86	9.43	14.16
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	0.66	-1.78	17.26	-6.05	8.03	8.20	14.47
Victory RS Small Cap Growth R6	2.36	6.44	34.65	7.95	20.94	14.54	16.95
T. Rowe Price New Horizons I	1.73	6.53	32.78	18.54	22.71	17.24	20.05
Russell 2000 TR USD	0.58	-0.69	17.66	-4.42	10.36	8.53	12.47
REAL ESTATE FUNDS							
Vanguard Real Estate ETF	1.59	3.43	21.20	13.16	3.16	8.01	14.48
INTERNATIONAL EQUITY FUNDS							
Dodge & Cox International Stock	-2.78	-4.05	9.73	-7.53	6.03	0.05	5.93
DFA Large Cap International I	-2.05	-1.96	11.76	-4.28	6.74	2.10	5.59
MFS International Growth R6	-1.92	-0.44	15.88	1.67	10.56	6.42	8.18
MSCI EAFE NR USD	-1.27	-0.44	12.58	-2.60	6.87	2.39	5.84
Hartford Schroders Emerging Mkts Eq Y	-0.57	-0.64	12.24	-1.09	10.50	3.32	5.16
MSCI EM Free Index	-1.22	-2.67	9.23	-2.18	8.42	1.84	4.56
BOND FUNDS							
DoubleLine Core Fixed Income I	0.19	2.92	6.28	7.04	2.85	3.44	--
PGIM Total Return Bond R6	0.36	3.83	8.23	9.40	3.64	4.24	5.92
PIMCO Total Return Instl	-0.01	3.01	6.07	7.39	2.80	3.13	4.46
Vanguard Short-Term Investment-Grade Adm	0.15	1.72	4.30	5.49	2.21	2.31	2.99
BBgBarc US Agg Bond TR USD	0.22	3.28	6.35	8.08	2.17	3.05	3.75

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.

HIGHMARK CAPITAL MANAGEMENT RETURNS

ACTIVE RETURNS AS OF JUNE 30, 2019

Strategy	Equity (%)	1 Year	3 Years	5 Years	10 Years
Capital Appreciation	65-85%	6.61%	10.10%	6.62%	9.93%
Balanced	50-70%	6.82%	9.11%	5.92%	9.07%
Moderate	40-60%	6.94%	7.95%	5.43%	8.35%
Moderately Conservative	20-40%	7.01%	5.82%	4.34%	6.71%
Conservative	5-20%	7.22%	4.29%	3.60%	5.25%

* Past performance does not guarantee future results

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
July 2019**

WATER REVENUES

Date	From	Description	Amount
07/01/19	City of Seal Beach	May 2019 Water deliveries	6,320.65
07/01/19	South Coast Water District	May 2019 Water deliveries	447,909.20
07/01/19	City of Newport Beach	May 2019 Water deliveries	90,146.95
07/01/19	City of Buena Park	May 2019 Water deliveries	536,419.44
07/03/19	City of La Palma	May 2019 Water deliveries	4,010.86
07/08/19	Santa Margarita Water District	May 2019 Water deliveries	1,406,390.20
07/11/19	El Toro Water District	May 2019 Water deliveries	488,034.39
07/11/19	Laguna Beach County Water District	May 2019 Water deliveries	62,389.03
07/11/19	City of Orange	May 2019 Water deliveries	420,727.82
07/11/19	Mesa Water	May 2019 Water deliveries	141,969.07
07/12/19	East Orange County Water District	May 2019 Water deliveries	496,586.14
07/15/19	Orange County Water District	May 2019 Water deliveries	306,646.23
07/15/19	City of San Juan Capistrano	May 2019 Water deliveries	388,359.98
07/15/19	Golden State Water Company	May 2019 Water deliveries	228,289.79
07/15/19	Yorba Linda Water District	May 2019 Water deliveries	106,714.47
07/15/19	Irvine Ranch Water District	May 2019 Water deliveries	556,363.11
07/15/19	Moulton Niguel Water District	May 2019 Water deliveries	2,023,562.23
07/16/19	City of Westminster	May 2019 Water deliveries	222,404.01
07/26/19	City of Huntington Beach	June 2019 Water deliveries	870,600.35
07/26/19	City of Westminster	June 2019 Water deliveries	152,579.01
07/29/19	City of Garden Grove	June 2019 Water deliveries	601,639.33
07/30/19	City of Newport Beach	June 2019 Water deliveries	175,091.95
07/31/19	South Coast Water District	June 2019 Water deliveries	448,832.81

TOTAL REVENUES \$ 10,181,987.02

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
July 2019

MISCELLANEOUS REVENUES

Date	From	Description	Amount
07/17/19	ACWA JPIA	2019 Wellness Grant	1,088.00
07/15/19	Yorba Linda Water District	6/17/19 First Aid/CPR/AED training	225.00
07/01/19	El Toro Water District	6/17/19 First Aid/CPR/AED training	75.00
07/29/19	SDRMA	Reimbursement for First Aid/CPR/AED training	1,000.00
07/01/19	City of Buena Park	April 2019 Turf Removal rebate program	111.00
07/01/19	Judy Pfister	Jul-Sep 2019 Retiree Health insurance	121.44
07/01/19	Stan Sprague	July 2019 Retiree Health insurance	244.77
07/11/19	Pat Meszaros	Jul-Aug 2019 Retiree Health insurance	80.96
07/19/19	Stan Sprague	August 2019 Retiree Health insurance	244.77
07/31/19	Keith Lyon	August 2019 Retiree Health insurance	288.99
07/09/19	US Bank	Partial refund of payroll fraud	8.72
07/31/19	US Bank	Monthly Interest	27.81
07/11/19	Brett Barbre	Reimbursement for unused flight upgrade portion	300.00
07/22/19	Trabuco Canyon Water District	May 2019 Smartimer rebate program	137.90
07/08/19	City of Fountain Valley	May 2019 Turf Removal rebate program	111.00
07/08/19	Moulton Niguel Water District	May 2019 Smartimer and Turf Removal rebate program	22,855.78
07/15/19	El Toro Water District	May 2019 Smartimer and Turf Removal rebate program	1,694.00
07/24/19	Irvine Ranch Water District	May 2019 Smartimer and Rotating nozzle rebate program	1,811.52
07/29/19	Irvine Ranch Water District	May 2019 Turf Removal and Spray to Drip rebate program	4,820.59
07/19/19	City of San Clemente	May 2019 Rain Barrel rebate program	15.00
07/01/19	Moulton Niguel Water District	May 2019 So Cal Watersmart rebate program	8,400.00
07/11/19	Trabuco Canyon Water District	May 2019 So Cal Watersmart rebate program	400.00
07/15/19	El Toro Water District	May 2019 So Cal Watersmart rebate program	920.00
07/19/19	City of San Clemente	May 2019 So Cal Watersmart rebate program	500.00
07/29/19	Moulton Niguel Water District	June 2019 So Cal Watersmart rebate program	4,800.00
07/31/19	South Coast Water District	Water Loss Control technical assistance - WSO Inc	35,172.00
07/15/19	City of Fountain Valley	FY 19-20 Annual Retail Service Connection charge	208,927.60
07/17/19	Golden State Water Company	FY 19-20 Annual Retail Service Connection charge	518,158.80
07/19/19	City of Brea	FY 19-20 Annual Retail Service Connection charge	159,600.40
07/19/19	El Toro Water District	FY 19-20 Annual Retail Service Connection charge	118,730.00
07/22/19	City of Newport Beach	FY 19-20 Annual Retail Service Connection charge	328,252.80
07/22/19	City of San Juan Capistrano	FY 19-20 Annual Retail Service Connection charge	143,542.40
07/22/19	Trabuco Canyon Water District	FY 19-20 Annual Retail Service Connection charge	50,468.00
07/24/19	Irvine Ranch Water District	FY 19-20 Annual Retail Service Connection charge	1,372,556.00
07/24/19	Serrano Water District	FY 19-20 Annual Retail Service Connection charge	28,086.00
07/25/19	City of La Habra	FY 19-20 Annual Retail Service Connection charge	170,115.60
07/25/19	East Orange County Water District	FY 19-20 Annual Retail Service Connection charge	259,197.20
07/25/19	Laguna Beach County Water District	FY 19-20 Annual Retail Service Connection charge	107,805.60
07/25/19	South Coast Water District	FY 19-20 Annual Retail Service Connection charge	150,846.00
07/26/19	Yorba Linda Water District	FY 19-20 Annual Retail Service Connection charge	311,153.20
07/29/19	City of Garden Grove	FY 19-20 Annual Retail Service Connection charge	417,309.60
07/30/19	Santa Margarita Water District	FY 19-20 Annual Retail Service Connection charge	670,542.40
07/22/19	City of Santa Ana	WEROC Funding for FY 19-20	17,402.00

TOTAL MISCELLANEOUS REVENUES \$ 5,118,147.85

TOTAL REVENUES \$ 15,300,134.87


 Robert J. Hunter, General Manager


 Hilary Chumitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of August 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	ACCO Engineered Systems	
1786210	Services for ventilation analysis of electrical room	1,768.00
	*** Total ***	1,768.00
	Richard C. Ackerman	
1244	July 2019 Consulting on legal and regulatory matters	1,525.00
	*** Total ***	1,525.00
	Aleshire & Wynder LLP	
52124	June 2019 Legal services	7,222.50
52606	July 2019 Legal services	3,590.00
	*** Total ***	10,812.50
	Alta FoodCraft	
51914455	7/23/19 Coffee & tea supplies	205.79
51914594	Water filter cartridge	105.90
	*** Total ***	311.69
	AVRAM Electric	
PRNO1	Progress billing for MWDOC Electrical System Rehabilitation project	91,580.00
	*** Total ***	91,580.00
	Awards & Trophies Co., Inc.	
1498	Name plate for D. Harrison	15.24
	*** Total ***	15.24
	Best Best and Krieger LLP	
55401-JUN19	June 2019 Legal services	13,087.82
854277	June 2019 State legislative advocacy services	7,500.00
	*** Total ***	20,587.82
	Black & Veatch	
1298109	Services to prepare Local Water Quality Integration White Paper	40,000.00
	*** Total ***	40,000.00
	Blue Watchdog Conservation, Inc.	
1536	7/23/19 Instruction services for OC Qualified Water Efficiency Landscape training	544.62
	*** Total ***	544.62
	California Municipal Utilities Association	
19-0439	July 2019-June 2020 Membership dues	4,240.00
	*** Total ***	4,240.00
	California Newspapers Partnership	
0000445223	June 2019 Public notice for air conditioning upgrade project bids	2,316.00
	*** Total ***	2,316.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of August 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	CDM Smith	
90078236	January-June 2019 Water Resource Planning services	8,572.50
	*** Total ***	8,572.50
	CDW Government	
SWH3735	MS Surface laptop computer with docking station and adapter	2,893.16
	*** Total ***	2,893.16
	CSU Fullerton ASC	
AR169345	FY 19/20 1st Quarter Center for Demographic Research support	12,538.95
AR169392	Map displaying MWDOC Director Division 3	152.46
	*** Total ***	12,691.41
	Davis Farr LLP	
6011	December 2018-June 2019 Financial consulting	277.50
	*** Total ***	277.50
	Dudek	
20194428	6/1/19-6/28/19 Planning level reliability for South County Interconnection	4,667.50
	*** Total ***	4,667.50
	GovConnection, Inc.	
56886979	Support for wireless router	70.13
	*** Total ***	70.13
	Finley & Cook PLLC	
SI0034433	9/5/19-9/4/20 Serenic annual maintenance & enhancement for Navision software	20,812.40
	*** Total ***	20,812.40
	HashtagPinpoint Corporation	
1199	July 2019 Social media consultation and services	7,917.00
	*** Total ***	7,917.00
	IDS Group	
17X114.02-2	Professional services for office space planning	5,650.00
17X114.03-1	Professional services for office space planning	5,900.00
	*** Total ***	11,550.00
	James C. Barker, P.C.	
105-0719	July 2019 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	Karen's Detail Custom Frames, LLC	
3095	Custom framing for San Clemente Certificate of Recognition	81.94
3096	Custom framing for resolution for A. Mendez from MET	136.56
3099	Custom framing for Voice for the Planet contest winner Certificate of Recognition	81.94
	*** Total ***	300.44

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of August 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Lawnscape Systems, Inc.	
402572	7/10/19 Landscape maintenance for atrium	295.00
	*** Total ***	295.00
	Legacy Media Lab, Inc.	
1412	8/22/19 High Impact Presentational Speaking training	1,500.00
	*** Total ***	1,500.00
	Phil Letrong	
JAN-JUN 2019	January-June 2019 Retiree medical premium	813.00
	*** Total ***	813.00
	Lewis Consulting Group	
2019-140	July 2019 Consulting services	2,375.00
	*** Total ***	2,375.00
	Edward G. Means III	
MWDOC-1075	July 2019 Consulting on MET issues and guidance to Engineering staff	3,025.52
	*** Total ***	3,025.52
	Mesa Water District	
SALES1905	Water Industry Regulatory Review	20,000.00
	*** Total ***	20,000.00
	NDS	
718423	6/28/19 Delivery charges for Board packets	151.67
718571	7/12/19 Delivery charges for Board packets	48.40
	*** Total ***	200.07
	Occupational Health Centers of California	
64658711	6/21/19 Pre-employment exam	85.50
	*** Total ***	85.50
	Office Depot, Inc.	
335968140001	7/2/19 Office supplies	227.36
337968256001	Credit for 1 box of Xerox copy paper	(37.52)
340249115001	7/10/19 Office supplies	73.56
344357840001	7/19/19 Office supplies	147.33
	*** Total ***	410.73
	Office Solutions	
I-01615801	8/2/19 Office supplies	320.98
I-01615809	8/2/19 Cork boards for WEROC office	35.39
I-01616445	8/5/19 Office supplies	337.90
I-01616544	8/5/19 Office supplies	30.44
	*** Total ***	724.71

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of August 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>OMB Electrical Engineers, Inc.</i>	
79002	5/1/19-6/30/19 Electrical Engineering services for MWDOC Electrical System Rehabilitation project	540.00
79003	5/1/19-6/30/19 Electrical Engineering services for MWDOC Electrical System Rehabilitation project	2,470.00
79240	7/1/19-7/12/19 Electrical Engineering reimbursable expense for MWDOC Electrical System Rehabilitation project	152.54
	*** Total ***	3,162.54
	<i>Orange County Fast Print, Inc.</i>	
58177	Business cards for M. Baum Haley and D. Harrison	112.75
	*** Total ***	112.75
	<i>Orange County Water District</i>	
20524	June 2019 50% share of WACO expense	246.93
20560	June 2019 Postage, shared office & maintenance expense	8,672.29
	*** Total ***	8,919.22
	<i>Patricia Kennedy Inc.</i>	
10992	August 2019 Plant maintenance	214.00
	*** Total ***	214.00
	<i>Resilient Communications</i>	
802368	Software and equipment to upgrade Wi-Fi access points	4,883.80
	*** Total ***	4,883.80
	<i>Sonoma County Water Agency</i>	
WTR-00001185	2019 Qualified Water Efficient Landscaper program annual fee	500.00
	*** Total ***	500.00
	<i>Joey C. Soto</i>	
MWDOC#014	June 2019 Grant research and acquisition assistance	2,998.50
MWDOC#015	July 2019 Grant research and acquisition assistance	2,999.35
	*** Total ***	5,997.85
	<i>Stetson Engineers Inc.</i>	
1543-29-2018	February-June 2019 Technical services to provide 2018 Consumer Confidence reports	35,361.24
	*** Total ***	35,361.24
	<i>Top Hat Productions</i>	
95313	7/18/19 Lunch for Managers' meeting	488.65
	*** Total ***	488.65
	<i>C2, LLC (Tracker)</i>	
08-03878	8/1/19-8/1/20 Tracking software renewal for investments	2,820.00
	*** Total ***	2,820.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of August 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	USAFact, Inc.	
9073110	Pre-employment background check	112.65
	*** Total ***	112.65
	Vasquez & Company LLP	
2190672-IN	July 2019 Services for FY 18-19 Financial audit	7,500.00
	*** Total ***	7,500.00
	WageWorks, Inc.	
INV1541159	July 2019 Cafeteria plan administration	196.07
	*** Total ***	196.07
	Water Systems Optimization, Inc.	
1586	July 2019 Water Loss Control program	9,816.72
1587	July 2019 Services to develop a Water Loss Control Business Plan	1,720.00
	*** Total ***	11,536.72
	Total Core Expenditures	<hr/> 362,687.93

Choice Expenditures:

	Orange County Water District	
20560	June 2019 Postage for Water Use Efficiency rebate programs	22.17
	*** Total ***	22.17
	Top Hat Productions	
95275	7/9/19 Lunch for Water Loss Control workgroup	429.65
	*** Total ***	429.65
	Total Choice Expenditures	<hr/> 451.82

Other Funds Expenditures:

	Dude Solutions, Inc.	
INV-50448	August 2019-July 2020 Annual renewal for Safety Center application	7,087.50
	*** Total ***	7,087.50
	McCall's Meter Sales & Service	
31841	June 2019 Meter Accuracy Testing program for Mesa Water District	7,150.00
31898	June 2019 Meter Accuracy Testing program for South Coast Water District	1,890.00
	*** Total ***	9,040.00
	Mega Maids Cleaning Service	
10617	7/30/19 WEROC S. EOC cleaning services	90.00
	*** Total ***	90.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of August 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Mission RCD</i>	
2709	June 2019 Field verifications for Water Use Efficiency rebate programs	7,235.00
2725	July 2019 Field verifications for Water Use Efficiency rebate programs	9,992.40
	*** Total ***	17,227.40
	<i>Office Solutions</i>	
I-01610746	2 Magnetic erase boards with installation for WEROC S. EOC	1,424.63
	*** Total ***	1,424.63
	<i>Power Plus!</i>	
S99508-922685	Inspection for new MWDOC EOC generator	312.50
	*** Total ***	312.50
	<i>Satellite Phone Store</i>	
116609	3 Satellite phone docking stations for WEROC	2,813.08
	*** Total ***	2,813.08
	<i>Lane M. Matsuno (Westerly Meter Service Co.)</i>	
16194	June 2019 Meter Accuracy Testing program for Trabuco Canyon Water District	8,725.00
	*** Total ***	8,725.00
	<i>Water Systems Optimization, Inc.</i>	
1586	July 2019 Water Loss Control program	17,390.00
	*** Total ***	17,390.00
	<i>Total Other Funds Expenditures</i>	64,110.11
	<i>Total Expenditures</i>	427,249.86

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of July 2019**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
138999	7/9/19	SPECTB	Spectrum Business	
		0375210070119	July 2019 Telephone and internet expense	1,099.18
			***Total ***	1,099.18
139001	7/9/19	VERIZO	Verizon Wireless	
		9832745970	June 2019 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
139018	7/15/19	SPECTB	Spectrum Business	
		0343564071019	July 2019 Telephone expense for 3 analog fax lines	108.01
			***Total ***	108.01
139021	7/15/19	USBANK	U.S. Bank	
		0403/0640/5443-JUN19	5/23/19-6/24/19 Cal Card charges	7,968.60
			***Total ***	7,968.60
			(See attached sheet for details)	
ACH004075	7/15/19	ACKEEX	Linda Ackerman	
		063019	June 2019 Business expense	97.44
			***Total ***	97.44
ACH004083	7/15/19	BARBRE	Brett Barbre	
		063019	June 2019 Business expense	187.92
			***Total ***	187.92
ACH004086	7/15/19	BUIJEA	Jeannie Bui	
		063019	June 2019 Business expense	27.37
			***Total ***	27.37
ACH004087	7/15/19	BUSSLI	Charles Busslinger	
		053119	May 2019 Business expense	51.99
ACH004088	7/15/19	063019	June 2019 Business expense	166.96
			***Total ***	218.95
ACH004091	7/15/19	DAVISR	Rachel Davis	
		063019	June 2019 Business expense	88.05
			***Total ***	88.05
ACH004092	7/15/19	DICKEX	Larry Dick	
		063019	June 2019 Business expense	151.96
			***Total ***	151.96
ACH004094	7/15/19	FAHLBE	Beth Fahl	
		063019	June 2019 Business expense	12.82
			***Total ***	12.82
ACH004097	7/15/19	HOSTER	Kevin Hostert	
		063019	June 2019 Business expense	75.40
			***Total ***	75.40

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of July 2019**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH004098	7/15/19	HUNTER	Robert J. Hunter	
		062219	June 2019 Business expense	15.00
			***Total ***	15.00
		SCHNEI	Megan Yoo Schneider	
ACH004122	7/15/19	063019	June 2019 Business expense	428.90
ACH004123	7/15/19	053119	May 2019 Business expense	1,443.74
			***Total ***	1,872.64
ACH004124	7/15/19	SECKEL	Karl Seckel	
		063019	June 2019 Business expense	95.76
			***Total ***	95.76
ACH004125	7/15/19	TAMARI	Satoru Tamaribuchi	
		063019	June 2019 Business expense	83.52
			***Total ***	83.52
ACH004126	7/15/19	THOMAS	Jeffery Thomas	
		063019	June 2019 Business expense	168.20
			***Total ***	168.20
ACH004127	7/15/19	WAITER	Rachel Waite	
		063019	June 2019 Business expense	83.51
			***Total ***	83.51
ACH004128	7/15/19	WILSON	Sarah C. Wilson	
		063019	June 2019 Business expense	79.57
			***Total ***	79.57
139025	7/31/19	IRONMO	Iron Mountain	
		BVCG909	July 2019 Archived document storage fees	243.01
			***Total ***	243.01
ACH004129	7/31/19	BACATI	Tiffany Baca	
		063019	June 2019 Business expense	94.78
			***Total ***	94.78
ACH004130	7/31/19	BAEZHE	Heather Baez	
		063019	June 2019 Business expense	93.38
			***Total ***	93.38
		DELATO	Harvey De La Torre	
ACH004132	7/31/19	071619	July 2019 Business expense	35.00
ACH004133	7/31/19	063019	June 2019 Business expense	62.88
			***Total ***	97.88
ACH004135	7/31/19	FINNEG	Joan Finnegan	
		053119	May 2019 Business expense	80.00
			***Total ***	80.00

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of July 2019**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH004136	7/31/19	HALEY 063019	Melissa Baum Haley June 2019 Business expense ***Total ***	 405.53 405.53
Total Core Disbursements				<hr/> 13,562.51

Choice Disbursements:

139021	7/15/19	USBANK 0640-JUN19	U.S. Bank 5/23/19-6/24/19 Cal Card charges ***Total *** (See attached sheet for details)	 215.81 215.81
ACH004131	7/31/19	BERGIO 063019	Joseph Berg June 2019 Business expense ***Total ***	 120.01 120.01
Total Choice Disbursements				<hr/> 335.82

Other Funds Disbursements:

139000	7/9/19	TURFRP TR12-R-MNT-38464-37377B	Turf Removal Program D. Tsai (Re-issue) ***Total ***	 1,032.00 1,032.00
139001	7/9/19	VERIZO 9832745970	Verizon Wireless June 2019 4G Mobile broadband unlimited service ***Total ***	 76.02 76.02
139002	7/15/19	ATTUVEOC 1812-JUL19	AT&T July 2019 U-verse internet service for WEROC N.EOC ***Total ***	 50.00 50.00
139005	7/15/19	ATTCALN 000013244508 000013244507	AT&T June 2019 WEROC N. EOC telephone expense June 2019 WEROC N. & S. EOC telephone expense ***Total ***	 106.39 943.17 1,049.56
139021	7/15/19	USBANK 0640-JUN19A	U.S. Bank 5/23/19-6/24/19 Cal Card charges ***Total *** (See attached sheet for details)	 165.00 165.00
139028	7/31/19	SANTI1 MAY2019	Santiago Aqueduct Commission May 2019 SAC Pipeline operation surcharge ***Total ***	 1,412.31 1,412.31
139029	7/31/19	SCHUNK 063019	Janine Schunk June 2019 Business expense ***Total ***	 71.60 71.60

Municipal Water District of Orange County
Disbursement Ratification Report
For the month of July 2019

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
TURFRP				
			Turf Removal Program	
139030	7/31/19	TR12-R-ETWD-38528-37434	T. Forster	540.00
139031	7/31/19	TR12-R-IRWD-38638-37544	T. Wang	509.00
139032	7/31/19	TR12-R-IRWD-38508-37414	G. Knowles	393.00
139033	7/31/19	TR12-R-IRWD-38578-37484	K. Wilford	362.00
139034	7/31/19	TR12-R-IRWD-38654-37562	N. Furuya-Olsen	827.00
139035	7/31/19	TR12-R-IRWD-38669-37573	G. Walker	1,495.00
139036	7/31/19	TR12-R-MNT-38453-37367	C. Snedeker	2,907.00
139037	7/31/19	TR12-R-MNT-38461-37374	M. Stein	1,494.00
139038	7/31/19	TR12-R-MNT-38503-37410	T. Morris	3,762.00
139039	7/31/19	TR12-R-MNT-38584-37490	M. Randall	819.00
139040	7/31/19	TR12-R-MNT-38610-37514	K. Giordano	1,038.00
139041	7/31/19	TR12-R-MNT-7782-37520	M. Moscato	1,461.00
139042	7/31/19	TR12-R-TUST-37416-36334	E. Elliott	2,476.00
139043	7/31/19	TR12-R-HB-38486-37394	R. Brown	1,069.55
139044	7/31/19	TR12-R-MNT-38457-37370	S. Scuri	2,853.00
139045	7/31/19	TR12-R-TC-38565-37471	M. McDowell	1,296.00
139046	7/31/19	TR12-R-SM-38597-37502	L. Bagdon	1,728.00
			***Total ***	25,029.55
ACH004137 7/31/19 HUBBAR				
			Kelly Hubbard	
			June 2019 Business expense	50.34
			063019	
			***Total ***	50.34
ACH004146 7/31/19 SANTAM				
			Santa Margarita Water District	
			MAY2019	
			May 2019 SCP Pipeline operation surcharge	16,586.87
			***Total ***	16,586.87
WIRE-190731 7/31/19 METWAT				
			Metropolitan Water District	
			9739	
			May 2019 Water deliveries	10,312,718.70
			***Total ***	10,312,718.70
Total Other Funds Disbursements				10,358,241.95
Total Disbursements				10,372,140.28


 Robert J. Hunter, General Manager


 Hilary Chumbitazi, Treasurer

Cal Card Charges
Statement Date: June 24, 2019
Payment Date: July 15, 2019

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<u>Public Affairs Card</u>		
5/22/2019	40 Name plates printed for Poster Contest winners	\$ 152.25
5/24/2019	Pizza for Poster Contest class room party winner	43.28
5/31/2019	Potting soil for Boy Scout merit badge clinics	4.35
5/31/2019	Snacks for Boy Scout merit badge clinics	104.70
6/3/2019	2 Banners printed with MWDOC logo for community events	681.52
6/4/2019	2 Pull-up banners for community events	413.76
6/5/2019	2 Portable literature floor stands with case for community events	266.48
6/8/2019	Tablet with projector capabilities for community events	548.74
6/7/2019	Annual subscription for CoSchedule Marketing Suite to manage projects	720.00
6/21/2019	Supplies for community events	169.92
Total		<u>\$ 3,105.00</u>

Cal Card Charges
Statement Date: June 24, 2019
Payment Date: July 15, 2019

Date	Description	Amount
<u>K. Seckel Card</u>		
5/22/2019	Snacks for Special Board meeting	\$ 60.00
5/22/2019	American Water Works Association California-Nevada Section Desalination & Recycled Water Update For the West in Fountain Valley, CA on May 9, 2019 - Registration for C. Busslinger	135.00
5/22/2019	California Society of Municipal Finance Officers Chapter meeting in Orange, CA on Jun. 20, 2019 - Registration for H. Chumpitazi	25.00
5/22/2019	Brown and Caldwell Waterjobs employment ad for Water Loss Control Program Supervisor	200.00
5/22/2019	Brown and Caldwell Waterjobs employment ad for Water Loss Control Program Technician for Leak Detection	200.00
5/22/2019	Lunch for OC MET Directors meeting	118.31
5/23/2019	Epson PowerLite wireless mobile projector with case	855.05
5/24/2019	Water District Jobs employment ad for Water Loss Control Program Technician for Leak Detection	145.00
5/24/2019	Water District Jobs employment ad for Water Loss Control Program Supervisor	145.00
5/24/2019	4/24/19-5/23/19 Web hosting service for MWDOC website	15.65
5/27/2019	UPS Delivery charges for materials for DC Briefing Luncheon on Feb. 22, 2019 and Apr. 2, 2019 refunded	(89.02)
5/28/2019	Cake for Board of Directors meeting	41.95
5/29/2019	Breakfast for Qualified Water Efficient Landscaper training class	200.86
5/31/2019	California Special Districts Association Special Districts Legislative Days in Sacramento, CA from May 21-22, 2019 - Registration refunded for H. Baez	(200.00)
5/31/2019	Watersmart Innovations conference in Las Vegas, NV from Oct. 2-3, 2019 - Registration for R. Waite	285.00
5/31/2019	Watersmart Innovations conference in Las Vegas, NV from Oct. 2-3, 2019 - Registration for R. Davis	335.00
5/30/2019	Watersmart Innovations conference in Las Vegas, NV from Oct. 2-3, 2019 - Accommodations deposit for R. Waite	96.05
5/30/2019	Watersmart Innovations conference in Las Vegas, NV from Oct. 2-3, 2019 - Accommodations deposit for R. Davis	96.05
6/1/2019	6/01/19-6/30/19 E-mail service for California Sprinkler Adjustment Notification system	14.95
6/4/2019	Legislative Activities in Sacramento, CA on Jun. 14, 2019 - Airfare for H. Baez	433.96
6/10/2019	UPS Delivery charges for Board packets on Jun. 7, 2019	17.56
6/10/2019	1 Year Domain name renewal for ocwatersurvey.com	18.17
6/10/2019	Annual subscription for Smartdraw diagramming software	349.75
6/13/2019	3 Toner cartridges	63.41
6/14/2019	Food for staff development meeting	32.98
6/17/2019	UPS Delivery charges for Board packets on Jun. 7, 2019	38.86
6/18/2019	CalChamber CA Supervisor online course registration for Director McVicker	43.99
6/18/2019	Dmarc Analyzer annual subscription for e-mail validation system	227.88
6/20/2019	Lunch for American Water Infrastructure Act meeting	165.00

Cal Card Charges
Statement Date: June 24, 2019
Payment Date: July 15, 2019


Date	Description	Amount
<u>K. Seckel Card</u> (Continued)		
6/20/2019	Urban Water Institute Annual Water conference in San Diego, CA from Aug. 14-16, 2019 - Accommodations deposit for M. Baum Haley	\$ 236.67
	Total	<u>\$ 4,308.08</u>

Cal Card Charges
Statement Date: June 24, 2019
Payment Date: July 15, 2019

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<u>R. Hunter Card</u>		
5/23/2019-6/24/19	Meals for R. Hunter's meetings	\$ 772.05
6/4/2019	ACWA Region 10 program in Mission Viejo, CA on Jul. 30, 2019 - Registration for Director Dick	75.00
6/4/2019	California Council for Environmental and Economic Balance Summer Issues seminar in Squaw Valley, CA from Jul. 24-26, 2019 - Airfare for Director Yoo Schneider	227.98
6/10/2019	Legislative Activities in Washington, DC from Feb. 26-28, 2019 - Airfare change refunded for Director Barbre	(138.70)
Total		<u>\$ 936.33</u>

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of July 2019

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
138998	7/8/19	MISCEL PRA C. MUSTANE	Dylan Wright Reimbursement for paid copies in excess of actual copy count for C. Mustane Public Records Act request ***Total ***	58.25 58.25
139023	7/17/19	DISNEY 052920SUMMIT	Disneyland Resort Deposit for 5/29/20 OC Water Summit to be held at the Grand Californian Hotel ***Total ***	4,500.00 4,500.00
139047	7/31/19	LINGAD 052119	Christopher S. Lingad 1/19/19-5/10/19 Education reimbursement ***Total ***	2,856.28 2,856.28
Total Core Disbursements				<u>7,414.53</u>
Choice Disbursements:				
Total Choice Disbursements				<u>-</u>
Other Funds Disbursements:				
Total Other Funds Disbursements				<u>-</u>
Total Disbursements				<u><u>7,414.53</u></u>


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

(1) For disbursements that did not make the cut-off of previous month's Disbursement Approval report.
 Disbursements are approved by GM for payment and need A & F Committee ratification.

Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS
Cash Flow as of 07/31/19

Cash - Beginning Balance	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	TOTALS
\$	(\$94,150.04)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	
REVENUES:													
BUREC													\$
City of Brea													-
City of Buena Park	111.00												111.00
City of Fountain Valley	111.00												111.00
City of Fullerton													-
City of Garden Grove													-
City of Huntington Beach													-
City of La Habra													-
City of San Clemente	515.00												515.00
City of San Juan Capistrano													-
City of Santa Ana													-
City of Tustin													-
City of Newport Beach													-
City of Orange													-
City of Westminster													-
County of Orange													-
Department of Water Resources													-
East Orange County Water District													-
El Toro Water District	2,614.00												2,614.00
Irvine Ranch Water District	6,632.11												6,632.11
Laguna Beach County Water District													-
Mesa Water District													-
Metropolitan Water District	17,249.94												17,249.94
Moulton Niguel Water District	36,055.78												36,055.78
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District													-
Yorba Linda Water District	537.90												537.90
Miscellaneous Revenues													
Miscellaneous													-
Interest Revenue													-
Total Revenues	63,826.73	-	-	-	-	-	-	-	-	-	-	-	\$ 63,826.73
EXPENDITURES:													
Budget Based Tiered Rates, Ratfells													-
Droplet													-
IRWD													-
Golden State Water Company													-
City of Huntington Beach													-
Laguna Beach CWD													-
Metropolitan Water District													-
Mission RCD	6,476.15												6,476.15
Multi Family HET Direct													-
Pollard Water													-
Recycled Water On Site Retrofit program													-
South Coast Water District													-
Spray to Drip program													-
SMWD													-
Turf Removal													-
Water Savings Incentive Program	25,029.55												25,029.55
Miscellaneous Expenses													
Interest Expense													-
Salary & Benefit													-
Total Expenditures	31,505.70	-	-	-	-	-	-	-	-	-	-	-	\$ 31,505.70
Cash - Ending Balance	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	\$ (561,829.01)	



Municipal Water District of Orange County **Consolidated Summary of Cash and Investment** June 30, 2019

Street Address:
 18700 Ward Street
 Fountain Valley, California 92708

Mailing Address:
 P.O. Box 20895
 Fountain Valley, CA 92728-0895

(714) 963-3058
 Fax: (714) 964-9389
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Brett R. Barbre
 President

Joan C. Finnegan
 Vice President

Larry D. Dick
 Director

Bob McVicker, P.E., D.WRE
 Director

Megan Yoo Schneider, P.E.
 Director

Sat Tamaribuchi
 Director

Jeffery M. Thomas
 Director

Robert J. Hunter
 General Manager

MEMBER AGENCIES

City of Brea
 City of Buena Park
 East Orange County Water District
 El Toro Water District
 Emerald Bay Service District
 City of Fountain Valley
 City of Garden Grove
 Golden State Water Co.
 City of Huntington Beach
 Irvine Ranch Water District
 Laguna Beach County Water District
 City of La Habra
 City of La Palma
 Mesa Water District
 Moulton Niguel Water District
 City of Newport Beach
 City of Orange
 Orange County Water District
 City of San Clemente
 City of San Juan Capistrano
 Santa Margarita Water District
 City of Seal Beach
 Serrano Water District
 South Coast Water District
 Trabuco Canyon Water District
 City of Tustin
 City of Westminster
 Yorba Linda Water District

District investments and cash balances are held in various funds designated for certain purposes as follows:

Fund	Book Value	% of Portfolio
Designated Reserves		
General Operations	\$3,341,910	24.21%
Grant & Project Cash Flow	1,500,000	10.87%
Election Expense	608,000	4.40%
Building Repair	385,408	2.79%
OPEB	297,147	2.15%
Total Designated Reserves	6,132,465	44.42%
General Fund	4,514,388	32.71%
Water Fund	3,414,818	24.74%
Conservation Fund	(594,150)	(4.30%)
Desalination Feasibility Study Fund	4,732	0.03%
WEROF Fund	301,771	2.19%
Trustee Activities	29,249	0.21%
Total	\$13,803,273	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	1.86%	\$256,241	\$256,241
Short-term investment			
• LAIF	46.63%	\$6,437,664	\$6,437,664
• OCIP	29.03%	4,007,378	4,007,378
Long-term investment			
• Corporate Bond	8.35%	1,151,990	1,150,397
• Certificates of Deposit	14.13%	1,950,000	1,964,476
Total	100.00%	\$13,803,273	\$13,816,156

The average number of days to maturity/call as of June 30, 2019 equaled 150 and the average yield to maturity is 2.393%. During the month, the District's average daily balance was \$18,261,734.81. Funds were invested in Federal Agency Issues, Certificates of Deposit, Negotiable CD's, Miscellaneous Securities, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of June 2019.

The \$12,883 difference between the book value and the market value on June 30, 2019 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.


 Robert J. Hunter
 General Manager


 Hilary Chumpitazi
 Treasurer



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary

June 30, 2019

6/30/2019	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,964,476.00	1,950,000.00	14.40	700	2.504
Corporate Bond	1,150,000.00	1,150,397.00	1,151,990.17	8.49	574	2.290
Local Agency Investment Funds	6,437,664.24	6,437,664.24	6,437,664.24	47.52	1	2.419
Orange County Investment Pool	4,007,377.63	4,007,377.63	4,007,377.63	29.59	1	2.327
Total Investments	13,545,041.87	13,559,914.87	13,547,032.04	100.00	150	2.393

Cash						
Cash	256,240.96	256,240.96	256,240.96		1	0.00
Total Cash and Investments	13,801,282.83	13,816,155.83	13,803,273.00		150	2.393

Total Earnings	Month Ending June	Fiscal Year to Date
Current Year	42,236.43	542,588.72
Average Daily Balance	18,261,734.81	
Effective Rate of Return	2.393%	

We certify that this report reflects the cash and investments of the Municipal Water District of Orange County and is in conformity with the Government Code requirements and the District Investment Policy and Guidelines in effect at the time of investment. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six month's estimated expenditure. The source for the market values are from Union Bank. Per Resolution 2059 there are no compliance exceptions to report.


Robert J. Hunter, General Manager

Date

8-7-19


Hilary Chumtazi, Treasurer

Date

8/7/2019

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
June 30, 2019

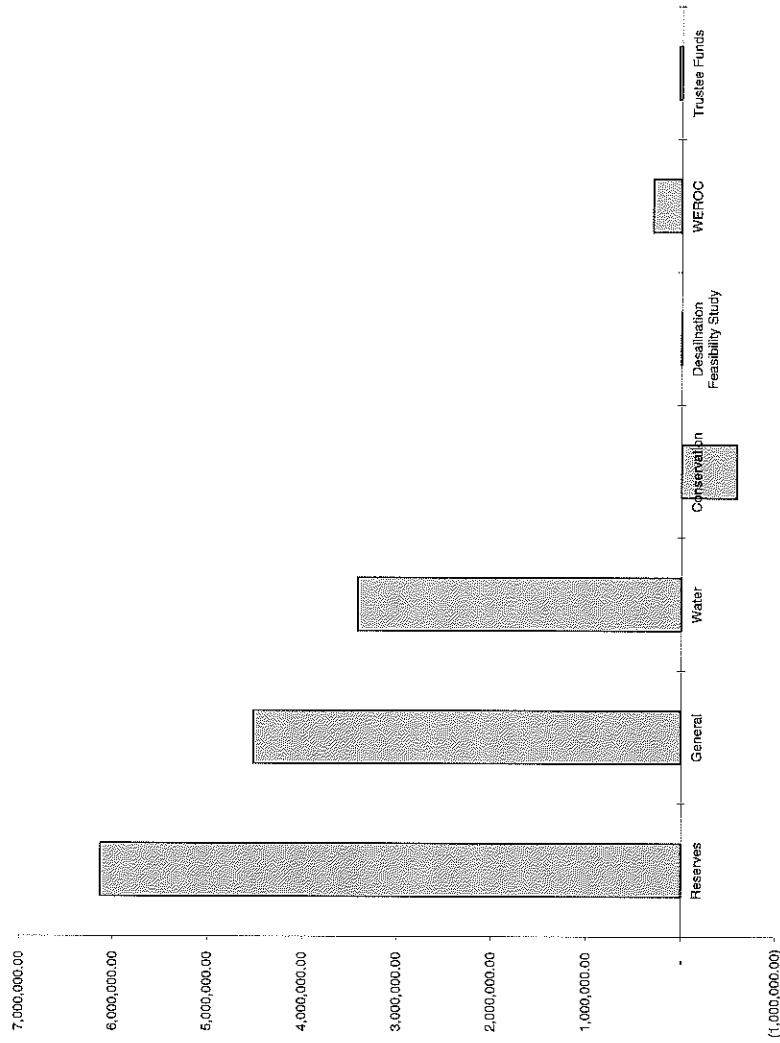
Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	249,342.50	250,000.00	2.250	2.250	1,185	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	249,905.00	250,000.00	1.950	1.950	65	9/3/2019
Comenity Capital	20033AUX2	7/25/2017	200,000.00	199,176.00	200,000.00	2.000	2.000	747	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	257,130.00	250,000.00	3.300	3.300	1,486	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	257,637.50	250,000.00	3.350	3.350	1,500	8/8/2023
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,127.50	250,000.00	3.250	2.534	21	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	251,200.00	250,000.00	2.500	2.500	582	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,957.50	250,000.00	2.050	2.050	25	7/25/2019
Sub Total			1,950,000.00	1,964,476.00	1,950,000.00	2.596	2.504	700	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	499,845.00	500,263.61	2.250	2.152	176	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	198,516.00	200,000.00	2.500	2.500	1,111	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	250,700.00	250,473.84	2.550	2.409	526	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	201,336.00	201,252.72	2.500	2.278	1,094	6/28/2022
Sub Total			1,150,000.00	1,150,397.00	1,151,990.17	2.402	2.290	574	
Total Investments			3,100,000.00	3,114,873.00	3,101,990.17	2.524	2.425	654	
Total Earnings									
Current Year			6,286.90		74,882.04				

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
June 30, 2019

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	6,437,664.24	6,437,664.24	6,437,664.24	2.419	2.419	1	N/A
Sub Total			6,437,664.24	6,437,664.24	6,437,664.24	2.419	2.419	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	4,007,377.63	4,007,377.63	4,007,377.63	2.327	2.327	1	N/A
Sub Total			4,007,377.63	4,007,377.63	4,007,377.63	2.327	2.327	1	
Total Investments			10,445,041.87	10,445,041.87	10,445,041.87	2.384	2.384		
Cash									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	255,740.96	255,740.96	255,740.96	0.000	0.000	1	N/A
Total Cash			256,240.96	256,240.96	256,240.96	0.000	0.000	1	
Total Cash and Investments			10,701,282.83	10,701,282.83	10,701,282.83	2.384	2.384	1	
Total Earnings									
Current Year			Month Ending June	Fiscal Year To Date					
			35,949.53	467,706.68					

**Municipal Water District of Orange County
Cash and Investments at June 30, 2019**

ALLOCATION	AMOUNT	%
MWDOC		
Designated Reserves		
General	\$ 3,341,910	24.21%
Grant & Project Cash Flow	1,500,000	10.87%
Election Expense	608,000	4.40%
Building Repair	385,408	2.79%
OPEB	297,147	2.15%
Total Designated Reserves	6,132,465	44.42%
General	4,514,388	32.71%
Water	3,414,818	24.74%
Conservation	(594,150)	-4.30%
Desalination Feasibility Study	4,732	0.03%
WEROC	301,771	2.19%
TOTAL MWDOC	\$ 13,774,024	99.79%
TRUSTEE ACTIVITIES		
AMP Sales Admin	\$ 29,249	0.21%
TOTAL TRUSTEE ACTIVITIES	\$ 29,249	0.21%
TOTAL CASH & INVESTMENTS	\$ 13,803,273	100.00%



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust**Account Report for the Period**
6/1/2019 to 6/30/2019Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 6/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2019
OPEB	\$2,131,503.70	\$0.00	\$81,177.22	\$444.06	\$0.00	\$0.00	\$2,212,236.86
PENSION	\$209,480.07	\$0.00	\$7,977.94	\$43.64	\$0.00	\$0.00	\$217,414.37
Totals	\$2,340,983.77	\$0.00	\$89,155.16	\$487.70	\$0.00	\$0.00	\$2,429,651.23

Investment Selection**Source**OPEB **Moderate HighMark PLUS**
PENSION **Moderate HighMark PLUS****Investment Objective****Source**

OPEB The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

PENSION The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	3.81%	3.17%	6.76%	7.99%	5.43%	-	10/26/2011
PENSION	3.81%	3.17%	5.26%	-	-	-	7/31/2018

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust

Account Report for the Period
7/1/2018 to 6/30/2019

Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708

Account Summary							
Source	Beginning Balance as of 7/1/2018	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2019
OPEB	\$2,075,238.07	\$0.00	\$140,155.14	\$5,077.09	\$0.00	\$1,920.74	\$2,212,236.86
PENSION	\$0.00	\$207,000.00	\$10,870.84	\$456.47	\$0.00	\$0.00	\$217,414.37
Totals	\$2,075,238.07	\$207,000.00	\$151,025.98	\$5,533.56	\$0.00	\$1,920.74	\$2,429,651.23

Investment Selection	
Source	
OPEB	Moderate HighMark PLUS
PENSION	Moderate HighMark PLUS

Investment Objective	
Source	
OPEB	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.
PENSION	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

Investment Return							
Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	3.81%	3.17%	6.76%	7.99%	5.43%	-	10/26/2011
PENSION	3.81%	3.17%	5.26%	-	-	-	7/31/2018

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

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Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

PARS DIVERSIFIED PORTFOLIOS MODERATE

Q2 2019

WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

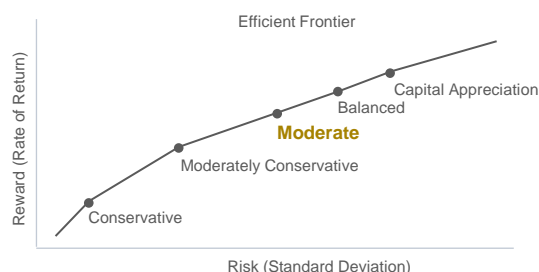
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide current income and moderate capital appreciation. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	51%
Fixed Income	40 - 60%	45%	46%
Cash	0 - 20%	5%	3%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

Current Quarter*	3.23%
Blended Benchmark*, **	3.16%
Year To Date*	11.74%
Blended Benchmark*, **	11.35%
1 Year	6.94%
Blended Benchmark**	6.95%
3 Year	7.95%
Blended Benchmark**	7.52%
5 Year	5.43%
Blended Benchmark**	5.62%
10 Year	8.35%
Blended Benchmark**	8.18%

Index Plus Composite (Passive)

Current Quarter*	2.95%
Blended Benchmark*, **	3.16%
Year To Date*	11.36%
Blended Benchmark*, **	11.35%
1 Year	6.77%
Blended Benchmark**	6.95%
3 Year	7.14%
Blended Benchmark**	7.52%
5 Year	5.18%
Blended Benchmark**	5.62%
10 Year	8.09%
Blended Benchmark**	8.18%

* Returns less than one year are not annualized. **Breakdown for Blended Benchmark: From 10/1/2012 – Present: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM (net), 6% MSCI EAFE (net), 33.50% BBG Barclays US Agg, 10% ICE BofAML 1-3 Yr US Corp/Gov't, 1.50% ICE BofAML US High Yield Master II, 1.75% Wilshire REIT, and 5% FTSE 1 Mth T-Bill. From 4/1/2007 – 9/30/2012: the blended benchmark was 43% S&P 500; 2% Russell 2000, 5% MSCI EAFE (net), 15% ICE BofAML 1-3 Year Corp./Gov't, 30% BBG Barclays US Agg, 5% FTSE 1 Mth T-Bill. Prior to April 2007: the blended benchmark was 50% S&P 500, 15% ICE BofAML 1-3Yr Corp/Gov, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth T-Bill.

ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

2008	-22.88%
2009	21.47%
2010	12.42%
2011	0.55%
2012	12.25%
2013	13.06%
2014	4.84%
2015	0.14%
2016	6.45%
2017	13.19%
2018	-4.03%

Index Plus Composite (Passive)

2008	-18.14%
2009	16.05%
2010	11.77%
2011	2.29%
2012	10.91%
2013	12.79%
2014	5.72%
2015	-0.52%
2016	7.23%
2017	11.59%
2018	-4.03%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date	10/2004
No of Holdings in Portfolio	18

Index Plus (Passive)

Composite Inception Date	05/2006
No of Holdings in Portfolio	12

HOLDINGS

HighMark Plus (Active)

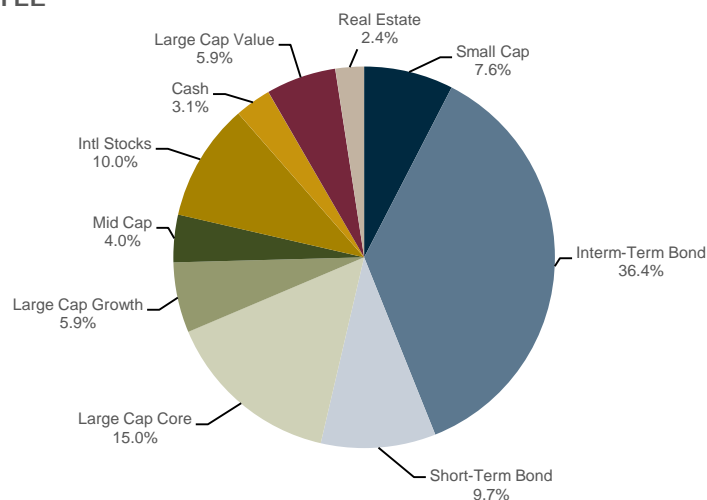
Columbia Contrarian Core I3
Vanguard Growth & Income Adm
Dodge & Cox Stock Fund
Harbor Capital Appreciation - Retirement
T. Rowe Price Growth Stock - I
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
Undiscovered Managers Behavioral Value-R6
Victory RS Small Cap Growth - R6
DFA Large Cap International Portfolio
Dodge & Cox International Stock
MFS International Growth - R6
Hartford Schroders Emerging Markets Eq
Vanguard Short-Term Invest-Grade Adm
PIMCO Total Return Fund - Inst
PGIM Total Return Bond - R6
DoubleLine Core Fixed Income - I
First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
iShares S&P 500 Value ETF
iShares S&P 500 Growth ETF
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
iShares Russell 2000 Value ETF
iShares Russell 2000 Growth ETF
iShares MSCI EAFE ETF
Vanguard FTSE Emerging Markets ETF
Vanguard Short-Term Invest-Grade Adm
iShares Core U.S. Aggregate
First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark's Portfolio Management Group (PMG) with full investment authority according to the PARS Moderate active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofAML US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofAML 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofAML U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.

HIGHMARK CAPITAL MANAGEMENT

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Suite 1600
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ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has nearly 100 years (including predecessor organizations) of institutional money management experience with \$7.7 billion in assets under management and \$8.3 billion in assets under advisement*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

ABOUT THE PORTFOLIO MANAGEMENT TEAM

Andrew Brown, CFA®

Senior Portfolio Manager
Investment Experience: since 1994
HighMark Tenure: since 1997
Education: MBA, University of Southern California; BA, University of Southern California

Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager
Investment Experience: since 2004
HighMark Tenure: since 2014
Education: BA, Colgate University

J. Keith Stribling, CFA®

Senior Portfolio Manager
Investment Experience: since 1985
HighMark Tenure: since 1995
Education: BA, Stetson University

Christiane Tsuda

Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2010
Education: BA, International Christian University, Tokyo

Anne Wimmer, CFA®

Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2007
Education: BA, University of California, Santa Barbara

Randy Yurchak, CFA®

Senior Portfolio Manager
Investment Experience: since 2002
HighMark Tenure: since 2017
Education: MBA, Arizona State University; BS, University of Washington

Asset Allocation Committee

Number of Members: 16
Average Years of Experience: 28
Average Tenure (Years): 15

Manager Review Group

Number of Members: 7
Average Years of Experience: 19
Average Tenure (Years): 7

*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

Item 3

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

**UNAUDITED DRAFT
COMBINED FINANCIAL STATEMENTS**

AND

BUDGET COMPARATIVE

JULY 1, 2018 THRU JUNE 30, 2019

**THE FOLLOWING IS SUBJECT TO CHANGE AND ACTUALS ARE DEFERRED TO THE
AUDITED ANNUAL REPORT
TO BE PRESENTED ON NOVEMBER 13, 2019**

**Municipal Water District of Orange County
Combined Balance Sheet
As of June 30, 2019**

<u>ASSETS</u>	Amount
Cash in Bank	256,240.96
Investments	13,547,032.04
Accounts Receivable	19,275,847.51
Accounts Receivable - Other	183,276.09
Accrued Interest Receivable	125,751.00
Prepays/Deposits	239,061.36
Leasehold Improvements	3,735,829.68
Furniture, Fixtures & Equipment	563,307.34
Less: Accum Depreciation	(2,981,151.57)
TOTAL ASSETS	<u>\$34,945,194.41</u>
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	20,866,287.98
Accounts Payable - Other	75.40
Accrued Salaries and Benefits Payable	430,642.09
Other Liabilities	355,662.16
Unearned Revenue	954,311.68
Total Liabilities	<u>22,606,979.31</u>
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	1,006,379.56
Total Restricted Fund Balances	<u>1,006,379.56</u>
Designated Reserves	
General Operations	3,341,910.36
Grant & Project Cash Flow	1,500,000.00
Election Expense	608,000.00
Building Repair	385,407.45
OPEB	297,147.00
Total Designated Reserves	<u>6,132,464.81</u>
General Fund	3,072,149.80
General Fund Capital	525,009.00
WEROC Capital	93,381.08
WEROC	183,846.12
Total Unrestricted Fund Balances	<u>10,006,850.81</u>
Excess Revenue over Expenditures	
Operating Fund	1,369,113.59
Other Funds	(44,128.86)
Total Fund Balance	<u>12,338,215.10</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>34,945,194.41</u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2018 thru June 2019

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	7,697,005.75	7,697,006.00	100.00%	0.00	0.25
Ground Water Customer Charge	0.00	499,012.00	499,012.00	100.00%	0.00	0.00
Water rate revenues	0.00	8,196,017.75	8,196,018.00	100.00%	0.00	0.25
Interest Revenue	41,149.56	521,546.12	390,000.00	133.73%	0.00	(131,546.12)
Subtotal	41,149.56	8,717,563.87	8,586,018.00	101.53%	0.00	(131,545.87)
Choice Programs	0.00	1,085,862.13	1,174,750.00	92.43%	0.00	88,887.87
Miscellaneous Income	1,258.64	24,771.08	3,000.00	825.70%	0.00	(21,771.08)
School Contracts	8,836.53	97,189.20	102,031.00	95.25%	0.00	4,841.80
Gain on Sale of Investments	0.00	3.61	0.00		0.00	(3.61)
Transfer-In From Reserve	0.00	0.00	5,276.00	0.00%	0.00	5,276.00
Subtotal	10,095.17	1,207,826.02	1,285,057.00	93.99%	0.00	77,230.98
TOTAL REVENUES	51,244.73	9,925,389.89	9,871,075.00	100.55%	0.00	(54,314.89)

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2018 thru June 2019

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	331,692.53	3,465,468.76	3,522,982.00	98.37%	0.00	57,513.24
Salaries & Wages - Grant Recovery	0.00	(3,837.94)	(6,300.00)	60.92%	0.00	(2,462.06)
Salaries & Wages - Recovery	(785.40)	(9,924.60)	0.00	0.00%	0.00	9,924.60
Director's Compensation	16,527.52	257,334.82	255,360.00	100.77%	0.00	(1,974.82)
MWD Representation	11,538.08	162,378.47	145,920.00	111.28%	0.00	(16,458.47)
Employee Benefits	84,808.45	1,053,001.16	1,108,564.00	94.99%	0.00	55,562.84
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Employee Benefits - Grant Recovery	0.00	(875.57)	0.00	0.00%	0.00	875.57
Employee Benefits - Recovery	(149.60)	(1,890.40)	0.00	0.00%	0.00	1,890.40
Director's Benefits	7,431.44	93,166.91	94,767.00	98.31%	0.00	1,600.09
Health Insurance for Retirees	7,204.74	63,609.99	70,519.00	90.20%	0.00	6,909.01
Training Expense	0.00	8,004.21	25,000.00	32.02%	18,000.00	(1,004.21)
Tuition Reimbursement	2,856.28	5,712.56	5,000.00	114.25%	0.00	(712.56)
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	461,124.04	5,299,148.37	5,433,812.00	97.52%	18,000.00	116,663.63
Engineering Expense	62,775.00	369,574.09	330,000.00	111.99%	113,607.25	(153,181.34)
Legal Expense	20,310.32	221,792.36	255,000.00	86.98%	0.00	33,207.64
Audit Expense	0.00	19,380.00	29,000.00	66.83%	0.00	9,620.00
Professional Services	142,955.21	1,059,254.65	1,430,758.00	74.03%	179,673.09	191,830.26
Professional Fees	226,040.53	1,670,001.10	2,044,758.00	81.67%	293,280.34	81,476.56
Conference-Staff	10.00	21,991.06	42,880.00	51.29%	25.00	20,863.94
Conference-Directors	369.00	14,565.31	24,930.00	58.42%	0.00	10,364.69
Travel & Accom.-Staff	665.55	52,596.57	99,600.00	52.81%	236.67	46,766.76
Travel & Accom.-Directors	(41.84)	27,112.41	51,750.00	52.39%	0.00	24,637.59
Travel & Conference	1,002.71	116,265.35	219,160.00	53.05%	261.67	102,632.98
Membership/Sponsorship	0.00	139,755.53	141,662.00	98.65%	0.00	1,906.47
CDR Support	0.00	47,044.26	47,044.00	100.00%	0.00	(0.26)
Dues & Memberships	0.00	186,799.79	188,706.00	98.99%	0.00	1,906.21
Business Expense	1,119.70	3,716.30	5,600.00	66.36%	0.00	1,883.70
Maintenance Office	8,087.45	96,683.03	132,796.00	72.81%	423.00	35,689.97
Building Repair & Maintenance	956.37	12,054.79	20,000.00	60.27%	0.00	7,945.21
Storage Rental & Equipment Lease	209.70	3,514.30	3,460.00	101.57%	0.00	(54.30)
Office Supplies	2,191.28	27,215.14	36,000.00	75.60%	666.24	8,118.62
Postage/Mail Delivery	506.58	9,657.23	9,000.00	107.30%	0.00	(657.23)
Subscriptions & Books	0.00	596.65	1,500.00	39.78%	0.00	903.35
Reproduction Expense	18,861.49	36,007.50	33,073.00	108.87%	0.00	(2,934.50)
Maintenance-Computers	1,570.32	5,729.59	8,000.00	71.62%	0.00	2,270.41
Software Purchase	227.88	36,337.04	45,861.00	79.23%	0.00	9,523.96
Software Support	2,466.83	42,011.79	51,934.00	80.89%	0.00	9,922.21
Computers and Equipment	4,311.97	13,703.21	11,850.00	115.64%	0.00	(1,853.21)
Automotive Expense	2,253.62	20,679.68	17,262.00	119.80%	0.00	(3,417.68)
Toll Road Charges	185.26	1,006.53	1,000.00	100.65%	0.00	(6.53)
Insurance Expense	8,628.85	107,526.64	138,500.00	77.64%	0.00	30,973.36
Utilities - Telephone	2,175.45	23,019.08	20,178.00	114.08%	0.00	(2,841.08)
Bank Fees	(149.78)	4,347.74	21,225.00	20.48%	0.00	16,877.26
Miscellaneous Expense	15,705.06	266,404.17	119,205.00	223.48%	1,543.99	(148,743.16)
MWDOC's Contrb. to WEROC	15,948.33	216,868.00	216,868.00	100.00%	0.00	0.00
Depreciation Expense	2,822.33	33,868.02	0.00	0.00%	0.00	(33,868.02)
Other Expenses	88,078.69	960,946.43	893,312.00	107.57%	2,633.23	(70,267.66)
Election Expense	0.00	196,135.57	304,000.00	64.52%	0.00	107,864.43
Building Expense	(6,193.35)	95,147.54	531,827.00	17.89%	159,301.68	277,377.78
Capital Acquisition	0.00	31,832.15	255,500.00	12.46%	0.00	223,667.85
TOTAL EXPENSES	770,052.62	8,556,276.30	9,871,075.00	86.68%	473,476.92	841,321.78
NET INCOME (LOSS)	(718,807.89)	1,369,113.59	0.00			

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July 2018 thru June 2019

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	8,924,815.30	146,514,994.60	188,976,940.00	77.53%	42,461,945.40
Readiness to Serve Charge	839,273.57	10,455,204.30	10,902,178.00	95.90%	446,973.70
Capacity Charge CCF	299,996.67	3,727,465.02	3,854,976.00	96.69%	127,510.98
SCP/SAC Pipeline Surcharge	22,649.55	318,361.63	365,000.00	87.22%	46,638.37
Interest	2,423.74	22,477.03	13,000.00	172.90%	(9,477.03)
TOTAL WATER REVENUES	10,089,158.83	161,038,502.58	204,112,094.00	78.90%	43,073,591.42
<u>WATER PURCHASES</u>					
Water Sales	8,924,815.30	146,514,994.60	188,976,940.00	77.53%	42,461,945.40
Readiness to Serve Charge	839,273.57	10,455,204.30	10,902,178.00	95.90%	446,973.70
Capacity Charge CCF	299,996.67	3,727,465.02	3,854,976.00	96.69%	127,510.98
SCP/SAC Pipeline Surcharge	22,649.55	318,361.63	365,000.00	87.22%	46,638.37
TOTAL WATER PURCHASES	10,086,735.09	161,016,025.55	204,099,094.00	78.89%	43,083,068.45
EXCESS OF REVENUE OVER EXPENDITURES	2,423.74	22,477.03	13,000.00		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July 2018 thru June 2019

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	31,694.25	128,540.00	24.66%
Expenses	34,040.76	128,540.00	26.48%
Excess of Revenues over Expenditures	(2,346.51)	0.00	
Member Agency Administered Passthru			
Revenues	408,570.00	100,000.00	408.57%
Expenses	408,570.00	100,000.00	408.57%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	17,867.68	43,500.00	41.08%
Expenses	17,867.68	43,500.00	41.08%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	230,038.44	425,000.00	54.13%
Expenses	230,263.66	425,000.00	54.18%
Excess of Revenues over Expenditures	(225.22)	0.00	
CII Rebate Program			
Revenues	110,847.21	462,500.00	23.97%
Expenses	110,730.00	462,500.00	23.94%
Excess of Revenues over Expenditures	117.21	0.00	
Turf Removal Program			
Revenues	1,582,166.99	1,345,000.00	117.63%
Expenses	1,651,078.68	1,345,000.00	122.76%
Excess of Revenues over Expenditures	(68,911.69)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	92,464.86	366,840.00	25.21%
Expenses	136,552.17	366,840.00	37.22%
Excess of Revenues over Expenditures	(44,087.31)	0.00	
Large Landscape Survey Program			
Revenues	2,351.70	64,000.00	3.67%
Expenses	8,824.69	64,000.00	13.79%
Excess of Revenues over Expenditures	(6,472.99)	0.00	
WSIP - Industrial Program			
Revenues	2,700.00	36,755.00	7.35%
Expenses	17,700.00	36,755.00	48.16%
Excess of Revenues over Expenditures	(15,000.00)	0.00	
WUE Projects			
Revenues	2,478,701.13	2,972,135.00	83.40%
Expenses	2,615,627.64	2,972,135.00	88.01%
Excess of Revenues over Expenditures	(136,926.51)	0.00	
WEROC			
Revenues	408,248.00	489,160.00	83.46%
Expenses	362,788.57	489,160.00	74.17%
Excess of Revenues over Expenditures	45,459.43	0.00	



DISCUSSION ITEM

August 14, 2019

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, McVicker)

FROM: Robert Hunter, General Manager

**SUBJECT: DISCUSSION RE POLICY RE PRESIDENT CASTING VOTES TO
AGENCIES ON BEHALF OF THE DISTRICT**

RECOMMENDATION

The Executive Committee recommends the Administration & Finance Committee discuss the policy/process of the President of the Board casting votes on the Board's behalf.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

At the July 18, 2019 meeting, the Executive Committee suggested the Administration & Finance Committee discuss the process/policy of the President of the Board casting votes to agencies (eg., LAFCO, ISDOC, etc.) on behalf of the District.

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



DISCUSSION ITEM

August 14, 2019

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, McVicker)

FROM: Robert Hunter, General Manager

SUBJECT: DISCUSSION REGARDING DIRECTOR BARBRE'S REQUEST TO ADD SECTIONS TO THE ADMINISTRATIVE CODE RE MEMBERSHIPS AND SELF-CERTIFICATION OF NO CONFLICT OF INTEREST

RECOMMENDATION

The Executive Committee recommends the Administration & Finance Committee discuss whether to add sections to the Administrative Code.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

At the July 18, 2019 Executive Committee meeting, President Barbre submitted two draft sections he would like added to the Administrative Code; the Executive Committee suggested the Administration & Finance Committee discuss whether to add these sections to the Administrative Code. The suggested additions are:

§1701 Memberships. MWDOC will not participate in any organization that excludes a class of individuals from participation. No exclusive or individual memberships will be supported, financially, with ratepayer funds. This may include organizations that exclude membership by age, race, color, national origin or ancestry, religion, political affiliation, physical disabilities, mental disabilities, medical condition, marital status, pregnancy, gender, or sexual preference. No ratepayer funds shall be expended to support organizations that exclude from participation elected officials, staff, or other members of the greater water community.

§1702 Self Certification of No Conflict of Interest. Membership and participation in organizations are intended to provide educational and networking opportunities for the sole benefit of MWDOC and the MWDOC community which we serve. Each year, MWDOC Directors must certify that they will not utilize memberships to promote their personal business or financial interests through these organizations or events paid by MWDOC.

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



DISCUSSION ITEM

August 14, 2019

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, McVicker)

FROM: Robert Hunter, General Manager

SUBJECT: DISCUSSION REGARDING CALIFORNIA COUNCIL FOR
ENVIRONMENTAL AND ECONOMIC BALANCE (CCEEB) MEETING
ATTENDANCE

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee: Review and discuss.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

The Executive Committee discussed a Director's request for information on CCEEB meeting attendance and the Executive Committee recommended a discussion be agendized for the Administration & Finance Committee.

MWDOC's primary involvement in CCEEB is with its California Environmental Dialogue (CED) group. CED holds approximately four meetings per year; in 2019 meetings were held in March and July, with upcoming meetings October 22-23, 2019 and December 2-3, 2019 (locations unknown at this point).

MWDOC is limited to two participants at each meeting; historically we have sent one Director and one staff member. Director attendance has included Directors Tamaribuchi or Yoo Schneider, and staff has alternated between Rob Hunter and Karl Seckel.

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



DISCUSSION ITEM

August 14, 2019

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, McVicker)

FROM: Robert Hunter, General Manager

SUBJECT: DISCUSSION RE COMPLETION OF BUSINESS EXPENSE REPORTS

RECOMMENDATION

The Executive Committee recommends the Administration & Finance Committee discuss the procedures for completing Business Expense Reports.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

The Executive Committee discussed the procedures for completing Business Expense Reports. Historically, the majority of Board and staff have only submitted reimbursable expenses on expense reports; those expenses advanced by the District have not normally been included, however those expenses are tracked per individual and are itemized monthly in the financial reports presented to the Administration & Finance Committee and the Board.

Director Barbre suggested the reports include all expenses, including those advanced by the District.

The Executive Committee suggested the Administration & Finance Committee discuss this issue.

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



DISCUSSION ITEM

August 14, 2019

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, McVicker)

FROM: Robert J. Hunter, General Manager
Staff Contact: Cathy Harris, Director of Human Resources and Admin.

SUBJECT: APPROVAL OF REVISED PERSONNEL MANUAL

STAFF RECOMMENDATION

Staff recommends that the Administration & Finance Committee:
Discuss and reach agreement on revisions to the Personnel Manual and carry the item over to the September committee meeting for final approval and advancement to the Board for action. (Option #1).

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

The Personnel Manual revisions were discussed at the July 10, 2019 Administration & Finance (A&F) Committee meeting. The item was carried over for further discussion at the August 14, 2019 A&F meeting. MWDOC staff has requested that the Committee discuss the proposed revisions, agree on what revisions they recommend for final Board approval, and then carry the item over to the September A&F Committee meeting (September 11, 2019). Staff will use the month to incorporate any Committee changes, reformat the document for clarity and ease of use, and prepare training for the revised Personnel Manual. The intention would be to have staff training on the newly approved document shortly after approval by the Board.

The primary items discussed at the July A&F Committee meeting were:

1. Selection of Employees - Oath of Allegiance (5)
2. Code of Conduct – Firearms or Weapons (62)
3. Civility Policy (62-64)
4. Applicability of Personnel Manual to Directors
5. Complaint and Grievance Procedures

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

DETAILED REPORT

The July A&F Committee discussion focused on five main topics:

1. Selection of Employees - Oath of Allegiance (pg. 5)

A question was raised as to whether or not MWDOC was using the correct Oath of Allegiance pursuant to State law. MWDOC is using the correct form of the oath. This issue has been addressed in two previous memos from BB&K, portions of which are included below.

California Constitution Article 20, Section 3 states that “[m]embers of the Legislature, and all public officers and employees, executive, legislative, and judicial, except such inferior officers and employees as may be by law exempted, shall, before they enter upon the duties of their respective offices, take and subscribe the following oath or affirmation.” The oath states, in part, that the officer or employee will support and defend the federal and state constitution. “Public officer and employee” is defined in Article 20, Section 3 as including every officer and employee of the state, county, city, district, or authority. All MWDOC employees and Directors are required to take or sign the oath.

The full oath of office is set forth in Section 3, Article 20 of the California Constitution. The second paragraph of the oath was ruled as an invalid precondition to public employment by the California Supreme Court in 1967. (*Vogel v. County of Los Angeles* (1967) 68 Cal.2d 18.) Though the text of the second paragraph remains in current publications of the California Constitution, the Supreme Court has held that the second paragraph is overly broad because it proscribes more than the specific intent to advocate overthrow of the government. The Supreme Court held that persons who join an organization but do not share in its unlawful activities pose no threat, and a law which applies to membership without the specific intent to further the illegal aims of the organization infringes rests on the doctrine of guilt by association, which is incompatible with the U.S. Constitution. Therefore, employees and Directors cannot be required to swear or affirm the second paragraph of Article 20, Section 3, and the oath should be limited to the first paragraph of Section 3, Article XX of the California Constitution, as reflected below and in the form attached to this memorandum:

“I, _____, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.”

In accordance with the 1967 California Supreme Court, MWDOC is using the correct form of the oath.

2. Code of Conduct – Firearms or Weapons (pg. 62)

The “Standards of Conduct” provisions of the MWDOC Personnel Manual originated in 2004 and includes a list of examples “to provide some guidance concerning unacceptable behavior”. The 2004 version included a prohibition on firearms, weapons and explosives and was shortened in 2014 to the current language: #27 - Possessing or bringing firearms or weapons onto District Property. There was a proposal in 2014 to explicitly state that firearms in private vehicles were prohibited but it was deemed an unnecessary modification and was not approved. No changes in weapons policy has been made since 2014.

MWDOC legal counsel has responded that they believe the current language does prohibit firearms and weapons in private vehicles in the district’s parking lot as part of “District Property”. The parking lot is defined as common property under the April 15, 1987 agreement and lease between MWDOC and OCWD. MWDOC was responsible for 27% of the parking lot construction and MWDOC is responsible for our allocated share of parking lot resurfacing maintenance. MWDOC has undivided, uncontrolled, shared use of the parking and landscape areas of the Common Facilities. As a comparison, OCWD’s equivalent policy specifically prohibits firearms and weapons on district property, in district vehicles and in private vehicles in district property.

3. Civility Policy (pgs. 62-64)

The Civility Policy is a new addition to Personnel Manual and is distinct from the discrimination and harassment sections of the manual (pgs. 7-10). The question was asked in committee as to whether the Civility Policy increased the district’s potential liability. Staff was directed to ask our attorneys. The response is that the Civility Policy does not increase and likely decreases the district’s potential liability.

4. Applicability of Personnel Manual to Directors

The question was asked in committee as to whether the Personnel Manual applied to MWDOC Directors. IRS has defined Directors as employees. The Personnel Manual does apply to Directors except where Directors are disqualified from a section (e.g., holiday time or paid sick leave) or where there is a specific, alternate provision for a Director (e.g., Civility Policy Complaint Procedure (provision e, pg. 64)).

5. Complaint and Grievance Procedures

There were a series of questions about complaint or grievance procedures raised at the committee meeting. If the Civility Policy is adopted, there will be four distinct areas where these procedures come into play. In the Personnel Manual there is an Internal Complaint Procedure under the Discrimination and Harassment Section (pg. 8), there is the Grievance Procedure Section (pg. 11), and there is the Civility Policy Complaint Procedure (pg. 63). In addition the Ethics Policy (Section 7000) of the MWDOC Administrative Code includes two sections dealing with investigation and consideration of appropriate actions for violation of policy by Staff and Staff Officers (7109) and Directors (7110). In some cases distinct procedures are required by statute and in all cases the provisions have been developed with district legal counsel. If the Civility Policy is recommended by the A&F Committee and the recommendation is to carry the Personnel Manual over to the September committee meeting, then it is recommended that Staff and Legal Counsel review these four procedures for possible consolidation.

BOARD OPTIONS

Option #1

- Approve revisions to the Personnel Manual and carry the item over for the September A&F Committee.

Option #2

- Do not approve revisions to the Personnel Manual as recommended by staff and Legal Counsel. Advise staff as to further action.

STAFF RECOMMENDATION

Option # 1

JULY 10, 2019 A&F COMMITTEE MEETING MATERIAL

SUMMARY

Proposed revisions to the Personnel Manual are being presented for review and consideration. The Personnel Manual is reviewed by the General Manager, Director of Human Resources and Legal Counsel and presented to the Administration and Finance Committee for review and consideration.

DETAILED REPORT

The following outlines the revisions made to the manual:

- **Page 4 & 5 Introduction**
 - Revised language to be consistent with website language.
 - Legal Counsel recommended new disclaimer language be added to the Introduction.
- **Page 4 Selection of Employees**
 - Legal Counsel revised language for clarity.
- **Page 5 Equal Opportunity Employment**
 - Legal Counsel updated section to expand list of protected categories.
- **Page 6 Reasonable Accommodation For Applicants with Disabilities**
 - Legal Counsel deleted section and combined with EOE section on page 5.
- **Page 7 Prohibitions Against Discrimination and Harassment**
 - Legal Counsel updated section to expand list of protected categories.
- **Page 9 Internal Complaint Procedure**
 - Added word for clarity.
- **Page 9 Penalties for Violation**
 - Legal Counsel deleted section since it is addressed under Corrective Action section.
- **Page 9 Corrective Action**
 - Legal Counsel added language.
- **Page 10 Confidential Nature of Medical Diagnoses**
 - Revised wording for clarity.
- **Page 11 The Interactive Process**
 - Deleted word
- **Page 14 Pre-Employment Testing**
 - Deleted language to be consistent with current practice. District positions do not require a Commercial Driver's license.
- **Page 14 Post-Accident Testing**
 - Legal Counsel revised language.
- **Page 14 Regular and Random Testing**

- Legal Counsel deleted section.
- **Page 14 & 15 Return to Duty Testing**
 - Legal Counsel added language for clarity.
- **Page 15 Compliance with State or Federal Law**
 - Revised wording for clarity.
- **Page 16 Drug and Alcohol Rehabilitation Programs**
 - Legal Counsel revised language.
- **Page 16 & 17 Regular Full-Time Employees**
 - Revised language for clarity.
- **Page 17 Temporary Employees**
 - Moved the language to Page 18.
- **Page 17 Limited-Term Employees**
 - Revised language for clarification.
- **Page 17 Interns**
 - Revised language for clarification.
- **Page 18 Added Paragraph**
 - Added paragraph from section under Temporary Employees and included language to be consistent with current practice.
- **Page 18 Workweeks**
 - Revised language to be consistent with current practice.
- **Page 18 Rest Periods and Lunch Periods**
 - Created separate headings for rest and lunch period. Added a sentence to lunch periods in compliance with Federal Labor Standards Act (FLSA).
- **Page 18 Record of Work Hours**
 - Revised language to comply with current District practice.
- **Page 19 Overtime**
 - Revised language for clarification.
- **Page 19 Payment Of Overtime In Event of Separation**
 - Added new heading for clarification and moved paragraph from Overtime to the new heading.
- **Page 19 & 20 Category I and II Non-Exempt and Exempt**
 - Deleted Category references and changed to Non-exempt and Exempt and added language to reflect current practice regarding overtime and Compensatory Time Off accruals.
- **Page 20 Make-Up Time**
 - Revise language for clarity.
- **Page 20 Absences From Work – Paid Sick Leave**
 - Changed title from General Paid Sick Leave to Paid Sick Leave.
 - Legal Counsel revised language requiring a request for leave and/or a medical certification for absences of five days or more and a doctor's release upon return to work.
 - Revised language for clarification.
- **Page 21 Maximum Accrual**

- Added language for clarification.
- **Page 21 Partial Day Absences**
 - Revised language to clarify partial day absences for Exempt and Non-Exempt employees.
- **Page 21 & 22 Mandatory Paid Sick Leave**
 - Legal Counsel revised language.
- **Page 22 Bereavement Leave**
 - Added word for clarity.
- **Page 23 Employee Benefits While on Disability Leave**
 - Add sentence for clarification on leave accruals.
- **Page 26 District Determination and Notification**
 - Word deleted.
- **Page 29-31 Pregnancy Disability Leave**
 - Revised position title.
 - Legal Counsel revised and added a more comprehensive policy.
- **Page 31 & 32 New Parent Leave**
 - Legal Counsel added New Parent Leave Section
- **Page 32 & 33 Benefit Accruals While On Paid Leave**
 - Added language to clarify that Military leave is an exception and can accrue benefits while on leave.
 - Added language referencing the applicable codes for compliance with Military Leave.
- **Page 33 Whistleblower Protections**
 - Revision to position title.
- **Page 34 Jury or Witness Duty Leave**
 - Added language for clarification on how time is to be allocated if Jury Duty extends beyond 30 days.
- **Page 35 Discretionary Executive Leave**
 - Added the word “Executive” to title and throughout policy for clarification as to who is eligible for the leave and consistent with the intent of the policy.
 - Added language for clarification.
 - Revised to calendar year to be consistent with current practice.
- **Page 35 & 36 Catastrophic Leave Program**
 - Added CTO to be consistent with reference throughout document.
- **Page 37 Performance Criteria And Definitions**
 - Deleted bullet five- not consistent with current rating form.
- **Page 37 & 38 Merit Increase Procedures**
 - Deleted extra letter in first sentence.
 - Revised word for consistency.
- **Page 38 Paydays**
 - Revised word.
- **Page 39 Payroll Deductions**

- Revised wording for clarity.
- **Page 39 Accrual Rate**
 - Added language for clarification.
 - Added language authorizing the General Manager to approve partial payout of accrued vacation amounts that reach the maximum accrual rate.
- **Page 40 Holidays**
 - Deleted sentence not applicable.
- **Page 40 Holidays Occurring on a Date Scheduled Off**
 - Revised to reflect current practice.
 - Added sentence clarifying how the floating holiday will be applied if not used within the calendar year.
- **Page 40 & 41 Worker's Compensation**
 - Added wording to title for clarification.
 - Made revisions to language for clarification.
- **Page 42 Medical Insurance**
 - Revised language for clarification.
- **Page 42 Medical and Elective Health and Welfare Coverage Upon Retirement**
 - This section moved to Page 46 before the Retirement Programs Section.
- **Page 44 Dental Insurance**
 - Added language for clarification.
- **Page 44 Vision Insurance**
 - Added language for clarification.
- **Page 46 Life Insurance**
 - Added language for clarification.
- **Page 46 Retiree Health and Welfare Benefits Upon Retirement**
 - Changed title for clarification
 - Deleted and added word for clarification.
 - Added language clarifying that in order to be eligible there shall be no lapse in service consistent with Joint Powers Insurance Authority (JPIA) guidelines.
- **Page 46 & 47 10 Years of Service**
 - Added language regarding Health Savings Accounts (HAS's) in compliance with JPIA policy.
 - Added language for clarification regarding Medicare eligibility in compliance with JPIA.
 - Added language clarifying what plans are eligible for reimbursement.
 - Added language regarding re-enrollment and open enrollment consistent with JPIA policy.
 - Added language clarifying the type of plans that qualify for the \$1,800 reimbursement.

- Added language stating the District will not reimburse retiree for late enrollment in Medicare Part B.
- **Page 48 & 49 25 Years of Service**
 - Added language regarding HSA's in compliance with JPIA policy.
 - Added language for clarification regarding Medicare eligibility in compliance with JPIA.
 - Added language regarding retirees and spouses in compliance with JPIA policy.
 - Revised language to be consistent with the 10 year policy on reimbursement requests and re-enrollment and annual open enrollment.
 - Added language per JPIA's request that the retiree policy is subject to their approval in addition to Board approval.
- **Page 49 Retirement Programs**
 - Added language stating type of plan.
 - Revised to identify eligible participants.
 - Deleted language for simplification purposes and referencing Plan Document.
- **Page 49-51 CalPERS**
 - Revised language to be consistent with current practice.
- **Page 51 Flexible Benefits Spending Plan/Health Savings Account (HSA)**
 - Revised language and added paragraph describing Health Savings Account benefit.
- **Page 52 Employee Assistance Program**
 - Revised last sentence.
- **Page 52 Service Awards**
 - Revised language to state if the compensation days are not used within the 12 month period they will be allocated to CTO or vacation accrual instead of cashed out.
- **Page 52 Employee/Team Excellence**
 - Revised title to include Team
 - Revise language to include teamwork
 - Revised word for clarity.
- **Page 52 to 57 Vehicle Policy**
 - Sections of this policy were deleted and reorganized for clarity.
 - Section was added on Use of District Vehicles in preparation for field staff.
 - Separate heading titled Auto Allowances was added and all appropriate sections were moved under this section.
- **Page 59 & 60 Uniforms/Tools –Field Personnel**
 - This section was added in preparation for field staff.
- **Page 60 Office Equipment**
 - Revised word.
 - Revised position title.

- **Page 60** **Passwords & Securities**
 - Revised language to comply with current practice.
- **Page 61** **Intellectual Property Rights**
 - Revised language to comply with current practice.
- **Page 62** **Standards of Conduct**
 - Revised word
- **Page 63 to 64** **Civility Policy**
 - Legal Counsel added new section.
- **Page 65** **At-Will Agreement**
 - Revision to District title.
- **Page 66 & 67** **Appendix A**
 - Revised with current District Exempt and Non-Exempt titles.
- **Pay Structure and Organizational Chart**
 - These sections were removed and a statement has been added at the end of the document stating the District pay structure and Organizational Chart can be found on the website.

BOARD OPTIONS

Option #1

- Approve the proposed revisions to the Personnel Manual.

Option #2

- Do not approve the proposed revisions to the Personnel Manual as recommended by staff and Legal Counsel.

STAFF RECOMMENDATION

Option #_1



PERSONNEL MANUAL

Effective date: ~~December 17, 2014~~ July 17, 2019

This Personnel Manual describes policies as set by the Board of Directors of the Municipal Water District of Orange County. These policies supersede any preceding or contradictory policies except where expressly authorized by the Board. These policies are subject to change at any time at the sole discretion of the Board. This Manual is not a guarantee, expressed or implied, of continued employment for any specific duration. These policies are intended to be in compliance with applicable law and should be interpreted as such.

8/9/20197/2/2019

1

TABLE OF CONTENTS

INTRODUCTION	Field Code Changed ... [1]
EMPLOYMENT POLICY	Field Code Changed ... [2]
PROHIBITION AGAINST DISCRIMINATION AND HARASSMENT	Field Code Changed ... [3]
REASONABLE ACCOMMODATION OF DISABILITIES	Field Code Changed ... [4]
DRUG AND ALCOHOL FREE WORKPLACE	Field Code Changed ... [5]
EMPLOYMENT STATUS	Field Code Changed ... [6]
INTRODUCTORY PERIOD	Field Code Changed ... [7]
REGULAR FULL-TIME EMPLOYEES	Field Code Changed ... [8]
REGULAR PART-TIME EMPLOYEES	Field Code Changed ... [9]
TEMPORARY EMPLOYEES	Field Code Changed ... [10]
LIMITED-TERM EMPLOYEES	Field Code Changed ... [11]
INTERNS	Field Code Changed ... [12]
WORKWEEKS	Field Code Changed ... [13]
REST AND LUNCH PERIODS	Field Code Changed ... [14]
RECORD OF WORK HOURS	Field Code Changed ... [15]
OVERTIME	Field Code Changed ... [16]
MAKE-UP TIME	Field Code Changed ... [17]
HOLIDAY TIME	Field Code Changed ... [18]
ABSENCES FROM WORK	Field Code Changed ... [19]
GENERAL PAID SICK LEAVE	Field Code Changed ... [20]
BEREAVEMENT LEAVE	Field Code Changed ... [21]
DISABILITY LEAVE	Field Code Changed ... [22]
FAMILY/MEDICAL LEAVE OF ABSENCE (FMLA/CFRA)	Field Code Changed ... [23]
SERIOUS FAMILY ILLNESS LEAVE	Field Code Changed ... [24]
JURY OR WITNESS DUTY LEAVE	Field Code Changed ... [25]
MILITARY LEAVE	Field Code Changed ... [26]
PERSONAL LEAVE OF ABSENCE WITHOUT PAY	Field Code Changed ... [27]
UNAUTHORIZED ABSENCE	Field Code Changed ... [28]
DISCRETIONARY ADMINISTRATIVE LEAVE	Field Code Changed ... [29]
CATASTROPHIC LEAVE PROGRAM	Field Code Changed ... [30]
ADMINISTRATION	Field Code Changed ... [31]
PERSONNEL FILES	Field Code Changed ... [32]
COMPENSATION AND BENEFITS SURVEYS AND PAY STRUCTURE ADJUSTMENTS	Field Code Changed ... [33]
ANNUAL MERIT INCREASES	Field Code Changed ... [34]
MERIT INCREASE PROCEDURES	Field Code Changed ... [35]
PROMOTIONS	Field Code Changed ... [36]
PAYDAYS	Field Code Changed ... [37]
PAYROLL DEDUCTIONS	Field Code Changed ... [38]
VACATIONS	Field Code Changed ... [39]
HOLIDAYS	Field Code Changed ... [40]
OTHER BENEFITS	Field Code Changed ... [41]
WORKER'S COMPENSATION	Field Code Changed ... [42]
MEDICAL INSURANCE	Field Code Changed ... [43]
MEDICARE COVERAGE	Field Code Changed ... [44]
MEDICAL AND ELECTIVE HEALTH AND WELFARE COVERAGE UPON RETIREMENT	Field Code Changed ... [45]

DENTAL INSURANCE
VISION INSURANCE
CONTINUED MEDICAL, DENTAL AND VISION COVERAGE
LIFE INSURANCE
RETIREMENT PROGRAMS
CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS)
DEFERRED COMPENSATION PLAN
FLEXIBLE BENEFITS SPENDING PLAN
EMPLOYEE ASSISTANCE PROGRAM (EAP)
EMPLOYEE RECOGNITION PROGRAMS
VEHICLE POLICY
MILEAGE REIMBURSEMENT
EDUCATION REIMBURSEMENT
COMPUTER LOAN PROGRAM
OFFICE EQUIPMENT POLICY
STANDARDS OF CONDUCT
AT-WILL AGREEMENT
APPENDIX "A" - EMPLOYEE DESIGNATIONS
APPENDIX "B" - PAY STRUCTURE6868
APPENDIX "C" - ORGANIZATIONAL CHARTERROR! BOOKMARK NOT DEFINED.

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**PERSONNEL MANUAL
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

INTRODUCTION

The Municipal Water District of Orange County (MWDOC) was formed by Orange County voters in 1951 under the Municipal Water District Act of 1911. Today, MWDOC is Metropolitan Water District of Southern California's (MET's) third largest member agency, providing and managing the imported water supplies used in Orange County.

The Municipal Water District of Orange County (MWDOC) is an independent public water agency that serves Orange County's regional imported water ~~wholesaler, water supplier and resource planning agency.~~ Our efforts focus on sound planning and appropriate investments in water supply development, water reliability, water resources management, water use efficiency, public information, legislative advocacy, water education, and emergency preparedness. MWDOC's service area covers all of Orange County, with the exception of the cities of Anaheim, Fullerton and Santa Ana. We serve Orange County through 28 member agencies ~~retail water agencies who in turn provide water to the public.~~

MWDOC is governed by a seven-member Board of Directors. Each Director is elected by the public to represent a specific portion of Orange County. MWDOC also appoints four representatives to advocate the interests of Orange County on the Metropolitan Board. MWDOC holds key leadership positions on the MET Board of Directors that oversee policy development, finances, strategy and implementation.

The General Manager is directly responsible to the Board of Directors for the administration of policies established by the Board.

This handbook is designed to help employees get acquainted with MWDOC. It describes some of the basic terms and conditions of employment with MWDOC. Employees are expected to read this handbook carefully, and to know and understand its contents.

MWDOC reserves the right to make changes to this handbook. Employees are responsible for knowing about and understanding those changes once they have been disseminated. MWDOC also reserves the right to interpret the provisions of this handbook. For this reason, employees should check with the Human Resources to obtain information regarding specific employment guidelines, practices, policies, or procedures.

Employees should not interpret anything in this handbook as creating a contract or guarantee of continued employment. In addition, this handbook is not intended to cover all possible situations that may arise in your employment relationship with MWDOC.

This handbook is the property of MWDOC, and it is intended for the personal use and reference by employees of MWDOC.

MWDOC reserves the right to make changes to this handbook and to any employment policy, practice, work rule, or benefit, at any time without prior notice. Except as otherwise

provided in this handbook, no one has the authority to make any promise or commitment contrary to what is in this handbook.

This handbook replaces all earlier handbooks and supersedes all prior inconsistent policies, practices, and procedures.

Employees should sign the acknowledgement form at the back of this handbook, tear it out, and return it to Human Resources. This will provide MWDOC with a record that each employee has received this handbook

EMPLOYMENT POLICY

The Municipal Water District of Orange County is an at-will employer and as such, employment with the District is without a specified term and may be terminated at the will of either the District or the employee, with or without cause and with or without prior notice to the other. Employees of the District are not entitled to due process procedures, hearings, or any so-called *Skelly* rights related to their employment. This policy of employment at-will can be changed only in a formal written contract signed by the employee and an authorized representative of the Board of Directors. No other representative of the District has any authority to make any agreement contrary to the foregoing.

SELECTION OF EMPLOYEES

All persons considered for employment with the Municipal Water District of Orange County must be qualified to perform the duties of the position for which they are employed. ~~All new~~ Employees in certain classifications, after receiving a conditional offer of employment, will be required to complete a pre-employment job-related medical examination consistent with business necessity and, based on the safety sensitive nature of their job duties, a pre-employment drug screening test before reporting for work ~~may be required~~. All employees shall be required to sign an Oath of Allegiance pursuant to State law.

As required by law, all new employees must provide necessary documentation to prove identity and the right to work in the United States in accordance with federal and state laws. Failure to provide such documentation in a timely manner will result in disqualification from selection and is grounds for immediate termination.

EQUAL OPPORTUNITY EMPLOYMENT

It is the District's policy to provide equal employment opportunity for all applicants and employees. The District does not unlawfully discriminate on the basis of race, color, religion, religious creed (including religious dress and religious grooming practices), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (including transgender identity), gender expression (including transgender expression), because an individual has transitioned (to live as the gender with which they identify), is transitioning, or is perceived to be transitioning), sex stereotyping, national origin, ancestry, citizenship, age (40 years and over), mental disability and physical disability (including HIV and AIDS), legally protected medical condition or information (including genetic information), protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act or the California Family Rights Act), military and/or

8/9/20197/2/2019

veteran status, service, or obligation, reserve status, national guard status, marital status, domestic partner status, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding employee wages or otherwise exercising rights protected under the California Fair Pay Act, requesting a reasonable accommodation on the basis of disability or bona fide religious belief or practice, or any other basis protected by local, state, or federal laws.

Consistent with the law, the District also makes reasonable accommodations for disabled applicants and employees; for pregnant employees who request an accommodation [with the advice of their health care providers] for pregnancy, childbirth, or related medical conditions; for employees who are victims of domestic violence, sexual assault, or stalking; and for applicants and employees based on their religious beliefs and practices.

The District prohibits sexual harassment and the harassment of any individual on any of the other bases listed above. The District also prohibits retaliation against a person who reports or assists in reporting suspected violations of this policy, cooperates in investigations or proceedings arising from a violation of this policy, or engages in other activities protected under this policy.

This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer, disciplinary action, and social and recreational programs. It is the responsibility of every manager and employee to conscientiously follow this policy. Any employee having any questions regarding this policy should discuss them with Human Resources. The District values diversity within its community, workforce and applicant pool. We embrace diversity in age, race, ability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our employees unique. Diversity initiatives built on the premise of equity that encourages and enforces: (1) Respectful communication and cooperation; (2) Teamwork and employee participation, permitting the representation of all perspectives; (3) Work/life balance through flexible work schedules; and (4) Employer and employee contributions to the diverse communities we serve.

The District is an equal opportunity employer and hires on the basis of individual qualifications. District policy prohibits unlawful discrimination based on race, color, sex, sexual orientation, gender identity or expression, religious or political affiliation, creed, citizenship status, military service status, marital status, pregnancy, age (over 40), national origin, ancestry, medical condition, physical or mental disability, or any other basis protected by federal, state or local laws. The District is committed to accommodating all applicable laws which provide for equal employment opportunities. This commitment applies to all persons involved in District operations and prohibits unlawful discrimination by any District employee.

REASONABLE ACCOMMODATION FOR APPLICANTS WITH DISABILITIES

To comply with the Americans with Disabilities Act of 1990 and the laws ensuring equal employment opportunities to qualified individuals with a disability, the District will make reasonable accommodations for the known physical or mental limitations of applicants who

are otherwise qualified to safely perform all of the essential functions of their position unless undue hardship would result. Any applicant who requires an accommodation in order to perform the essential functions of the job should contact Human Resources and request such accommodation.

PROHIBITION AGAINST DISCRIMINATION AND HARASSMENT

The District strictly prohibits and has “zero tolerance” for discrimination and harassment in any phase of the employment and will investigate and take action as appropriate, including but not limited to recruitment, testing, hiring, upgrading, promotion/demotion, transfer, layoff, termination, rates of pay, benefits, and selection for training. This includes sexual harassment (which includes harassment based on sex, pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), as well as harassment, discrimination, and retaliation based on such factors as race, color, religion, religious creed (including religious dress and religious grooming practices), sex, national origin, ancestry, citizenship, age (40 years and older), mental disability and physical disability (including HIV and AIDS), legally-protected medical condition or information (including genetic information), protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act or the California Family Rights Act), military and/or veteran status, service, or obligation, reserve status, national guard status, marital status, domestic partner status, gender, gender identity (including transgender identity), gender expression (including transgender expression), because an individual has transitioned (to live as the gender with which they identify), is transitioning, or is perceived to be transitioning), sex stereotyping, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding employee wages or otherwise exercising rights protected under the California Fair Pay Act, requesting a reasonable accommodation on the basis of disability or bona fide religious belief or practice, or any other basis protected by federal, state, or local laws discrimination and harassment on the basis of sex, sexual orientation, gender identity or expression, race, color, ancestry, religious creed, handicap or disability, medical condition, age (over 40), marital status, or any other protected class under applicable law.

The District strongly disapproves of and will not tolerate harassment, discrimination, or retaliation against applicants, employees, interns, or volunteers by managers, supervisors, co-workers or third parties with whom employees come into contact, consistent with applicable law. Similarly, the District will not tolerate harassment, discrimination, or retaliation by its employees directed toward non-employees with whom the District’s employees have a business, service, or professional relationship (such as independent contractors, vendors, clients, volunteers, or interns).

Harassment includes, but is not limited to, the following:

- Verbal Forms of Harassment: epithets, derogatory comments or slurs, propositions based upon a person’s protected status.
- Physical Forms of Harassment: assault, impeding or blocking movement, grabbing, patting, leering, mimicking, taunting or any physical interference with normal work or movement when directed at an individual on the basis of their protected status.

- **Visual Forms of Harassment:** derogatory posters, cartoons or drawings or emails based on a person's protected status.
- **Sexual Harassment:** includes, but is not limited to, unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when (1) submission to such conduct includes either an explicit or implicit condition of employment; (2) submission to or rejection of such conduct is used as the basis for an employment decision affecting the harassed employee; or (3) the harassment substantially interferes with an employee's work performance or creates an intimidating, hostile or offensive work environment. Examples include unwelcome sexual propositions, hugging, kissing, or other offensive physical contact of a sexual nature; lewd gestures, remarks or innuendoes, unwelcome discussions of sexual practices or anatomy, and sexually offensive posters, photographs, drawings, cartoons, jokes, stories, nicknames, or comments about appearance.

Examples of Sexual Harassment: For the purpose of clarification, examples of what may constitute prohibited sexual harassment include, but are not limited to, the following:

- Making unsolicited sexual advances written, verbal, physical, or visual contact with sexual overtones. (Written examples: suggestive or obscene letters, notes, invitations. Verbal examples: derogatory comments, slurs, jokes, epithets. Physical examples: touching, assault blocking or impeding access, leering gestures, display of sexually suggestive objects or pictures, cartoons or posters.)
- Continuing to express sexual interest after being informed that the interest is unwelcome. (Reciprocal attraction is not considered sexual harassment.)
- Making reprisals, threats of reprisal, or implied threats of reprisal following a negative response. (For example, implying or actually withholding support for an appointment, promotion, or change of assignment; suggesting a poor performance report will be prepared; or suggesting probation will be failed.)
- Engaging in implicit or explicit coercive sexual behavior which is used to control, influence, or affect the career, salary, or work environment of another employee.
- Offering favors or employment benefits, such as promotions, favorable performance evaluations, favorable assigned duties or shifts, recommendations, reclassifications, etc., in exchange for sexual favors. (Similar conduct when applied to other protected classes including but not limited to race, color, creed, national origin, age, disability, medical condition, religion, sexual orientation, or marital status may constitute harassment and a violation of this policy. For example, racial jokes or degrading comments about age or ethnic background can constitute harassment under this policy). Accordingly, in order to avoid the risk of discipline, such acts should be avoided in all circumstances.

Internal Complaint Procedure: Any applicant or employee who believes that he or she has been the victim of sexual or other prohibited discrimination or harassment by

co-workers, supervisors, clients or customers, visitors, vendors, Board Members or others must immediately notify Human Resources of the alleged conduct and submit the issue pursuant to Step 2 of the District's Grievance Procedures Section of this policy manual. Complaints will be investigated by Human Resources or, where appropriate, a designated neutral party, and the complainant will be advised of the general outcome of the investigation.

~~**Penalties for Violation:** Any employee who violates this policy is subject to immediate termination, or such other disciplinary action as the District deems appropriate, including but not limited to verbal or written warning, suspension, demotion, transfer, cut in pay, leave of absence, and required anti-harassment training.~~

Corrective Action: If any violation of this policy is found to have occurred, the District will take appropriate corrective action which may include discipline against the individual(s) involved. Violations of this policy will likely result in immediate termination. In each case, the employee reporting the problem will receive an oral or written reply from management on the general results of the investigation and that remedial action has been taken, if any.

Any employee who is not satisfied with the reply may request review by the Board of Directors and will receive a reply.

Cooperation: All employees are required to cooperate fully and in good faith with the District in any investigation under this policy. Knowingly making a false charge of harassment or a false statement in connection with an investigation, or deliberately interfering with any such investigation, is also a violation of this policy and grounds for discipline, up to and including termination.

Confidentiality: The District will attempt to keep complaints and investigations under this policy confidential to the greatest extent possible, but some disclosure may be necessary to conduct a proper investigation and take appropriate corrective action. Employees are encouraged to use discretion in discussing complaints or investigations under this policy with others since unnecessary disclosure may prevent a fair investigation.

No Retaliation: No employee will be subject to any form of retaliation for reporting any violation or participating in any investigation under this policy truthfully and in good faith. Employees who believe they have been retaliated against in violation of this policy should utilize the same complaint procedure described above.

Contractors, Consultants, Vendors, Customers and Other Third Parties: This policy applies to leased employees and individuals providing service to the District under contract such as consultants and other independent contractors. This policy also applies to vendors, customers and other third parties who are present in any workplace where District employees are performing duties (depending on degree of control that the District has over such individual).

Option to Report to Outside Administrative Agencies: Applicants, officials, contractors and employees may file complaints about harassment or other employment discrimination with any of the local offices of the U.S. Equal Employment Opportunity

Commission (EEOC) or the California Department of Fair Employment and Housing (DFEH), whose addresses may be found in the local telephone directory.

The EEOC and DFEH are authorized to accept and investigate complaints of employment discrimination and to mediate settlements. These agencies have authority to issue accusations against employers, conduct formal hearings, and award reinstatement, back pay, damages, and other affirmative relief. State and federal law also prohibit retaliation against employees because they have filed a complaint with the EEOC, DFEH, or other relevant agency for participating in an investigation, proceeding, or hearing with the agency, or opposing any practice made unlawful by federal or state law.

REASONABLE ACCOMMODATION OF DISABILITIES

The District complies with the Americans with Disabilities Act of 1990, the state Fair Employment and Housing Act, and all laws governing the treatment of employees with disabilities and the provision of protected medical leave when necessary. This policy protects any individual with a physical or mental impairment^s that limit major life activities - such as walking, seeing, hearing, speaking, communicating, and caring for themselves - provided the individual can perform the essential functions of the job safely and efficiently with or without reasonable accommodations. Depending on the particular employee's condition, this can include not only persons who traditionally have been regarded as disabled - such as those with impaired vision, hearing, or speech - but also those with "invisible" disabilities, such as AIDS or HIV-positive, cancer, or learning disabilities. These protections may apply if the individual currently suffers from a disability, or has a history or record of a disability, or is perceived by the employer to have a disability (even if that is not the case), or associates with persons with disabilities.

In accordance with the relevant laws, the District's policy strictly forbids all forms of intentional discrimination against qualified applicants or employees with disabilities, and requires reasonable accommodation if necessary, for such individuals to perform the essential functions of the job safely and efficiently, without serious risk to health and safety.

Confidential Nature of Medical Diagnoses: Applicant or employee medical diagnoses and conditions are confidential, and the District prohibits any employee from attempting to require disclosure of such private information. Applicants or employees may be questioned only in the context of their ability to perform the essential functions of a particular job, ~~but and they~~ are not to be asked about specific diagnoses, medications, or if they are "disabled." Applicants or employees who indicate they have a physical or mental impairment that interferes with job performance will be directed to the interactive process and may be asked for medical certification of the purported limitation.

The Interactive Process: The District is committed to making reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result. Applicants and employees who have disabilities or limitations affecting their ability to perform the essential functions of their job must inform the District of the issue and request an interactive process meeting to discuss possible accommodations. In many cases, the District will have no way of knowing whether an individual has a limitation unless he or she requests accommodation. Any applicant or employee who has physical or mental limitations that

require an accommodation in order to participate in the application process or to perform the essential functions of the job should contact ~~the~~ Human Resources and request such an accommodation. Human Resources shall engage the applicant or employee interactively to determine what, if any, reasonable accommodations are available.

The law requires only reasonable accommodation, which does not result in an undue hardship to the District or a direct threat to health and safety, and the individual must be able to perform the essential functions of the position. Whether a certain accommodation meets these standards must be determined on a case-by-case basis, after consultation with the individual and consideration of all the particular facts and circumstances.

GRIEVANCE PROCEDURE

The grievance procedure provides a means for settling grievances or complaints that arise over the application of this manual as quickly as possible and at the lowest possible level of authority. Each step in the procedure must be completed before the next step may be taken. Failure to take the next step within the timeframes allotted herein will result in the conclusion that the prior step resolved the grievance and waiver of the right to continue the grievance. Grievance procedures are not used for contesting disciplinary actions or performance assessments, unless said actions are alleged to be pretextual.

A grievance must be filed within ten (10) calendar days of the occurrence of the event or within ten (10) calendar days following the date the grieving party could have reasonably known of the occurrence of the act or omission giving rise to the grievance. Any supervisor or other member of management who receives a grievance *must* notify the Human Resources of the grievance as soon as practicable. The facts concerning the grievance and the grievance process are to remain confidential, to the extent possible given the requirements of District business.

Grievance Steps. The following are the “steps” utilized in grievance reporting. Grievances concerning the General Manager will be immediately reported to the Board of Directors’ Executive Committee pursuant to Step 4 as stated in this policy.

Step 1. The employee should initially try to resolve any item of concern informally with his or her direct supervisor. The direct supervisor should hold a conference with the employee as soon as reasonably practicable, following the employee’s request and attempt to informally resolve the issue. If the grievance is against the direct supervisor, the matter shall be taken directly to Step 2.

Step 2. If successful resolution is not reached in Step 1, the employee shall reduce his or her concern to writing and submit it to his or her direct manager. A copy of the formal written grievance must also be provided to Human Resources. This formal written grievance must be submitted within ten (10) calendar days of the date of the occurrence giving rise to the grievance or the right to file a grievance is waived. The manager, or his or her designee, shall meet with the grievant, and after the initial meeting, the manager or his or her designee will investigate the complaint. This investigation may involve separate conversations or meeting of all parties at the manager’s discretion. The

manager shall attempt to provide his or her written decision with ten (10) calendar days of the date of the first meeting with the employee.

Step 3. If the employee believes the decision of the manager does not adequately resolve the issue, the employee may submit a written appeal of that decision to the General Manager. This appeal must be submitted within ten (10) calendar days of the date of the manager's written decision or the right to appeal is waived. The General Manager shall meet with the grievant and, after the initial meeting, the General Manager or his or her designee will investigate the complaint. This investigation may involve separate conversations or meeting of all parties, at the General Manager's discretion. The General Manager shall attempt to provide his or her written decision with ten (10) calendar days of the date of the first meeting with the employee.

Step 4. If the employee believes the decision of General Manager does not adequately resolve the issue, the employee may request reconsideration by the District's Executive Committee. The written request must be submitted within ten (10) calendar days of the General Manager's decision. The Executive Committee will be furnished with the then-existing written record. The Executive Committee will meet as soon as practicable to consider the grievance. The Executive Committee may, in its discretion, rely on the existing record or conduct a hearing in whatever way deemed appropriate under the circumstances. The Committee may call any witnesses or parties, if it deems such testimony necessary. If the employee desires, he or she may be represented. He or she may also, at his or her own expense, have the hearing transcribed by a certified court reporter. The decision of the Executive Committee shall attempt to provide its decision in writing within ten (10) calendar days of the close of the hearing. The action of the Executive Committee is final and binding.

DRUG AND ALCOHOL FREE WORKPLACE

General Prohibition Against Use or Possession: At no time shall employees use, possess, carry, or transport alcoholic beverages, non-prescribed drugs, narcotics (including marijuana, whether obtained via prescription or not), or any other regulated item during working hours or on District premises, nor shall an employee report for work under the influence of alcoholic beverages, non-prescribed drugs or narcotics (including marijuana, whether obtained via prescription or not). Human Resources may request information in written form from a doctor certifying that any prescribed drugs or medication that an employee is taking will not affect the employee's performance or the safety of the employee or others. Such use or possession is absolutely forbidden and will result in discharge or other discipline as the District deems appropriate.

With prior approval of management and in management's sole discretion, the District may allow employees to consume moderate amounts of alcohol at District-sponsored social events outside of normal business hours where such use is appropriate in the circumstances.

Prescription Drugs: Where the usage of a drug, even where the drug is prescribed, affects District safety or an employee's ability to perform the essential functions of his or her job, the affected employee must notify the District. In the event there is a question regarding an employee's ability to perform assigned duties safely and effectively

while under the influence of prescribed drugs, clearance from a licensed health care provider may be required before the employee is allowed to resume the employee's regular duties.

Drug & Alcohol Testing: It is the policy of the District to prohibit its employees from using or being under the influence of alcohol or illegal drugs (including, without limitation, marijuana – whether or not the employee maintains a prescription for the same) in connection with their employment, as it constitutes a threat to the safe and efficient performance of employee's duties. At no time shall any employee be under the influence of any controlled drug or alcohol while on the job. (Employees who are taking medication pursuant to a physician's prescription – other than for medical marijuana – who has also certified that they may perform their duties without jeopardizing the health or safety of others will not be considered to have violated this policy for taking such prescription medicine within the range prescribed.)

Prohibitions. The following conduct is prohibited and may result in discipline, up to and including termination:

- Using or possessing alcohol or any illegal drug (including marijuana, whether or not the employee maintains a prescription for the same) while on duty;
- Reporting for duty or remaining on duty when the employee used alcohol or controlled substance, except if the use is pursuant to the instructions of a physician who has advised the employee that the substance (other than medical marijuana) does not adversely affect the employee's ability to safely operate a vehicle or otherwise perform the employee's job;
- Reporting for duty or remaining on duty if the employee tests as having a blood alcohol concentration of 0.04 or greater (or a blood alcohol concentration of 0.02 if the employee's duties require him or her to possess a valid Class A driver's license or otherwise be subject to the 0.02 limitation);
- Reporting for duty or remaining on duty if the employee tests positive for controlled substances (including marijuana, whether or not the employee maintains a prescription for the same);
- Refusing to submit to any alcohol or controlled substances test required by this Policy. An employee who refuses to submit to a required drug/alcohol test will be treated in the same manner as an employee who failed a blood alcohol test or tested positively for a controlled substances test. A "refusal to submit" to an alcohol or controlled substances test required by this Policy includes, but is not limited to:
 - An explicit or implied refusal to provide a urine sample for a drug test;
 - An inability to provide a urine sample without a valid medical explanation;
 - A refusal to complete and sign the breath alcohol testing form, or otherwise to cooperate with the testing process in a way that prevents the completion of the test;
 - An inability to provide breath or to provide an adequate amount of breath without a valid medical explanation;
 - Tampering with or attempting to adulterate the urine specimen or collection procedure;
 - Not reporting to the collection site in the time allotted by the supervisor or manager who directs the employee to be tested; or

- Leaving the scene of an accident without a valid authorization.

Employees are obligated to report violations of this Policy to Human Resources. In addition to the above prohibitions, employees are reminded of their obligations under the Federal Drug Free Workplace Act of 1988. All employees covered by this Policy have previously been provided with a copy of the District's Drug Free Workplace Statement and have signed an acknowledgment that they have read the Statement and agreed to comply with it.

Pre-Employment Testing: Applicants for positions ~~that require a Commercial Driver's license or are~~ designated as "safety sensitive" will be required to submit to pre-employment drug and/or alcohol testing.

Reasonable Suspicion Testing: All employees may be required to submit to an alcohol or drug test if a supervisor has reasonable suspicion to believe the employee is under the influence of alcohol or controlled substances. Reasonable suspicion shall be reported to Human Resources which shall arrange the testing. The observation should generally be based on short-term indicators, such as behavior that is inconsistent with the normal work status and including, but not limited to, blurry vision, slurred speech or alcohol on the breath. Reasonable suspicion alcohol and drug testing will generally be administered within two (2) hours of the observation. If not, the supervisor should provide written documentation as to why the test was not promptly conducted.

Post-Accident Testing. Employees will be required to undergo alcohol or controlled substance testing if they are involved in an on-duty accident and the District has reasonable suspicion to believe the employee is under the influence of alcohol or controlled substances, with District equipment or a District vehicle that results in significant damage or personal injury. ~~This includes all employees who are on duty in the vehicle or equipment in question and any others whose performance could have contributed to the accident.~~

In addition, a post-accident test will be conducted if an accident results in injuries requiring transportation to a medical treatment facility; or where one or more vehicles incurs disabling damage that requires towing from the site; and the employee receives a citation under State or local laws for a moving traffic violation arising from the accident. Following an accident, the safety-sensitive employee will be tested as soon as practicable (generally within 2 hours), but not to exceed eight (8) hours for alcohol and thirty-two (32) hours for controlled substances. Any employee who leaves the scene of the accident without appropriate authorization prior to submission to controlled substance and alcohol testing will be considered to have refused the test and subject to termination. Post-accident testing of safety-sensitive employees will include not only the operation personnel, but any other covered employees whose performance could have contributed to the accident.

~~*Regular And Random Testing:* Employees in positions that require a Commercial Driver's license or are designated as "safety sensitive" will be required to submit to regular testing, as required by law. If an employee refuses to submit to the testing, the refusal will be handled in the same manner as a failed test. Employees who are designated as safety sensitive by the District may be subject to random testing.~~

Return to Duty Testing: All employees who have failed an alcohol test or tested positive for controlled substances, if retained, are unable and unfit to report to work until it

can be verified that they are not under the influence of alcohol or controlled substances. Employees must be certified as being fit for duty and evaluated and released to duty by the Substance Abuse Professional (SAP) before being allowed to return to duty.

Consequences of Failing an Alcohol or Drug Test: A positive result from a drug or alcohol test may result in disciplinary action, up to and including termination, even for a first offense. The District also reserves the right to discipline or terminate an employee convicted of an offense which involves the use, distribution, or possession of illegal drugs (including medical marijuana). If an employee is not terminated, the employee:

- Must be removed from performing any job function and immediately placed in an unpaid status for 1 day (unless they elect to use paid leave). If the employee does not obtain a fitness for duty certification within that day, or if the employee fails his or her alcohol or drug test, the employee shall remain on ~~unpaid~~ paid administrative leave (unless they elect to use paid leave) until reinstatement or termination of employment;
- Must submit to an examination by a substance abuse professional. Upon a determination by the substance abuse professional, the employee may be required to undergo treatment for his or her alcohol or drug abuse. The District is not required to pay for this treatment;
- Shall not be returned to his or her former position until the employee submits to a return-to-duty controlled substance or blood alcohol test (depending on which test the employee failed) which indicates an alcohol concentration level of less than 0.02 or a negative result on a controlled substance test; and
- Will be required to submit to unannounced follow-up testing if he or she has been returned to his or her position.

Compliance with State or Federal Law: At all times, the District will comply with current applicable state or federal law concerning drug and alcohol testing. Issues or inconsistencies that are not addressed in this Policy will be determined by referring to state or federal law and regulations governing drug and alcohol testing. The District reserves the right to make changes to this Policy at any time, for the purpose of complying with state or federal laws ~~or~~ and regulations as it exists now or as it may be amended.

Procedures for Drug Testing: The District will refer the applicant or employee to an independent, National Institute on Drug Abuse (NIDA)-certified medical clinic or laboratory, which will administer the test. The District will pay the cost of the test and reasonable transportation costs to the testing facility. The employee will have the opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that he or she has taken that may affect the outcome of the test. All drug testing will be performed by urinalysis. Initial screening will be done by EMIT II. Positive results will be confirmed by gas chromatography/mass spectrometry. The clinic or laboratory will inform the District as to whether the applicant passed or failed the drug test. If an employee fails the test, he or she will be considered to be in violation of this Policy and will be subject to discipline accordingly.

The District maintains the right to require any employee to re-submit to testing, pursuant to the same terms and procedures as set forth for the initial test, where the employee's initial test results are inconclusive because of a diluted sample or any other reason.

Drug and Alcohol Rehabilitation Programs: ~~The District is not required to accommodate on-the-job usage or possession. Where no pre-existing policy violation has occurred, however, the District will typically accommodate drug or alcohol rehabilitation programs where the employee voluntarily comes forward and requests such program. Such requests will be kept confidential as provided by law. Employees who wish to enroll in drug or alcohol rehabilitation are encouraged to come forward before they are found in violation of this policy. Employees may not avoid discipline or termination for violation of the District's Drug and Alcohol Free Workplace Policy by seeking leave to attend rehabilitation after a violation has occurred. However, prior to any violation, employees may contact Human Resources for information about the District's Employee Assistance Program.~~

EMPLOYMENT STATUS

INTRODUCTORY PERIOD

The first six months of employment with the District represents an introductory period during which newly hired employees can demonstrate that they can meet the requirements of their position. This period may be extended upon notice by the supervisor to the employee. This period may also be waived, upon the General Manager's approval, when an employee is converted from temporary or intern status to full-time status. During this period, work habits, performance and attendance will be reviewed by the employee's supervisor and appropriate management staff, and written performance appraisal reports may be completed.

A newly hired employee shall become a regular full-time or part-time employee only upon receipt of written confirmation from the supervisor and appropriate management staff that this introductory period has been satisfactorily completed.

During this review period, an employee is not eligible to take paid vacation time or receive a salary increase unless an adjustment of ranges indicates that the employee's current salary is below the adjusted range. The employee's original date of hire will be the anniversary date for computation of salary and benefits.

Successful completion of this initial six-month evaluation period in no way changes or modifies the employee's at-will status with the District.

REGULAR FULL-TIME EMPLOYEES

An employee who has satisfactorily served the required six-month introductory period, who is regularly scheduled to work ~~40 hours a week, and who regularly works~~ at least 32 hours per week ~~(projected on an annual basis, including paid leave times)~~ in an established position on a regular basis is considered a regular full-time employee. Such employees are eligible for full benefits as provided herein; although, benefits as required by law shall be provided consistent with the requirements of the law.

Regular full-time employees who have worked less-than 40 hours per week (i.e. 32 to 39 hours per week) on a regular basis accrue paid leaves predicated on the number of hours worked and are eligible for holiday pay on a pro-rated basis, only if the holiday falls on a regularly scheduled workday.

No employee hired to work a 40-hour workweek can reduce their work schedule without written approval of the General Manager.

REGULAR PART-TIME EMPLOYEES

An employee who regularly and customarily works less than 32 hours per week is considered a regular part-time employee and is not eligible for any benefits other than those mandated by law.

TEMPORARY EMPLOYEES

An employee serving in a position in which the requirements of the services performed are of a temporary nature shall be classified as a temporary employee for a period not to exceed twelve months. This classification includes, but is not limited to, personnel employed for seasonal peak workloads, emergency extra workloads, necessary vacation or leave of absence relief, or special investigative study workloads. Temporary employees are not eligible for any benefits other than those mandated by law. If a temporary employee is subsequently hired to full-time employment status, the actual date of hire to full-time status by the District will be the anniversary date for computation of leave accruals.

LIMITED-TERM EMPLOYEES

A limited-term employee is an individual who is temporarily employed by entering into an employment contract for a specified period of time as approved by the Board of Directors. one who is serving in a position in which the requirements of the services performed are of a temporary nature and who are retained by entering into an employment contract for a specified period of time for a specific project. Limited-term employees are eligible for benefits as provided for in the employment contract. All limited-term employment contracts and renewals require Board approval.

INTERNS

The District's Internship Program is designed to meet specific limited-term organizational needs while providing meaningful training and work experience for college students pursuing academic studies. The District will recruit and hire interns based on authorized budget expenditures and a specific purpose, program and project in accordance with the District's strategic goals and objectives and in accordance with the intern policy guidelines. Interns may be employed for a period of up to six months after their graduation. Interns are not eligible for benefits except as required by law. An intern's pay rate is established based on the District's classification schedule and in accordance with their level in college. Upon After completion of one year of an internship, interns may be eligible for granted a pay increase based on the recommendation of their supervisor or department head upon the discretionary approval of the General Manager. Interns are not eligible for merit increases on the same basis as regular full-time and part-time employees.

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For employees that transition from Part-Time, Temporary, Limited-Term or Intern status to Full-Time-, the actual date of hire to Full-Time status will be the anniversary date for computation of leave accruals. Benefits will go into effect in accordance with the policies of the Benefits Administrator.

WORKWEEKS

The legal definition of a workweek, as defined pursuant to the Fair Labor Standards Act (FLSA) is any consecutive 168-hour (equivalent to 7 days) period. For purposes of defining the legal workweek, the official workweek for all employees on a standard schedule shall begin at 12:01 a.m. each Monday and end at Midnight the following Sunday.

For all employees working a 9/80 work schedule, their legal workweek shall begin exactly four hours into the 8-hour shift on the day of the week which constitutes their alternating regular day off. 9/80 employees should note that their timesheets will reflect the District's pay period a calendar workweek and not the legal workweek for overtime calculations.

REST PERIODS AND LUNCH PERIODS

Employees are allowed rest periods not to exceed 15 minutes during each four consecutive hours of work. The time of each employee's rest period will be determined by the department supervisor. Rest periods shall be considered hours worked but employees shall be relieved of all duties and responsibilities during breaks.

LUNCH PERIODS

Lunch periods are unpaid and shall be staggered to permit the office to remain open during the lunch period. Any employee who works for at least five (5) hours in a work day is required to take a thirty (30) minute lunch within the first five (5) hours of work, and employees who work more than ten (10) hours in one day are eligible for a second meal period. An employee who works less than six (6) total hours in a day may waive such unpaid meal period. All other employees must take a thirty (30) minute lunch break within the first five (5) hours of the workday. Meal periods shall be duty-free with no restrictions placed on such periods.

RECORD OF WORK HOURS

All ~~non-exempt~~ employees must record their time worked on a standard electronic time sheet records for payroll purposes. ~~At the District's discretion, exempt employees may also be required to record their times.~~ Each employee is responsible for the daily recording of all time worked and reported as sick, vacation, etc., and allocate the hours to the appropriate time codes. Timesheets are to be submitted electronically by 10:00 a.m. every Monday, unless requested earlier. due to holiday schedule. Employees are responsible for reviewing their time records and confirming that their paychecks accurately reflect the actual hours worked. Supervisors are also responsible for reviewing all time records submitted by subordinates. An employee must report time sheet or paycheck errors immediately in writing to the Human

Resources. Any pay correction will be included in the pay period for the time period in which the correction occurred, unless otherwise stated at the time of the correction.

Making any false statement in connection with time or payroll records and continuous errors may result in immediate discharge or other discipline.

OVERTIME

As a governmental agency, the District is obligated to be in compliance with the requirements of the federal Fair Labor Standards Act (FLSA), and it shall be applied to all employees as defined as Exempt and Non-Exempt in Category I and II (See Appendix "A"). The FLSA does not require overtime to be paid for hours worked over eight in a day. FLSA overtime is required only when the work actually performed exceeds 40 hours in their legal workweek – defined as a consecutive 168 hour period. 9/80 employees should note that their time records, which rely on a calendar week, will not accurately reflect the hours worked in their legal workweek as that workweek begins and ends in the middle of a single day's shift. For employees working a 9/80 work schedule, their workweek shall begin exactly four hours into their eight hour shift on the day of the week which constitutes their alternating regular day off. Please contact Human Resources if you have questions regarding the calculation of overtime. Non-Exempt eEmployees in Category I can accrue a maximum of 40 hours of compensatory time. Overtime must be approved by the Supervisor prior to working. However, all overtime hours in excess of the allowable maximum will be paid, regardless of prior approval.

PAYMENT OF OVERTIME IN EVENT OF SEPARATION

In accordance with the Fair Labor Standards Act (FLSA), the use of accrued compensatory time to extend employment when an employee has actually vacated a position due to termination is not considered employment; therefore, an employee separating from employment with the District who has performed authorized overtime service for which he/she has not been compensated as provided for, shall be paid at the employee's last regular rate of pay for such accrued service or the average regular rate of pay that the employee received during his last three years of employment, whichever is higher

For the purposes of defining overtime policy, personnel are identified by the following two categories:

Category I (Non-exempt): Any employee may be directed to work in excess of the regular workday by the General Manager or their supervisor. The District will pay all Non-Exempt Category I employees at the rate of one and a half times the regular rate of pay for all hours physically worked in excess of 40 in a workweek. Because paid leave hours (vacation, holiday, sick leave, bereavement leave, jury duty, etc.) do not constitute hours actually worked, they will not be included when assessing overall hours in a workweek in the overtime calculation. Non-exempt employees shall receive cash reimbursement or Compensatory Time Off (CTO) accrual. Maximum total accrued for any eligible employee shall not exceed forty hours.

Category II (Exempt): Exempt eEmployees in Category II are not eligible for additional compensation or compensating time off for hours worked in excess of 40 hours in

the designated workweek and are required to work the hours necessary to fulfill the responsibilities of the position. Exempt employees are executive, administrative or professional employees and perform office or non-manual work and perform one or more of the exempt duties of an executive, administrative or professional employee, in accordance with the Fair Labor Standards Act guidelines.

Exempt employees shall not be subject to docking of pay for absences of less than a full day, except as provided by law. However, pursuant to District's sick leave policy, sick leave balances will be charged for absences greater than four hours in a work day.

MAKE-UP TIME

If a ~~Non-Exempt Category I~~ employee needs to take time off for personal reasons and desires to make up the time rather than be docked or have the time charged to the appropriate accumulated leave balance, said employee may make up the time, with the approval of the employee's supervisor, provided said time is made up within the ~~workweek same pay period~~ in which the time off was taken and provided that making up such time does not cause the employee to exceed 40 hours in ~~a one~~ workweek.

HOLIDAY TIME

An employee may be required to work on a holiday, if approved at the discretion of the General Manager. Any employee working on a District-recognized holiday will be compensated at the employee's hourly rate in addition to any holiday pay he or she may otherwise receive. See the District Holiday policy section.

ABSENCES FROM WORK

GENERAL PAID SICK LEAVE

~~General Paid~~ sick leave is granted as a benefit to eligible regular, full-time employees to be used for illness or injury. It is not to be used as vacation or an earned right to time off from work. Eligible employees are entitled to use this sick leave following completion of thirty days of employment. Employees on sick leave will be paid from their accumulated sick leave hours. ~~Any sick leave over five three consecutive working days or more, a request for leave and/or a medical certification, stating expected date of return, must be submitted to Human Resources. Upon return to work, a written doctor's release must be submitted to Human Resources. may, at the District's discretion, require medical certification establishing the need for the leave; however, the General Manager may request medical certification justifying sick leave at any time.~~ Sick leave may also be used to attend to the illness or injury, or due to medical and dental office appointments, of an ~~member of the~~ employee's immediate family ~~member~~. For purposes of this section, immediate family ~~member~~ shall mean the employee's spouse, child, parent, ~~registered~~ domestic partner or any family member with whom the employee resides, biological or foster children, stepchildren and stepparents, legal wards and guardians, children of domestic partners, siblings, parent-in-law, and grandparents.

Method of Accrual: Regular, eligible full-time employees working 40 hours per week shall accrue 3.69 hours (equivalent to 96 hours per year) of sick leave with pay for each biweekly pay period of service. Eligible employees working less than 40 hours per week shall

accrue sick leave on a prorated basis. An employee on leave of absence without pay shall earn no sick leave during the absence without pay. Employees on a leave of absence and or temporarily working part-time due to a medical disability shall accrue sick leave on a prorated basis, based on the number of hours actually worked (see section under Disability for clarification of use while on disability leave). Employees are required to allocate the number of hours to sick time accordingly on their electronic time sheet.

Maximum Accrual: A maximum of 488 hours of sick leave may be accumulated. Any non-exempt employee accumulating sick leave in excess of 488 hours will be cashed out for those excess sick leave hours on the first check of each September at the rate expressed in the chart below; thereafter, the employee's leave accrual will be reduced down to the 488 hour maximum. Exempt employees, on the other hand, will have their sick leave accrual capped at 488 hours, and will cease to be eligible for sick leave accrual until such time as their sick leave accrual drops back below 488 hours. Employees will not be paid for any accrued but unused sick leave upon termination of employment.

<u>Hours of sick leave used in preceding 12 mos. from July 1 to June 30</u>	<u>Cash out of hours in excess of 488</u>
0 hours of sick leave	50%
8 hours of sick leave	33.33%
9-32 hours of sick leave	25%
33-64 hours of sick leave	8.33%
65 or more hours of sick leave	0%

Partial Day Absences: ~~Employees, including Ex~~ exempt employees, shall be required to use sick leave to cover any absence of four hours or greater on a regular work day. Non-Exempt employees shall accrue sick leave account shall be in one-half hour increments.

Upon request, the employee may utilize paid vacation time in lieu of sick leave, at the discretionary approval of the District.

MANDATORY PAID SICK LEAVE

~~Starting on July 1, 2015, E~~ employees who are not otherwise provided general paid sick leave are will be entitled to Mandatory Paid Sick Leave as required by the Healthy Workplaces/ Healthy Families Act of 2014-Paid Sick Leave. This policy, therefore, goes into effect as of the first pay period following July 1, 2015. As of that date, A any non-exempt employee not otherwise provided paid sick leave pursuant to the District's policy or practice shall be entitled to paid sick leave pursuant to this policy, as follows:

An employee shall be eligible to accrue sick leave pursuant to this policy once he or she has worked in California at least 30 days. An employee qualifies to accrue paid sick leave under this policy upon the start of the employee's employment. An employee shall be entitled to use any accrued and available paid sick leave as of the 90th day of employment. Eligible employees shall accrue paid sick leave at the rate of one hour for every 30 hours worked, not to exceed six days (48 hours). Once the employee accrues six days of sick leave, accrual will cease until the employee uses leave and brings his or her accrual balance below six days. Accrued but unused sick leave shall carry over year to year. Employees are not entitled to any

pay out of sick leave accrual upon separation from employment; although if an employee is re-hired within a year, the previously accrued but unused sick leave will be reinstated.

Leave may be used for any purpose where sick leave is otherwise typically used at the District, including but not limited to for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, the employee or the employee's family member. An employee who is a victim of domestic violence, sexual assault, or stalking, may also use this leave to: (1) attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or his or her child; (2) seek medical attention for injuries caused by domestic violence, sexual assault, or stalking; (3) obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking; (4) obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or (5) participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

If the need for paid sick leave is foreseeable, the employee shall provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee shall provide notice of the need for the leave as soon as practicable.

BEREAVEMENT LEAVE

In the event of death of a member of an employee's immediate family (spouse, registered domestic partner, child, step-child, parent, step-parent, brother, sister, step-brother, step-sister, grandparent, grandchild, father-in-law, or mother-in-law, or any family member with whom the employee resides, foster children, legal wards and guardians, children of domestic partners), regular full-time employees are eligible to take up to three days with pay in any one instance to arrange for or attend a funeral of a member of their immediate family. This benefit is effective immediately upon employment. Employees are to allocate the number of hours to Bereavement Leave accordingly on their electronic time sheet.

DISABILITY LEAVE

Short-term Disability Program: The District participates in the State of California, Employment Development Department (EDD) Disability Insurance program. Workers who suffer a loss of wages when they are unable to work due to a non-work-related illness or injury, pregnancy or childbirth, may be eligible for disability insurance benefits. Generally, the program goes into effect on the eighth day of disability (since SDI requires a seven-day waiting period) up to a maximum of 52 weeks (as determined by EDD) based on the requirements of the Plan. Visit <http://edd.ca.gov/> for complete program details, eligibility, weekly benefit amount, exclusions, etc.

The weekly and maximum benefit amounts are based on the wages paid during a specific 12-month base period, which is determined based on the date the claim begins. Use of sick leave accruals may be coordinated with the SDI benefit to make up the difference between disability benefits and an employee's regular pay. In cases where there is not sufficient sick leave to make up the difference, an employee may elect to use vacation and/or compensatory time off to supplement the difference. The program is administered by the EDD, and

employees should seek clarification as to eligibility and scope of benefits from the EDD. EDD guidelines and rulings supersede any statement made herein.

Long-term Disability Program: Long term disability insurance (LTD) is an insurance policy that provides partial income replacement in the event that an employee is unable to work due to illness, injury, or accident for an extended period of time. All regular, full-time employees are eligible for long-term disability insurance per the terms of the insurance policy in force. See Human Resources for a complete outline of coverage, exclusions, and policy information. An employee receiving long-term disability benefits may elect to apply accrued earned leave time to make up the difference between disability benefits received and the employee's regular salary

Employee Filing Requirements: It is the employee's responsibility to file for disability insurance benefits as soon as possible in order to eliminate undue delay in the receipt of their disability pay. See Human Resources on where to obtain the appropriate forms.

Verification of Disability: Employees are required to provide Human Resources with a certification of disability from a licensed physician within fifteen days of the District's request for such certification. The employee may be asked to provide re-certifications as allowed by law.

Employee Benefits While on Disability Leave: Employees on an authorized medical leave of absence without pay may continue disability, health, and life coverage for a period in which the leave is protected by law, during which time the employee will continue to pay his or her portion of the benefits premium. Where the leave is not protected by law, the employee may continue such coverage upon the District's approval for a period of no more than four months, during which time the employee will continue to pay his or her portion of the benefits premium. The employee's failure to pay his or her portion of the benefit premium may subject the employee to loss of coverage. Upon return to work, the employee will become eligible to have coverage reinstated in accordance with the terms of agreement with the carriers then in effect.

An employee on disability leave without pay from the District will not be eligible to accrue vacation or sick leave and shall not be eligible for any paid leaves or pension plan contributions. [An employee on paid leave will accrue vacation and sick leave based on the number of hours being paid.](#)

FAMILY/MEDICAL LEAVE OF ABSENCE (FMLA/CFRA)

California & Federal Family Medical Leave: In accordance with the Federal Family and Medical Leave Act ("FMLA"), the FMLA's Service member leave provisions ("Service member FMLA"), and the California Family Rights Act ("CFRA"), the District has adopted the following Policy regarding the rights and responsibilities of employees absent for a family leave purpose. This Policy shall supersede the provisions of any District policy, practice, rule or procedure to the extent that such policy, practice, rule or procedure is in conflict or inconsistent with this Policy.

Purpose of the Leave: In accordance with the CFRA, FMLA, Service member FMLA and this Policy, the District shall provide up to twelve (12) work weeks of CFRA or FMLA leave

8/9/20197/2/2019

23

in a 12-month period to any “eligible employee” who requests leave for any of the following purposes:

- The birth or adoption of a child by the employee or placement of a child in foster care with the employee (all family leave taken for one of these purposes must be concluded within one year of the event);
- To care for a child, parent, spouse or registered domestic partner of the employee who has a serious health condition;
- For an employee’s own serious health condition which makes the employee unable to perform the essential functions of the employee’s position; or
- For the care of a covered family member’s injuries or exigencies stemming from qualifying service in the Armed Forces as provided for under the Service member FMLA’s provisions.

Eligibility: Employees are eligible for family leave if, at the time leave commences, all of the following apply:

- The employee must have at least 12 months (not necessarily consecutive months) of service with the District;
- The employee must have worked at least 1,250 hours during the 12 months immediately prior to the period of FMLA, Service member FMLA or CFRA leave; and
- As of the date of the employee’s leave request, the District employs at least 50 full- or part-time employees at the employee’s worksite or within 75 road miles of the employee’s worksite.

Special Rules for Pregnancy Disability Leave: The right to take CFRA leave is separate and distinct from the right to take a pregnancy disability leave. In other words, leave taken by an employee disabled by pregnancy, childbirth or related medical conditions is not family leave under the CFRA, even though it may be FMLA leave.

- In light of the above, the District may require that pregnancy disability and FMLA leave run concurrently (hereinafter “pregnancy disability/FMLA leave”), but CFRA leave can never run concurrently with a pregnancy disability leave. This means that, at the end of the employee’s period(s) of pregnancy disability or pregnancy disability/FMLA leave, whichever occurs first, a CFRA eligible employee may take up to 12 workweeks of CFRA leave due to the birth of her child or for other family leave purposes.
- Where an employee has exhausted her entitlement to pregnancy disability/FMLA leave prior to the birth of her child, and her health care provider certifies that continued leave is medically necessary, the District may, but is not required to, allow the employee to utilize CFRA leave prior to the birth of her child.
- The maximum combined leave entitlement for pregnancy disability, FMLA and CFRA leave for the birth of a child is four months and 12 workweeks. This assumes that the employee has exhausted all four months of pregnancy disability leave; she exhausted her entitlement to up to 12 weeks of FMLA leave during the period of pregnancy disability leave; and the employee requested and was eligible for a 12 week CFRA leave following the birth of her child.

- For more information regarding rights to pregnancy disability leave contact the Human Resources Department.

Special Rules Regarding Employment of Spouses: Where CFRA and FMLA leave are running concurrently, and both the “husband and wife” are employed by the District, their combined entitlement to CFRA/FMLA leave for the birth or adoption of a child by the employees or placement of a child in foster care with the employees shall be limited to twelve (12) workweeks in a 12-month period between the husband and wife. Where CFRA leave is running separate and apart from FMLA leave (such as following a pregnancy disability/FMLA leave), and both “parents” are employed by the District, their combined entitlement to CFRA leave for the birth, adoption or foster care placement of their child shall be limited to twelve (12) workweeks in a twelve (12) month period between the two parents. This provision applies to the parents of the child, regardless of their marital status. The provisions above do not affect the employees’ right to use any remaining CFRA or FMLA leave for any other qualifying purpose(s).

Calculating the 12-month Period: For the purpose of this Policy, “12-month period” shall mean a 12-month period measured backward from the date employee first uses family leave. The District uses a “backward rolling” calculation.

Notice Requirements: The employee, or a representative for the employee (e.g., spouse, adult family member, or other responsible party), must notify Human Resources, preferably in writing, as soon as it becomes apparent that the employee will be needing leave for a family leave purpose.

- Employees must provide at least 30 calendar days advance notice before leave is to begin if the need for leave is foreseeable, or notice as soon as practicable under the circumstances.
- The employee must consult with his or her supervisor regarding the need for a leave and must make a reasonable effort to schedule any planned medical treatment or supervision so as to minimize disruption of District operations. Actual scheduling is, however, subject to the approval of the patient’s health care provider.
- Failure to comply with these notice requirements is grounds for, and may result in, deferral of the requested leave until the employee complies with these provisions. However, the District shall not deny a leave, the need for which is an emergency or is otherwise unforeseeable, on the basis that the employee did not provide advance notice of the need for the leave.
- Where leave is requested on the basis of a serious health condition affecting an employee’s family member, the District may require evidence of the family relationship.

District Determination and Notification: It is up to the District to designate leave, paid or unpaid, as CFRA or CFRA/FMLA leave based on information provided by the employee or the employee’s representative.

- In the event that the District determines that a leave of absence is for a FMLA/CFRA family leave purpose, the District shall, within two business days, if feasible, notify the employee in writing of its determination that the leave constitutes FMLA or CFRA leave.
- Where CFRA leave is running separate and apart from FMLA leave (such as following a pregnancy disability/FMLA leave), the District shall respond to the leave request as soon as possible and, in any event, no later than 10 calendar days after receiving the request. Once given, approval of CFRA leave shall be deemed retroactive to the first day of the leave.
- The District's written notice to the employee shall, among other things:
 - Specify the obligations of the employee while on family leave and explain the consequences of a failure to meet these obligations;
 - Provide notice to the employee in the event that a period of paid leave is to be counted as family leave;
 - Provide notice to the employee in the event that the District requires paid leave to be substituted for unpaid leave.
- Where the employee fails to provide sufficient information until after the leave commenced, the District may make a preliminary determination that the employee's absence is for a family leave purpose, subject to later confirmation by medical certification.
- If either the District or the employee designate an absence as family leave after the leave of absence has begun, such as when an employee advises the District during the leave of absence or after his/her return to work that the entire leave of absence or any part of it was for a family leave purpose, that portion of the leave period which was for a family leave purpose may be retroactively counted as family leave.
- If the employee fails to advise the District that a leave of absence was for a family leave purpose either before, during or within two days after he/she returns to work, the employee will not be able to assert the protections of the family leave laws for the leave of absence.
- Any dispute between the District and an employee as to whether paid leave qualifies as family leave should be resolved through discussions between the employee and the Human Resources.

Medical Certification: An employee's request for leave due to a serious health condition affecting the employee or the employee's child, parent or spouse must be supported by a medical certification issued by the health care provider of the individual requiring care.

- For leave to care for the employee's child, parent, or spouse, this certification need not identify the serious health condition involved, but shall contain:
 - The date, if known, on which the serious health condition commenced;
 - The probable duration of the condition;
 - An estimate of the amount of time which the health care provider believes the employee needs to care for the child, parent or spouse; and

- A statement that the serious health condition warrants the participation of the employee to provide care during a period of treatment or supervision of the child, parent or spouse.
- For leave to care for the employee's own serious health condition, this certification need not, but may, at the employee's option, identify the serious health condition involved. It shall contain:
 - The date, if known, on which the serious health condition commenced;
 - The probable duration of the condition; and
 - A statement that, due to the serious health condition, the employee is unable to work at all or is unable to perform any one or more of the essential functions of his or her position.
- This type of medical certification is not required where leave is requested for the birth, adoption or placement of a child in foster care with the employee. (However, the District may request written verification of family relationship for the birth, adoption or placement of a child in foster care with the employee.)
- Medical certification must be provided within 15 calendar days of the District's request and generally prior to the commencement of a foreseeable leave of absence, unless it is not practicable to do so despite the employee's diligent, good faith efforts to do so.
- With regard to leave due to the employee's own serious health condition:
 - Where the District has reason to doubt the validity of the employee's medical certification, the District may require, at the District's expense, that the employee obtain a second medical opinion from a health care provider designated by the District and who is not regularly used by the District; and
 - Where the second opinion differs from the first, the District may require that the employee obtain a third and binding medical opinion, again at the District's expense, from a health care provider designated or approved jointly by the District and the employee.
- The District may require recertification only where additional leave is requested.
- The District may also require certification at the time the employee seeks reinstatement from family leave due to the employee's own serious health condition that the employee is fit for duty and able to return to work.

Minimum Period of Leave: Leave may be taken in one or more periods and does not have to cover a continuous period of time.

- Where leave is taken due to the serious health condition of the employee or his/her parent, child or spouse, the minimum leave increment shall be the shortest period of time the District's payroll system uses to account for absences or use of leave.
- Where CFRA leave is running separate and apart from FMLA leave (such as CFRA leave following pregnancy disability/FMLA leave), the minimum duration for leave taken in connection with the birth, adoption or foster care placement of a child is two weeks,

except that the District shall grant a request for CFRA leave of less than two weeks on any two occasions during the one year period following the birth or placement of the child with the employee.

Substitution of Leave: The District may require that sick leave be used to provide pay during any period of otherwise unpaid family leave due to the employee's own serious health condition. Sick leave may also be used in connection with family leave taken for other purposes in accordance with applicable District Policy (ies), California Labor Code section 233, and upon the mutual agreement of the District and the employee. The District may require that vacation and other accrued time off (other than sick leave and compensatory time off) be used for any family leave qualifying event other than pregnancy disability leave. Where pregnancy disability leave and FMLA leave are running concurrently, accrued vacation or compensatory time may be used at the employee's option. CFRA and FMLA leave may also run concurrently with a leave of absence covered by workers' compensation or temporary disability. Upon reinstatement, all employee benefits will be resumed without any new qualification period, physical examination or exclusion of preexisting conditions.

Reinstatement: Where a definite date of reinstatement has been agreed upon at the beginning of the leave, the employee will be reinstated to the same or a comparable position by the date agreed upon. If the reinstatement date differs from the District's and employee's original agreement, the employee will be reinstated to the same or a comparable position within two business days, where feasible, after the employee notifies the District of his or her readiness to return. The employee's use of family leave may not result in the loss of any employment benefit that the employee earned or was entitled to before going on family leave. Upon reinstatement, all employee benefits will be resumed without any new qualification period, physical examination or exclusion of preexisting conditions.

Denial of Reinstatement: An employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during family leave. For example, if an employee is laid off while on family leave, the District's responsibility to maintain group health plan benefits and reinstate the employee ceases at the time the employee is laid off.

The District may also deny reinstatement to:

- An employee who gives notice that he or she no longer desires to return to employment with the District;
- An employee who fails to provide certification that he or she is fit for duty and able to return to work after taking family leave based on the employee's own serious health condition; or
- A salaried "key employee" who is among the highest-paid 10% of employees employed within 75 road miles of the employee's worksite, if:
 - It is necessary to prevent substantial grievous economic injury to the operations of the District,
 - Notice is given to the employee at the time of the leave request that the District will grant the leave request, but that the District may deny reinstatement, and
 - The employee is given a reasonable opportunity to return to employment after receiving such notice, but elects not to return, or

- After the leave expires, the employee requests reinstatement, and the District makes a determination at the time of the reinstatement request and notifies the employee of its determination that reinstatement would cause substantial grievous economic injury to the operations of the District.

SERVICEMEMBER FAMILY & MEDICAL LEAVE

The federal Family and Medical Leave Act (FMLA) entitles eligible employees to take leave for a covered family member's service in the Armed Forces. This Policy supplements our FMLA Policy and provides general notice of employee rights to this leave. Except as stated below, such rights and obligations for Service_member FMLA are governed by our existing FMLA Policy. Service_member FMLA runs concurrent with other leave entitlements provided under federal, state and local law.

Entitlement to Service_member FMLA: Servicemember FMLA provides eligible employees unpaid leave for any one, or combination, of the following reasons:

- A 'Qualifying Exigency' arising out of a covered family member's active duty or call to active duty in the Armed Forces in support of a contingency plan: or
- To care for a covered family member who has incurred an injury or illness while in the Armed Forces provided that such injury or illness renders the family member medically unfit to perform duties of the member's office, grade, rank or rating and is certified by the service_member's health care provider.

Duration of Service_member FMLA: (1) When leave is due because of a 'Qualified Exigency' concerning the military duty of a family member: an eligible employee may take up to 12 workweeks of leave during any 12-month period. (2) When leave is to care for an injured or ill service_member: an eligible employee may take up to 26 workweeks of leave during a single 12-month period to care for the service_member. Leave to care for an injured or ill service_member, when combined with other FMLA-qualifying leave, may not exceed 26 workweeks in a single 12-month period. (3) Where spouses are both employed by the District, they may take up to, in aggregate, 26 workweeks of service_member FMLA, provided that any portion of the aggregate leave that is not for care of a family service_member does not exceed 12 workweeks.

Notice of Intent to take Service_member FMLA: In any case where it is foreseeable that an employee will need service_member FMLA, that employee must provide notice of his or her intent to take leave as soon as reasonably possible and provide certification of either the 'qualified exigency' or family service_member's need for care as soon as practicable.

MATERNITY & PREGNANCY DISABILITY LEAVE

Any employee who is disabled by pregnancy, childbirth, or related conditions may take a Pregnancy-Related Disability leave for the period of actual disability of up to four months, in addition to any family care or medical leave to which the employee may be entitled. Pregnancy-Related Disability Leaves may be taken intermittently, or on a reduced-hours schedule, as medically necessary.

Moreover, an employee is entitled to a reasonable accommodation for pregnancy, childbirth, or related medical conditions if she so requests and provides the District with medical certification from her health care provider. In addition to other forms of reasonable accommodation, a pregnant employee is entitled to transfer temporarily to a less strenuous or hazardous position or to less hazardous or strenuous duties if she so requests, the transfer request is supported by proper medical certification, and the transfer can be reasonably accommodated.

Substitution of Paid Leave for Pregnancy-Related Disability Leave

An employee taking Pregnancy-Related Disability Leave must substitute any available sick pay for her leave and may, at her option, substitute any accrued vacation time for her leave. The substitution of paid leave for Pregnancy-Related Disability Leave does not extend the total duration of the leave to which an employee is entitled.

Leave's Effect on Benefits

During a Pregnancy-Related Disability Leave, the District will continue to pay for the employee's participation in the District's group health plans, to the same extent and under the same terms and conditions as would apply had the employee continued in employment continuously for the leave period.

Thus, the employee must continue to pay his or her share of the health plan premiums during the leave. If paid sick leave is substituted for any portion of the leave that is unpaid leave, such payments will be deducted from the employee's pay through the regular payroll deductions. Otherwise, the employee must make arrangements with the District for the payment of such premiums.

The District may recover from the employee the premiums that the District paid to maintain coverage for the employee under the group health plan if the employee fails to return from leave after the period of leave has expired and the employee's failure to return is for a reason other than: (i) the employee is taking (i.e., has transitioned over to) leave under the California Family Rights Act, unless the employee chooses not to return after the CFRA leave, in which case the District can recover such premiums; (ii) the continuation, recurrence, or onset of a health condition that entitles the employee to Pregnancy-Related Disability Leave, unless the employee chooses not to return after the Pregnancy-Related Disability Leave, in which case the District can recover such premiums; (iii) non-pregnancy related medical conditions requiring further leave, unless the employee chooses not to return to work following the leave, in which case the District can recover such premiums, or (iv) other circumstances beyond the employee's control.

It is the District's policy that, similar to other unpaid leaves, during any unpaid portion of a Pregnancy-Disability Leave, employees will accrue employment benefits, such as sick leave and vacation leave, only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual.

Employee benefits may be continued during the unpaid portion of the Pregnancy-Disability Leave according to the provisions of the District's various employee benefit plans.

Return to Work Certification

Consistent with the District's practice for other employees returning from a disability leave for reasons other than pregnancy, the District requires that an employee returning from Pregnancy-Related Disability Leave provide a release to return to work from her healthcare provider stating she is able to resume her original job or duties.

Leave's Effect on Reinstatement

Employees returning from Pregnancy-Related Disability Leave generally are entitled to be reinstated in the same position, subject to certain conditions, and consistent with applicable law. Maternity leave shall be granted in accordance with the provisions of the District's Sick Leave Policy and in compliance with the CFRA and the FMLA. Please refer to the information under the previous Section for a more detailed explanation and guidelines in regard to these regulations.

Even if an employee is not eligible for CFRA leave, they are entitled to take a pregnancy disability leave of up to four (4) months depending on the period of actual disability under the Fair Employment and Housing Act (FEHA). Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth would all be covered by a pregnancy disability leave. Disability arising out of pregnancy shall be treated by the District the same as other disabilities of similarly situated employees in terms of eligibility for, or entitlement to, sick leave or leave without pay, extended sick leave, or accrued sick leave benefits.

The District may require certification from the employee's health care provider of a pregnancy disability or the medical advisability for a transfer or reasonable accommodation, particularly where the nature of the duties performed are hazardous or burdensome. If possible, an employee must provide at least thirty (30) days advance notice for a foreseeable event such as the birth of a child in accordance with the regulations.

All employees will be placed on leave when their physician states that maternity disability would interfere with the performance of the duties of the position or continuing work would be hazardous. Should disagreement arise between the District and an employee's physician as to the hazardous nature of a job or the ability of the employee to perform the job, the physician representing the District will resolve the conflict and his decision will be binding upon all parties.

Following childbirth and upon release from medical treatment for the disability resulting from the pregnancy, an employee must submit a medical statement of fitness to perform the duties of the position to the Director of Human Resources Manager. At that time, a determination will be made for a return work date. Reinstatement should be accomplished as expeditiously as is reasonably practicable.

NEW PARENT LEAVE

Eligible employees who are not subject to both the federal FMLA and California CFRA may take new parent leave under California's New Parent Leave Act to bond with a new child within one year of the child's birth, adoption, or foster care placement, under the circumstances set forth below. Employees should direct any questions to Human Resources.

Eligibility

To be eligible for New Parent Leave, employees must (1) have more than 12 months of service with the District during the 12-month period prior to the date on which the leave is to commence; (2) have at least 1,250 hours of service with the District during the previous 12-month period; and (3) work at a worksite in which the District employs at least 20 employees within 75 miles.

Leave's Effect on Pay and Benefits

Leave under the New Parent Leave Act is unpaid, although employees are entitled to utilize accrued vacation pay, paid sick time, or other paid or unpaid time off negotiated with the District, during such leave. Also, employees may be eligible for Paid Family Leave wage replacement/insurance benefits administered as part of the California State Disability Insurance program during a New Parent Leave.

During New Parent Leaves, the District will continue to pay for employees' participation (if applicable) in the District's group health plan for the duration of the leave but not to exceed 12 weeks over the course of a 12-month period, commencing on the date that the parental leave commenced, at the level and under the conditions that would have been provided if the employee had continued to work in his or her position for the duration of the leave. Thus, the employee must continue to pay his or her share of any group health plan premiums during the leave. If an employee has other voluntary plans and/or dependent medical insurance coverage, he/she also will be required to pay the regular contributions for those benefits while on leave.

The District may recover the premiums that it paid for maintaining coverage for the employee under any group health plans, if (1) the employee fails to return from leave after the expiration of the period of leave to which he/she is entitled, and (2) such failure to return is for a reason other than the continuation, recurrence, or onset of a serious health condition or other circumstances beyond the employee's control.

Guaranteed Reinstatement

Eligible employees who take New Parent Leave should note that they are guaranteed employment in the same or a comparable position upon termination of such leave, subject to any exceptions provided by law.

Both Parents as Employees

If the District employs both parents who are entitled to New Parent Leave, the District is not required to grant leave in an amount beyond that available to one eligible parent.

No Discrimination or Interference with Rights

The District will not discriminate in any way against, an individual because he or she exercised New Parent Leave rights or gave information or testimony as to the employee's or another person's New Parent Leave, and it will not interfere or limit in any way the exercise or attempted exercise of any such rights.

BENEFIT ACCRUALS WHILE ON UNPAID LEAVE

Employees on family leave, ~~maternity-pregnancy disability~~ leave or any other leave, with the exception of Military Leave, do not accrue vacation, sick leave, or other seniority based

8/9/20197/2/2019

benefits during any portion of the leave that is unpaid. Upon completion of family leave, [pregnancy disability maternity](#) leave or any other leave, any entitlement to benefits shall be governed by the applicable leave policy. [Benefit accruals while on Military Leave are provided in accordance with USERRA and the California Military and Veterans Code, Section 395, et seq.](#)

NO RETALIATION & WHISTLEBLOWER PROTECTIONS

No Retaliation: The District's policy and state and federal laws forbid retaliation against employees because they have exercised their rights under law, protested any violation of law, or participated in any proceeding under law. The U.S. Department of Labor and the California Department of Fair Employment and Housing are authorized to investigate and resolve complaints of any violation of the PDL, FMLA, CFRA, and other laws. Employees also have the right to bring a civil action for violations of the PDL, FMLA, CFRA, and other laws.

Whistleblower Protections: The District is committed to operating in compliance with all applicable laws, rules and regulations, including those concerning accounting and auditing, and prohibits fraudulent practices by any of its Board of Directors, officers, employees, agents, or volunteers. This policy outlines a procedure for employees to report actions that an employee reasonably believes violate a law, or regulation or that constitutes fraudulent accounting or other practices. This policy applies to any matter which is related to District business and does not relate to private acts of an individual not connected to District business.

If an employee has a reasonable belief that an employee, District officer, or other District agent has engaged in any action that violates any applicable law or regulation, including those concerning accounting and auditing, or constitutes a fraudulent practice, the employee is expected to immediately report such information to the [Director of Human Resources Manager](#). If the employee does not feel comfortable reporting the information to the [Director of Human Resources Manager](#), he or she is expected to report the information to the General Manager. If the employee does not feel comfortable reporting the information to the General Manager, he or she is expected to report the conduct to the Board of Directors, either collectively or by relaying the information to any individual Director to be relayed to the Board. All reports should be submitted in writing to properly characterize the concerns.

The District will not retaliate against an employee in the terms and conditions of employment because that employee: (a) reports to a supervisor, to Human Resources, General Manager, the Board of Directors or to a federal, state or local agency what the employee believes in good faith to be a violation of the law; or (b) participates in good faith in any resulting investigation or proceeding, or (c) exercises his or her rights under any state or federal law(s) or regulation(s) to pursue a claim or take legal action to protect the employee's rights.

The District may take disciplinary action (up to and including termination) against an employee who in management's assessment has engaged in retaliatory conduct in violation of this policy. The District will not, with the intent to retaliate, take any action harmful to any employee who has provided to law enforcement personnel, or court, truthful information relating to the commission or possible commission by District or any of its employees of a violation of any applicable law or regulation. Supervisors will be trained on this policy and the District's prohibition against retaliation in accordance with this policy.

SERIOUS FAMILY ILLNESS LEAVE

Following completion of 30 days of employment, regular full-time employees are eligible to take up to four days with pay per fiscal year for serious family illness to attend the birth of an employee's child, operation of an immediate family member, to attend to the serious illness or injury of an immediate family member, or where death of an immediate family member appears imminent. Immediate family includes those mentioned in the Bereavement Leave policy above. This form of leave does not extend the leave period provided under the family leave laws. Employees are to allocate the number of hours to Serious Family Illness Leave accordingly on their electronic time sheet.

JURY OR WITNESS DUTY LEAVE

Jury Duty is considered an excused absence. Any regular, full-time employee of the District who is called or required to serve as a trial juror or witness will be excused from work during the period of such service or while present in court as a result of such a call. Eligible full-time employees required to serve as jurors are granted jury duty leave with pay, less any fees paid to them by the court, except mileage up to a maximum period of thirty (30) working days. Employees serving on a jury exceeding the thirty (30) day period shall do so without pay. This benefit is effective immediately upon employment. An employee serving jury duty must obtain an attendance slip from the court and submit it to the accounting department in order to be eligible for pay for those hours. Employees are to allocate the number of hours to Jury Duty Leave accordingly on their electronic time sheet. Any employee relieved from jury duty after less than 3 hours shall report to work unless impracticable because of travel time. [If the employee is unable to return to work, time will be taken as unpaid, or vacation or compensatory time.](#)

An employee who is subpoenaed to appear in court in a matter regarding an event or transaction which he or she perceived or investigated in the course of his or her job duties will do so without loss of compensation. An employee will not be paid to appear in court in a matter unrelated to his/her duties or in a matter initiated by the employee.

MILITARY LEAVE

Military leave shall be granted in accordance with State and Federal law.

Active Service - An employee who is engaged in military duty ordered for purposes of active military training or encampment is entitled to military leave with pay for up to 30 days per calendar year.

Inactive Service - An employee who is required to attend scheduled service drill periods or perform other inactive duty reserve obligations is entitled to military leave without pay, not to exceed 180 calendar days per year. Such employee may, at his or her option, elect to use accrued vacation or compensatory time to attend the scheduled reserve drill periods or to perform other inactive drill period obligations.

PERSONAL LEAVE OF ABSENCE WITHOUT PAY

Upon written request, approved by the General Manager's sole discretion, a regular full-time employee may be granted a personal leave of absence without pay not to exceed 30 working days. The General Manager, based on the District's needs and requirements, will determine conditions of such leave of absence. The Board of Directors must approve requests for personal leaves of absence longer than 30 days' duration. This benefit is effective following successful completion of six months of service.

No sick or vacation leave will be accrued during any pay period an employee is absent without pay.

The employee and the District will each continue to pay its share of the premiums in accordance with District policy for qualified employees on authorized personal leave of absence without pay for up to 30 days on such leave. Thereafter, continuing such premium payments will be at the sole discretion of the Board of Directors. Should coverage be terminated under the District's long-term disability plan, coverage may be converted to an individual plan at the expense of the employee. Upon return to work, employees become eligible for reinstatement in accordance with the terms of the agreement with the insurance carrier then in effect.

Refer to the appropriate sections regarding continuation of premium payments for disability, medical, dental, vision and life insurance coverage while on other leaves without pay.

UNAUTHORIZED ABSENCE

Any unauthorized absence from work is considered cause for immediate dismissal. Absence from work without permission and without notification to the District for three consecutive days will be considered a voluntary resignation.

DISCRETIONARY ~~ADMINISTRATIVE~~ EXECUTIVE LEAVE

At the General Manager's discretion, the District may provide up to five days of paid ~~executive administrative~~ leave to its ~~executive~~ management employees. This leave is ~~meant for business-related purposes as~~ a means of ~~rewarding and~~ encouraging full-time management employees to participate in and attend meetings, activities, and events on behalf of the District, and to spend time outside of normal working hours otherwise in the service of the District. Paid ~~executive administrative~~ leave is not considered vacation and is a privilege of paid time away from the work place. Employees eligible for paid ~~executive administrative~~ leave are required to obtain approval from the General Manager or designee prior to the scheduled use of paid ~~executive administrative~~ leave. The use of any paid ~~executive administrative~~ leave must be recorded in the District's payroll records for each ~~calendar fiscal~~ year. Paid ~~executive administrative~~ leave does not accrue or cash out upon termination.

CATASTROPHIC LEAVE PROGRAM

The District has adopted a program that allows employees who have accrued vacation, ~~CTO~~ or sick leave hours the option to voluntarily donate hours to another employee who has

exhausted his/her sick, vacation and CTO compensatory time leaves due to a non-work related catastrophic illness or injury to allow the employee to recover from their illness or injury. The calculation for the hours will be based on the number of hours donated times the donor's hourly rate divided by the recipient's hourly rate. The Program guidelines and forms can be obtained from Human Resources.

ADMINISTRATION

PERSONNEL FILES

The District recognizes the confidentiality of personnel information and its obligation to maintain procedures to ensure the integrity of such files. Employees have the right to inspect or receive a copy of the personnel records. Any request to inspect or copy personnel records must be made in writing to Human Resources. If an employee requests a copy of the contents of their file, they will be charged the actual cost of copying. Employees can obtain a form for making such a written request from Human Resources.

Employees may designate a representative to conduct the inspection of the record or receive a copy of the records. However, any designated representative must be authorized by the employee in writing. MWDOC may take reasonable steps to verify the identity of any representative and the scope of the authorization.

The personnel records may be made available to the employee either at the place where they work or at a mutually agreeable location (with no loss of compensation for going to that location to inspect or copy the records). The records will be made available within the timeframe required by law; typically not later than 21 days.

Unauthorized disclosure of personnel information to outside sources, other than the employee's designated representative is prohibited and may form the basis of discipline. However, MWDOC will cooperate with a request from authorized law enforcement or local, state, or federal agencies conducting official investigations as legally required.

COMPENSATION AND BENEFITS SURVEYS AND PAY STRUCTURE ADJUSTMENTS

The compensation philosophy guiding the District's decisions related to employee compensation and benefits is that of desiring to provide salary ranges and benefit practices that are competitive with market practices. In conducting compensation surveys, the District establishes its salary ranges by considering the median of the marketplace. In administering benefits surveys, the District considers prevailing and emerging practices related to the District's labor market. This approach has been adopted in an effort to attract and retain the best available staff and continue in its commitment to quality service to the District's member agencies.

Human Resources shall conduct a planned pay structure adjustment survey in November of each year of the direct labor market agencies to determine the percentage adjustment to the Pay Structure ranges for the upcoming fiscal year to go into effect July 1.

A comprehensive compensation and benefits survey shall be conducted every three years to evaluate market practices and job grading. Human Resources may conduct interim market

analyses for newly established or modified job classifications between the comprehensive annual reviews.

ANNUAL MERIT INCREASES

Merit increases for regular full-time and part-time employees are granted in proportion to an employee's demonstrated job performance and current placement within the employee's salary range. Supervisors and managers will establish performance standards and communicate these expectations to each of their staff. In addition, supervisors and managers will discuss with each employee concerning his or her performance during that employee's performance review process.

MERIT GUIDELINES

The amount of each merit increase will be determined in part by the performance of the employee, as documented on the Performance Appraisal. The performance review should provide a fair and accurate evaluation of the employee's performance in the preceding fiscal year.

PERFORMANCE APPRAISAL

Newly hired or promoted employees will be appraised at six months from date of hire or position. Thereafter, performance will be appraised annually during the months of June and July, consistent with the timing of the annual merit increase process. Managers will meet with employees during the year to review the performance appraisal and assess performance and progress.

PERFORMANCE CRITERIA AND DEFINITIONS

- 1 = Unsatisfactory. Performance is below job requirements and level expected and it appears the employee is either unwilling or unable to perform successfully.
- 2 = Needs Improvement. Performance meets some, but not all job requirements. Improvement is needed to meet requirements. Employee has potential for successful performance.
- 3 = Successful. Performance meets job requirements. Overall performance has been at the level expected for the position.
- 4 = Exceeds Expectations. Performance consistently meets and frequently exceeds some job requirements.
- ~~5 = Outstanding. Performance consistently exceeds all job requirements.~~

MERIT INCREASE PROCEDURES

Merit increases ~~to~~ become effective the first full pay period following July 1. Employees, with the exception of the General Manager, with a minimum of six full calendar months of employment with the District may be eligible for merit increase consideration. Merit ~~increases~~ ~~raises~~, within the established salary ranges, are not automatic, but will be granted based upon

employee performance and budgetary considerations, as determined by the General Manager.

Merit increases will be granted within the established Salary Range only. If an employee has reached the maximum rate of the Salary Range, the employee's salary shall be frozen (remain unchanged) until such time that the Board of Directors approves a salary range adjustment that would result in the employee's pay rate being less than the range maximum. In the event that the employee is paid at the maximum rate of the salary range any additional compensation that is paid would be at the General Manager's discretion to grant in the form of a lump sum performance payment in accordance with the merit increase guidelines.

PROMOTIONS

A promotion is defined as the movement of an employee from one classification to another classification in a higher salary range, i.e. Administrative Assistant to Senior Administrative Assistant. An employee who is promoted will receive, at the discretion of the General Manager, a promotional salary increase at least to the salary range minimum. The General Manager may, however, grant greater increases.

A promoted employee will be required to serve a six-month review period in the new position; retention of the employee in the promoted classification may be determined at any time during this review period. The six-month review period will have no effect on the timing of the promoted employee's annual salary review for merit consideration or salary range adjustments. If the promoted employee fails this review period, he or she would not have the automatic right to return to his/her former classification, unless there is a vacant position in said former classification. If an employee is returned to his/her former classification, the employee will return to their original pay status in the former classification.

POSITION RECLASSIFICATION

A position reclassification is the change of a position from one salary range to another salary range and will be implemented under the General Manager's authority in the management of the District.

If an employee is in a position that is reclassified to a higher salary range, the employee will maintain his/her current salary rate unless his/her current salary rate is below the minimum salary of the new range, in which case the employee will, at the discretion of the General Manager, be eligible to receive the beginning salary in the new range.

If an employee is in a position that is reclassified to a lower salary range, said employee will be placed at a salary level within the lower range at the discretion of the General Manager.

PAYDAYS

District paydays will be every two calendar weeks. Pay~~checks~~ ~~vouchers~~ will be inclusive of pay for all hours in the two preceding calendar weeks. In the event a payday falls on a holiday, the direct deposit or paycheck will be distributed on the day prior to the holiday.

PAYROLL DEDUCTIONS

Payroll deductions are taken from the pay of all employees in compliance with [all mandated](#) state and federal laws based on employee's earnings, marital status, and number of exemptions claimed. [Payroll deductions also include required pension and health and welfare benefits and employee voluntary. Required deductions include federal income tax, FICA "Medicare Only" Contributions, State Income Tax, and Pension contributions.](#) Garnishments will be applied only as required by law. [Voluntary employee deductions may be taken from pay based on employee's participation in those voluntary benefits.](#) Employees hired after April 1, 1986 are required to contribute to Medicare and payroll deductions are made accordingly.

VACATIONS

General Policy: In order to realize the full benefit and purpose of a vacation policy, employees are encouraged to take at least a portion of their annual earned vacation time off each year, in a block of time preferably five consecutive working days. The scheduling of an employee's vacation time or the extension of accrued vacation beyond the designated 12-month accrual period will be at the discretion of the General Manager based on the needs of the District.

Accrual Rate: Regular full-time employees working 40 hours per week shall earn vacation time off with pay in accordance with the following schedule. Employees working less than 40 hours a week [but more than 32 hours per week](#), shall accrue vacation on a prorated basis. Part-time employees who later convert to full-time employees will begin to accrue vacation time beginning on the date of their full-time status. No vacation credit will be earned during any pay period an employee is absent without pay. Regular full-time employees who are temporarily working part-time may accrue vacation leave on a prorated basis, at the District's discretion. When an approved holiday falls within a vacation period, an employee, on vacation shall be entitled to the holiday and will not be required to use vacation hours that day.

<u>Years of Service</u>	<u>Hours Earned Biweekly</u>	<u>Yearly Equiv.</u>
Beginning with 1st year	3.08	80 hours
Beginning with 4th year	4.62	120 hours
Beginning with 11th year	5.23	136 hours
Beginning with 15th year	6.15	160 hours
Beginning with 20th year	6.46	168 hours

Accrual Cap: Once an employee vacation accrual reaches twice his or her yearly annual accrual rate, the employee shall cease being eligible to accrue further vacation until such time as the accrual drops back below that figure. The General Manager maintains discretion to approve the raising of the accrual [cap rate or authorize partial payout of accrued amounts to reduce below the maximum accrual.](#) —Unused vacation will be paid out to an employee, or his or her designated beneficiary, at the time he or she separates from employment based on the individual's then-current rate of pay.

HOLIDAYS

All eligible regular full-time employees are granted the following paid holidays (total of 11 days/88 hours) ~~if the District observed holiday falls on an employee's regularly scheduled~~ workday. In order to be entitled to holiday pay, an employee must be eligible for full pay for the scheduled workday both before and after said paid holiday. The following dates are recognized District holidays:

New Year's Day	January 1
President's Day	3 RD Monday in February
Memorial Day	last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	4th Friday in November
Christmas Eve	December 24
Christmas Day	December 25
One floating holiday to be designated by the employee each year	

The granting of holiday pay does not guarantee any employee the day off. The General Manager may elect to maintain a minimum staff on any holiday.

Holidays Occurring on a Date Scheduled Off: When a paid holiday falls on a Sunday, the following Monday shall be deemed the holiday. When a paid holiday falls on a Saturday, the preceding Friday shall be deemed the paid holiday. When a paid holiday falls on an employee's scheduled day off per the modified work week schedule, the employee will receive eight hours of ~~vacation~~ CTO accrual in lieu of the following day off.

If the floating holiday is not used within the calendar year it will be credited to the employee's CTO -or vacation accrual.

OTHER BENEFITS

WORKER'S COMPENSATION (WORK-RELATED ILLNESS OR INJURY)

Whenever an employee sustains an injury or disability arising out of, and in the course of, District employment and requires medical care, the employee shall obtain treatment according to the provisions of the California Labor Code, sections 4600 et seq. and shall receive compensation for hours not worked while obtaining such medical care without loss of accrued leave hours. **Employees are required to immediately report a work-related injury/incident to their supervisor and Human Resources. The supervisor of the affected employee shall ensure that the report is made.**

Whenever, due to a work-related injury, an employee is compelled by direction of his or her physician to be absent from duty on account of such injury or disability, such employee will be

placed on [a Medical Leave of Absence under](#) Workers' Compensation Leave. The employee will receive full compensation for the first three (3) calendar working days following the date of the injury without loss of accrued leave hours. Thereafter, the employee may elect to apply pro-rated sick leave first, vacation, or Compensatory Time Off (CTO), if sick leave is exhausted, to such absence to receive compensation in an amount equal to the difference between the compensation to which he/she is entitled under Workers' Compensation Act and his or her regular pay, not to exceed the amount of accrued leave.

Workers' Compensation benefits begin with the fourth full consecutive calendar day of missed work (including weekends); however, if the absence continues beyond fourteen (14) days, Workers' Compensation will then pay the applicable benefits for the first three (3) days of missed work. When this occurs, the employee will be docked for the first three (3) days the District previously paid him/her in an amount equal to the Workers' Compensation benefits received.

An employee, who is on Workers' Compensation leave of absence and ~~who was~~ covered by disability insurance when the work related injury occurred, may be eligible for disability benefits. (Compensation to which an employee is entitled from Workers' Compensation and disability shall not exceed an employee's regular pay).

Supervisors are required to complete the required reporting forms whenever an employee is injured and/or placed on Workers' Compensation Leave. A doctor's release must be provided to the District upon the employee's return to work from a Workers' Compensation Leave. See Human Resources for the appropriate forms.

Return to Work (RTW) From Industrial Injury or Illness: The decision to return an employee to work or place an employee back on the job, with or without modified work, shall be made by the District, independent of any decision made in the Workers' Compensation process, as follows:

- The employee shall submit to a fitness-for-duty assessment.
- Where there is an indication of continued physical or mental limitations, the employee and the District shall engage in the interactive process to determine whether reasonable accommodations to the limitations exist.
- If there is no permanent disability, no work restrictions, and the absence has not been longer than thirty days, the employee shall be returned to work.
- If there is no permanent disability, but temporary work restrictions, or there has been an absence of thirty days or more, a review of the employee's medical records from the Workers' Compensation case and RTW medical evaluation may be conducted. An employee shall be returned to work if the work restrictions are compatible with job demands or modified job demands, if available pursuant to reasonable accommodations.
- If there is a permanent disability, placement of the employee in the position last held by the employee will be considered following a RTW medical evaluation and complete assessment of potential reasonable accommodations.

The employee must obtain a release to work or be properly discharged from the medical provider utilized by the District prior to returning to his or her job. If it is determined that the job

demands of the position last held by the employee are not compatible with the employee's restrictions and the employee is willing to return to work, placement in an alternative position, if available, will be considered. The employee shall be reclassified as "medically disqualified" and placed on unpaid leave while alternative positions are being considered. However, the employee may elect to use accrued leave hours, such as vacation, to receive compensation. Placement of an employee in an alternate position requires a pre-placement medical evaluation for the alternative job.

MEDICAL INSURANCE

Group medical insurance is provided to eligible regular full-time District employees or where otherwise required by law (including the Affordable Care Act or the state paid sick leave laws). Coverage is also offered to spouses, dependents and registered domestic partners of eligible employees in accordance with the terms of the plan documents. The District ~~will~~ pay a portion toward the monthly premiums based on employee and dependent status for medical coverage ~~based on the amounts as~~ approved by the Board and in accordance with the District Benefit Administrators insurance policy guidelines. Employees are required to contribute toward their monthly medical insurance premiums. This benefit goes into effect on the first day of the month following 30 days of service.

MEDICARE COVERAGE

All District employees hired after April 1, 1986 are required by the passage of the Consolidated Omnibus Budget Reconciliation Act (COBRA), to contribute to the Medicare portion of the Social Security Program. Those employees shall contribute 1.45% of their salary with the District matching the fund by contributing 1.45% of the employee's salary, unless changed by federal law.

MEDICAL AND ELECTIVE HEALTH AND WELFARE COVERAGE UPON RETIREMENT (Applies to Regular Full-Time employees hired prior to July 1, 2012)

The District shall provide the retiree medical and elective health and welfare benefits set forth in this policy for retired employees who are at least 55 years of age, including their spouses or domestic partner registered with the State of California (at the time of retirement), and that have accrued a specified number of years of service:

10 Years of Service: Employees with a minimum of 10 consecutive years of full-time service with the District shall receive retiree medical benefits on the following terms:

- Retirees are not eligible for District paid dental and vision benefits.
- Retiree will have the option to continue participation in dental and vision coverage at their own cost in accordance with the Consolidated Omnibus Reconciliation Act (COBRA).
- The District shall pay health coverage premiums for retiree only or couples coverage on the same basis as active employees.

Commented [1]: Moved this Section following the regular benefits and prior to the pension plan benefits.

- Once the retiree becomes Medicare eligible, coverage will cease.
- Retirees must enroll in Medicare upon eligibility.
- Upon becoming Medicare eligible, the District will reimburse the retiree, in an amount up to \$1,800 per calendar year, for a supplemental Medicare insurance policy and Medicare Prescription Drug Insurance covering the retiree only.
- Supplemental Reimbursement for Medicare and Medicare Prescription Drug Coverage will be made to the retiree on a quarterly basis upon submission of proof of payment.
- In the event a spouse or registered domestic partner survives a retiree before the District-paid group coverage would normally end, the District will continue paying the premium for the surviving spouse or registered domestic partner for retiree only coverage until the earliest to occur of the following: remarriage, enrollment under another plan, or becoming eligible for Medicare.

25 Years of Service: Employees with a minimum of 25 consecutive years of full-time service with the District shall receive retiree medical benefits on the following terms:

- The District shall pay health coverage premiums for retiree only or couples coverage on the same basis as active employees.
- Retirees and spouses or registered domestic partners are eligible to participate in the District's Dental and Vision Insurance Plan as follows:
 - Dental
 - Retiree Only Coverage: The District shall pay the monthly insurance premiums on the same basis as active employees.
 - Couples Coverage: The District shall pay 80% of the monthly premium for retiree plus spouse or registered domestic partner.
 - Vision
 - Retiree Only Coverage: The District shall pay the monthly insurance premiums on the same basis as active employees.
 - Couples Coverage: The District shall pay 80% of the monthly insurance premiums.
- Retirees must enroll in Medicare upon eligibility.
- Upon becoming Medicare eligible, retirees must enroll in Medicare Parts A and B. The District will include reimbursement of payment for Medicare Option B for both retiree and his/her eligible spouse or registered domestic partner after submitting verification to the District of official enrollment in Medicare Option B. This results in a reduced premium cost to the District. Eligibility for retiree health benefit participation is contingent on enrollment in Medicare Parts A and B upon Medicare eligibility.

- In the event a spouse or domestic partner survives a retiree before the District-paid group coverage would normally end, the District will continue paying the premium for the surviving spouse or registered domestic partner for retiree only coverage until the earliest to occur of the following: remarriage, enrollment under another plan, or becoming eligible for Medicare.

Retiree Health and Welfare Coverage contribution amounts are established in accordance with Administrator Plan Document guidelines then in effect and as approved by the MWDOC Board.

Employees hired on or after July 1, 2012 are not eligible to receive District-paid retiree medical and elective health and welfare benefits.

Any variance from these benefits and requirements requires approval by the MWDOC Board of Directors.

DENTAL INSURANCE

Group dental insurance is provided for all regular full-time employees and their dependents by the District as specified in the dental insurance policies. The District will pay a portion toward the cost of the monthly premiums based on the amounts approved by the Board and in accordance with [the District's Benefit Administrators insurance policy policy guidelines](#). [Employees are required to contribute a portion toward their monthly dental insurance premiums](#). This benefit goes into effect on the first day of the month following 30 days of service.

VISION INSURANCE

Group vision insurance is provided for all regular full-time employees and their dependents by the District as specified in the vision insurance policy. The District will pay a portion towards the cost of the monthly premiums based on the amounts approved by the Board and in accordance with [the benefit administrator's insurance policy guidelines](#). This benefit goes into effect on the first day of the month following 30 days of service.

NOTE: Employees on an authorized medical leave of absence without pay may continue medical, dental, and vision coverage for the duration of any protected leave or, ~~where~~ discretionary leave up to four months, with the District paying its share of the premiums and the employee paying their respective portions of the premiums. Thereafter, coverage is terminated under the District's group plans unless continuation coverage is elected as explained below. Upon return to work, employees become eligible for re-enrollment in accordance with the [benefit administrator's policy guidelines](#). ~~terms of agreement with the insurance carriers then in effect.~~

CONTINUED MEDICAL, DENTAL AND VISION COVERAGE

Medical, dental and vision coverage may be continued if an individual's group health benefits end due to a "qualifying event" and if the employee elects to continue coverage under the plan. In order to continue coverage, the individual will be required to pay the total monthly premium payment plus two percent for administrative costs.

Qualifying Events: (1) For the employee: Termination of employment (other than for gross misconduct) or reduction of hours worked so as to render the employee ineligible for coverage. (2) For dependents: (a) Death of the employee; (b) Divorce or legal separation; (c) Loss of coverage due to the employee becoming entitled for Medicare, or (d) For a dependent child, ceasing to qualify as a dependent under the plan.

Period of Coverage: If coverage is elected, the continued coverage will end on the earliest of the following:

1. 18 months after the date of termination of employment (other than for gross misconduct) or reduction of hours worked so as to render the employee ineligible for coverage.
2. Up to 29 months after termination of employee due to total disability within the meaning of the Social Security Act at the time of the qualifying event.
3. 36 months after the date of any other qualifying event.
4. The date the employee or dependent fails to make any required premium payment when due.
5. The date the employee or dependent becomes covered under any other group health plan unless the new plan contains any exclusion or limitation with respect to any pre-existing conditions in which event the individual may remain eligible for continued coverage in accordance with the Health Insurance Portability and Accountability Act (HIPAA) as amended.
6. The date the employee or dependent becomes eligible for Medicare.
7. In the case of a divorced or widowed spouse, the date on which the individual remarries and becomes covered by any other group medical plan unless the new plan contains any exclusion or limitation with respect to any pre-existing conditions in which event the individual may remain eligible for continued coverage in accordance with the Health Insurance Portability and Accountability Act (HIPAA), as amended.

The District and third-party Benefits Administrators have the responsibility of billing and collecting premiums for individuals who have terminated from the District's group health plans.

The foregoing is merely a summary of certain rules and regulations concerning COBRA, which are subject to revision at any time. Employees and others participating in the District's group medical plan should contact the District for further information at or before the time of a

qualifying event in order to assure they understand the full extent of their rights and obligations under COBRA.

Cost of Coverage: The monthly premiums are subject to change whenever the premiums are changed for active employees.

Notification of Election to Continue Coverage: Employees are required to notify Human Resources of a qualifying event for themselves or dependents. The District will then begin the appropriate notification procedure. The eligible COBRA participant must provide an election notice and premium payment to the District within 60 days of notification of their right to continue coverage.

LIFE INSURANCE

Group life insurance, which may include death and dismemberment benefits, is provided to eligible regular full-time eligible employees and Board of Directors. only, and ~~the District will~~ pay a portion toward the cost of the monthly premiums based on the amounts approved by the Board and in accordance with the benefit administrator's insurance policy guidelines. This benefit becomes effective on the first day of the month following 30 days of service. The current coverage is two times the eligible employee's annual salary to a maximum of \$250,000 coverage. The maximum coverage for Board of Directors is \$25,000. See benefit benefit administrator's ~~P~~policy guidelines for details on benefits and restrictions. Voluntary, supplemental life insurance coverage is also available to regular full-time employees as a voluntary benefit with the employee paying 100% of the cost, which may be made through payroll deductions.

Employees on an authorized medical leave of absence without pay may continue basic and supplemental coverage for the period of any protected leave or, if discretionary leave up to four months, with the District paying its share of the premiums and the employee paying their respective share of the premiums for basic coverage only, based on the amounts approved by the Board and in accordance with the benefit's administrator's insurance policy guidelines. Employees are responsible for paying 100% for supplemental life insurance coverage. Thereafter, coverage is terminated under the District's group plan unless individual coverage is elected. Upon return to work, such employees become eligible for re-enrollment in accordance with the terms of agreement with the insurance carriers then in effect.

MEDICAL AND ELECTIVE RETIREE -HEALTH AND WELFARE BENEFITS COVERAGE UPON RETIREMENT

(Applies to Regular Full-Time employees hired prior to July 1, 2012)

The District shall provide the medical-elective retiree -health and welfare benefits as set forth in this policy for retired employees who are at least 55 years of age, including their spouses or domestic partner registered with the State of California (at the time of retirement), and that have accrued a specified number of years of service.

In order to be eligible for retiree medical benefits, there shall be no lapse in service. Employee must transfer directly from active status directly to retired status.

10 Years of Service: Employees with a minimum of 10 consecutive years of full-time service with the District shall receive retiree medical benefits on the following terms:

- Retirees are not eligible for District paid dental and vision benefits.
- Retiree will have the option to continue participation in dental and vision coverage at their own cost in accordance with the Consolidated Omnibus Reconciliation Act (COBRA).
- The District shall pay health coverage premiums for retiree only or couples coverage on the same basis as active employees.
- The District does not make contributions to Health Savings Accounts (HSAs) on behalf of retirees.
- ~~Retirees must enroll in Medicare upon eligibility.~~
- Once the retiree becomes Medicare eligible, coverage will cease for the retiree and any enrolled dependents. COBRA enrollment will be offered at that time.
- Upon becoming Medicare eligible, the retiree must enroll in Medicare in order to obtain reimbursement from the District. The District will not reimburse the retiree for any penalties associated with deferred enrollment in Medicare.
- ~~District will reimburse the retiree, in an amount up to \$1,800 per calendar year, for a Medicare Advantage Plan, a supplemental Medigap Medicare insurance policy, Medicare Prescription Drug Insurance (Part D) or Medicare Part B coverage covering the retiree only.~~
- ~~Supplemental Reimbursement for Medicare and Medicare Prescription Drug Coverage~~ will be made to the retiree on a quarterly basis upon submission of proof of payment.
- In the event a spouse or registered domestic partner survives a retiree before the District-paid group coverage would normally end, the District will continue paying the premium for the surviving spouse or registered domestic partner for retiree only coverage until the earliest to occur of the following: remarriage or enrollment under another plan, or becoming eligible for Medicare.
- If retiree discontinues enrollment in a retiree medical care plan, re-enrollment is not permitted.
- Annual open enrollment is not offered to retirees.

25 Years of Service: Employees with a minimum of 25 consecutive years of full-time service with the District shall receive retiree medical benefits on the following terms:

8/9/20197/2/2019

47

- The District shall pay health coverage premiums for retiree only or couples coverage on the same basis as active employees.
- The District does not make contributions to Health Savings Accounts (HSAs) on behalf of retirees.
- Retirees must enroll in Medicare upon eligibility.
- Retirees and spouses or registered domestic partners are eligible to participate in the District's Dental and Vision Insurance Plan as follows:
 - Dental
 - Retiree Only Coverage: The District shall pay the monthly insurance premiums on the same basis as active employees.
 - Couples Coverage: The District shall pay 80% of the monthly premium for retiree plus spouse or registered domestic partner.
 - Vision
 - Retiree Only Coverage: The District shall pay the monthly insurance premiums on the same basis as active employees.
 - Couples Coverage: The District shall pay 80% of the monthly insurance premiums.
- Retirees and their spouses are required to enroll in Medicare parts A and B upon eligibility. This must occur when both criteria are met, Medicare eligible and retired. The District will not reimburse the retiree for any penalties associated with deferred enrollment in Medicare.
- Upon becoming Medicare eligible, enrolled retirees must enroll in Medicare Parts A and B.—The District will ~~include reimbursement of payment~~ for Medicare ~~Part Option~~ B for both retiree and his/her eligible spouse or registered domestic partner after submitting verification to the District of official enrollment in Medicare ~~Part Option~~ B. This results in a reduced premium cost to the District.
- Reimbursement will be made to retiree on a -quarterly basis upon submission of proof of payment. Eligibility for retiree health benefit participation is contingent on enrollment in Medicare Parts A and B upon Medicare eligibility.
- In the event a spouse or domestic partner survives a retiree, ~~before the District paid group coverage would normally end,~~ the District will continue paying the premium for the surviving spouse or registered domestic partner for retiree only coverage until the earliest to occur of the following: remarriage or ~~enrollment in under~~ another group medical plan. ~~or becoming eligible for Medicare.~~
- If a retiree discontinues enrollment in a retiree medical care plan, re-enrollment is not permitted.
- Annual Open Enrollment is not offered to retirees.

Retiree Health and Welfare ~~Coverage~~ contribution amounts are established in accordance with ~~benefit Administrator's Plan Document~~ Guidelines then in effect and as approved by the MWDOC Board.

Employees hired on or after July 1, 2012 are not eligible to receive District-paid retiree ~~medical and elective~~ health and welfare benefits.

Any variance from these benefits and requirements requires approval by the MWDOC Board of Directors ~~and is subject to approval by benefits administrator in compliance with its policy guidelines.~~

RETIREMENT PROGRAMS

Defined Contribution Pension Plan ~~(401a – Money Purchase Pension Plan) –~~

~~-Effective March 3, 2003, this plan is no longer offered to District employees. new hires. The only eligible participants in this Plan are MWDOC Board of Directors, MWDOC/MET Board of Directors and the General Manager.~~

~~Prior to March 3, 2003, full and part time employees of the District who work 1,000 hours during a plan year participated in the District sponsored Money Purchase Pension Plan~~

~~The District contributes 10.5% of the employee's base pay immediately upon hire. After one year of service, the District's contribution is increased to 13.5%. Participants in the Plan will be 100% vested upon completion of five years of service. The Plan allows for retirement at age 59 1/2 or early retirement at age 55.~~

~~Details of the plan are detailed-outlined in the Plan Document and Summary Plan Description. Contact Human Resources for additional information.~~

~~Board of Directors are eligible to participate in the Plan in amounts equivalent to those provided for employees of the District (as outlined in the previous paragraph).~~

~~Limited term employees, temporary employees, and part time employees who complete less than 1,000 hours of service during a plan year are not eligible to participate in this plan. Such employees are covered under Social Security.~~

CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS)

CalPERS Applicability: The District became a member of CalPERS effective March 3, 2003. In lieu of Social Security, the District offers to its eligible employees a retirement plan under (CalPERS). This policy is intended to comply with CalPERS regulations and the District's own CalPERS related Resolutions and should be interpreted accordingly. Where in contradiction, the CalPERS regulations and CalPERS interpretation of those regulations supersede.

Persons Eligible: Regular full-time employees, and part-time employees reaching the minimum ~~working hours~~ requirement of 1,000 hours in a fiscal year (July 1 to June 30).

8/9/20197/2/2019

Waiting Period: Eligible from the first day of employment.

Employee/Member Contribution: The maximum required employee/member contribution amount depends on the employee's hire date in accordance with Board approved policy and the Public Employee Pension Reform Act (PEPRA) as follows:

Per the Public Employees' Pension Reform act of 2012 (PEPRA), "classic members" currently employed in a reciprocal public agency are enrolled in a 2% at 55 CalPERS pension plan with a 7% employee contribution. "New members", either new to the public sector, or whose date of separation was more than 6 months before the start date with the District, are enrolled in a 2% at 62 CalPERS pension plan and fall under the Public Employees Pension Reform Act (PEPRA) with a required employee and employer contribution of approximately 50% of the "normal cost".

Employees working 1,000 or more hours during the plan year (July 1 to June 30) are eligible to participate.

Qualifying employees are eligible immediately upon hire by the District.

- ~~2% @ 55 Formula—Employees with the District prior to March 1, 2013 pay a portion of the employee/member contribution amount. The maximum employee/member amount is 7% as mandated by statute. The employee/member contribution amount (paid by the employer) is established by the Board annually during the budget process and goes into effect July 1 of each year. The employer contribution rate is established by CalPERS based on its annual actuarial analysis.~~
- ~~2% @ 55 Formula—Employees hired on or after March 1, 2013 and that are CalPERS Members without an interruption of service are eligible to participate in this formula. The employee/member contribution amount is 7%. The employer contribution rate is established by CalPERS.~~
- ~~2% @ 62 Formula—Employees hired after January 1, 2013 that have no prior CalPERS service or have an interruption in CalPERS service of 6 months or more are enrolled as new members and fall under the PEPRA. The employee and employer contribution amounts are mandated by legislation.~~

Vesting Provisions: Participants become vested after completion of five years of public service, be it with the District or another public employer with reciprocity. Vesting means funds may be left on deposit for future retirement. Upon termination, an employee may withdraw their contributions or leave them with CalPERS. The employer contributions are only paid upon retirement.

Benefits Provided: Employees are eligible to retire upon completing five years of service and having attained the appropriate age based on the retirement formula. ~~Your~~ Retirement date can be any date the employee you chooses; however, the amount of the monthly allowance can be affected. CalPERS will calculate retirement benefits based on three factors, (1) years of service, (2) percentage factor determined by age at retirement, and (3) the final average monthly pay rate based on the CalPERS formula.

For additional information regarding CalPERS Options for the 2%@55 and 2%@62 Contracts, please see Human Resources.

Employees nearing retirement are urged to avail themselves of the retirement pre-counseling and planning available to them by CalPERS. CalPERS requires at least 90 days' notice in advance of planned retirement (as does Social Security for any previous services). However, the District strongly urges employees anticipating retirement to make their inquiries at least six months to one year in advance to avoid any unnecessary delays.

~~Human Resources can provide you with names and phone numbers of personnel at CalPERS who can assist you in your retirement planning. More d~~Detailed information may be obtained from Human Resources or the calpers.org website.

DEFERRED COMPENSATION PLAN

A voluntary non-qualified deferred compensation Section 457 plan is available to any eligible employee who elects, pursuant to the plan, to defer a portion of his or her compensation and who fulfills the requirements for participation in the plan. Information on the plan is available through Human Resources. The District does not make any contributions to this plan.

FLEXIBLE BENEFITS SPENDING PLAN/HEALTH SAVINGS ACCOUNT (HSA)

The Flexible Benefits Spending Plan is a voluntary program and is available to all full-time employees. ~~on the first of the month following 30 days of employment.~~ The plan allows eligible participants the opportunity to defer a portion of their compensation to pay for certain health-related and dependent care expenses on a pre-tax basis. The plan also allows for employee contributions for District group health insurance premiums to be deducted from earnings on a pre-tax basis.

~~A Health Savings Account (HSA) is available to employees who are enrolled in a Consumer Driven Health Plan (CDHP). An employee must be enrolled in a CDHP in order to participate in an HSA. Contributions to the HSA account are tax-free as long as the withdrawals from the account are used for eligible medical expenses. The District makes a contribution to eligible HSA accounts, as determined by the Board of Directors and in compliance with IRS guidelines. Contact Human Resources for additional will provide you with all the~~ Information about this plan together with enrollment forms. The plan is administered by an outside consultant.

~~These benefits are available on the first of the month following 30 days of employment.~~

EMPLOYEE ASSISTANCE PROGRAM (EAP)

The EAP provides confidential, professional assistance program for use when personal problems affect an employee's life and work. The program provides information, consultation, and counseling for employees, dependents, and domestic partners, as well as offering training and consultation to management.

The EAP encourages employees to use services early in the progression of a problem before situations significantly impact work. This is accomplished by promoting service for "normal

problems in living" such as relationships, stress, legal and financial problems, career concerns, anxiety and depression. The EAP also services more serious concerns such as alcohol and drug problems, family violence, and threats of suicide.

This benefit is provided for all regular full-time employees. The District will pay a portion toward the cost of the monthly premiums based on the amounts approved by the Board and in accordance with insurance policy guidelines. This benefit goes into effect on the first day of the month following 30 days of service.

~~If you need additional information, please~~ Please contact Human Resources [for additional information](#).

EMPLOYEE RECOGNITION PROGRAMS

Service Awards: The Service Award Program is designed to formally recognize all regular full and part-time employees for continuous years of dedicated service with the District. Employees will be formally recognized at completion of five-years of service and at five-year increments thereafter. Following completion of the required years of service, a certificate will be presented to the employee at the Board meeting during the employee's anniversary month.

At completion of five years, the employee will be granted one compensation day (8 hours) to be used within the following 12 months. At completion of ten years and every five years thereafter, the employee will be granted two compensation days (16 hours) to be used within the following 12 months. These compensation days [will be allocated to CTO or vacation accrual shall be cashed-out](#) if not used within the 12 month period.

Employee/Team Excellence: This program has been established to recognize outstanding District employees, [encourage teamwork](#) and ~~to~~ acknowledge ~~their~~ contributions to [the](#) District. The goal is to encourage quality work, continuous improvement, teamwork, efficiency, customer service, and a high level of dedication. The program recognizes that District employees are the source of our strength, reputation, and innovation.

Recipient/s will receive recognition at either a District Staff meeting or Regular Board Meeting by way of an Outstanding Performance Certificate and either a gift [certificate card](#) or check up to a maximum of \$200 for individuals, and larger awards to departments or groups, as determined by the General Manager. Based upon the act or accomplishment, the General Manager may grant a special award of up to \$1,000. Award amounts over \$25 are taxable in accordance with IRS guidelines.

VEHICLE POLICY

~~When necessary during the course of an employee's or Director's official duties, transportation or reimbursement shall be provided by the District. The transportation method authorized will be determined in terms of the best interest of the District and in accordance with the provisions of this policy. When alternate transportation is not available for use by employees engaged in District business, permission may be obtained from the General Manager for use of privately-owned vehicles, provided the employee has adequate insurance. Employees whose job duties require them to drive their own vehicle or are required to drive a District owned vehicle for District business will be required to follow the guidelines as outlined.~~

8/9/2019 7/2/2019

~~The employee must submit proof of adequate insurance, and permission must be expressly obtained, in writing prior to use of a privately owned vehicle. Further, once permission is provided, the employee maintains a duty to notify the District of any license restriction or lapse of adequate insurance coverage. The District requires strict adherence to state and federal laws law regarding the operation of motor vehicles. The District participates in a system that regularly checks state Department of Motor Vehicles (DMV) records of all employees who are required to drive as part of their job. Reimbursement for mileage to the employee will be paid at the rate established by the Internal Revenue Service (IRS). A mileage report must be filled out and approved to obtain reimbursement.~~

Driver Responsibility: The District requires strict adherence to state and federal laws law regarding the operation of motor vehicles.

1. All employees are to possess and maintain a valid California driver's license, as well as automobile insurance.
2. It is the responsibility of all employees who drive vehicles on District business to practice safe and defensive driving and follow all traffic laws.
3. All employees and Directors who drive vehicles on District business are to attend, at District cost, a defensive driver training course every four years or more often if driving record so dictates.
4. Employees may not use cellular devices while driving, in accordance with the law. It is against the law to drive while reading, writing, or sending a text message.
5. Employees are responsible for any driving infractions or fines as a result of their driving. Seatbelts must be used by the driver and all passengers. Violation of these or any vehicle code or traffic law is grounds for discipline.

USE OF DISTRICT VEHICLES

Employees that are required to operate a District vehicle to fulfill the responsibilities of their job must comply with all applicable state and federal laws, insurance requirements and District guidelines.

Employees involved in a vehicle accident while operating a District vehicle will report such accident to their immediate Supervisor and the Human Resources Department before leaving the scene of the accident. The District employee-driver is required to provide pertinent information to other non-District drivers involved in the accident.

Employees are forbidden to use District-owned vehicles for personal use at any time.

District vehicles are subject to remote monitoring. Remote monitoring is intended to provide the District with the ability to account for vehicles at all times. Remote monitoring includes, but is not limited to, the ability to monitor vehicle location, vehicle starts and stops and vehicle speed.

Mileage Reimbursement: Employees and Directors may be reimbursed for mileage when using their private automobile while on official District business. Mileage will be reimbursed at the standard rate established by the IRS. Cost of gasoline or oil purchases, vehicle repairs or maintenance and vehicle insurance are incorporated into the mileage reimbursement rate. No employee who receives an automobile allowance shall receive mileage reimbursement. A business expense report must be completed and submitted in a timely manner in order to be reimbursed for mileage. Mileage should ordinarily be computed between the employee's worksite and the destination. Reimbursable mileage is calculated based on the lesser amount of miles driven from home to event or office to event.

Exceptions: The General Manager may authorize exceptions to any of the provisions herein set forth and shall give written notification to the Administration & Finance Committee of such exception within 30 days of the date such exception is authorized. All exceptions shall be reviewed by the General Manager annually to determine whether continuation of such exception is justified.

Implementation: The provisions of this policy will be implemented and administered by the General Manager. Annually, the General Manager shall conduct a review of automobile allowances to assure that continuation is justified. During this review, the following should be considered: employee's duties and responsibilities, including "on-call" duties, type of vehicle, classification, location of employee's residence and work station, justification for allowance and average monthly business mileage.

New requests for automobile allowance shall be made through the annual budget process and may be made from time to time as necessary throughout the year following the above review procedures. Requests may be made during the year when required by circumstances. All requests made as the result of the creation of a new position within the District are subject to the approval of the Administration & Finance Committee of the Board.

The General Manager shall submit an annual report to the Administration & Finance Committee listing employees receiving a vehicle allowance for use of privately owned vehicles as defined in the Operating Rules for Automobile Allowance Section of this policy, and a listing of exceptions to the provisions of this policy authorized under the Exceptions Section of this policy.

Driver Responsibility: The District requires strict adherence to state and federal laws law regarding the operation of motor vehicles.

1. Only those District employees who possess a valid California driver's license may drive on behalf of the District.
2. It is the responsibility of all employees who drive vehicles on District business to practice safe and defensive driving and follow all traffic laws.
3. As required by the district's insurance carrier, all employees and Directors who are paid an auto allowance or may receive mileage reimbursement, are to attend, at District cost, a defensive driver training course every four years or more often if driving record so dictates.

~~Employees who drive a vehicle while on District business must exercise due diligence to drive safely and comply with all the laws applicable to driving a vehicle. Employees should pull over and cease driving when taking calls and, where not possible, are required to use hands-free equipment while using their cell phones, GPS, or mapping service. It is against the law to drive while reading, writing, or sending a text message. Employees are responsible for any driving infractions or fines as a result of their driving. Seatbelts must be used by the driver and all passengers. Violation of these or any vehicle code or traffic law is grounds for discipline.~~

~~—— **Mileage Reimbursement/Automobile Allowance:** Employees and Directors may use their own vehicles and be reimbursed for mileage driven when on official District business at the rate then permitted by the IRS. Cost of gasoline or oil purchases, vehicle repairs or maintenance and vehicle insurance are incorporated into the mileage reimbursement rate. No employee who receives an automobile allowance shall receive mileage reimbursement.~~

Automobile Allowances:

The General Manager and Assistant ~~General~~ Manager ~~may~~ receive an automobile allowance in an amount established by resolution of the Board of Directors. The payment of automobile allowance is subject to review during the Total Benchmark and Compensation Study or at the Board's discretion.

Exceptions: The General Manager may authorize exceptions to any of the provisions herein set forth and shall give written notification to the Administration & Finance Committee of such exception within 30 days of the date such exception is authorized. All exceptions shall be reviewed by the General Manager annually to determine whether continuation of such exception is justified.

Implementation: The provisions of this policy will be implemented and administered by the General Manager. Annually, the General Manager shall conduct a review of automobile allowances to assure that continuation is justified. During this review, the following should be considered: employee's duties and responsibilities, including "on-call" duties, type of vehicle, classification, location of employee's residence and work station, justification for allowance and average monthly business mileage.

New requests for automobile allowance shall be made through the annual budget process and may be made from time to time as necessary throughout the year following the above review procedures. Requests may be made during the year when required by circumstances. All requests made as the result of the creation of a new position within the District are subject to the approval of the Administration & Finance Committee of the Board.

The General Manager shall submit an annual report to the Administration & Finance Committee listing employees receiving a vehicle allowance for use of privately-owned vehicles as defined in the Operating Rules for Automobile Allowance Section of this policy, and a listing of exceptions to the provisions of this policy authorized under the Exceptions Section of this policy.

The General Manager may authorize the payment of an automobile allowance to others in an amount not to exceed that established by resolution of the Board of Directors for executive use, when the interest of the District would best be served by paying an allowance rather than mileage; providing, however the following criteria are met:

1. Nature of Job Classification: Employee has specific job duties requiring the performance of official District business outside of regular working hours on a recurring basis and who meet the following criteria:
 - a. On-call availability;
 - b. Frequent attendance at conferences, seminars, meetings, and community affairs (after normal working hours);
 - c. Frequent participation in public affairs activities, such speaking engagements (after normal working hours);
 - d. Regular and frequent travel during working hours.
2. Nature of Work Activity:

An automobile allowance may be offered to other management personnel for two-year renewable periods upon a review of the individual personnel requirements for an allowance based upon the criteria indicated in Section (1). This review shall be performed and documented by the Department Manager and approval of an assignment for automobile allowance shall be made only by the General Manager. The assignment shall be effective for a maximum period of two-years and shall be reviewed at that time to determine continued justification.

Operating Rules for Automobile Allowance:

1. Automobile allowance may only be provided to appropriate management positions as defined above.
2. An employee receiving an Automobile Allowance must provide a car which is in appropriate condition, well maintained, and capable of comfortably accommodating four adults.
3. Employees receiving an Automobile Allowance must maintain insurance to cover their normal private use of the vehicle (pursuant to Insurance Requirements [outlined in this -sSection below](#)).
4. The Automobile Allowance will be provided coinciding with the first pay period of the month following the month of use.
5. [An employee receiving an Automobile Allowance is expected to use his or her personal automobile on all required District business.](#)

6. An employee receiving an Automobile Allowance shall not be entitled to receive any additional remuneration for the cost of gasoline, repairs or maintenance on his/her vehicle. Mileage expense claims of any type are prohibited.

The provision of the Automobile Allowance is and shall remain at the discretion of the District.

1. An employee receiving an Automobile Allowance is expected to use his or her personal automobile on all required District business.
2. An employee receiving an Automobile Allowance shall not be entitled to receive any additional remuneration for the cost of gasoline, repairs or maintenance on his/her vehicle. Mileage expense claims of any type are prohibited.

Insurance requirements: Employees and Directors of the District, who are paid an automobile allowance or mileage reimbursement as set forth in [Administrative Code](#) Sections 8105 and 8106 for use of privately-owned automobile for District business, shall possess and maintain insurance on such automobile with liability coverage acceptable to the District. Each employee and Director shall provide private automobile insurance information, which shall be maintained by the Human Resources Department and shall be reviewed and updated annually. The record maintained shall contain the following current information: Name of employee or Director, insurance company, policy number, description ~~amount~~ of coverage, and ~~operator's~~ license number and expiration date.

MILEAGE REIMBURSEMENT

Employees are reimbursed for mileage expenditures when using their private automobile in the performance of District related business. Mileage will be reimbursed at the standard rate established by the IRS. Mileage should ordinarily be computed between the employee's worksite and the destination. Reimbursable mileage is calculated based on the lesser amount of miles driven from home to event or office to event.

EDUCATION REIMBURSEMENT

The education reimbursement program is designed to provide financial assistance to regular, full-time employees with one or more years of service; who wish to continue their formal education, training and certification and to assist employees in obtaining skills or knowledge to become better qualified for their current work or for advancement in the District.

Courses must be related to the employee's position, occupation, or advancement within the District as determined by the Supervisor, General Manager and Human Resources. This includes courses that are prerequisites for work-related courses and those that are required to

obtain a degree in a work-related field. Eligible courses are those taken at an accredited institution.

Correspondence courses from reputable institutions will be considered when equivalent courses are not available at local accredited schools, or when the employee's circumstances prevent attendance at courses offered locally.

Courses must be taken on the employee's time, unless special circumstances warrant otherwise and prior arrangements have been made with the supervisor and approved by the General Manager.

Requests for tuition reimbursement may be denied based on district budgeting constraints for that particular fiscal year.

Employees may not use District computers to complete classes online or complete homework assignments during working hours.

Eligible expenses are tuition, parking, books, registration fees and laboratory/materials fees. The annual limit each year for educational expenses shall be based on the Cal State Fullerton adopted program fee schedule for undergraduate and graduate programs given the program which the employee is enrolled. Expenses for travel and other incidental costs are not reimbursable. Written approval for reimbursement must be obtained from Human Resources, the employee's supervisor and the General Manager prior to or within 30 days of enrollment in the course.

Funds received from outside sources such as scholarship grants or Veterans educational benefits must be applied toward the cost of the course before the District's reimbursement is applied.

Evidence of successful completion of the course with a minimum grade of "B" or higher and receipts for the allowable expenses must be submitted prior to reimbursement.

Expenses reimbursed may be considered taxable income and subject to tax withholding.

If an employee voluntarily terminates employment or is terminated for cause within 24 months of completing a course in which educational reimbursement has been paid, the employee shall reimburse the District based on the following pro-rated service requirement:

- Voluntary termination or termination for cause within one year of completing a course = 100% reimbursement to the District.
- Voluntary termination or termination for cause within 13 to 24 months of completing a course = 50% reimbursement to the District.

If an employee fails to reimburse the District, the District may sue the employee for breach of Agreement.

COMPUTER LOAN PROGRAM

Interest-free loans to assist employees with the financing of a personal computer system are available to regular full-time employees who have completed one year of service. Loans can be in amounts from \$300 to \$2,000.

CELL PHONE ALLOWANCE POLICY

MWDOC has identified a business need for eligible employees to use cell phones for certain business communications while away from the office, for emergency operations and after-hours communications. To meet this business need, MWDOC will provide a cell phone allowance to eligible employees. The policy is intended to define eligibility requirements for assignments of a cell phone allowance based on business necessity, define allowance levels and amounts, terms for usage and responsibility, and accommodate changes and advances in mobile technology. As used in the policy, a cell phone is a smart phone capable of cellular phone calls and data communication. The policy does not cover tablets, such as iPads or surfaces or air cards. No further reimbursement for cell phone costs is available to employees who receive such an allowance. Contact Human Resources for Policy details.

UNIFORMS/TOOLS – FIELD PERSONNEL

The District provides uniforms to employees who are required to wear uniforms as a condition of their employment. The uniforms are provided as a ready substitute for the personal attire employees would otherwise have to acquire and maintain.

- Employees are responsible for laundering the uniforms and are to maintain them so that they are clean, neat and professional when employees are representing the District.
- Employees are responsible for the safekeeping of all uniforms they are furnished.
- Non-District issued shirts, pants, shorts, hats, etc. are not permitted.
- Normal wear and tear is expected; however, abuse or loss of a garment may result in replacement cost to employees and/or may be subject to discipline.
- Upon termination, such furnished clothing and equipment provided to employees must be turned in to the District or the depreciated cost thereof will be deducted from employees final paycheck or otherwise charged to employees.
- District issued uniforms, tools, equipment, etc....are only for District business related use and may not be used for personal use at any time.
- Employees will be reimbursed per fiscal year for one pair of shoes/boots of each type required based on job requirements. If employees spend less than the amount eligible for reimbursement for each type required, the remaining amount will not be carried forward or accumulated for reimbursement toward future purchases.
- If employees purchase shoes from a store designated by the District, they must first confirm that the shoes meet the job and safety requirements by reviewing with their immediate Supervisor. After obtaining approval from Supervisor, employee must complete a business expense report and submit for reimbursement.
- If for some reason the shoes are worn out due to working conditions before the fiscal year end, the District will consider a request for replacement on an exception basis.
- Employees may submit a request for reimbursement of expenses incurred for the purchase

of tools necessary to perform the essential functions of the job duties as pre-approved by the immediate Supervisor.

OFFICE EQUIPMENT POLICY

Introduction: The District provides a wide variety of office and telecommunications equipment for employee use, including telephones with voice mail, computers with email and internet access, fax machines, photocopiers, postage meters, and other equipment facilities. All employees are expected to comply with this policy when using any of this office equipment.

Business Use Only: All office equipment is intended strictly for business use in the course of performing assigned duties and responsibilities. All office equipment, as well as the content of voicemail, email, and other files, are District property. We recognize that some personal use cannot be avoided, as in the case of family, personal, or medical emergencies, but employees have no expectation of privacy of such messages. All such personal use should be kept to an absolute minimum and must not interfere with work performance.

District's Right of Access and Employee Privacy: All District voicemail, email, hard drives, and other electronic data storage is solely the property of the District, regardless of the nature of the email, physical location, or how maintained. The District, as owner has at all times the right to access all email, voicemail, or other data, including email protected by security measures. Human Resources may access email within any department or office. When necessary, assistance in obtaining authorized access shall be provided by the IT Administrator. The accessing of a department's email shall be coordinated with the department's Manager Director, unless ~~the~~ Human Resources determines that the access should remain confidential. Email users shall cooperate in the access of email when requested by Human Resources. Employees should be aware that, as a public entity, all communications and data within the District's possession is potentially subject to a Public Records Act request. No employee has an expectation of privacy in any District email account, voicemail, hard drive, or other electronic data storage device.

Passwords and Security Measures: The District ~~may allow~~ requires employees to use passwords or other security measures on its office equipment in order to channel communications to the proper persons. Unless authorized by Human Resources pursuant to District business, employees are expected to honor passwords and other security measures, and are not to access information unless it was intended for them. ~~Moreover, management must be kept informed of all passwords and other security measures, as the~~ District retains the right to override passwords and other security measures in order to assure full access to all office equipment. Employees must comply with all District requests for access to District-owned equipment, communications, or data.

Unlawful Harassment or Discrimination: Employees are forbidden from using the District's office equipment for any form of unlawful harassment or discrimination based on race, color, national origin, ancestry, sex, sexual orientation, gender identity or expression, age, pregnancy or childbirth, religion, political beliefs, disability, marital status, veteran status, or any other criteria prohibited by District policy or applicable law.

Other Misconduct: Use of office and telecommunications systems is subject at all times to all other District rules concerning employee conduct. Under no circumstances are these systems to be used for pornography, gambling, sports, shopping, stock trading, hobbies, criminal or fraudulent activity, buying or selling goods and services, outside activities, or any other non-work related purpose.

Confidential Information: Employees are expected to use special caution in handling any confidential or proprietary information. In general, email should not be used to transmit confidential information outside of the District unless extraordinary precautions are taken to assure confidentiality.

Good Judgment: Employees are expected to exercise good judgment and professional demeanor when using the District's voicemail, email, or internet systems, and must resist the temptation to use these systems for any purpose that violates this policy even when a client, applicant, or vendor initiates or welcomes inappropriate messages. Employees should not forward chain letters that are sent by email, even if they appear to be for a legitimate cause. Employees must also be careful in the overall tone and content of all messages they send. Unprofessional messages can prove embarrassing when read by an unintended recipient. Emails should include a clear and concise subject line for easy identification. They should be kept to a minimum in length, and proofread carefully before being sent.

Intellectual Property Rights: The District's computer systems are not to be used to violate or infringe copyrights, trademarks, or other intellectual property rights of third parties. Employees are forbidden from installing or downloading software on to the District's computer system without [the express](#) authorization of management; and [the IT Administrator and](#) must refrain from utilizing trademarks or other copyrighted material without proper permission from the owner.

Penalties: Any violation of this policy can result in immediate termination or other discipline.

STANDARDS OF CONDUCT

The following examples are given in order to provide some guidance concerning unacceptable behavior. If the District chooses to correct an employee who engages in unacceptable behavior, the employee may be subject to corrective action up to and including termination. Please note that it is impossible to provide an exhaustive list of behaviors that are not acceptable. The following is therefore intended to simply provide some examples:

1. Actions contrary to the rules and policies of the District, including but not limited to the safety rules set forth in the District's Illness Injury Prevention Program (IIPP).
2. Inefficiency, incompetence, inattention to or dereliction of duty, failure to perform assigned duties in a satisfactory manner.
3. Insubordination or failure to comply with District rules and policies.
4. Accepting gratuities or tips.
5. Dishonesty.
6. Theft or unauthorized use of District property.
7. Fighting, threat of injury, or horse play while on duty or on District premises.

8. Frequent or habitual tardiness, unexcused absences or unsatisfactory attendance.
9. Conducting non-District business activities during working hours.
10. Harassment or discrimination in any form.
11. Consumption of alcoholic beverages or drugs while on duty or on District premises.
12. Being under the influence of alcohol or drugs while on duty.
13. Use of, possession of, or transfer or sale of, non-prescribed drugs or narcotics while on duty or on District premises.
14. Disorderly, indecent or immoral conduct while on duty or while in District uniform.
15. Discourteous treatment of the public or other District employees.
16. Issuance of defaming or derogatory remarks, unrelated to performance issues, regarding a co-worker's character or personal life.
17. Conviction of any felony or of a misdemeanor involving moral turpitude, dishonesty or immoral conduct.
18. Unauthorized absence from work or excessive absences and tardiness.
19. Neglect of duty.
20. Actions incompatible with or offensive to the image or the goals of the District.
21. Failure to follow safe working practices.
22. Failure to report an injury or accident promptly.
23. Failure to report significant unsafe working practices to supervisor.
24. Misrepresentations in obtaining employment with or promotion within the District.
25. Misuse of District money or resources.
26. Falsification of forms, records, or reports; including, but not limited to, time sheets, employment applications and District documents.
27. Possessing or bringing firearms or weapons onto District property.
28. Destroying or willfully damaging District or employee property, records, or other materials.
29. Unauthorized opening or tampering with locks in desks, doors, cabinets, etc., or unauthorized use or duplication of keys.
30. Failure to immediately report the loss of driving privileges due to suspension, withdrawal, forfeiture, or confiscation by any authorized party, including court of law or the California Department of Motor Vehicles, by employees who must maintain such a license as a condition of employment.
31. Failure to maintain license or certification required for position. An employee will be subject to discipline, up to and including termination without progressive discipline, for the failure to maintain a license or certification required for that employee's job duties.
32. Violation of any established District rule, policy, or procedure.

These rules do not list every imaginable form of misconduct, and employment may be terminated due to lack of work, reorganization, or for any other reason in the discretion of the District or the employee. Progressive discipline is left to the sole discretion of the District, and nothing in this [ManualHandbook](#) requires the District to issue a warning or suspension prior to discharging any employee.

CIVILITY POLICY

This procedure shall serve as the mechanism for ensuring that the employees and Board members of the District are provided a healthy environment in which to work and are treated

8/9/20197/2/2019

62

with respect and dignity in the workplace. This procedure shall establish a process for addressing harmful conduct that is inconsistent with the legitimate business interests of the District.

Definitions

For purposes of this procedure, the following definitions apply:

District means the Municipal Water District of Orange County, its departments and boards.

Employee means any individual employed or holding office for the District and any consultant, contractor, or other agent while working on behalf of the District.

Incivility means the harmful conduct of an employer or employee in the workplace that a reasonable person would find hostile and offensive considering the severity, nature and frequency of the conduct. Incivility generally is taken to mean a pervasive behavior or series of inappropriate events but in some circumstances, where the incivility is sufficiently severe and egregious, may be proved by a single act. Incivility includes, but is not limited to the following:

- a. Repeated infliction of verbal abuse such as the use of derogatory remarks, insults and epithets; or
- b. Targeting individuals or groups of individuals for negative attention by yelling, screaming, or public displays of temper; or
- c. Verbal or physical conduct that a reasonable person would find threatening, intimidating, demeaning, or humiliating; or
- d. The gratuitous sabotage or undermining of a person's work performance.

General Provisions

The Director of Human Resources shall have the authority to establish such training and programs as will encourage the respectful and dignified conduct of District business and ensure that reasonable care is taken to promptly correct incivility in the workplace.

The Director of Human Resources shall have the authority to establish such procedures as will reasonably protect the victim(s) of incivility from retaliation of any sort related to his/her participation in a complaint or an investigation of workplace incivility.

An employee who believes he/she has been subjected to incivility may make a complaint verbally or in writing. Employees are expected to report workplace incivility as soon as possible after the occurrence.

No person shall retaliate in any manner against an employee because such employee has made a complaint under this procedure that he/she has been subjected to incivility in the workplace or has been the victim of workplace incivility, or has testified, assisted, or participated in any manner in an investigation under this procedure.

Complaint Procedure

An employee is encouraged to report the perceived incivility to the person in authority immediately above the perpetrator of the offending conduct but may make a complaint of incivility in the workplace to any one of the following:

a. The employee's immediate supervisor; or

b. Any supervisor or manager within the department; or

c. The department head; or

d. The Director of Human Resources or his/her designee.

e. An employee may raise concerns with District's Legal Counsel where a Boardmember is at issue.

Any supervisor, manager, or department head who receives a complaint alleging workplace incivility must act in accordance with the following guidelines:

a. Investigate the complaint or request assistance from a person of competent authority to investigate the complaint. The investigation will include interviews with 1) the complainant, 2) the accused perpetrator, and 3) any other persons who are believed to have relevant knowledge concerning the alleged incivility. This may include victims of similar offensive conduct.

b. Review the factual information gathered through the investigation to determine whether the alleged conduct constitutes workplace incivility giving consideration to all factual information, the totality of the circumstances, including the nature of the offensive conduct, and the context in which the alleged incident(s) occurred.

c. Report the results of the investigation and the determination as to whether incivility occurred to the appropriate persons, including the complainant, the alleged perpetrator(s), department head and the Director of Human Resources.

If workplace incivility, or any other inappropriate behavior that violates this policy, has been determined to have occurred, the District will take prompt and effective remedial action against the perpetrator(s). The action will be commensurate with the severity of the offense. Reasonable steps will be taken to protect the complainant from further harassment and any retaliation as a result of communicating the complaint.

In the event that the Director of Human Resources or his/her designee, after thorough investigation, determines that the complaint is frivolous, vague, or that the facts alleged in the complaint, even if true, would not substantiate a claim of abusive conduct, he/she shall so notify the parties to the complaint and the complaint shall be closed without further action.

If it is demonstrated that the complainant acted maliciously in making the complaint, the Director of Human Resources may initiate disciplinary action.

AT-WILL AGREEMENT
And Acknowledgment of Personnel Manual Receipt and Compliance

I agree that I am employed by the Municipal Water District of Orange County on an at-will basis, and that my employment can be terminated at any time with or without cause or advance notice either by me or the District. I maintain no right to any due process hearing or so-called *Skelly* process prior to separation from employment or discipline.

I also acknowledge that I have received a copy of the Personnel Manual and have read, understood, and agree to comply with all of its provisions. I acknowledge that the District retains the right and sole discretion to modify, delete, or add to any of the policies set forth in the Personnel Manual, though I will be apprised of any such changes. I acknowledge that this agreement for employment at-will can be amended or modified only in a written contract signed by me and an authorized representative of the Board of Directors. I understand that no other party or entity has the authority to modify, delete, or add to the policies in the Personnel Manual or to change the at-will nature of my employment, and that in the event of a conflict between the terms of the Personnel Manual and anything told to me by a supervisor or co-employee, the terms of the Personnel Manual shall control.

Employee's Signature _____

Print Name: _____

Dated: _____

NOTE: This original signed document is to be filed in the employee's personnel file.

APPENDIX "A" - EMPLOYEE DESIGNATIONS

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

The designations of employees into the following categories shall be in accordance with the FLSA and with the approval of the General Manager. The General Manager shall revise the designations as necessary in compliance with the FLSA and District policy.

CATEGORY I (NON-EXEMPT; Overtime paid at time and one-half)

Accountant
Accounting Technician
Administrative Assistant
Assoc. Water Resources Analyst
[Database Coordinator](#)
Executive Assistant/~~HR Specialist~~
Office Assistant
[Public Affairs Assistant](#)
Public Affairs Specialist
Public Affairs Coordinator
Student Intern ~~I, II and III~~
Records Coordinator
Senior Accountant
Senior Administrative Assistant
Senior Executive Assistant ~~to the~~
~~General Manager~~
[Sr. WUE Analyst](#)
WEROC [Emergency Program](#)
Coordinator
[WEROC Specialist](#)
[Water Loss Control Programs](#)
[Technician](#)
WUE Analyst I
[WUE Analyst II](#)

~~Senior Administrative Assistant/Public Affairs~~
~~Assistant~~

~~Financial Analyst/Database Analyst~~

~~Senior Executive Assistant to the Board~~

~~Network Administrator~~

~~Water Resources Analyst~~

~~Office Specialist~~

~~Office Aide~~

~~WUE Program Coordinator~~

~~WUE Program Specialist~~

~~8/9/2019~~ 7/2/2019

66

CATEGORY II (EXEMPT; Not eligible for overtime)

[Accounting Manager](#)

Accounting Supervisor

Administrative Services Manager

Assistant General Manager

[Associate General Manager](#)

[Director of Emergency Management](#)

Director of Finance/IS

[Director of Human Resources/Administration](#)

Director of Public Affairs

[Director of Water Use Efficiency](#)

[Financial Analyst/Database Analyst](#)

General Manager

Governmental Affairs Manager

[Network Systems Engineer](#)

Principal Engineer

Principal Water Resources Analyst

~~[Principal Water Resources Planner](#)~~

Public Affairs Manager

Public Affairs Supervisor

Senior Engineer

[Sr. Executive Assistant to the Board](#)

[Sr. Financial Analyst/Database Analyst](#)

[Sr. Water Resources Analyst](#)

WEROC Programs Manager

[Water Loss Control Programs Supervisor](#)

[Water Resources Analyst](#)

WUE Program Manager

WUE Program Supervisor

[8/9/20197/2/2019](#)

DISTRICT ORGANIZATIONAL CHART AND PAY STRUCTURE

These documents can be found on the Districts website or contact Human Resources.

8/9/20197/2/2019

68

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ACTION ITEM
August 21, 2019

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Finnegan, McVicker)

Robert J. Hunter Staff Contact: H. De La Torre
General Manager

**SUBJECT: AUTHORIZE THE GENERAL MANAGER TO ENTER INTO
METROPOLITAN AGREEMENTS FOR CYCLIC IN-LIEU DELIVERIES**

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to enter into agreements for Cyclic In-Lieu treated deliveries into the existing MWDOC Cyclic Account, as adopted by the Metropolitan Board on April 10, 2019. The four agreements are with Metropolitan Water District, as well as the cities of Anaheim, Fullerton, and Santa Ana.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

Metropolitan's (MET) Cyclic Cost Offset Program (also known as "Cyclic In-Lieu Deliveries") offers a financial credit to offset the costs of delivering surplus imported water into Cyclic Storage Accounts to its member agencies. For Orange County, Cyclic In-Lieu Deliveries are an alternative method of delivering more imported water into the groundwater basin during very wet years. However, Cyclic In-Lieu Deliveries are only available when the MET's General Manager has determined MET has optimized all of its storage "put" capacity and is in a position of losing water.

In order for MWDOC, along with the cities of Anaheim, Fullerton, and Santa Ana, to receive Cyclic In-Lieu Deliveries, a number of agreements must be established with MET. Of note,

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

the previous Cyclic In-Lieu Delivery agreement MWDOC had with MET was in 2017 and only had a one-year term.

The purpose of this board action is to seek authorization from the MWDOC Board for the General Manager to sign the necessary agreements with MET, and the cities of Anaheim, Santa Ana, and Fullerton, to allow the delivery of Cyclic In-Lieu water. Based on the April 10, 2019 Metropolitan Board actions, the term end for these new agreements are through the year 2027.

BACKGROUND

Two years ago (August 2017), MWDOC, Orange County Water District (OCWD) and MET signed a 10-year Cyclic Storage Account agreement that allows the pre-delivery of additional imported water (up to 100,000 AF) to be stored into the OC groundwater basin and be purchased over a mutually agreed upon payment schedule not to exceed 5 years. The delivery of this water can be done through direct spreading or injection, and, under unique conditions authorized by MET's General Manager, through in-lieu means. Acceptance of water is at the discretion of MWDOC/OCWD.

The benefit of Cyclic Storage Accounts for MET is the ability to store additional water within its service area, increase regional reliability with more dry-year storage, and to generate additional revenue during a wet year when water sales are typically low. It is a water management tool MET can exercise quickly during times of surplus conditions to increase in-region storage.

The benefit to the local agencies is the ability to store additional water that is under more local control. As it is a pre-delivery program, it improves local reliability (i.e. increases the OC basin groundwater level) and allows an agency to purchase this water over a set period time.

Although MET prefers to deliver cyclic water to a groundwater basin via spreading grounds, under unique circumstances deliveries can occur via in-lieu means. In 2017, MET provided Cyclic In-Lieu Deliveries because there were limitations in making deliveries via the spreading grounds (i.e. the "suspect" of quagga mussels with SWP supplies limiting direct spreading and the spreading grounds in OC were at capacity). Therefore, the only method of delivery was through in-lieu means. In-Lieu Deliveries call for a groundwater agency to turn off its existing groundwater wells and take additional treated imported supplies resulting in stored water in a groundwater basin.

Furthermore, in order for a groundwater agency to take in-lieu water, a financial credit must be provided to offset the treated water costs to make them financially neutral. Metropolitan offers a financial credit up to \$225/AF to the local agencies for water certified. When offered in 2017, MWDOC, Anaheim, Fullerton, and Santa Ana received approximately 65,000 AF of Cyclic In-Lieu Deliveries from MET over the seven-month period. Overall, MET delivered 120,000 AF (Direct & In-Lieu Deliveries) to its member agencies.

REPORT

In seeing the benefits of making Cyclic In-Lieu Deliveries available to its member agencies, MET staff presented to its Board on April 2019 (See attachment - MET April Board Letter

Item 8-4) an action item to allow the MET General Manager to continue providing a financial credit to make in-lieu water available under the following conditions:

- The General Manager has determined that supply conditions warrant making cost-offset credits available due to a risk of not capturing all available imported supplies; and
- The member agency takes an action to increase capture of surplus imported water supplies at Metropolitan's request; and
- The capture of surplus imported water supplies in a cyclic account is certified by Metropolitan staff as above the baseline operations that otherwise would have occurred; and
- The member agency incurs costs to capture these surplus supplies that are above the normal cost that would be paid for imported water supplies from Metropolitan.

However, to receive Cyclic In-Lieu Deliveries a member agency must have both a Cyclic Storage Account as well as an agreement with MET for In-Lieu Treated Deliveries. In 2017, MWDOC established a Cyclic Storage Account with MET. At this time, we need to establish the following four agreements with MET for In-lieu deliveries: (1) MET and MWDOC; (2) MET, Anaheim, and MWDOC; (3) MET, Santa Ana, and MWDOC; and (4) MET, Fullerton, and MWDOC.

MWDOC is party to the three OC MET cities' agreements because Cyclic In-Lieu Deliveries are tied to the MWDOC Cyclic Storage Account. Meaning, while water can be delivered via in-lieu means through one of these three cities, all of the water is stored within the MWDOC Cyclic Storage Account and can only be purchased out of the MWDOC Cyclic Storage Account through MWDOC.

Attached are the four Draft Cyclic In-Lieu Agreements with MET. Below are the key terms:

- The Agreement shall be effective until July 1st, 2027, or until the termination of the MWDOC-MET Cyclic Storage Agreement
- Pursuant to the MET Board Action on April 10th, 2019, the MET General Manager may make a determination regarding water supply conditions and MET's ability to capture all available water supplies at any time during this agreement
- MWDOC agrees to pay MET the Treatment Surcharge effective at the time of cyclic delivery. This cost changes every calendar year and is set at \$319 per acre-foot in 2019
- In exchange for MWDOC's acceptance of pre-delivered cyclic water, MET agrees to pay MWDOC a cost offset credit of up to \$225 per acre-foot which is indexed to inflation
- When purchased by a member agency, the cyclic water will be sold at the MET full service untreated water rate in that given year. In calendar year 2019, the untreated water cost from MET is \$731 per acre-foot
- The purpose of the cost-offset credit is to assure that MWDOC member agencies do not pay more for cyclic water than pumping groundwater from the OCWD Basin

MWDOC staff has reviewed these agreements and find the terms and conditions very similar to those established within the 2017 Cyclic In-Lieu Delivery agreements. Therefore, staff recommends the MWDOC Board authorize the General Manager to enter into the four Cyclic In-Lieu Delivery Agreements with MET.

Current Water Supply Conditions

On July 19, 2019, the MET General Manager stated that as this year's water supplies are well above average and water demands continue to trend low, the supply versus demand balance is projecting that MET will end the calendar year with record amounts of water in regional storage reserves. Thus, setting the conditions to make Cyclic In-Lieu Deliveries of water available, MET will be implementing the Cyclic Cost Offset Program effective August 1st 2019, for any member agency seeking such deliveries.

OCWD has consistently supported the delivery of Direct Cyclic as well as In-Lieu water. However, in evaluating the current conditions of the OC groundwater basin, OCWD is not expected to take any cyclic water this calendar year for the following stated reasons:

- OCWD's preliminary estimates show the accumulated overdraft of the OC Groundwater Basin to be 185,000 AF. This is well within the recommended target range of 150,000 to 200,000 AF. This recommended target range allows OCWD to meet its expected replenishment needs with storm water this winter without purchasing additional imported water supplies; and
- Due to the presence of polyfluoroalkyl substances (PFAS), including both perfluorooctanoic acid (PFOA) and perfluorooctane (PFOS) in the northeast part of the Orange County Groundwater Basin, it is anticipated that a significant amount of groundwater pumping will decrease.

It is important to note that OCWD's decision to refrain from Cyclic In-Lieu Deliveries at this time should not be interpreted as a lack for interest of participation Program in the future. In fact, OCWD has asked MWDOC to encourage MET to offer Cyclic In-Lieu Deliveries during surplus conditions due to the benefits to MET and the local agencies.

We are thereby seeking authorization to execute the agreements now so the are already in place when Cyclic In-Lieu Deliveries of water is made available in subsequent years.

BOARD OPTIONS

Option #1

- Staff recommends the Board of Directors authorize the General Manager to enter into agreements for Cyclic In-Lieu treated deliveries into the existing MWDOC Cyclic Account, as adopted by the Metropolitan Board on April 10, 2019. The four agreements are with Metropolitan Water District, as well as the cities of Anaheim, Fullerton, and Santa Ana.

Option #2

- Do not entered in the Cyclic In-Lieu Delivery Agreements with Metropolitan Water District.

STAFF RECOMMENDATION

Option #1

Attachments:

- **April 9, 2019 Metropolitan Board Letter Item 8-4**
- **Draft MET Agreement with MWDOC for In-Lieu Treated Deliveries to MWDOC-MET Cyclic Account**
- **Draft MET Agreement with Anaheim & MWDOC for In-Lieu Treated Deliveries to MWDOC-MET Cyclic Account**
- **Draft MET Agreement with Fullerton & MWDOC for In-Lieu Treated Deliveries to MWDOC-MET Cyclic Account**
- **Draft MET Agreement with Santa Ana & MWDOC for In-Lieu Treated Deliveries to MWDOC-MET Cyclic Account**



- Board of Directors
Water Planning and Stewardship Committee

4/9/2019 Board Meeting

8-4

Subject

Authorize the General Manager to provide a credit to offset increased costs associated with surplus deliveries to cyclic accounts; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

At times, available imported water quantities exceed Metropolitan's ability to capture supplies for the region. The use of cyclic agreements helps manage this condition by pre-delivering imported water while surplus conditions exist and allowing member agencies to pay for this water over a period of up to five years. However, some member agencies could take additional steps to capture more surplus imported supplies, resulting in increased costs above their normal operating conditions. This action item would authorize the General Manager to provide credits of up to \$225/acre-foot to offset the increased costs member agencies incur to capture additional imported supplies above their base deliveries. The cost-offset credit would only be made available in conditions that the General Manager determines may result in loss of available supplies to the region. The General Manager would be required to bring an item to the next board meeting following a decision to make cost-offset credits available to help manage surplus conditions.

Details

Background

Last month, staff presented information item 9-3 for discussion (**Attachment 1**). Information item 9-3 described the General Manager's existing authority to enter into cyclic agreements to assist in capturing surplus imported water. Cyclic agreements allow Metropolitan to pre-deliver water to member agencies, allowing them to pay for these deliveries over a period of up to five years. These agreements help Metropolitan capture surplus imported water supplies when Metropolitan may not be able to capture all available supplies in other storage facilities or programs. Item 9-3 also described that cyclic agreements do not include a mechanism to offset the higher cost of some actions that agencies might take to capture increased volumes of imported water. As a result, opportunities to capture surplus imported water may be limited without a credit for member agencies to offset these higher costs.

This action item builds off of the March Information Item 9-3 and includes adjustments based on feedback from the Water Planning & Stewardship Committee and member agency managers. Staff recommends the Board authorize the General Manager to offer a credit to offset the cost of extraordinary actions member agencies take to capture surplus imported water in cyclic accounts. The terms defining how these cost-offset credits would work are included in this letter and its attachments.

Proposed Authorization for the General Manager

This action seeks authority for the General Manager to issue cost-offset credits related to member agency actions to capture water in cyclic accounts. Cost-offset credits would only be given to a member agency in the following conditions:

- The General Manager has determined that supply conditions warrant making cost-offset credits available due to a risk of not capturing all available imported supplies; and

- The member agency takes an action to increase capture of surplus imported water supplies at Metropolitan's request; and
- The capture of surplus imported water supplies in a cyclic account is certified by Metropolitan staff as above the baseline operations that otherwise would have occurred; and
- The member agency incurs costs to capture these surplus supplies that are above the normal cost that would be paid for imported water supplies from Metropolitan.

The conditions above ensure that Metropolitan only pays cost-offset credits for deliveries that have increased the capture of surplus imported supplies. It also clarifies that credits are only made available to offset the increased costs to a member agency above the normal rates they would pay for Metropolitan's imported water. The credits do not reduce the costs to participating member agencies below their normal cost of purchasing water from Metropolitan. General terms for the cost-offset credits are included in **Attachment 2**.

Like all other billings from cyclic accounts, the purchase by the agency would not incur a Capacity Charge because the delivery would be at Metropolitan's discretion. Metropolitan would charge the member agency all other components of Metropolitan's full-service water rate, including the Readiness-to-Serve Charge at the time the water is sold.

Cost-Offset Credits

If made available in a given year, cost-offset credits would be limited to up to \$225/acre-foot captured in cyclic accounts. The upper limit of \$225/acre-foot would be indexed to inflation to allow for adjustment over time. All certification and reconciliation procedures associated with cyclic agreements would remain in effect. These procedures allow staff to ensure that only imported water captured above the normal deliveries of a given agency would qualify for any cost-offset credits. These procedures also allow staff to review the costs a given agency incurs (including potential avoided costs) in order to calculate whether the operations to capture additional imported water actually lead to a cost, above what they would normally pay for imported deliveries. This forms the basis for whether an agency can receive a cost-offset credit or not.

All water delivered into cyclic accounts is billed at Metropolitan's applicable treated or untreated full-service rates over an agreed upon period of time. The potential cost of issuing credits would be included in the Supply Program line item of future biennial budget proposals in a fashion consistent with other storage programs. If cost-offset credits are issued in a given year, they would be accounted for in a fashion similar to other supply programs. These costs would be captured in the Chief Financial Officer's quarterly financial report under supply program costs.

Initiating Cost-Offset Credits and Reporting

Metropolitan regularly reports to the Board on developing supply and demand conditions through Water Surplus and Demand Management Plan reports. These reports are done on a monthly basis through the winter and spring. Staff keeps the Board apprised of developing conditions, including the potential use of storage assets and the likelihood of storing or withdrawing supplies. The potential need to initiate the use of cost-offset credits to capture imported supplies in cyclic accounts would be part of this regular reporting process.

At times, the available imported supplies may exceed Metropolitan's ability to capture within regional storage assets. These periods may be short-term in nature (a few weeks) or long-term (spanning across calendar years). In these circumstances, when the region is at risk of not capturing all available imported supplies, the General Manager may initiate the use of cost-offset credits to increase the amount of imported water captured in cyclic accounts. Authorizing the General Manager to take this action allows for responsive operations based on changing supply conditions. This is particularly important in cases such as the Department of Water Resources' decisions to make Article 21 supplies available on the State Water Project. These decisions can be made in a very short timeframe, often with less than a week of notice.

If the General Manager initiates the use of cost-offset credits, an item would be brought to the next regularly scheduled board meeting. This item would include supporting information that led to the General Manager's decision and would provide an option for the Board to stop the use of cost-offset credits, if desired.

Examples of Actions to Increase Capture of Surplus Imported Supplies

Generally, cost-offset credits would be available for any actions a member agency takes to increase the capture of surplus imported water in cyclic accounts above their baseline deliveries. The following are examples of actions that might apply:

- Increased deliveries to local surface storage
- Increased deliveries to groundwater spreading connections
- Increased deliveries to groundwater basins via injection
- Increased deliveries to meet consumptive demands in-lieu of using groundwater or surface storage (in-lieu storage)

Staff would look at the additional costs an agency incurs in taking the above actions beyond their normal cost for taking imported supplies. The increased costs would be eligible for the credit, up to \$225/acre-foot. Examples of how the cost-offset credit calculation would work are included in **Attachment 3**. Metropolitan retains the sole discretion in determining eligible costs.

In the case of surface storage, staff received feedback regarding the evaporative losses a local agency incurs when using reservoir storage. In recognition of this, staff proposes that a cost-offset credit be available recognizing a five percent loss for each year the water stays in the cyclic account. Evaporative losses would be capped at a maximum of ten percent if an agency takes more than two years to pay for the water. The agency would be billed for all water delivered into the cyclic account on the agreed upon schedule (without accounting for evaporative losses) and the cost-offset credit would apply when the agency is billed.

Summary

Under certain supply conditions, Metropolitan may not be able to manage all supplies and opportunities to store water could be lost to the region for future dry years. By providing a cost-offset credit for surplus deliveries into cyclic accounts under limited conditions, member agencies can increase the amount of water delivered to the region while benefiting all member agencies in the same manner as other local storage programs.

With this delegation of authority to the General Manager to provide cost-offset credits, Metropolitan would have additional operational flexibility to capture surplus imported supplies. This proposal also includes prompt reporting and board oversight, if the General Manager exercises this authority.

Policy

Metropolitan Water District Administrative Code Section 4209: Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 50793, dated April 10, 2017, the Board authorized the General Manager to enter into cyclic agreements with Metropolitan's member agencies.

By Minute Item 50888, dated July 11, 2017, the Board authorized the General Manager to enter into cyclic agreements providing a credit of up to \$225 per acre-foot for in-lieu deliveries.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. In particular, the proposed action consists of entering into agreements for the capture of surplus water at existing public or private facilities with negligible or no expansion of use and no possibility of significantly impacting the physical environment. Accordingly, the proposed action qualifies as a Class 1 Categorical Exemption (Section 15301 of the State CEQA Guidelines).

CEQA determination for Option #2

None required

Board Options

Option #1

Authorize the General Manager to enter into agreements to provide a cost-offset credit of up to \$225 per acre-foot for surplus deliveries under limited conditions, consistent with the terms in **Attachment 2**.

Fiscal Impact: None. Up to \$225 per acre-foot cost-offset credit to the member agency. The credit will be offset by the treatment surcharge collected at the time of the delivery or the future sale at the full-service rate.

Business Analysis: Metropolitan would improve regional reliability through the delivery of water to the region that would have otherwise been lost. The additional cost to manage such water at an amount not to exceed \$225 per acre-foot is less than Metropolitan's average cost of \$300 per acre-foot to store water in its SWP storage programs. Further, the delivery of the supplies to the region incurs lower power costs in wet years than in dry years because of higher hydroelectric generation on the State Water Project. Metropolitan will also generate additional revenue from an increase in treated water deliveries and the future sale of the delivered water.

Option #2

Do not authorize the General Manager to enter into agreements to provide a surplus credit for surplus deliveries with member agencies that have received supplies.

Fiscal Impact: Potential loss of a full-service water sale and an increase in costs to acquire additional water for the region.

Business Analysis: Not implementing the credit in cyclic agreements could decrease the water supplies available to the region.

Staff Recommendation

Option # 1


Brad Coffey
Manager, Water Resource Management

3/28/2019
Date


Jeffrey Nightlinger
General Manager

3/29/2019
Date

Attachment 1 – March Information Item 9-3

Attachment 2 – Term Sheet Member Agency Cost-Offset Credits

Attachment 3 – Example Credit Calculations

Ref# wrm12667586



- Board of Directors
Water Planning and Stewardship Committee

3/12/2019 Board Meeting

9-3

Subject

Information on potential credit to enhance in-lieu deliveries to cyclic storage under limited conditions

Executive Summary

This report describes a proposed revision to Metropolitan's cyclic agreements to increase the ability to capture imported supplies in future surplus conditions. Under the proposed modification, Metropolitan would be able to store water within its service area by delivering surplus supply to member agencies during extraordinary conditions, in-lieu of those agencies using their own local supplies. In exchange for agreeing to the in-lieu delivery and performance, Metropolitan would pay member agencies up to \$225 per acre-foot in the form of a credit. The maximum cost of \$225 per acre-foot would be comparable to Metropolitan's costs for other water management programs. For the agencies, the credit would offset some of the increased costs they would incur when taking treated imported deliveries in-lieu of using local supplies during surplus conditions. Metropolitan would credit the participants for their documented increased costs to receive the treated water up to \$225 per acre-foot (indexed by inflation each year). The proposed program would provide the General Manager the authority to execute cyclic agreements and to initiate in-lieu deliveries when water supplies may exceed Metropolitan's ability to capture. Upon authorization of in-lieu deliveries, staff would report the activity and the conditions that warranted this action to the Board at its next regular meeting.

Details

Background

Metropolitan has developed a diverse portfolio of water storage facilities and agreements to help capture imported supplies in surplus conditions. This portfolio includes surface storage facilities, groundwater storage, and pre-delivery accounts that are both inside and outside of the region. Since the 1970's this portfolio has included cyclic agreements.

Cyclic Accounts

A cyclic agreement establishes an account between Metropolitan and a member agency with either groundwater or surface storage. Through the account, Metropolitan can deliver water to the member agency at Metropolitan's convenience. Once delivered, the member agency then purchases water out of the account on an agreed upon schedule, not to exceed five years. Unlike some other programs in Metropolitan's storage portfolio, cyclic accounts do not charge Metropolitan any costs for this activity, and there are no loss factors applied to deliveries into cyclic accounts.

At times, Metropolitan may prefer to deliver higher amounts of water than a member agency may have budgeted for in a given time period. Cyclic accounts allow Metropolitan to make larger deliveries when imported water is available while allowing the member agency to purchase the water over a period of time, allowing stable and predictable budgeting.

Two Methods of Delivery into Cyclic Accounts

Metropolitan can deliver water into cyclic accounts through either direct or in-lieu methods. Direct deliveries are made when Metropolitan provides untreated supplies directly to a surface reservoir or groundwater spreading connection. Direct deliveries are common, although operational conditions can constrain when direct deliveries can be made. Sometimes the capacity of local spreading basins, water quality issues, and/or the potential presence of invasive species can impact the ability to make direct deliveries.

In-lieu deliveries can be made if the member agency reduces groundwater pumping or reduces the use of local surface storage in order to increase deliveries from Metropolitan's treated water system. In this operation, Metropolitan provides treated drinking water to meet consumptive demands in-lieu of the member agency using its groundwater or surface water to meet demands. This increases Metropolitan's imported deliveries when they are available and preserves the local supplies to be used at a later date. By virtue of using Metropolitan's many treated water connections, Metropolitan has a higher degree of operational flexibility in making in-lieu deliveries.

In-lieu Deliveries Are an Economical Form of Water Management for Metropolitan, but Come at a Higher Cost for the Local Agency

In-lieu deliveries can significantly increase the amount of water maintained in local cyclic accounts. However, member agencies typically plan to replenish groundwater and surface water storage using untreated deliveries over time. When taking in-lieu deliveries, the member agency must also pay Metropolitan's treatment surcharge. This higher cost serves as a disincentive to the member agency to use more imported water, particularly when it can simply wait to purchase untreated water at a later date. When a member agency takes treated in-lieu deliveries, the member agency avoids costs associated with pumping and delivering the local supplies. These avoided costs, however, are outweighed by the higher cost of Metropolitan's treatment surcharge.

2017 In-Lieu Credit Program

In 2017, Metropolitan experienced extraordinary conditions with a high amount of available imported supplies and low member agency demands. Metropolitan's ability to manage water in available storage accounts was maximized. In July of 2017, to increase deliveries of treated supplies, Metropolitan's Board authorized a credit of up to \$225 per acre-foot for in-lieu deliveries of treated water to member agency cyclic accounts. The \$225 per acre-foot cost to Metropolitan was competitive compared to other storage alternatives and reduced the cost impact to a member agency for taking in-lieu deliveries. The credit payable to a member agency was determined using the costs incurred by the agency as a result of taking additional treated water at Metropolitan's request in-lieu of using their own local supply, minus the costs that the agency would have incurred without the in-lieu delivery, not to exceed \$225 per acre-foot. Member agencies submitted their estimates of avoided cost to Metropolitan, which Metropolitan reviewed based on documented records. Agencies entered into purchase agreements to purchase the water within five years. Metropolitan entered into agreements for treated in-lieu deliveries with Municipal Water District of Orange County, City of Anaheim, City of Fullerton and City of Santa Ana. Other agencies voiced interest in taking in-lieu deliveries, but the approval of the program came too late in the year for their operations to accommodate the water.

The 2017 in-lieu credit program was approved only for the duration of the 2017/18 fiscal year. During the brief program, about 65,200 acre-feet were captured in cyclic accounts through in-lieu deliveries. This water would have otherwise been lost if the program were not in place.

Potential Modification to Cyclic Program

Staff is proposing a modification to the current Cyclic Program similar to the in-lieu credit program authorized by Metropolitan's Board in July 2017. Whereas the previous cyclic program was limited in both scope and duration, the modification would not be limited in that manner. The General Manager would have the authority to enter into cyclic agreements with member agencies and to initiate a credit for in-lieu deliveries based on water supply conditions in real time. This delegation of authority would provide flexibility in the operation of the Cyclic Program to allow for timely deliveries of surplus supplies.

The window to capture surplus supplies is often limited. For example, Article 21 supplies on the State Water Project can become available with little notice and only be available for a few weeks. If agreements and authority to initiate deliveries were in place beforehand, the amount of captured supplies would be maximized. These deliveries would increase water delivered and stored in the region, thus improving reliability for all member agencies and providing a regional benefit in the same manner as other water management programs. Further, these programs collect Metropolitan's full-service rate on a pre-determined schedule.

Member Agency Requirements

Under the proposed revised Cyclic Program when surplus water is available, member agencies would take treated water from Metropolitan in addition to their baseline water purchases for the year, in exchange for a credit of up to \$225 per acre-foot. The credit would be calculated as the difference in costs of the in-lieu delivery compared to their normal groundwater operation. Metropolitan would retain the sole discretion in determining eligible costs. The resulting credit would remove the financial barrier for a member agency to increase in-lieu deliveries from Metropolitan.

Participating member agencies would be purchasing more water than was already projected for delivery. Metropolitan would bill the member agency through a cyclic account at the full-service rate within five years, based on an agreed upon schedule. The schedule would provide certainty to Metropolitan that the water would be sold to generate a future sale. The schedule also provides the member agency certainty as to how the additional water purchases would impact future budgets.

Like all other purchases from cyclic accounts, the purchase by the agency would not incur a Capacity Charge, because the in-lieu delivery would be at Metropolitan's discretion. All other components of Metropolitan's full-service water rate would be charged to the member agency at the time the water is sold, and the delivery would count towards the agency's Readiness-to-Serve Charge. The member agency would be billed the treatment surcharge at the time of delivery, and would also receive the credit in the same year. To ensure credits were given only for deliveries of additional water, Metropolitan would certify that the in-lieu delivery to an agency was in addition to normal deliveries in the fiscal year.

Program Process and Reporting

Staff would evaluate the supply, demand, and storage availability through the Water Surplus and Drought Management process. If additional supply needs to be managed after other water management actions are potentially exhausted, staff would recommend the General Manager initiate in-lieu deliveries. Staff would report Cyclic Program activity to the Board at the next regular board meeting. The report to the Board would include information about the circumstances that led to the action, estimated surplus supplies and identify the participating member agencies and planned delivery amounts. Through a monthly certification and annual reconciliation process, staff would ensure that deliveries under the Cyclic Program were in addition to their normal deliveries.

Summary

Under extraordinary supply conditions, there may be an availability of supplies beyond what Metropolitan is able to manage. By providing a credit to member agencies to accept in-lieu deliveries under limited conditions, member agencies would increase the amount of water delivered to the region benefiting all member agencies and the region in the same manner as other water management programs. Increased deliveries into cyclic accounts bring more water into the service area. This enhances Metropolitan's ability to respond to emergency events more than storage outside the service area.

By delegating authority to the General Manager to enter into cyclic agreements to provide in-lieu credits, and to begin in-lieu deliveries, the Cyclic Program would provide operational flexibility to manage and store extraordinary supplies. The draft terms for the Potential In-Lieu Cyclic Program are included in **Attachment 1**.

Policy

Metropolitan Water District Administrative Code Section 4209: Contracts

By Minute Item 50793, dated April 10, 2017, the Board approved the General Manager to enter into Cyclic Agreements with Metropolitan's member agencies.

By Minute Item 50888, dated July 11, 2017, the Board approved the General Manager to enter into Cyclic Agreements providing a credit of up to \$225 per acre-foot for in-lieu deliveries in fiscal year 2017/2018.

Fiscal Impact

The fiscal impact would be a short term increased cost associated with the maximum credit of \$225 per acre-foot (indexed each year). The credit is competitive with the unit cost of Metropolitan's State Water Project groundwater storage programs. Increased local supplies would reduce demand in dry years when alternative water supply sources are likely to be more expensive and provide more reliability in emergency events, providing a regional benefit to all member agencies.


Brad Coffey
Manager, Water Resource Management

3/1/2019
Date


Jeffrey Lightlinger
General Manager

3/1/2019
Date

Attachment 1 – Term Sheet, Member Agency In-Lieu Agreements

Ref# wrm12660548

Term Sheet
Member Agency
In-Lieu Cyclic Agreements

In-Lieu Credit

- Metropolitan would provide a credit of up to \$225 per acre-foot, escalated yearly using the Consumer Price Index, for the in-lieu deliveries of Metropolitan supplies.
- The credit payable to a member agency would be based on the estimated additional costs that would be incurred by the member agency as a result of taking delivery of additional treated water supplies at Metropolitan's request. The credit would be equal to the treatment surcharge minus the costs that the agency would have incurred without receiving in-lieu deliveries. Avoided cost estimates would be provided by the member agencies for review.
- Metropolitan would have sole discretion in determining the eligible costs that would be reimbursed.
- Metropolitan would bill the treatment surcharge to the member agency at the time of delivery.
- Transactions would be accounted for at the meter level.
- The credit applied to the member agency meter invoiced amount, and subject to reconciliation of the credit amount and the in-lieu delivery amount.
- Adjustments to in-lieu credits could result from reconciliations.

In-Lieu Delivery Requirements

- The in-lieu delivery of water to a member agency shall not reduce the full-service water sales of Metropolitan. Certification of in-lieu deliveries could be limited if the member agency does not achieve projected full-service deliveries as determined by Metropolitan for that year.
- Metropolitan would agree on a payment schedule for the agencies' purchase of the delivered water.
- Operating plans would be required from the member agency prior to receiving in-lieu deliveries. Operating plans would help certify in-lieu deliveries into cyclic agreements as separate from normal deliveries. Any credits given for water deliveries that are unable to be validated and reconciled by official documentation (i.e., Watermaster report or other official documentation) after certification would be voided by Metropolitan.
- The terms for the agency's purchase of the delivered water, including applicable rates and charges, would be the same as all other purchases from the member agency's cyclic agreement.

Term

- The member agency would be required to purchase the delivered water no later than five full calendar years from the in-lieu delivery. Metropolitan and member agencies would agree on a payment schedule for the agencies' purchase of the delivered water under the cyclic agreement.

Term Sheet
Member Agency Cost-Offset Credits

Cost-Offset Credit

- Metropolitan would provide a maximum credit of up to \$225 per acre-foot, escalated yearly using the Consumer Price Index (CPI), for the capture of Metropolitan surplus supplies.
- The credit payable to a member agency would be based on performance and the estimated additional costs incurred by the member agency as a result of taking delivery of additional water supplies at Metropolitan's request. For in-lieu treated deliveries, the credit would be equal to the treatment surcharge minus the costs that the agency would have incurred without receiving surplus deliveries. Avoided cost estimates would be provided by the member agencies for review.
- Metropolitan would have sole discretion in determining the eligible costs that would be reimbursed.
- For surface water deliveries, evaporative losses would be calculated as five percent each year for up to two years.
- For in-lieu deliveries, Metropolitan would bill the treatment surcharge to the member agency at the time of delivery.
- Transactions would be accounted for at the meter level.
- The credit would be applied to the member agency meter invoiced amount and would be subject to reconciliation of the credit amount and the surplus delivery amount.
- Adjustments to cost-offset credits that could result from reconciliations would be applied at the end of the calendar year or fiscal year (depending on the reconciliation period).

Surplus Delivery Requirements

- Cyclic deliveries could be made directly or in-lieu to surface water reservoirs or groundwater basins. The member agency must perform by managing the surplus delivery during the required performance period. A cyclic agreement is required to account for the deliveries.
- The surplus delivery of water to a member agency shall not reduce the full-service water sales of Metropolitan. Certification of surplus deliveries could be limited if the member agency does not achieve projected full-service deliveries as determined by Metropolitan for that year.
- Metropolitan would agree on a payment schedule for the agency purchase of the delivered water.
- Operating plans would be required from the member agency prior to receiving surplus deliveries. Operating plans would help certify surplus deliveries into cyclic accounts as separate from normal deliveries. Any cost-offset credits given for water deliveries that are unable to be validated and reconciled by official documentation (i.e., Watermaster report or other official documentation) after certification would be voided by Metropolitan.
- The terms for the agency's purchase of the delivered water, including applicable rates and charges, would be the same as all other purchases from the member agency's cyclic agreement.

Term

- The member agency would be required to purchase the delivered water no later than five full calendar years from the surplus delivery. Metropolitan and member agencies would agree on a payment schedule for the agencies' purchase of the delivered water under the cyclic agreement.

Example Cost-Offset Credit Calculations

Example 1 - Metropolitan delivers 10,000 acre-feet of treated water in-lieu of the member agency using 10,000 acre-feet of groundwater to meet demands

Scenario: Member agency normally takes untreated deliveries from Metropolitan to replenish its groundwater basin. To increase capture of surplus imported supplies, Metropolitan requests the agency to take increased delivery of treated water and reduce groundwater pumping. Without an offsetting credit, the member agency would incur the higher cost of Metropolitan's treatment surcharge compared to its own pumping and disinfection costs.

As an example, the agency's cost to pump and disinfect its local supply is assumed to be \$100 per acre-foot. By accepting additional treated water from Metropolitan in-lieu of pumping the groundwater, the agency incurs the treatment surcharge of \$319 per acre-foot in addition to the normal untreated water rates it would pay to Metropolitan. Under the proposed program, Metropolitan bills the treatment surcharge when water is delivered and credits the agency up to \$225 per acre-foot to offset its additional costs to accept treated supplies. In this example, the credit would be \$219 per acre-foot (\$319 for the treatment surcharge less \$100 in avoided pumping and disinfection costs). The credit ensures the member agency does not incur an additional cost for accepting additional treated supplies. The deferred groundwater pumping remains in the basin for future use. The member agency's cyclic account balance increases in this example by 10,000 acre-feet. Metropolitan later bills the member agency at the untreated rates based on an agreed upon schedule, not to exceed five years.

Example 2 - Metropolitan delivers 10,000 acre-feet of untreated water to member agency for storage in a local surface reservoir

Scenario: In this example, the member agency normally purchases untreated water supplies from Metropolitan and treats the water at its treatment plant. The member agency also has available capacity in a local surface water reservoir. To increase capture of imported supplies, Metropolitan requests increased delivery of untreated imported supplies into their surface water reservoir. The agency incurs evaporative losses associated with holding these additional supplies in its reservoir. Rather than require a complex evaporative calculation, evaporative loss is estimated at five percent per year for up to two years (i.e. total evaporation is capped at 10 percent). The evaporative loss is credited to the agency on the untreated water rate when billed out of the cyclic account. Without the cost-offset credit, the member agency would incur an added cost of lost water by evaporation for keeping the additional untreated supplies in their reservoir.

In this example, it is assumed the member agency incurs a cost of \$50 per acre-foot to pump imported supplies into the reservoir. The member agency's cyclic account balance in this example increases by 10,000 acre-feet. The agency chooses to buy the water out of the cyclic

account the next year, thus incurring one year of evaporative losses at five percent. The credit for the evaporative loss would be five percent multiplied by the untreated water rate in force when the water is billed (in 2019 the credit would be five percent of \$731 per acre-foot, which is \$37 per acre-foot). Under the proposed program, Metropolitan bills the agency for the untreated water rates less a total credit of \$87 per acre-foot (\$50 per acre-foot in pumping costs and \$37 per acre-foot for evaporative losses).

Example 3 - Metropolitan delivers 10,000 acre-feet of treated water to member agency groundwater basin through injection

Scenario: In this example, member agency normally purchases treated water to meet its demands. This agency is also able to inject treated supplies into their groundwater basin. In order to increase capture of imported supplies, Metropolitan requests increased delivery of treated water supplies into their groundwater basin via injection. Without the cost-offset credit, the member agency would incur costs associated with injection, extraction, and disinfection of the captured water once it is extracted, in addition to the normal cost of Metropolitan's treated supplies.

For this example, it is assumed the member agency incurs a cost of \$50 per acre-foot to inject treated water into the groundwater basin, \$150 per acre-foot to pump water back out of the groundwater basin, and \$35 per acre-foot to disinfect the pumped groundwater. The total of these costs is \$235 per acre-foot in addition to Metropolitan's normal treated water rates. However, the cost-offset credit would be limited to a maximum of \$225 per acre-foot, which is the upper limit under this proposed program (subject to inflationary adjustments). The member agency cyclic account would increase by 10,000 acre-feet and Metropolitan would bill the agency based on an agreed upon schedule for the full treated water rates less the cost-offset credit of \$225 per acre-foot.

Agreement
Between Metropolitan Water District of Southern California
Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

This Agreement is made as of August 1, 2019, by and between the METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (“Metropolitan”), a public agency of the State of California, and the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (“MWDOC”), a public agency of the State of California, (collectively, the “Parties”).

Section 1. Purpose of Agreement

- a. Metropolitan is a wholesale provider to its 26 member agencies, created under The Metropolitan Water District Act (“MWD Act”). Wat. Code appen., §§ 109-25, 109-130.
- b. MWDOC is a member public agency of Metropolitan and a wholesale water provider with a service area that includes lands overlying the Orange County Groundwater Basin, a large groundwater basin located in Northern and Central Orange County. MWDOC was created under the Municipal Water District Law of 1911. Cal. Wat. Code, §§ 71000 et seq.
- c. Metropolitan, MWDOC and the Orange County Water District have entered into an agreement dated August 10, 2017 (“MWDOC-Metropolitan Cyclic Agreement”) that provides for the delivery of water by Metropolitan to MWDOC in advance of demand for the water by MWDOC through a cyclic account (“MWDOC-Metropolitan Cyclic Account”).
- d. Through this Agreement, the Parties intend to provide for a means of delivering water from Metropolitan into the MWDOC-Metropolitan Cyclic Account.

Section 2. Designated In-Lieu Treated Deliveries.

Metropolitan’s General Manager has determined that water supply conditions are such that Metropolitan may not be able to capture all available supplies efficiently in available storage. Given the recent SWP allocation increase to 75 percent, uncertainties due to increased Article 21 and Colorado River supplies, and continued lower demands, supplies available for storage in 2019 may exceed Metropolitan’s ability to store in CY 2019. Accordingly, Metropolitan agrees to pre-deliver treated water to MWDOC to assist Metropolitan in managing its water resources. MWDOC agrees to take treated water from Metropolitan pursuant to this Agreement for delivery into the MWDOC- Metropolitan Cyclic account in the Orange County Groundwater Basin through in-lieu means (In-Lieu Treated Deliveries).

The amount, location, and timing of the delivery schedule, along with an operating plan, will be mutually agreed upon prior to delivery by Metropolitan pursuant to a purchase agreement. The actual amount of in-lieu deliveries credited by Metropolitan may be higher or lower based on operational conditions and the *In-Lieu Treated Deliveries Certification Procedures* referenced in Section 8. In-Lieu Treated Deliveries will be made upon Metropolitan’s written request and MWDOC’s written acceptance of additional treated water

Agreement
Between Metropolitan Water District of Southern California
Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

deliveries. MWDOC represents and warrants that In-Lieu Treated Deliveries are in addition to its projected full-service deliveries (treated or untreated), which would normally occur without this agreement.

MWDOC represents and warrants that an amount equivalent to the In-Lieu Treated Deliveries will be credited to Metropolitan as stored water in the Orange County Basin, pursuant to an intentional reduction in groundwater production by MWDOC, certified and reconciled according to Section 8, until such time as the water is purchased by MWDOC pursuant to the terms of the MWDOC-Metropolitan Cyclic Agreement and Section 9 of this Agreement.

Section 3. Term.

This Agreement shall be effective until July 1, 2027, or until the termination of the MWDOC-Metropolitan Cyclic Agreement, and is applicable only to In-Lieu Treated Deliveries, as certified and reconciled according to Section 8. Metropolitan, at its sole discretion, can interrupt the program by providing 15 days' notice to MWDOC.

Pursuant to the Board's action on April 10, 2019, Metropolitan's General Manager may make a determination regarding water supply conditions and Metropolitan's ability to capture all available supplies at any time during the term of this Agreement. When such determination is made and MWDOC agrees to accept water pursuant to this Agreement, the Parties will enter into a purchase agreement in accordance with Section 2.

Section 4. Treatment Surcharge Payment.

MWDOC agrees to pay Metropolitan the Treatment Surcharge effective at the time of the In-Lieu Treated Delivery, which for calendar year 2019 is \$319 per acre-foot and in calendar year 2020 is \$323 per acre-foot.

Section 5. Cost-offset Credit Term.

In exchange for MWDOC's acceptance of In-Lieu Treated Deliveries, Metropolitan agrees to pay MWDOC a cost-offset credit of up to \$225 per acre-foot, as determined by Metropolitan pursuant to Section 6. On January 1st of 2020, and every following January 1st, the maximum \$225 per acre-foot amount will be increased by the Consumer Price Index for Urban Wage Earners and Clerical Workers for Los Angeles-Long Beach-Anaheim All Items (CPI-W) calculated as the November Prior Year/November 2018 CPI-W increase rounded to the nearest dollar. For example, if the November 2019 CPI-W was 269.005 and the November 2018 CPI-W was 259.064, then the increase for January 1, 2020 would be 3.84% or up to \$234 per acre-foot.

Section 6. Determination of Cost-offset Credit Term.

Metropolitan, at its sole discretion, will determine the Cost-offset Credit Term. Metropolitan will make such determination based on an estimate of costs incurred by MWDOC as a result of taking in-lieu delivery of additional treated water at Metropolitan's request that

Agreement
Between Metropolitan Water District of Southern California
Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

MWDOC would not otherwise have taken, minus the costs that MWDOC would have incurred if it produced an equivalent amount of water from the Orange County Groundwater Basin. MWDOC will submit its avoided cost estimates to Metropolitan, which Metropolitan will review in addition to historical production cost estimates. In 2019, the cost-offset credit term is \$ _____ per acre-foot.

MWDOC may, at any time prior to reconciliation and certification described in Section 8, request a redetermination of the Cost-Offset Credit Term, by submitting documentation that its groundwater production costs have changed. Metropolitan shall, in its sole discretion, change the Cost-Offset Credit Term upon review of any such additional documentation and confirmation of changes in costs.

Section 7. Billing Procedures.

Metropolitan will bill MWDOC the Treatment Surcharge in effect at the time MWDOC certifies the In-Lieu Treated Deliveries, in the same manner as Metropolitan bills MWDOC for all other water sales. Metropolitan will pay MWDOC the Cost-Offset Credit Term for In-Lieu Treated Deliveries by applying a credit to MWDOC's meter invoiced amounts, which credit is subject to the certification and reconciliation process described in Section 8.

Section 8. Certification of In-Lieu Treated Deliveries.

MWDOC shall submit monthly certifications of In-Lieu Treated Deliveries pursuant to this Agreement consistent with Metropolitan's Administrative Code, sections 4506 to 4507. Such certifications will be made pursuant to the *In-Lieu Treated Deliveries Certification Procedures*, attached hereto and incorporated herein as Attachment 1. On a monthly basis Metropolitan will review these certifications for conformance with the operating plans submitted pursuant to the *In-Lieu Treated Deliveries Certification Procedures*. Metropolitan will process certifications of these deliveries made pursuant to this Agreement in accordance with the agreed-upon operating plan in order to ensure in-lieu deliveries were made in addition to normal Full-Service deliveries and as a result of actions to reduce groundwater pumping.

Metropolitan will void any credits given for water deliveries that Metropolitan is unable to determine that are qualifying In-Lieu Treated Deliveries under this Agreement, which will result in an equivalent charge to MWDOC's water invoice plus the applicable untreated Full-Service rates and charges. The total amount of all voided credits shall be billed in the next month following the end-of-year reconciliation.

Section 9. Purchase of Water Out of Cyclic Account.

MWDOC agrees to purchase the In-Lieu Treated Deliveries out of the Cyclic account according to the signed purchase agreement. Billing and payment procedures shall be the same as other purchases from the Cyclic account.

Agreement
Between Metropolitan Water District of Southern California
Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

Approved as to form:

Municipal Water District of Orange County

By: _____
Joseph Bryne
General Counsel

By: _____
Robert Hunter
General Manager

Approved as to form:

The Metropolitan Water District
of Southern California

By: _____
Marcia L. Scully
General Counsel

By: _____
Jeffrey Kightlinger
General Manager

Agreement
Between Metropolitan Water District of Southern California
City of Anaheim, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

This Agreement is made as of August 1, 2019, by and between the METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (“Metropolitan”), a public agency of the State of California, the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (“MWDOC”), a public agency of the State of California, and the CITY OF ANAHEIM (“City”), a California municipal corporation (collectively, the “Parties”).

Section 1. Purpose of Agreement

- a. Metropolitan is a wholesale provider to its 26 member agencies, created under The Metropolitan Water District Act (“MWD Act”). Wat. Code appen., §§ 109-25, 109-130.
- b. MWDOC is a member public agency of Metropolitan and a wholesale water provider with a service area that includes lands overlying the Orange County Groundwater Basin, a large groundwater basin located in Northern and Central Orange County. MWDOC was created under the Municipal Water District Law of 1911. Cal. Wat. Code, §§ 71000 et seq.
- c. City is a member public agency of Metropolitan. City is located in northern and northeastern Orange County, and a large percentage of its jurisdictional area lies over the Orange County Groundwater Basin.
- d. Metropolitan, MWDOC and the Orange County Water District have entered into an agreement dated August 10, 2017 (“MWDOC-Metropolitan Cyclic Agreement”) that provides for the delivery of water by Metropolitan to MWDOC in advance of demand for the water by MWDOC through a cyclic account (“MWDOC-Metropolitan Cyclic Account”).
- e. Through this Agreement, the Parties intend to provide for a means of delivering water from Metropolitan through City into the MWDOC-Metropolitan Cyclic Account.

Section 2. Designated In-Lieu Treated Deliveries.

Metropolitan’s General Manager has determined that water supply conditions are such that Metropolitan may not be able to capture all available supplies efficiently in available storage. Given the recent SWP allocation increase to 75 percent, uncertainties due to increased Article 21 and Colorado River supplies, and continued lower demands, supplies available for storage in 2019 may exceed Metropolitan’s ability to store in CY 2019. Accordingly, Metropolitan agrees to pre-deliver treated water to the City to assist Metropolitan in managing its water resources. The City agrees to take treated water from Metropolitan pursuant to this Agreement for delivery into the MWDOC- Metropolitan Cyclic account in the Orange County Groundwater Basin through in-lieu means (In-Lieu Treated Deliveries).

Agreement
Between Metropolitan Water District of Southern California
City of Anaheim, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

The amount, location, and timing of the delivery schedule, along with an operating plan, will be mutually agreed upon prior to delivery by Metropolitan pursuant to a purchase agreement. The actual amount of in-lieu deliveries credited by Metropolitan may be higher or lower based on operational conditions and the *In-Lieu Treated Deliveries Certification Procedures* referenced in Section 8. In-Lieu Treated Deliveries will be made upon Metropolitan's written request and City's and MWDOC's written acceptance of additional treated water deliveries. The City represents and warrants that In-Lieu Treated Deliveries are in addition to its projected full-service deliveries (treated or untreated), which would normally occur without this agreement.

MWDOC represents and warrants that an amount equivalent to the In-Lieu Treated Deliveries will be credited to Metropolitan as stored water in the Orange County Basin, pursuant to an intentional reduction in groundwater production by the City, certified and reconciled according to Section 8, until such time as the water is purchased by MWDOC pursuant to the terms of the MWDOC-Metropolitan Cyclic Agreement and Section 9 of this Agreement.

Section 3. Term.

This Agreement shall be effective until July 1, 2027, or until the termination of the MWDOC-Metropolitan Cyclic Agreement, and is applicable only to In-Lieu Treated Deliveries, as certified and reconciled according to Section 8. Metropolitan, at its sole discretion, can interrupt the program by providing 15 days' notice to the City and MWDOC.

Pursuant to the Board's action on April 10, 2019, Metropolitan's General Manager may make a determination regarding water supply conditions and Metropolitan's ability to capture all available supplies at any time during the term of this Agreement. When such determination is made and MWDOC and City agree to accept water pursuant to this Agreement, the Parties will enter into a purchase agreement in accordance with Section 2.

Section 4. Treatment Surcharge Payment.

The City agrees to pay Metropolitan the Treatment Surcharge effective at the time of the In-Lieu Treated Delivery, which for calendar year 2019 is \$319 per acre-foot and in calendar year 2020 is \$323 per acre-foot.

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Agreement
Between Metropolitan Water District of Southern California
City of Anaheim, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

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The City may, at any time prior to reconciliation and certification described in Section 8, request a redetermination of the Cost-Offset Credit Term, by submitting documentation that its groundwater production costs have changed. Metropolitan shall, in its sole discretion, change the Cost-Offset Credit Term upon review of any such additional documentation and confirmation of changes in costs.

Section 7. Billing Procedures.

Metropolitan will bill the City the Treatment Surcharge in effect at the time the City certifies the In-Lieu Treated Deliveries, in the same manner as Metropolitan bills the City for all other water sales. Metropolitan will pay the City the Cost-Offset Credit Term for In-Lieu Treated Deliveries by applying a credit to the City's meter invoiced amounts, which credit is subject to the certification and reconciliation process described in Section 8.

Section 8. Certification of In-Lieu Treated Deliveries.

The City shall submit monthly certifications of In-Lieu Treated Deliveries pursuant to this Agreement consistent with Metropolitan's Administrative Code, sections 4506 to 4507. Such certifications will be made pursuant to the *In-Lieu Treated Deliveries Certification Procedures*, attached hereto and incorporated herein as Attachment 1. On a monthly basis Metropolitan will review these certifications for conformance with the operating plans submitted pursuant to the *In-Lieu Treated Deliveries Certification Procedures*. Metropolitan will process certifications of these deliveries made pursuant to this Agreement in accordance with the agreed-upon operating plan in order to ensure in-lieu deliveries were made in addition to normal Full-Service deliveries and as a result of actions to reduce groundwater pumping.

Metropolitan will void any credits given for water deliveries that Metropolitan is unable to determine that are qualifying In-Lieu Treated Deliveries under this Agreement, which will result in an equivalent charge to the City's water invoice plus the applicable untreated Full-Service rates and charges. The total amount of all voided credits shall be billed in the next month following the end-of-year reconciliation.

Agreement
Between Metropolitan Water District of Southern California
City of Anaheim, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

Section 9. Purchase of Water Out of Cyclic Account.

MWDOC agrees to purchase the In-Lieu Treated Deliveries out of the Cyclic Account according to the signed purchase agreement. Billing and payment procedures shall be the same as other purchases from the Cyclic Account.

Approved as to form:

Municipal Water District of Orange County

By: _____
Joseph Bryne
General Counsel

By: _____
Robert Hunter
General Manager

Date: _____

Date: _____

Approved as to form:

City of Anaheim

By: _____
City Attorney

By: _____
Dukku Lee
Anaheim Public Utilities,
General Manager

Date: _____

Date: _____

Agreement
Between Metropolitan Water District of Southern California
City of Anaheim, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

Approved as to form:

The Metropolitan Water District
of Southern California

By: _____
Marcia L. Scully
General Counsel

By: _____
Jeffrey Kightlinger
General Manager

Date: _____

Date: _____

Agreement
Between Metropolitan Water District of Southern California
City of Fullerton, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

This Agreement is made as of August 1, 2019, by and between the METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (“Metropolitan”), a public agency of the State of California, the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (“MWDOC”), a public agency of the State of California, and the CITY OF FULLERTON (“City”), a California municipal corporation (collectively, the “Parties”).

Section 1. Purpose of Agreement

- a. Metropolitan is a wholesale provider to its 26 member agencies, created under The Metropolitan Water District Act (“MWD Act”). Wat. Code appen., §§ 109-25, 109-130.
- b. MWDOC is a member public agency of Metropolitan and a wholesale water provider with a service area that includes lands overlying the Orange County Groundwater Basin, a large groundwater basin located in Northern and Central Orange County. MWDOC was created under the Municipal Water District Law of 1911. Cal. Wat. Code, §§ 71000 et seq.
- c. City is a member public agency of Metropolitan. City is located in northern and northeastern Orange County, and a large percentage of its jurisdictional area lies over the Orange County Groundwater Basin.
- d. Metropolitan, MWDOC and the Orange County Water District have entered into an agreement dated August 10, 2017 (“MWDOC-Metropolitan Cyclic Agreement”) that provides for the delivery of water by Metropolitan to MWDOC in advance of demand for the water by MWDOC through a cyclic account (“MWDOC-Metropolitan Cyclic Account”).
- e. Through this Agreement, the Parties intend to provide for a means of delivering water from Metropolitan through City into the MWDOC-Metropolitan Cyclic Account.

Section 2. Designated In-Lieu Treated Deliveries.

Metropolitan’s General Manager has determined that water supply conditions are such that Metropolitan may not be able to capture all available supplies efficiently in available storage. Given the recent SWP allocation increase to 75 percent, uncertainties due to increased Article 21 and Colorado River supplies, and continued lower demands, supplies available for storage in 2019 may exceed Metropolitan’s ability to store in CY 2019. Accordingly, Metropolitan agrees to pre-deliver treated water to the City to assist Metropolitan in managing its water resources. The City agrees to take treated water from Metropolitan pursuant to this Agreement for delivery into the MWDOC- Metropolitan Cyclic account in the Orange County Groundwater Basin through in-lieu means (In-Lieu Treated Deliveries).

Agreement
Between Metropolitan Water District of Southern California
City of Fullerton, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

The amount, location, and timing of the delivery schedule, along with an operating plan, will be mutually agreed upon prior to delivery by Metropolitan pursuant to a purchase agreement. The actual amount of in-lieu deliveries credited by Metropolitan may be higher or lower based on operational conditions and the *In-Lieu Treated Deliveries Certification Procedures* referenced in Section 8. In-Lieu Treated Deliveries will be made upon Metropolitan's written request and City's and MWDOC's written acceptance of additional treated water deliveries. The City represents and warrants that In-Lieu Treated Deliveries are in addition to its projected full-service deliveries (treated or untreated), which would normally occur without this agreement.

MWDOC represents and warrants that an amount equivalent to the In-Lieu Treated Deliveries will be credited to Metropolitan as stored water in the Orange County Basin, pursuant to an intentional reduction in groundwater production by the City, certified and reconciled according to Section 8, until such time as the water is purchased by MWDOC pursuant to the terms of the MWDOC-Metropolitan Cyclic Agreement and Section 9 of this Agreement.

Section 3. Term.

This Agreement shall be effective until July 1, 2027, or until the termination of the MWDOC-Metropolitan Cyclic Agreement, and is applicable only to In-Lieu Treated Deliveries, as certified and reconciled according to Section 8. Metropolitan, at its sole discretion, can interrupt the program by providing 15 days' notice to the City and MWDOC.

Pursuant to the Board's action on April 10, 2019, Metropolitan's General Manager may make a determination regarding water supply conditions and Metropolitan's ability to capture all available supplies at any time during the term of this Agreement. When such determination is made and MWDOC and City agree to accept water pursuant to this Agreement, the Parties will enter into a purchase agreement in accordance with Section 2.

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The City agrees to pay Metropolitan the Treatment Surcharge effective at the time of the In-Lieu Treated Delivery, which for calendar year 2019 is \$319 per acre-foot and in calendar year 2020 is \$323 per acre-foot.

Section 5. Cost-offset Credit Term.

In exchange for the City's acceptance of In-Lieu Treated Deliveries, Metropolitan agrees to pay the City a cost-offset credit of up to \$225 per acre-foot, as determined by Metropolitan pursuant to Section 6. On January 1st of 2020, and every following January 1st, the maximum \$225 per acre-foot amount will be increased by the Consumer Price Index for Urban Wage Earners and Clerical Workers for Los Angeles-Long Beach-Anaheim All Items (CPI-W) calculated as the November Prior Year/November 2018 CPI-W increase rounded to the nearest dollar. For example, if the November 2019 CPI-W was 269.005 and the November 2018 CPI-W was 259.064, then the increase for January 1, 2020 would be 3.84% or up to \$234 per acre-foot.

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The City may, at any time prior to reconciliation and certification described in Section 8, request a redetermination of the Cost-Offset Credit Term, by submitting documentation that its groundwater production costs have changed. Metropolitan shall, in its sole discretion, change the Cost-Offset Credit Term upon review of any such additional documentation and confirmation of changes in costs.

Section 7. Billing Procedures.

Metropolitan will bill the City the Treatment Surcharge in effect at the time the City certifies the In-Lieu Treated Deliveries, in the same manner as Metropolitan bills the City for all other water sales. Metropolitan will pay the City the Cost-Offset Credit Term for In-Lieu Treated Deliveries by applying a credit to the City's meter invoiced amounts, which credit is subject to the certification and reconciliation process described in Section 8.

Section 8. Certification of In-Lieu Treated Deliveries.

The City shall submit monthly certifications of In-Lieu Treated Deliveries pursuant to this Agreement consistent with Metropolitan's Administrative Code, sections 4506 to 4507. Such certifications will be made pursuant to the *In-Lieu Treated Deliveries Certification Procedures*, attached hereto and incorporated herein as Attachment 1. On a monthly basis Metropolitan will review these certifications for conformance with the operating plans submitted pursuant to the *In-Lieu Treated Deliveries Certification Procedures*. Metropolitan will process certifications of these deliveries made pursuant to this Agreement in accordance with the agreed-upon operating plan in order to ensure in-lieu deliveries were made in addition to normal Full-Service deliveries and as a result of actions to reduce groundwater pumping.

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MWDOC agrees to purchase the In-Lieu Treated Deliveries out of the Cyclic account according to the signed purchase agreement. Billing and payment procedures shall be the same as other purchases from the Cyclic account.

Approved as to form:

Municipal Water District of Orange County

By: _____
General Counsel

By: _____
Robert Hunter
General Manager

Approved as to form:

City of Fullerton

By: _____
Richard D. Jones
City Attorney

By: _____
Donald K. Hoppe
Public Works Director

Approved as to form:

The Metropolitan Water District
of Southern California

By: _____
Marcia L. Scully
General Counsel

By: _____
Jeffrey Kightlinger
General Manager

Agreement
Between Metropolitan Water District of Southern California
City of Santa Ana, and Municipal Water District of Orange County
for In-Lieu Treated Deliveries to MWDOC-Metropolitan Cyclic Account

This Agreement is made as of August 1, 2019, by and between the METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (“Metropolitan”), a public agency of the State of California, the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (“MWDOC”), a public agency of the State of California, and the CITY OF SANTA ANA (“City”), a California municipal corporation (collectively, the “Parties”).

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Approved as to form:

Municipal Water District of Orange County

By: _____
Joseph Bryne
General Counsel

By: _____
Robert Hunter
General Manager

Approved as to form:
Sonia R. Carvalho, City Attorney

City of Santa Ana

By: _____
John M. Funk
Assistant City Attorney

By: _____
Kristine Ridge
City Manager

Attest:

By: _____
Daisy Gomez
Clerk of the City Council

By: _____
Faud S. Sweiss
Executive Director, Public Works Agency

Approved as to form:

The Metropolitan Water District
of Southern California

By: _____
Marcia L. Scully
General Counsel

By: _____
Jeffrey Kightlinger
General Manager



ACTION ITEM

August 21, 2019

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Finnegan, McVicker)

Robert J. Hunter
General Manager

Staff Contact: Maribeth Goldsby

**SUBJECT: ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)
COMMITTEE CONSIDERATION FOR 2020/21**

STAFF RECOMMENDATION

Staff recommends the Board of Directors: Determine which directors would like to serve on Association of California Water Agencies (ACWA) committees for 2020/21, and direct staff to submit completed Committee Consideration Forms by the September 30 deadline.

COMMITTEE RECOMMENDATION

The Committee will review this item on August 14, 2019.

SUMMARY

The Association of California Water Agencies (ACWA) is seeking members to participate on its various committees for the 2020/21 term. There are 13 committees for which members (directors and staff) may serve. All consideration forms require the signature of either the member agency general manager or board president before they are submitted to ACWA. The incoming ACWA Region Chairs and Vice Chairs will review the consideration forms by November 15th and send recommendations to the new ACWA President and Vice President by December 5th. ACWA will then send official appointment letters to new committee members by December 31st.

The following individuals have expressed interest in serving on ACWA Committees:

Budgeted (Y/N): N/A	Budgeted amount:	Core __	Choice __
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted): Not applicable			

Federal Affairs:	Linda Ackerman (currently serves) Heather Baez
Business Development:	Larry McKenney (currently serves as Chair)
Legal Affairs:	Larry McKenney (currently serves)
Local Government:	Larry McKenney (currently serves)
Water Management	Sat Tamaribuchi Bob McVicker Larry McKenney
Groundwater:	Bob McVicker
Water Quality	Bob McVicker Robert Hunter
Communications:	Damon Micalizzi
State Legislative:	Heather Baez

It should be noted that MET has historically paid the expenses for both Directors Ackerman and McKenney.

Attached is a copy of the information received from ACWA, along with the Committee Consideration forms.

From: ACWA <acwabox@acwa.com>
Sent: Wednesday, July 31, 2019 4:09 PM
To: Maribeth Goldsby
Subject: ACWA Advisory: ACWA Committee Appointment Process Under Way for 2020-'21 Term



Click [here](#) to view it in your browser.

ACWA ADVISORY

COMMITTEE APPOINTMENTS
JULY 31, 2019

ACWA Committee Appointment Process Under Way for 2020-'21 Term

ACWA members interested in serving on an ACWA committee may apply now through Sept. 30. Committees offer members numerous opportunities to stay current and engage on important statewide water issues.

ACWA has 13 active committees that meet throughout the year, providing key technical and policy input to the ACWA Board of Directors. The committees bring together expertise and perspectives from across the state on key issues to help ACWA advocate for members in Sacramento and in Washington D.C.

Committee appointment information has been emailed to ACWA member agency general managers, board presidents, and current committee members. To be considered for a committee appointment, your completed and signed committee consideration form must be submitted by Sept. 30 to Business Services Specialist Petra Rice at petrar@acwa.com. All consideration forms must be signed by the agency's general manager or board president.

Committee information and materials are available at [ACWA's website](#) or by clicking on the links below.

- [ACWA Policy Committee Composition](#)
- [ACWA Committee Consideration Form](#)
- [ACWA Committee Consideration Process Timeline](#)

When submitting names for consideration, please do so with the understanding that committees need active, involved individuals able to provide the required time and expertise, if appointed. Additionally, please keep in mind that your agency is responsible for all costs associated with the participation of its representatives on ACWA's committees.

Questions

For questions about the ACWA committee appointment process, please contact Business Services Specialist [Petra Rice](#) at (916) 441-4545.



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910 K Street, Suite 100, Sacramento, CA 95814

We hope you enjoy receiving email notices and updates from ACWA. At any time you can click [here](#) to unsubscribe or to change your subscription preferences.

2019 ACWA Committee Appointment Process Timeline 2020-2021 Term

July 17:

COMMITTEE CONSIDERATION FORMS EMAILED

- Email Agency General Managers and Board Presidents:
 - List of agency staff and directors who currently serve on an ACWA Committee
 - Committee Composition
 - Committee Consideration Form
 - 2020-2021 Committee Timeline

July 24:

EMAIL NOTIFICATION TO CURRENT COMMITTEE MEMBERS

- Current committee members notified that committee process has began
- All current committee members **MUST** submit a Committee Consideration Form to be considered for reappointment

September 30:

COMPLETED CONSIDERATION FORM DEADLINE

- All committee consideration forms **due by September 30**
- Any consideration forms submitted after September 30 will be added to the waiting list and considered after ACWA President makes the initial committee appointments for the term

October 25:

ACWA REGION CHAIR AND VICE CHAIR CONFERENCE CALL

- ACWA staff will hold a conference call with newly elected Region Chair and Vice Chairs to review 2020-2021 Committee recommendation process
- Consideration forms compiled and submitted to incoming Region Chair and Vice Chair

November 15:

CHAIR AND VICE CHAIRS RECOMMENDATION DEADLINE

- No Region recommendations will be accepted after November 15

December 5:

RECOMMENDATIONS GIVEN TO ACWA PRESIDENT

- Incoming ACWA President will receive Region Chair and Vice Chairs recommendations along with all consideration forms at ACWA Fall Conference

December 16:

ACWA PRESIDENT APPOINTS MEMBERS OF COMMITTEES

- Incoming ACWA President submits all appointments to ACWA Staff

December 31:

ACWA WILL NOTIFY COMMITTEE MEMBERS OF APPOINTMENTS

- Letters emailed to members who have been appointed to serve on a committee for the 2020-2021 term
- Letters emailed notifying those who were not appointed to a committee

ACWA COMMITTEE COMPOSITION

COMMITTEE	LIAISON
<p>Agriculture Committee – Standing/Unlimited <i>Meetings: 2-3 times a year</i> The Agriculture Committee makes recommendations to the Board of Directors, State Legislative Committee, Federal Affairs Committee or other committees, as appropriate, regarding agricultural issues affecting the interests of ACWA and its members. This newly-formed committee is currently being assembled.</p>	<p>Adam Borchard <i>Regulatory Advocate</i> adamb@acwa.com</p>
<p>Business Development Committee – Standing/Unlimited <i>Meetings: 2 times a year</i> The Business Development Committee develops and recommends to the Board of Directors programs and activities to be provided or administered by the association that generate non-dues revenue and provide a service or benefit to association members.</p>	<p>Paula Currie <i>Director of Business Development & Events</i> paulac@acwa.com</p>
<p>Communications Committee – Standing/Limited (40 maximum) <i>Meetings: 4 times a year</i> The Communications Committee develops and recommends to the Board of Directors and ACWA staff regarding communications and public affairs programs. The committee promotes sound public information and education programs and practices among member agencies. It prepares and distributes materials for use by member agencies in their local outreach efforts. It also provides input and guidance to ACWA's Communications Department.</p>	<p>Heather Engel <i>Director of Communications</i> heathere@acwa.com</p>
<p>Energy Committee – Standing/Unlimited <i>Meetings: 2 times a year</i> The Energy Committee recommends policies and program to the Board of Directors, the State Legislative Committee and the Federal Affairs Committee as appropriate.</p>	<p>Chelsea Haines <i>Regulatory Advocate II</i> chelseah@acwa.com</p>
<p>Federal Affairs Committee – Standing/Limited (5 Per Region) <i>Meetings: 2 times a year</i> The Federal Affairs Committee coordinates with other ACWA committees regarding input on federal issues before both Congress and the federal administrative branches.</p>	<p>David Reynolds <i>Director of Federal Affairs</i> dlreyns@sso.org</p>
<p>Finance Committee – Standing/Limited (2 Per Region – 1 Region Chair or Vice Chair; 1 with financial experience) <i>Meetings: 4-5 times a year</i> The Finance Committee makes recommendations to the Board of Directors regarding annual budgets, investment strategies, annual audits and auditor selection, dues formula and schedule, and other financial matters.</p>	<p>Fili Gonzales <i>Director of Finance & Business Services</i> filig@acwa.com</p>
<p>Groundwater Committee – Standing/Unlimited <i>Meetings: 4 times a year</i> The Groundwater Committee makes recommendations to the Board of Directors on groundwater policy issues. The committee also monitors state and federal regulations and legislation affecting the quality and management of groundwater, conducts studies and gathers data on groundwater issues, develops policies regarding groundwater management and coordinates with other committees on groundwater issues.</p>	<p>Dave Bolland <i>Director of State Regulatory Relations</i> daveb@acwa.com</p>

Legal Affairs Committee – Standing/Limited (45 Maximum)

Meetings: 2-3 times a year

The Legal Affairs Committee acts on requests for assistance on legal matters of significance to ACWA member agencies. It also reviews proposed ACWA bylaw revisions and works with staff to produce publications to assist member agencies in complying with state and federal laws. The committee files amicus curiae filing on important cases, comments on proposed regulations and guidelines of state agencies such as the Fair Political Practices Commission and monitors and engages in water rights waters of interest to member agencies.

**The committee shall be composed of between 34 and 44 attorneys, each of whom shall be, or act as, counsel for a member of the Association.*

Kris Anderson
Legislative Advocate I
krisa@acwa.com

Local Government Committee – Standing/Limited (3 Per Region)

Meetings: 4 times a year

The Local Government Committee makes recommendations to the Board of Directors and the State Legislative Committee on local government matters affecting water agencies, including planning issues, local government organization, and finance. The committee also gathers and disseminates information on the value of special districts, and shares information promoting excellence in local government service delivery.

Adam Quiñonez
Director of State
Legislative Relations
adamq@acwa.com

Membership Committee – Standing/unlimited

Meetings: 2 times a year

The Membership Committee makes recommendations to the Board of Directors regarding membership policies, eligibility and applications for membership. The committee assists staff in developing membership recruitment and retention programs and reviews and makes recommendations to the Finance Committee regarding an equitable dues structure.

Tiffany Giammona
Director of Member
Outreach &
Engagement
tiffanyg@acwa.com

State Legislative Committee – Standing/Limited (4 Per Region)

Meetings: 10-12 times a year

The State Legislative Committee reviews relevant introduced and amended legislation, and develop positions and provide recommendations to the Board of Directors on ballot measures and other major statewide policy issues. The committee also works with staff amendments to bills and provides director for staff on legislative matters.

Adam Quiñonez
Director of State
Legislative Relations
adamq@acwa.com

Water Management Committee – Standing/Limited (4 Per Region)

Meetings: 4 times a year

The Water Management Committee makes recommendations to the Board of Directors on policy and programs related to water management. The committee reviews and recommendation positions on legislation and regulations as requested by other committees. The committee also assists in gathering and disseminating information regarding agricultural and urban water management, water conservation and water use efficiency, development and use of water resources, wastewater treatment and water recycling and reuse.

Dave Bolland
Director of State
Regulatory Relations
daveb@acwa.com

Water Quality Committee – Standing/Unlimited

Meetings: 4 times a year

The Water Quality Committee makes recommendations to the Board of Directors, the State Legislative Committee and the Federal Affairs Committee on policy and program regarding water quality issues. The committee promotes cost-effective state and federal water quality regulations and provides a forum for members to work together to develop and present unified comments on water quality regulations. The committee also develops and recommends positions and testimony on water quality regulatory issues.

Adam Borchard
Regulatory Advocate
adam@acwa.com

PLEASE PRINT LEGIBLY

Agency Name (DO NOT use acronyms or abbreviations)	Phone
Municipal Water District of Orange County	714-593-5006
Agency Address	City, State & Zip
P.O. Box 20895	Fountain Valley, CA 92728

**BELOW PLEASE LIST ALL THOSE INTERESTED IN BEING ON ACWA COMMITTEES FOR YOUR AGENCY.
FOR ADDITIONAL RECOMMENDATIONS PLEASE FILL OUT ANOTHER FORM.**

**If an individual is not an agency employee or director, please indicate company affiliation.*

Name	Title/Company*	Email Address
Sat Tamaribuchi	Director	Stamaribuchi@mwdoc.com
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice
Water Management		
Name	Title/Company*	Email Address
Robert McVicker	Director	bmcvicker@mwdoc.com
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice
Water Management	Groundwater	Water Quality
Name	Title/Company*	Email Address
Linda Ackerman	Metropolitan Water District of SC	lindaackerman72@gmail.com
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice
Federal Affairs		
Name	Title/Company*	Email Address
Larry McKenney	Metropolitan Water District of SC	director.mckenney@gmail.com
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice
Local Government	Legal Affairs	Business Development
Name	Title/Company*	Email Address
Robert J. Hunter	General Manager	rhunter@mwdoc.com
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice
Water Quality		
Name	Title/Company*	Email Address
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice

Signature (Agency/District General Manager or Board President signature required)

Title

Date

QUESTIONS?

Contact Business Services Specialist Petra Rice
at petrar@acwa.com or (916) 441-4545

910 K Street, Suite 100
Sacramento, CA 95814

Page 182 of 268 www.acwa.com

PLEASE PRINT LEGIBLY

Agency Name (DO NOT use acronyms or abbreviations)	Phone
Municipal Water District of Orange County	714/593-5006
Agency Address	City, State & Zip
P.O. Box 20895	Fountain Valley, CA 92728

**BELOW PLEASE LIST ALL THOSE INTERESTED IN BEING ON ACWA COMMITTEES FOR YOUR AGENCY.
FOR ADDITIONAL RECOMMENDATIONS PLEASE FILL OUT ANOTHER FORM.**

**If an individual is not an agency employee or director, please indicate company affiliation.*

Name	Title/Company*	Email Address
Heather Baez	Governmental Affairs Mgr.	hbaez@mwdoc.com
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice
State Legislative	Federal Affairs	

Name	Title/Company*	Email Address
Damon Micalizzi	Director of Public Affairs	dmicalizzi@mwdoc.com
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice
Communications		

Name	Title/Company*	Email Address
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice

Name	Title/Company*	Email Address
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice

Name	Title/Company*	Email Address
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice

Name	Title/Company*	Email Address
Committee 1st Choice	Committee 2nd Choice	Committee 3rd Choice

	President	
Signature (Agency/District General Manager or Board President signature required)	Title	Date

QUESTIONS?

Contact Business Services Specialist Petra Rice
at petrar@acwa.com or (916) 441-4545

910 K Street, Suite 100
Sacramento, CA 95814

Page 183 of 268 www.acwa.com



ACTION ITEM
August 21, 2019

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Finnegan and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10 ELECTION

STAFF RECOMMENDATION

Staff recommends that the Committee review the candidates and authorize President Barbre, or his designee, to cast the District's ballot for the Nominating Committee's Recommended Slate of candidates for the ACWA Region 10 Board of Directors election.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

The Region 10 Nominating Committee has agreed upon a slate of candidates to lead ACWA Region 10 for the 2020-2021 term. The Nominating Committee includes:

- Gary Arant, Valley Center Municipal Water District
- Doug Davert, East Orange County Water District
- Doug Wilson, Padre Dam Municipal Water District
- Rick Shintaku, South Coast Water District

The recommended slate is outlined on the attached ACWA Region 10 ballot along with the additional candidates for consideration.

The Region 10 Board is comprised of Chair, Vice Chair and up to five Board Member positions for a total of seven. These seats are split between Orange and San Diego

Budgeted (Y/N): n/a	Budgeted amount: n/a	Core X	Choice __
Action item amount: None	Line item:		
Fiscal Impact (explain if unbudgeted):			

counties. The two counties rotate between Chair and Vice Chair, with the county serving as Vice Chair having the extra seat. This term, San Diego County will take over the Chair position, leaving one less seat for a San Diego County director and adding one from Orange County. This term, Orange County will have four seats San Diego County will have three.

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 10 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 10. The members of the Region 10 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

On August 1, 2019, ballots were sent to General Managers and Board Presidents. One ballot per agency will be counted. Completed ballots are due no later than September 30, 2019. On October 4, 2019, election results will be announced. The newly elected Region 10 Board Members will begin their two-year term of service on January 1, 2020.

You may either vote for the slate recommended by the Region 10 Nominating Committee or vote for individual region board members (please note rules & regulations for specific qualifications).

The Nominating Committee's Recommended Slate is as follows:

- DeAna Verbeke, Board Member, Helix Water District (San Diego County)*
- Cathy Green, Director, Orange County Water District (Orange County)*
- Jim Atkinson, Director, Mesa Water District (Orange County)*
- Betty Evans, Director/Vice President, Vallecitos Water District (San Diego County)*
- Charles T. Gibson, Board Member, Santa Margarita Water District (Orange County)*
- Shauna Lorange, Department Director, City of San Diego Public Utilities (San Diego County)
- George Murdoch, Director, East Orange County Water District (Orange County)

* Indicates incumbent

BOARD OPTIONS

Option #1

- Authorize President Barbre or his designee to cast the district's ballot for the Nominating Committee's Recommended Slate of candidates for the ACWA Region 10 Board of Directors.

Fiscal Impact: None

Business Analysis: ACWA is the leading statewide organization representing water agencies in Sacramento and Washington D.C. Having strong candidates representing Orange County on the ACWA Region 10 Board will benefit all water districts throughout the county.

Option #2

- Authorize President Barbre or his designee to cast the district's ballot for Individual Board Candidate Nominations for the ACWA Region 10 Board of Directors.

Fiscal Impact: None

Business Analysis: Same as option #1

Option #3

- Take no action

Fiscal Impact: None

Business Analysis: MWDOC would not have an opportunity to vote for ACWA's Region 10 Board.

STAFF RECOMMENDATION

Option #1

ATTACHED:

- ACWA Region 10 Board Ballot
- ACWA Region 10 Rules and Regulations
- Letter from OCWD President Vincente Sarmiento, Request for Support for Cathy Green for ACWA Region 10 Board Vice Chair
- Letter from Mesa Water requesting support for Jim Atkinson
- Letter from Santa Margarita Water District requesting support for Chuck Gibson

OFFICIAL REGION 10 Board Ballot

2020-2021
TERM



**Please return completed
ballot by September 30, 2019**

E-mail: regionelections@acwa.com
Mail: ACWA
910 K Street, Suite 100
Sacramento, CA 95814

General Voting Instructions:

1 You may either vote for the slate recommended by the Region 10 Nominating Committee or vote for individual region board members (please note rules & regulations for specific qualifications). Mark the appropriate box to indicate your decision.

2 Complete your agency information. The authorized representative is determined by your agency in accordance with your agency's policies and procedures.

Region 10 Rules & Regulations:

The chair and vice chair shall be from different counties. The 2020-2021 Term shall consist of a Chair and 2 Board Members from San Diego County and a Vice Chair and 3 Board Members from Orange County. At least one of the chair or vice chair positions must be an elected/appointed director from a member agency.

1

Nominating Committee's Recommended Slate

☐ I concur with the Region 10 Nominating Committee's recommended slate below.

CHAIR: DeAna Verbeke, Board Member, Helix Water District (San Diego County)

VICE CHAIR: Cathy Green, Director, Orange County Water District (Orange County)

BOARD MEMBERS:

- **Jim Atkinson**, Director, Mesa Water District (Orange County)
- **Betty Evans**, Director/Vice President, Vallecitos Water District (San Diego County)
- **Charles T. Gibson**, Board Member, Santa Margarita Water District (Orange County)
- **Shauna Lorange**, Department Director, City of San Diego Public Utilities (San Diego County)
- **George Murdoch**, Director, East Orange County Water District (Orange County)

OR

Individual Board Candidate Nominations

(See Rules & Regulations before selecting)

☐ I do not concur with the Region 10 Nominating Committee's recommended slate. I will vote for individual candidates below as indicated.

CANDIDATES FOR CHAIR: (CHOOSE ONE)

- ☐ **Shauna Lorange**, Dept. Director, City of San Diego Public Utilities (San Diego County)
- ☐ **DeAna Verbeke**, Board Member, Helix Water District (San Diego County)

CANDIDATES FOR VICE CHAIR: (CHOOSE ONE)

- ☐ **Betty Evans**, Director/Vice President, Vallecitos Water District (San Diego County)
- ☐ **Cathy Green**, Director, Orange County Water District (Orange County)
- ☐ **Shauna Lorange**, Dept. Director, City of San Diego Public Utilities (San Diego County)

CANDIDATES FOR BOARD MEMBERS: (MAX OF 5 CHOICES)

- ☐ **Jim Atkinson**, Director, Mesa Water District (Orange County)
- ☐ **Betty Evans**, Director/Vice President, Vallecitos Water District (San Diego County)
- ☐ **Charles T. Gibson**, Board Member, Santa Margarita Water District (Orange County)
- ☐ **Cathy Green**, Director, Orange County Water District (Orange County)
- ☐ **Hayden Hamilton**, Director, Rainbow Municipal Water District (San Diego County)
- ☐ **Shauna Lorange**, Dept. Director, City of San Diego Public Utilities (San Diego County)
- ☐ **Mark Monin**, Vice President, El Toro Water District (Orange County)
- ☐ **George Murdoch**, Director, East Orange County Water District (Orange County)
- ☐ **Peer Swan**, Board Director, Irvine Ranch Water District (Orange County)
- ☐ **Richard L. Vasquez**, Vice President, Board of Directors, Division 2, Vista Irrigation District (San Diego County)
- ☐ **DeAna Verbeke**, Board Member, Helix Water District (San Diego County)

2

AGENCY NAME

AUTHORIZED REPRESENTATIVE

DATE

Region 10 Rules and Regulations

Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association (ACWA Bylaw V, 6.).

Officers

The chair and vice chair shall be from different counties.

At least one of the chair or vice chair positions must be an elected/appointed director from a member agency.

The region board members shall alternate every two years with three from one county and two from the other. The county from which the chair comes from shall have two region board members and the county from which the vice chair comes from shall have three region board members.

The chair will provide the region secretary.

Meetings

The region will hold at least quarterly meetings, including the ACWA spring and fall conferences.

The region chair will determine when and if nonmembers are invited to regional activities or events.

Attendance

If a region chair or vice chair is no longer allowed to serve on the Board of Directors due to his / her attendance, the region board shall appoint from the existing region board a new region officer. (ACWA Policy & Guideline Q, 1.)

If a region chair or vice chair misses three consecutive region board / membership meetings, the same process shall be used to backfill the region officer position. (ACWA Policy & Guideline Q, 1.)

If a region board member has three consecutive unexcused absences from a region board meeting or general membership business meeting, the region board will convene to discuss options for removal of the inactive board member. If the vacancy causes the board to fail to meet the minimum requirement of five board members, the region must fill the vacancy according to its rules and regulations. (ACWA Policy & Guideline Q, 3.)

Elections

All nominations received for the region chair, vice chair and board positions must be accompanied by a resolution of support from each sponsoring member agency, signed by an authorized representative of the Board of Directors. Only one individual may be nominated from a given agency to run for election to a region board. Agencies with representatives serving on the nominating committees should strive not to submit nominations for the region board from their agency. (ACWA Policy & Guideline P, 2.)

Election ballots will be e-mailed to ACWA member agency general managers and presidents.

The nominating committee shall consist of four persons, two from each county.

The nominating committee shall pursue qualified members within the region to run for the region board and consider geographic diversity, agency size and focus in selecting a slate.

A member of the nominating committee cannot be nominated by the committee for an elected position.

See current region election timeline for specific dates.

Endorsements

ACWA, as a statewide organization, may endorse potential nominees and nominees for appointment to local, regional, and statewide commissions and boards. ACWA's regions may submit a recommendation for consideration and action to the ACWA Board of Directors to endorse a potential nominee or nominee for appointment to a local, regional or statewide commission or board. (ACWA Policy & Guideline P, 3.)

Committee Recommendations & Representation

All regions are given equal opportunity to recommend representatives of the region for appointment to a standing or regular committee of the Association. If a region fails to provide full representation on all ACWA committees, those committee slots will be left open for the remainder of the term or until such time as the region designates a representative to complete the remainder of the term. (ACWA Policy & Guideline P, 4. A.)

At the first region board / membership meeting of the term, regions shall designate a representative serving on each of the standing and regular committees to serve as the official reporter to and from the committee on behalf of the region to facilitate input and communication. (ACWA Policy & Guideline P, 4. B.)

The chair and vice chair will recommend an official alternate for excused committee members.

Tours

ACWA may develop and conduct various tours for the regions. All tour attendees must sign a "release and waiver" to attend any and all region tours. Attendees agree to follow environmental

guidelines and regulations in accordance with direction from ACWA staff; and will respect the rights and privacy of other attendees. (ACWA Policy & Guideline P, 6.)

Finances

See “Financial Guidelines for ACWA Region Events” document.

Amending the Region Rules & Regulations

ACWA policies and guidelines can be amended by approval of the ACWA Board of Directors.

The region 10 rules and regulations can be changed at any time with advanced written notice to member agencies.

DIRECTORS

DENIS R. BILODEAU, P.E.
JORDAN BRANDMAN
CATHY GREEN
DINA L. NGUYEN, ESQ.
KELLY E. ROWE, C.E.G., C.H.
VICENTE SARMIENTO, ESQ.
STEPHEN R. SHELDON
TRI TA
ROGER C. YOH, P.E.
AHMAD ZAHRA



ORANGE COUNTY WATER DISTRICT

ORANGE COUNTY'S GROUNDWATER AUTHORITY

OFFICERS

President
VICENTE SARMIENTO, ESQ.
First Vice President
CATHY GREEN
Second Vice President
STEPHEN R. SHELDON
General Manager
MICHAEL R. MARKUS, P.E., D.WRE

June 18, 2019

Brett R. Barbre, President
Municipal Water District of Orange County
P.O. Box 20895
Fountain Valley, CA 92728

RE: Request for your vote in support of Cathy Green for ACWA Region 10 Board Vice Chair

Dear President Barbre and Board of Directors:

On behalf of Orange County Water District (OCWD), it is an honor to recommend Cathy Green for election to the Association of California Water Agencies (ACWA) Region 10 board as Vice Chair. Director Green has both the dedication and background to represent ACWA Region 10.

Currently, Cathy Green is Chair of ACWA Region 10, and has served as Vice Chair and Director. She has also served as an ACWA State Legislative Committee member and on ACWA's Water Quality committees since 2012. Additionally, she has participated on the Water Advisory Committee of Orange County (WACO).

Cathy Green serves as 1st Vice President of the OCWD Board of Directors and was first elected to the OCWD Board of Directors in November 2010 and was re-elected in 2012 and 2016. She was selected by the board to serve as its 2013, 2014 and 2019 1st Vice President, and as President in 2015 and 2016.

Prior to Director Green's service on OCWD's Board, she was elected to two consecutive terms on the Huntington Beach City Council where she served two terms as Mayor.

Director Green was involved as a council liaison and committee member on many city boards, commissions and committees. In addition, Director Green is a registered nurse and holds a degree in law. Due to her extensive leadership role in local government, her experience and guidance at OCWD, WACO and ACWA and her extensive knowledge of water-related issues facing ACWA Region 10, I would appreciate your organization's vote for Cathy Green's continued representation on the ACWA Region 10 Board as Board Vice Chair. If you have any questions or need additional information, please do not hesitate to contact OCWD's Legislative Liaison, Alicia Dunkin at adunkin@ocwd.com or at (714) 477-3750. Thank you for your consideration.

Sincerely,

Vicente Sarmiento, Esq.
President

cc: Robert Hunter

BOARD OF DIRECTORS

Shawn Dewane
*President
Division V*

Marice H. DePasquale
*Vice President
Division III*

Jim Atkinson
*Director
Division IV*

Fred R. Bockmiller, P.E.
*Director
Division I*

James R. Fisler
*Director
Division II*

Paul E. Shoenberger, P.E.
General Manager

Denise Garcia
District Secretary

Marwan Khalifa, CPA, MBA
District Treasurer

**Atkinson, Andelson,
Loya, Ruud & Romo**
Legal Counsel

AUG 08 2019

MWD OF OC

August 5, 2019

Subject: **Re-Elect Jim Atkinson to the ACWA Region 10 Board**

Dear Colleagues,

On behalf of Mesa Water District (Mesa Water®), it is a great honor to recommend Director Jim Atkinson for re-election to one of the Orange County seats on the Association of California Water Agencies (ACWA) Region 10 Board. We are fortunate to have such a qualified candidate in Jim Atkinson, who has the Mesa Water Board's unanimous support for him to continue serving in this role.

Jim Atkinson has served on Mesa Water's Board of Directors for over 21 years and, during that time, he has made fair and informed decisions that have greatly benefited constituents shared by Mesa Water® and fellow water providers throughout Orange County. Also, since 1998, Jim Atkinson has participated in the Water Advisory Committee of Orange County (WACO), which he now chairs.

Additionally, he has served on: ACWA's Region 10 Board (2015-present); ACWA's Groundwater Committee (2016-present); and, ACWA's Water Quality Committee (2012-present) for Region 10 as one of two Orange County representatives. Furthermore, since 2017, Jim Atkinson has served on the Urban Water Institute Board; and, he has worked with the Mountain Counties Water Resources Association to establish the California-United Water Conference (2018-present) to engender collaborative solutions to challenges of mutual concern among water agencies in Southern and Northern California.

Due to his public service experience -- and his 30-year career at The Aerospace Corporation in El Segundo, working as the Laboratory Operations Business Manager -- Jim Atkinson possesses the qualifications, knowledge, and understanding of the many business, government, and water-related issues facing ACWA Region 10. Attached is Jim Atkinson's Statement of Qualifications for re-election to the ACWA Region 10 Board. Most importantly, Director Atkinson has proven leadership abilities that can guide ACWA Region 10 to continued success in providing excellent added value to the member agencies it serves.

If you have any questions or requests for additional information, please feel free to contact our External Affairs Manager, Stacy Taylor, by calling 949.631.1201 or emailing StacyT@MesaWater.org. Thank you for your consideration in re-electing Jim Atkinson.

Sincerely,



Shawn Dewane
Mesa Water Board President



Paul E. Shoenberger, P.E.
Mesa Water General Manager

c: Mesa Water Board of Directors

Re-Elect Jim Atkinson to ACWA Region 10 Board

Jim Atkinson, Director, Mesa Water District



OBJECTIVE: To further the goals of ACWA Region 10 in best serving its members -- and the industry as a whole -- by applying my analytical skills, and my water industry leadership experience, as a member of the ACWA Region 10 Board.

STATEMENT OF QUALIFICATIONS:

- Mesa Water District Director since 1998
- Four-term Mesa Water® Board President ('02, '03, '08, 2017-18)
- ACWA Region 10 Board Member, 2015-present
- ACWA Groundwater Committee, 2016-present
- ACWA Water Quality Committee, 2012-present
- California-United Water Conference co-founder, 2018-present (includes serving on the Planning Committee)
- Southern California Water Coalition, 2010-present
- Water Advisory Committee Orange County Chair (2019), Vice Chair (2018), participant (1998-present)
- Urban Water Institute Board Member, 2017-present
- Laboratory Operations Business Manager, The Aerospace Corp.

BIOGRAPHY: Initially elected in 1998 to Mesa Water's Board of Directors, and re-elected each term since, Jim Atkinson represents Division 4 which includes the Costa Mesa communities of College Park, Mesa del Mar, and Monticello, as well as John Wayne Airport and the OC Fairgrounds. Having been Mesa Water's Board President for four prior terms -- in 2002, 2003, 2008, and 2017-18 -- Director Atkinson currently serves as Vice Chairman of the District's Engineering & Operations Committee.

Additionally, Director Atkinson has served (since 2015) as one of seven board members on the Association of California Water Agencies (ACWA) Region 10 Board, as well as on ACWA's Groundwater Committee and Water Quality Committee. He currently Chairs the Water Advisory Committee Orange County and is a Board Member of the Urban Water Institute, and he serves on the Planning Committee for the California-United Water Conference as one of its co-founders. He also represents Mesa Water at the Municipal Water District of Orange County and Orange County Water District.

Director Atkinson has previously chaired Mesa Water's Audit Ad Hoc, Engineering & Operations, Executive, Human Resources, Legislative & Public Affairs, and Public Information Committees. Additionally, as a Costa Mesa resident for over 30 years, he has served as a Vice President and Director of the Mesa del Mar Homeowners Association and as a Leadership Tomorrow Board member from 2002 to 2006 (after completing the program in 2001), where his role included hosting an educational Water Workshop day.

With Master of Business Administration and Bachelor of Science degrees from the University of La Verne, Director Atkinson worked as the Laboratory Operations Business Manager at The Aerospace Corporation for over 30 years. His experiences there included Business Administration of the Research Laboratory Operations, as well as Construction Management and Facilities Management. Through this employment, he attended earthquake response and recovery training at the California Specialized Training Institute's Emergency Operations Center. He was also an International Code Conference (ICC) Certified Member and an ICC Certified Plumbing Inspector.

His hobby of racing model sailboats with International One Meter boats led to Director Atkinson's 2011 appointment to Region 6 Director of the American Model Yachting Association (AMYA) Board.

BOARD OF DIRECTORS
SAUNDRA F. JACOBS
BETTY H. OLSON, Ph.D.
CHARLES GIBSON
JUSTIN McCUSKER

DANIEL R. FERONS
GENERAL MANAGER

RECEIVED

AUG 08 2019

MWD OF OC



Santa Margarita Water District

August 2, 2019

The Honorable Brett R. Barbre
President
Municipal Water District of Orange County
PO Box 20895
Fountain Valley, CA 92708

RE: ACWA Region 10 Board

Dear President Barbre:

I am delighted to announce my candidacy for re-election to the ACWA Region 10 Board of Directors. I would be honored to have your support again for this important seat.

Since my election to the Santa Margarita Water District Board of Directors in 2012, I have actively participated in ACWA at both the Region 10 level and on the statewide Federal Affairs Committee. Over my last two terms on the Region 10, I have heard the unique water policy needs of our region and have contributed in helping address them. I have worked to develop the Region's work programs, policy initiatives and educational events. I also serve as an alternate to the ACWA Board representing Region 10 and participating in State-level meetings in that capacity. Currently, I am the designated Region 10 Director to report on federal matters in my capacity on ACWA's statewide Federal Affairs Committee.

I look forward to continuing my contributions to ACWA through my technical skills as a policymaker and manager--applying my 30 years of experience in both the public and private sectors. I have worked toward the mutual goals of water reliability and efficient water use. I also coordinate with leaders throughout ACWA's other regions, including those in allied industries, and nationally.

I have enclosed some background information on my experience as well as my platform for re-election to the Region 10 Board. I would be delighted to appear at one of your upcoming meetings to discuss my candidacy and answer any questions you may have. It would be my honor to serve you and our organizations again and I humbly ask for your vote and support.

I hope you will contact me at 949/485-0658 or at charlesg@smwd.com if you have any questions.

Sincerely,

Charles T. "Chuck" Gibson
Santa Margarita Water District
Board of Directors

c: Robert Hunter, General Manager

Charles T. “Chuck” Gibson

Candidate for re-election, ACWA Region 10 Board of Directors

Special District Organizations

- Santa Margarita Water District, Board Member (Current; Elected Board Member since 2012)
- Association of California Water Agencies (ACWA) Region 10, Alternate Board Member (Current; since 2016)
- ACWA Region 10 Federal Affairs Committee, Member (Current, since 2012)
- California Special Districts Association, Member
- Orange County Water Association, Member
- Santiago Aqueduct Commission, Alternate Board Member
- San Juan Basin Authority, Alternate Board Member
- Santa Margarita Dana Point Authority, Board Member
- California Sanitation Risk Management Authority, Alternate Board Member

Professional Organizations

- Co-founded community civic council
- Experience homeowner's association director

Platform

Since my election as Director of Santa Margarita Water District in 2012, I have actively participated in ACWA at both the Region 10 level and on the statewide Federal Affairs Committee. Over the last two terms, I have been on the Region 10 Board of Directors. I participated in meetings, helped develop the Region's work program and events, occasionally attended state board meetings as an alternate representing Region 10. Currently, I am also the designated Region 10 Director to report on federal matters, as well as serving on ACWA's statewide Federal Affairs Committee. I coordinate with other committee members including representatives of Metropolitan Water District of Southern California and Municipal Water District of Orange County and member agencies toward the mutual goals of water reliability and to strengthen water use efficiency measures, particularly through conservation programs and recycled water projects. I continue to coordinate with other leaders throughout ACWA's regions, including those in allied industries, and with others in the west and nationally to provide cost effective, reliable water. I seek to continue to contribute to ACWA using my technical skills as a policymaker and manager, applying over 30 years of experience in the private sector and public sector combined.



ACTION ITEM

August 21, 2019

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Finnegan, McVicker)

Robert J. Hunter
General Manager

Staff Contact: J. Berg, Director of WUE
R. Davis, WUE Analyst II

SUBJECT: Vehicle Purchase for Water Loss Control Staff

STAFF RECOMMENDATION

It is recommended that the Board of Directors authorize the General Manager to purchase the Chevrolet Silverado 2500 and Dodge Ram ProMaster City Tradesman vehicles for a combined cost of \$75,407.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

Staff initiated offering Water Loss Control Shared Services to member agencies in Fiscal Year 2019-20. This includes hiring two staff to provide shared services and the purchase of two vehicles to aid staff in performing their work duties. Water Loss Control staff started work on August 15, 2019. The purpose of this Action Item is to obtain Board authorization to purchase two vehicles for use by Water Loss Control Staff.

DETAILED REPORT

Staff developed vehicle specifications containing the necessary features. These specifications were delivered to 27 dealerships in southern California on July 15, 2019. Eighteen of those dealerships were located within Orange County. This process resulted in five vehicle quotes from three dealerships including Fritts Ford of Riverside, Riverside

Budgeted (Y/N): Yes	Budgeted amount: \$70,180.00	Core __	Choice <u>X</u>
Action item amount: \$75,407		Line item: 70-8810	
Fiscal Impact (explain if unbudgeted): Quotes received exceeded budgeted funds by \$5,227(Action amount \$75,407 – budgeted funds of \$70,180 = \$5,227). This additional expenditure will be recovered from agencies accessing Water Loss Control Shared Services through the rates they pay for those services over a five year period beginning in FY 20-21.			

Chevrolet and Jeep, Chrysler, Dodge Ram, Fiat of Ontario. A summary of these quotes is provided in Table 1.

The vehicle specification, provided as Attachment A, included two color white vehicles with applicable safety and security features. For efficiency and function, staff attempted to match the vehicle type to the work activities of each staff person. A summary of the proposed vehicles is provided below:

1. Small Utility Van – for the Leak Detection Technician:
 - a. Smaller size vehicle that is economical and easy to drive
 - b. Provides secure storage for tools and equipment
 - c. Includes appropriate safety lighting for traffic control activities
 - d. Bluetooth cell phone connectivity
 - e. Includes electronic equipment charging for laptops/tablets/cell phones
2. Utility Truck – for the Water Loss Control Programs Supervisor:
 - a. Larger vehicle capable of limited towing the Districts Back-up Generator System (BUGS)
 - b. Provides secure storage for tools and equipment
 - c. Includes appropriate safety lighting for traffic control activities
 - d. Bluetooth cell phone connectivity
 - e. Includes electronic equipment charging for laptops/tablets/cell phones
 - f. Can accommodate a mobile large water meter accuracy testing platform when and if that shared service is performed by MWDOC staff.

Table 1					
Utility Truck					
Make	Model	Model Year	Vehicle Class	Estimated Delivery	Vehicle Price*
Chevrolet	Silverado 2500	2019	3/4 Ton Pickup	September-19	\$ 46,673.00
Dodge Ram	1500	2019	3/4 Ton Pickup	September-19	\$ 46,720.00
Ford	F250	2019	3/4 Ton Pickup	April-20	\$ 44,987.00
Utility Van					
Make	Model	Model Year	Vehicle Class	Estimated Delivery	Vehicle Price*
Dodge Ram	ProMaster City Tradesman	2019	Light Cargo Van	September-19	\$ 28,734.00
Ford	Transit Connect XL	2020	Light Cargo Van	March-20	\$ 35,920.00
* Includes Tax and Delivery					

Both vehicles include standard 3 year, 36,000 mile Basic Limited Warranty and the 5-year 100,000-mile Fleet Powertrain warranties.

As part of the vehicle selection process, staff reviewed a variety of vehicle reliability ratings including Consumer Reports, Edmonds, J.D. Powers and Trucks.com. In most cases, the vehicles staff are recommending rank in the top two or three in their vehicle classes.

Staff recommends the Chevrolet Silverado 2500 and Dodge Ram ProMaster City Tradesman for a combined cost of \$75,407 based on their availability for delivery in

September 2019, competitive pricing, comparable manufacturer warranties and competitive vehicle reliability ratings.

If the Board authorizes the vehicle purchase at the August 21st meeting, staff will process a purchase requisition which will allow for an estimated delivery date of September 18, 2019.

Other related items for Board information includes:

- Staff is preparing to mount district logos on the front doors of each vehicle. The full color logo with the district name spelled out will be used. This will be completed soon after delivery of the vehicles.
- Staff is in the process of developing a Vehicle Use Policy. This draft policy is included in the Personnel Manual which will be reviewed/discussed by the Administration and Finance Committee at their August 14, 2019; with anticipated Board adoption in September.
- Once the Board authorizes the vehicle purchase including make and model, staff will obtain automobile insurance through ACWA JPIA.
- Staff is currently in the process of evaluating options for fueling district vehicles. Options currently under consideration include but are not limited to an account with Orange County Sanitation District, district credit card, or fueling account at a local gas station. Whatever option is chosen, appropriate controls will be put in place to ensure accountability for fueling expenditures.

BOARD OPTIONS

Option #1 - Authorize the General Manager to purchase the Chevrolet Silverado 2500 and Dodge Ram ProMaster City Tradesman vehicles for a combined cost of \$75,407.

Fiscal Impact: Quotes received exceeded budgeted funds by \$5,227 (Action amount of \$75,407 less budgeted funds of \$70,180 is \$5,227). This additional expenditure will be recovered from agencies accessing Water Loss Control Shared Services through the rates they pay for those services over a five year period beginning in FY 20-21.

Business Analysis: The purchase of these vehicles will allow staff to provide Water Loss Control Shared Services to member agencies and the three-cities.

Option #2 – Decline the proposed vehicle purchase and provide staff direction to secure alternate transportation for Water Loss Control Staff.

Fiscal Impact: Not known at this time.

Business Analysis: Without vehicles for Water Loss Control staff, the ability to provide timely Water Loss Control Shared Services is compromised.

STAFF RECOMMENDATION

Option #1



Bid Specifications

For

One (1) Three-Quarter-Ton Pickup Truck

And

One (1) Cargo Van

July, 2019

Contents

I.	NOTICE INVITING BIDS	1
II.	Item 1. Three-Quarter-Ton Extended Cab Pick-up Truck.....	2
III.	Item 2. Cargo Van.....	8
IV.	Additional Requirements.....	12
a.	MANUALS	12
b.	DATA REQUIRED OF BIDDER.....	12
c.	STATE OF CALIFORNIA VEHICLE REGISTRATION	12
d.	REFERENCES	12
e.	WARRANTY	12
f.	OPTIONAL EXTENDED WARRANTY	13
g.	WARRANTY REPAIR (COMPLETION) SCHEDULE	13
h.	SERVICING.....	13
i.	INSPECTION.....	14
j.	DEVIATIONS.....	14
k.	DELIVERY	14
l.	LIQUIDATED DAMAGES	15
m.	PAYMENT	15
n.	OUT OF STATE CONTRACTORS.....	15
o.	SALES TAX.....	15
V.	ATTACHMENT A.....	16
VI.	ATTACHMENT B.....	17
	BID FORM SECTION.....	17
VII.	ATTACHMENT C.....	23
	STANDARD PURCHASE AGREEMENT	23

I. NOTICE INVITING BIDS

Bids are invited by the Municipal Water District of Orange County (MWDOC) to furnish and deliver **One Heavy Duty Three-Quarter-Ton Pick-Up Truck and One Cargo Van** to MWDOC in accordance with the following specifications.

MWDOC will accept questions within the deadlines listed below. **All inquiries regarding this invitation must be submitted in writing via email only** to rdavis@mwdoc.com by the deadline listed below.

Bids are to be received at 18700 Ward St. Fountain Valley, CA 92708. Bids received after the posted time will be returned unopened. MWDOC has the right to reject all bids. Bidders may submit bids for one or both vehicles listed in the specifications.

Bids shall be submitted as follows:

- In a sealed envelope.
- **BID FOR VEHICLES** clearly written on the outside of envelope.
- Addressed to the attention of Rachel Davis.
- Envelope from courier services shall have the same information above listed.

Bidder shall mail or deliver one (1) original hard-copy bid and one (1) digital copy on a USB drive, of their bid to the following address:

Municipal Water District of Orange County
Rachel Davis

BID FOR VEHICLES
18700 Ward St.
Fountain Valley, CA 92728

II. Item 1. Three-Quarter-Ton Extended Cab Pick-up Truck

Furnish and deliver to the Municipal Water District of Orange County (MWDOC) one (1) heavy-duty Three-Quarter-Ton pick-up truck complete with all features and equipment advertised as “standard” and specified, and shall comply with all the minimum requirements in this Section. Truck shall comply with the California Vehicle Code, California Division of Industrial Safety, OSHA, and all other applicable State and Federal laws. Vehicles shall meet the Federal Gross Vehicle Weight Rating (GVWR) and all components shall have corresponding GVW ratings.

Vehicle shall comply with the following specifications:

<i>Three-Quarter-Ton Extended Cab Pick-up Truck</i>	<i>Yes</i>	<i>No</i>	<i>If no, explain deviation(s)</i>
<u>General</u> The truck shall be heavy-duty three-quarter-ton, <u>current</u> year model with gasoline engine. SRW, extended cab, full-size with long bed; shall be delivered complete with all features and equipment advertised as “standard” and specified, and shall comply with the minimum requirements of these Specifications.			
<u>GVWR:</u> Manufacturers Standard			
<u>Wheelbase:</u> Manufacturers Standard			
<u>Engine:</u> Gasoline, 6.2 liter, V8, 385 net HP minimum , fuel injection, and electronic ignition or approved equal			
<u>Transmission:</u> Shall be an automatic, steering column shift, minimum six forward speeds, and if available, with magnetic drain plug. Heaviest duty option offered for engine size.			
<u>Steering:</u> Hydraulic power-assisted with steering damper			

Three-Quarter-Ton Extended Cab Pick-up Truck	Yes	No	If no, explain deviation(s)
<u>Brakes:</u> Power 4-wheel disc with Anti-Lock Brake System (ABS)			
<u>Towing Capacity:</u> Must have adequate towing capacity to safely tow the wet weight of a DCA220SSJUAF MQ POWER Whisperwatt Generator mounted on a TRLR220XF MQ POWER Tandem Axle Trailer (15,000 lbs)			
<u>Wheels and Tires:</u> 1. Wheel size 17" x 7.5" with 8 hole lug pattern. Tires LT245 75R17E BSW. Shall also include low air pressure sensors. 2. One (1) assembled and balanced full size spare wheel and tire shall be provided for each unit delivered. Shall include low air pressure sensor 3. Include lug wrench and jack installed in cab.			
<u>Electrical System:</u> Two Hundred Twenty (220) AMP minimum alternator, 850 C.C.A. at 0° F battery.			
<u>Fuel Capacity:</u> 34 gallons minimum			
<u>Cab Features and Equipment:</u>			
1. Extended-cab with 40/20/40 front seats and bench rear seats, vinyl upholstery			
2. AM/FM Radio			
3. Factory-installed air conditioning			

Three-Quarter-Ton Extended Cab Pick-up Truck	Yes	No	If no, explain deviation(s)
4. Standard Windshield			
5. Four (4) sets of keys with remote keyless entry.			
6. Heavy Duty Black rubber floor mats, on driver and passenger sides.			
7. Power package: Windows and door locks			
<u>Miscellaneous Features and Equipment:</u>			
1. Electric backup alarm: California legal, electric type; supplied and installed to comply with California Vehicle Code			
2. Color: White			
3. Factory-installed electric towing brake controller			
4. Trailer connectors: one Cole Hersee #1235 (6-pin)			
5. One 2 lbs. ABC fire extinguisher mounted under rear seat in truck cab			
6. Two (2) Amber LED strobe lights integrated into front headlights (2) Amber LED strobe lights in the rear. The lights shall be controlled by a switch located in the vehicle cab, with a red indicator light			
7. Trailer Hitch Receiver shall be 2.5" hitch and supplied with 2"–2.5" sleeve reducer. Supply pintle hook mounting plate (5" X 12 ½") for 2" Hitches – 12.25" Shank – 7 Hole – 10,000 lbs. with a pintle hook combination with 2" ball.			
8. Bluetooth cell phone connectivity for hands free operation of cell phone.			
10. Rear under seat storage compartment.			

Three-Quarter-Ton Extended Cab Pick-up Truck	Yes	No	If no, explain deviation(s)
11. 110V/400W power outlet located in cab			
12. Factory installed running boards			
13. Factory installed standard dome light in cab.			
<u>Utility Service Body:</u> (Harbor Truck and Van Trade Master style or approved equal, see Drawing A)			
<u>Paint:</u> Entire cab and body, including all painted metal areas inside door and door jambs, shall be painted standard manufacturer's "White".			
<u>Truck Bed Lining:</u> Spray On Bed Liner. Provide spray on bed liner on floor of truck bed and on walls of truck bed.			

Three-Quarter-Ton Extended Cab Pick-up Truck	Yes	No	If no, explain deviation(s)
<u>Tailgate:</u> Standard Tailgate			
<u>Bumper:</u> 8" deep recessed step bumper with diamond plate Black powder-coated			
<u>Cone Rack:</u> Install one (1) post style cone holder on driver side rear of utility body. Shall have capacity to carry eight (8) twenty-eight (28") inch tall cones			
<u>Light bar:</u> Provide one <i>Whelen</i> JY8AAAA configured with rear traffic advisor, alley lights and 4 corner amber lights, mounted to top of cab with WECAN control panel mounted in cab. Or approved equal.			
<u>Backup Camera:</u> Factory installed back up camera.			

<i>Three-Quarter-Ton Extended Cab Pick-up Truck</i>	<i>Yes</i>	<i>No</i>	<i>If no, explain deviation(s)</i>
<u>Emission Rating:</u> Vehicle shall meet the minimum emission requirements set forth by the SCAQMD and all applicable local, state, and governmental regulations.			
<u>Warranty (Required):</u>			
Bumper-to-Bumper coverage and labor: 36 months/ unlimited miles Zero dollar (\$0.00) deductible			
Roadside Assistance: 36 months/ unlimited miles			
Optional Extended Warranty: Four (4) year warranty including bumper to bumper coverage and labor. Zero dollar (\$0.00) deductible			
Optional Extended Warranty: Five (5) year warranty including bumper to bumper coverage and labor. Zero dollar (\$0.00) deductible			
Manufacturer shall identify a single point warranty, and repair facility approved by the Municipal Water District of Orange County (MWDOC) within 35-miles from the MWDOC Administration Building.			

III. Item 2. *Cargo Van*

Furnish and deliver to the Municipal Water District of Orange County (MWDOC) one (1) Cargo Van complete with all features and equipment advertised as “standard” and specified, and shall comply with all the minimum requirements in this Section. Van shall comply with the California Vehicle Code, California Division of Industrial Safety, OSHA, and all other applicable State and Federal laws. Vehicles shall meet the Federal Gross Vehicle Weight Rating (GVWR) and all components shall have corresponding GVW ratings.

Vehicle shall comply with the following specifications:

<i>Cargo Van</i>	<i>Yes</i>	<i>No</i>	<i>If no, explain deviation(s)</i>
<u>General</u> The van shall be <u>current</u> year model with gasoline engine.			
<u>Make and Model:</u> Chevrolet City Express Dodge RAM ProMaster City Ford Transit Connect XL Nissan NV200 Or approved equal			
<u>GVWR:</u> Manufacturers Standard			
<u>Wheelbase:</u> Manufacturers Standard			
<u>Engine:</u> Gasoline, 2.4 liter minimum , 4 cylinder turbo or approved equal			
<u>Transmission:</u> Manufacturers Standard			
<u>Steering:</u> Manufacturers Standard			
<u>Brakes:</u> Power front and rear wheel disc, with Anti-Lock Brake System (ABS)			

Cargo Van	Yes	No	If no, explain deviation(s)
<u>Wheels and Tires:</u> 1. Manufacturers standard			
<u>Electrical System:</u> Two Hundred Twenty (220) AMP minimum alternator, 850 C.C.A. at 0° F battery.			
<u>Fuel Capacity:</u> Manufacturer's standard			
<u>Cab Features and Equipment:</u>			
1. Driver and passenger premium vinyl bucket seats			
2. AM/FM Radio			
3. Factory-installed air conditioning			
2. Standard Windshield			
3. Four (4) sets of keys with remote keyless entry.			
4. Heavy Duty Black rubber floor mats, on driver and passenger sides.			
5. Power package: Windows and door locks			
6. Solid or mesh bulkhead cargo partition			
7. At least one (1) 110V/400W power outlet located in cab			
8. Bluetooth cell phone connectivity for hands free operation of cell phone			
9. Two (2) Amber LED strobe lights integrated into front headlights (2) Amber LED strobe lights in the rear. The lights shall be controlled by a switch located in the vehicle cab, with a red indicator light			

Cargo Van	Yes	No	If no, explain deviation(s)
<u>Miscellaneous Features and Equipment:</u>			
1. Electric backup alarm: California legal, electric type; supplied and installed to comply with California Vehicle Code			
2. Color: White			
3. One 2 lbs. ABC fire extinguisher mounted in cargo area of van			
4. Factory installed running boards			
5. Factory installed standard dome light in cab.			
6. Provide and install one Whelen JY8AAAA configured with rear traffic advisor, alley lights and 4 corner amber lights, mounted to top of cab with WECAN control panel mounted in cab. Or approved equal.			
7. Factory installed back up camera.			
8. One (1) assembled and balanced full size spare wheel and tire shall be provided for each unit delivered. Shall include low air pressure sensor			
9. Include lug wrench and jack installed in cab.			
<u>Cargo Area:</u>			
1. LED Cargo Area lighting			
2. Rear symmetrical or 40/60 split doors			
3. Dual side sliding doors			

Cargo Van	Yes	No	If no, explain deviation(s)
4. Provide and install van make and model appropriate Adrian Steel General Service Starter Package with adjustable shelving or approved equal			
5. Entire cab and body, including all painted metal areas inside door and doorjamb, shall be painted standard manufacturer's "White."			
<u>Emission Rating:</u> Vehicle shall meet the minimum emission requirements set forth by the SCAQMD and all applicable local, state, and governmental regulations.			
<u>Warranty (Required):</u> Bumper-to-Bumper coverage and labor: 36 months/ unlimited miles Zero dollar (\$0.00) deductible			
Roadside Assistance: 36 months/ unlimited miles			
Optional Extended Warranty: Four (4) year warranty including bumper to bumper coverage and labor. Zero dollar (\$0.00) deductible			
Optional Extended Warranty: Five (5) year warranty including bumper to bumper coverage and labor. Zero dollar (\$0.00) deductible			
Manufacturer shall identify a single point warranty, and repair facility approved by the Municipal Water District of Orange County (MWDOC) within 35-miles from the MWDOC Administration Building.			

IV.Additional Requirements

a. MANUALS

Furnish operation and maintenance instruction manuals, service manuals and parts list for each vehicle on CD-ROM or USB drive.

b. DATA REQUIRED OF BIDDER

In the bid section of this specification, the name of the manufacturer and the full model designation of each vehicle and equipment along with all requested technical data must be listed.

In addition, a bid list indicating the particular engine and the optional features, equipment, and accessories that will be included with the vehicle must be included with the bid submitted.

If required by MWDOC, the apparent low bidder shall submit drawings and/or detail specifications of the vehicle and equipment proposed to be furnished.

c. STATE OF CALIFORNIA VEHICLE REGISTRATION

Register the vehicle with the State of California Department of Motor Vehicles. Note that an exempt license plate should be issued.

Registration documents shall read as follows:

Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92708

d. REFERENCES

Not Applicable

e. WARRANTY

Warranty period shall be thirty-six (36) months covering 100% bumper-to-bumper, parts, labor, and equipment with zero dollar (\$0.00) deductible. Warranty period shall begin when the MWDOC places the vehicle in service. During the warranty period the contractor shall be required to provide service within one (1) working day after notification by telephone; and Contractor shall repair, replace, adjust, or otherwise correct defects at no cost to MWDOC.

If the manufacturer of the vehicle normally offers a warranty with a term in excess of the warranty specified above, the vehicle or other equipment shall also be subject to the full term of that warranty.

Any repair work or parts replaced during the warranty period shall be subject to the full term of the warranty, starting on the date of completion of such repair work or part

replacement. All transportation of vehicle for warranty repairs shall be at the expense of the manufacturer unless prior agreement is approved for each instance with MWDOC.

Bidder shall submit with bid a copy of the manufacturer's standard warranty and identify a single point warranty, and repair facility approved by MWDOC within 35-miles of MWDOC.

f. OPTIONAL EXTENDED WARRANTY

MWDOC is requesting potential bidders to offer an option of a four (4) year bumper-to-bumper warranty with a zero dollar (\$0) deductible and a five (5) year bumper-to-bumper warranty with a zero dollar (\$0) deductible. MWDOC may choose to purchase the four (4) year or five (5) year extended warranty coverage or may choose to decline the extended warranty coverage.

Extended warranty shall cover all components bumper-to-bumper and labor. During the extended warranty period the contractor shall be required to provide service within one (1) working day after notification by telephone; and the Contractor shall repair, replace, adjust, or otherwise correct defects during the warranty period at its own cost and expense, without cost to MWDOC. All transportation of vehicle for warranty repairs shall be at the expense of the manufacturer unless prior agreement is approved for each instance with MWDOC.

If the optional extended warranty is purchased, a warranty certificate, warranty card, or a statement indicating the extended warranty has been recorded with the manufacturer shall be furnished.

Proposed cost for optional extended warranty shall be listed on the bid form.

g. WARRANTY REPAIR (COMPLETION) SCHEDULE

Delivery of vehicle and completion of services during warranty period shall be calculated based on the total number of hours identified in the Visual Damage Quotation (VDQ) based on an eight (8) hour work day, plus five (5) additional work days. Completion of warranty repair shall not exceed the Visual Damage Quotation (VDQ), plus five (5) additional work days. Delivery requirements shall begin upon Contractor's receipt of vehicle or part. (Saturdays, Sundays and National Holidays shall not be considered as work days).

Special circumstances beyond the control of the Contractor may cause unexpected delays and therefore may justify a request for additional time to perform itemized repairs. Additional repair time requested by the Contractor shall be submitted in writing to MWDOC. Should MWDOC grant additional repair time, the amount of additional time shall be identified in writing by the appropriate MWDOC representative.

h. SERVICING

The vehicle shall be fully serviced and ready for use when delivered.

The servicing shall include all items on the manufacturer's checklist for California and appropriate for the particular models of vehicle furnished. A copy of the completed and signed check sheet shall be delivered with the vehicle.

The Fuel tanks shall have a minimum three-quarters full tank upon delivery to MWDOC.

i. INSPECTION

A representative of MWDOC shall have free access, at all reasonable times, to all parts of any plant that concerns the manufacture and fabrication of equipment to be furnished. That representative may inspect fabrication of component parts, assembly of equipment, surface preparation and application of paint or coatings, and any other operations that bear upon the suitability of the truck and equipment to be furnished.

Give no less than 48-hours prior notice of manufacturing and fabrication activities by contacting Rachel Davis at 714/593-5038. Contractor shall coordinate and schedule above activities with MWDOC to insure a timely delivery and compliance with these Specifications.

Final inspection and acceptance of the vehicle and equipment by MWDOC shall be made following delivery.

The vehicle and equipment not meeting the minimum specified requirements as determined by MWDOC, shall be returned to the Contractor for compliance. Contractor shall correct noted deficiencies within ten (10) working days at no additional cost to MWDOC.

j. DEVIATIONS

Any minor deviation from these Specifications may be waived by MWDOC if, in the opinion of the General Manager or designee, said deviation does not detract from or impair the use and value of the system and equipment delivered to MWDOC.

The vendor must state in the spaces provided in the bid and/or on additional sheets of paper if necessary, any and all deviations from these Specifications.

k. DELIVERY

The Three-Quarter-Ton Pickup Truck shall be delivered complete, f.o.b Municipal Water District of Orange County, 18700 Ward Street, Fountain Valley, California within 90 calendar days after issuance of notice to proceed and purchase order by MWDOC. The Cargo Van shall be delivered complete, f.o.b Municipal Water District of Orange County, 18700 Ward Street, Fountain Valley, California within 60 calendar days after issuance of notice to proceed and purchase order by MWDOC. Vehicles shall not be delivered to MWDOC until after receipt of a purchase order. MWDOC will not be held liable for the vehicles while in transport until the district has received the vehicles, which is standard for most purchases by cities, individuals, etc.

I. LIQUIDATED DAMAGES

Time is of the essence in performance hereunder. If the Contractor fails to meet the delivery schedule, MWDOC shall deduct the sum of Fifty Dollars (\$50.00) per calendar day for each vehicle that does not meet the delivery schedule, as liquidated damages and not as a penalty for breach.

Liquidated damages for item returned to the Contractor for deficiency corrections shall start on the eleventh day after delivery to Contractor and continue until item is returned to MWDOC.

m. PAYMENT

Payment for the vehicle shall be made in due course from MWDOC after completion of delivery and acceptance by the General Manager or authorized representative and upon receipt of an invoice from the Contractor.

n. OUT OF STATE CONTRACTORS

All out-of-state Contractors including manufacturers, distributors and vendors shall deliver f.o.b. to the Municipal Water District of Orange County, 18700 Ward Street, Fountain Valley, California. MWDOC and Contractor shall agree on delivery method. Contractor shall be responsible for and pay all costs of delivery and assume risk of loss and damage to destination point.

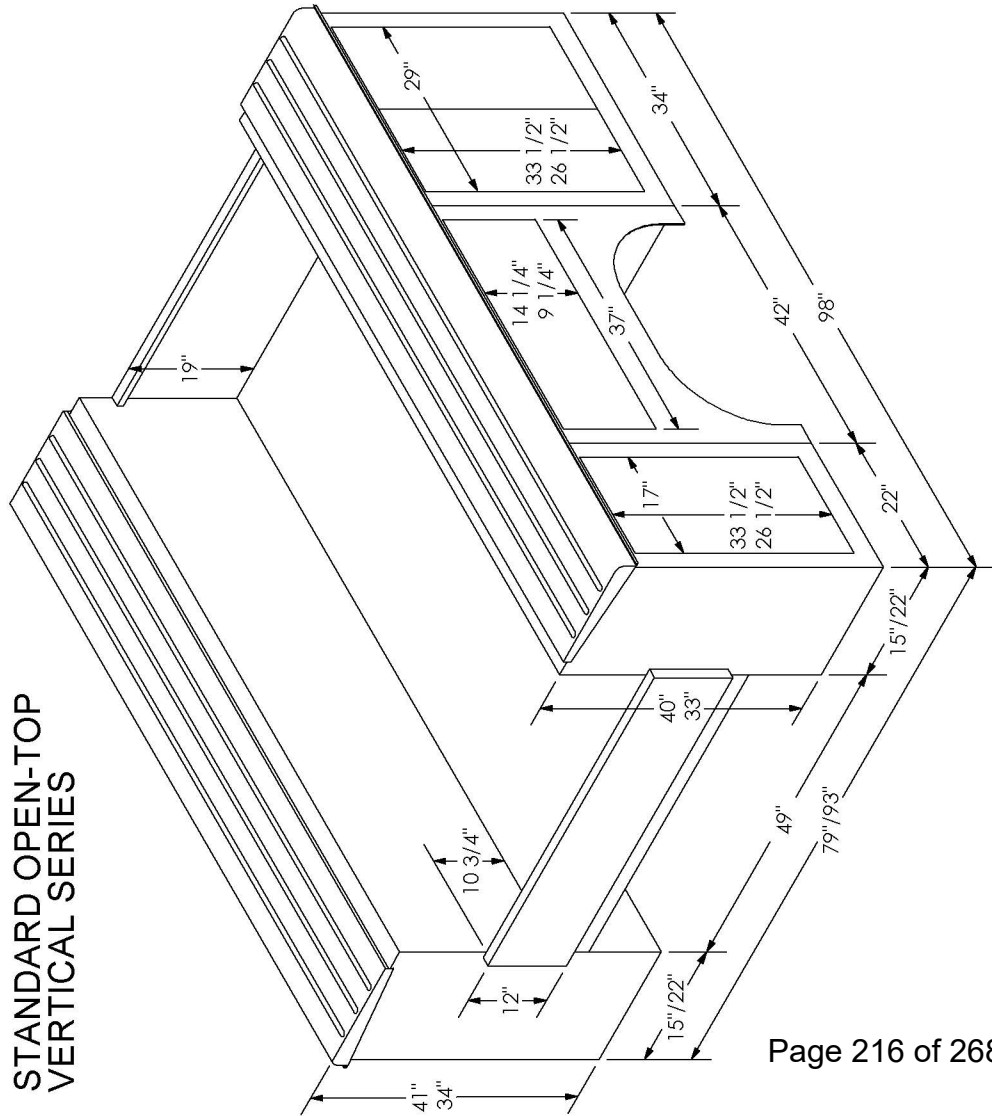
Contractor shall not be entitled to and by signing a Contract waives any claim or damages for delay against MWDOC if Contractor does not timely submit these forms to the appropriate governmental entity.

o. SALES TAX

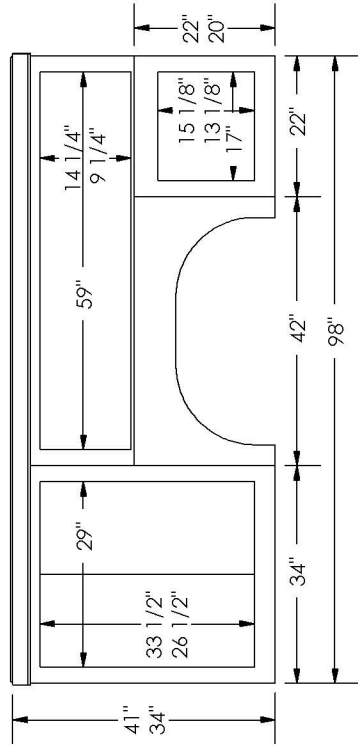
Extension prices stated herein shall **not** include sales tax.

FORD 8-FT TRADEMASTER DIMENSIONS

HORIZONTAL SERIES

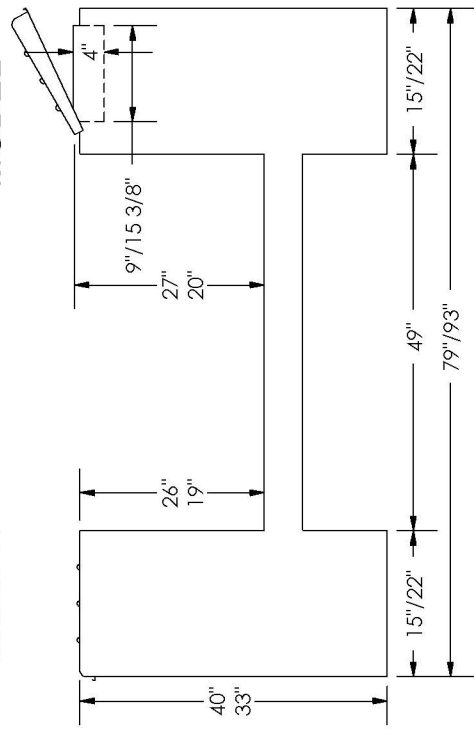


STANDARD OPEN-TOP VERTICAL SERIES



CLOSED-TOP MODEL

OPEN-TOP MODEL



Page 216 of 268

NOTE:

- 1) DOOR COMPARTMENT DIMENSIONS ARE THE CLEAR DOOR OPENING.
- 2) TOP VERTICAL DIMENSIONS ARE STANDARD HEIGHT BODIES, BOTTOM DIMENSIONS ARE LOW PROFILE BODIES.
- 3) DIMENSIONS WITH FORWARD SLASH ARE SRW / DUALY.

Last Update: 07/16/2015

STANDARD OPEN-TOP VERTICAL SERIES

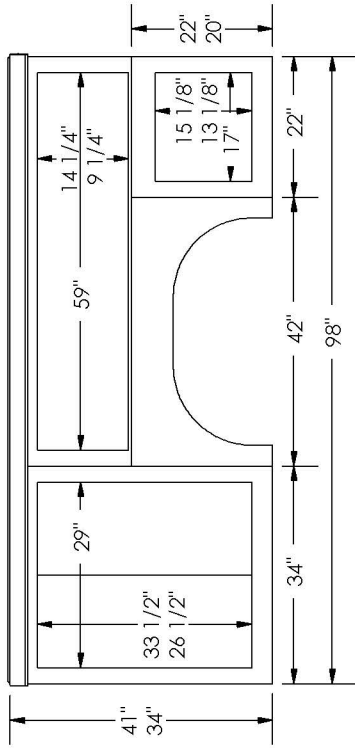
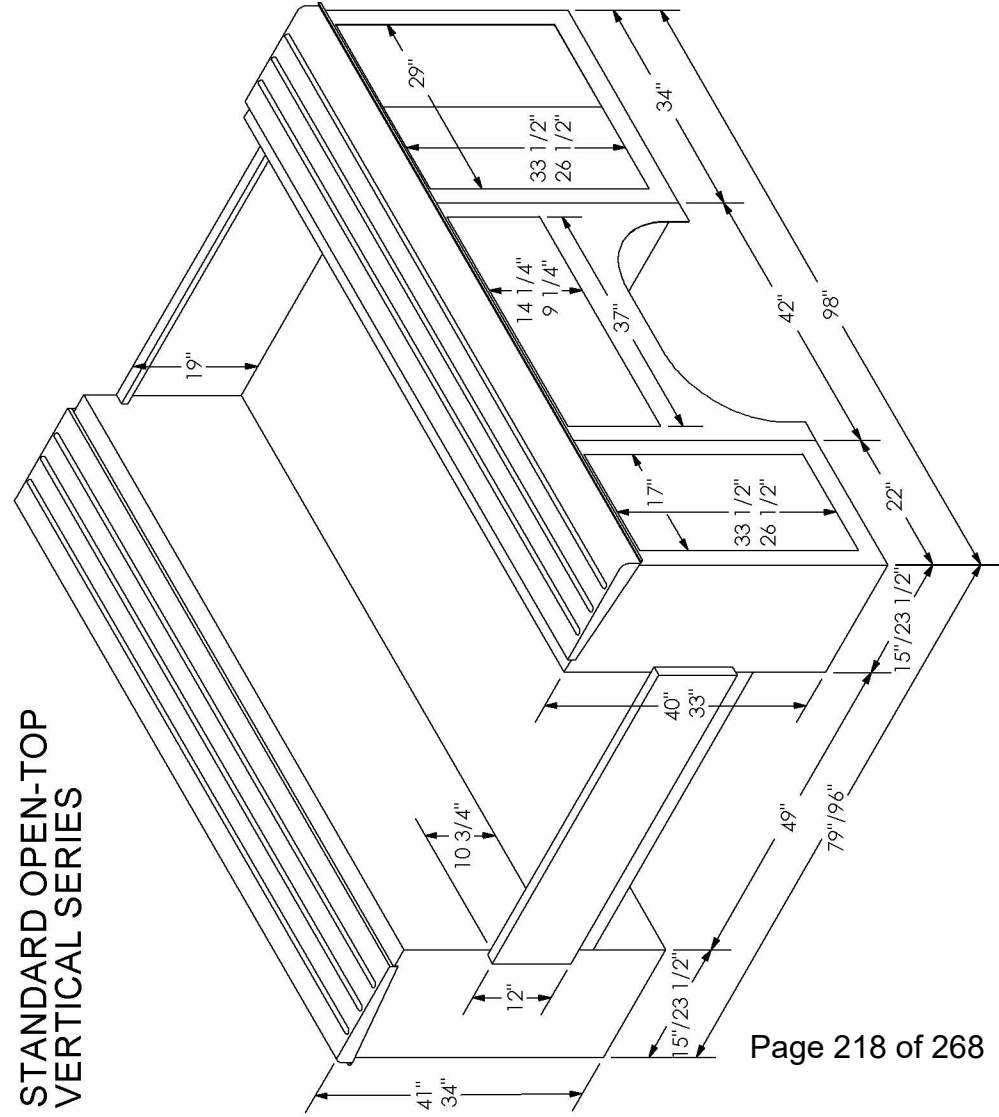


- Page 217 of 268

CHEVY/GMC 8-FT TRADEMASTER DIMENSIONS

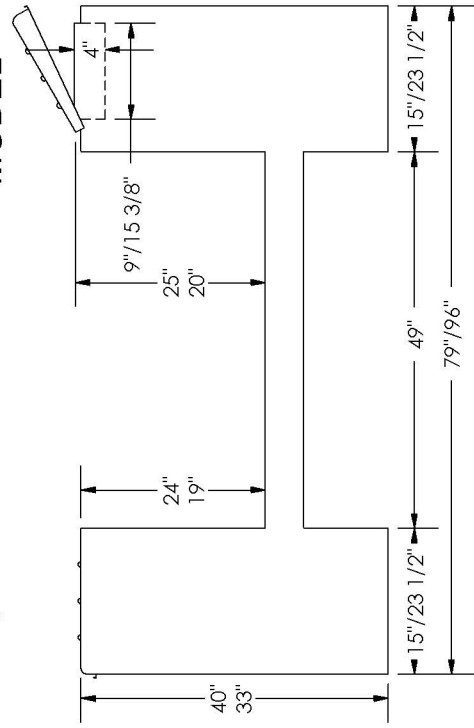
Last Update: 02/05/2015

HORIZONTAL SERIES



CLOSED-TOP MODEL

OPEN-TOP MODEL



NOTE:

- 1) DOOR COMPARTMENT DIMENSIONS ARE THE CLEAR DOOR OPENING.
- 2) TOP VERTICAL DIMENSIONS ARE STANDARD HEIGHT BODIES, BOTTOM DIMENSIONS ARE LOW PROFILE BODIES.
- 3) DIMENSIONS WITH FORWARD SLASH ARE SRW / DRW.

VI.ATTACHMENT B

BID FORM SECTION

Municipal Water District of Orange County
18700 Ward St.
Fountain Valley, CA 92708

Members of the Board:

In accordance with your notice inviting bids and terms and conditions, the undersigned shall furnish and deliver **ONE (1) HEAVY DUTY THREE-QUARTER-TON EXTENDED CAB PICK-UP TRUCK** complete as per specifications and execute a contract at the following prices:

<u>ITEMS:</u>	<u>UNIT PRICE</u>	<u>QUANTITY</u>	<u>EXTENSION PRICE</u>
Heavy Duty Three-Quarter-Ton Extended Cab Pick-up Truck	\$ _____	1 Ea.	\$ _____
Other Charges (Explain):			
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
SUB TOTAL			\$ _____
SALES TAX (8.75%)			\$ _____
<u>BID TOTAL</u>	\$ _____		

The foregoing total bid amounts include California State sales or use tax, or any municipal or county sales tax, and all other taxes legally chargeable in connection with furnishing and delivering bid items to MWDOC.

Optional Items:

<u>ITEMS:</u>	<u>UNIT PRICE</u>	<u>QUANTITY</u>	<u>EXTENSION PRICE</u>
Optional 4 Year Warranty Bumper-to-Bumper (\$0 Deductible)	\$ _____	1 Ea	\$ _____
Optional 5 Year Warranty Bumper-to-Bumper (\$0 Deductible)	\$ _____	1 Ea	\$ _____

Required Data (TRUCK):

Vehicle (Manufacturer, Model): _____

Backup Camera (Manufacturer, Model): _____

The name(s) and location(s) of the local dealership(s) where parts, service, and warranty repair may be acquired within 48 hours:

Additional Deviations from Specifications* * _____

A list of engine, GVWR, axle capacities, suspension ratings, optional features, equipment, and accessories for the vehicle is attached. Also attached are copies of manufacturer's standard warranties for the vehicle and proposed equipment as specified.

Contractor will furnish and deliver One (1) Cargo Van complete, as specified, within **sixty (60) calendar days** after issuance of Notice to Proceed by MWDOC.

Bids must be signed by individual(s) legally authorized to bind the vendor and shall contain a statement that the bid is a firm offer for a 90-day period. MWDOC reserves the right to purchase different quantities at the proposed unit price depending on actual needs.

It is understood that the unit price(s) shall be held to be "correct" if the totals are found to contain any computational errors and that the totals found to be in error shall be corrected.

Signed: _____ Date: _____

Print Name/Title: _____

Company Name: _____

Email: _____

Phone Number: _____ Fax Number: _____

WE ARE PLEASED TO SUBMIT THIS BID IN ACCORDANCE WITH MWDOC INVITATION TO BID, SPECIFICATIONS AND TERMS AND CONDITIONS TO FURNISH AND DELIVER THE GOODS **FOB DESTINATION** MUNICIPAL WATER DISTRICT OF ORANGE COUNTY, 18700 WARD ST., FOUNTAIN VALLEY, CALIFORNIA 92708.

STATEMENT OF NON-COLLUSION

This bid is submitted as a firm and fixed request valid and open for 90 days from the submission deadline.

This bid is genuine and not sham or collusive nor made in the interest or in behalf of any person not herein named; the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid and the bidder has not in any manner sought by collusion to secure for himself or herself an advantage over any other bidder.

In addition, this organization and its members are not now and will not in the future be engaged in any activity resulting in a conflict of interest, real or apparent, in the selection, award, or administration of a subcontract.

Authorized signature and date

Print Name & Title

Members of the Board:

In accordance with your notice inviting bids and terms and conditions, the undersigned shall furnish and deliver **ONE (1) CARGO VAN** complete as per specifications and execute a contract at the following prices:

<u>ITEMS:</u>	<u>UNIT PRICE</u>	<u>QUANTITY</u>	<u>EXTENSION PRICE</u>
Cargo Van	\$ _____	1 Ea.	\$ _____
Other Charges (Explain):			
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____

SUB TOTAL \$ _____

SALES TAX (8.75%) \$ _____

BID TOTAL

\$ _____

The foregoing total bid amounts **include California State sales or use tax, or any municipal or county sales tax, and all other taxes legally chargeable in connection with furnishing and delivering bid items** to MWDOC.

Optional Items:

<u>ITEMS:</u>	<u>UNIT PRICE</u>	<u>QUANTITY</u>	<u>EXTENSION PRICE</u>
Optional 4 Year Warranty Bumper-to-Bumper (\$0 Deductible)	\$ _____	1 Ea	\$ _____
Optional 5 Year Warranty Bumper-to-Bumper (\$0 Deductible)	\$ _____	1 Ea	\$ _____

Required Data (VAN):

Vehicle (Manufacturer, Model): _____

Backup Camera (Manufacturer, Model): _____

The name(s) and location(s) of the local dealership(s) where parts, service, and warranty repair may be acquired within 48 hours:

Additional Deviations from Specifications* * _____

A list of engine, GVWR, axle capacities, suspension ratings, optional features, equipment, and accessories for the vehicle is attached. Also attached are copies of manufacturer's standard warranties for the vehicle and proposed equipment as specified.

Contractor will furnish and deliver One (1) Cargo Van complete, as specified, within **sixty (60) calendar days** after issuance of Notice to Proceed by MWDOC.

Bids must be signed by individual(s) legally authorized to bind the vendor and shall contain a statement that the bid is a firm offer for a 90-day period. MWDOC reserves the right to purchase different quantities at the proposed unit price depending on actual needs.

It is understood that the unit price(s) shall be held to be "correct" if the totals are found to contain any computational errors and that the totals found to be in error shall be corrected.

Signed: _____ Date: _____

Print Name/Title: _____

Company Name: _____

Email: _____

Phone Number: _____ Fax Number: _____

WE ARE PLEASED TO SUBMIT THIS BID IN ACCORDANCE WITH MWDOC INVITATION TO BID, SPECIFICATIONS AND TERMS AND CONDITIONS TO FURNISH AND DELIVER THE GOODS **FOB DESTINATION** MUNICIPAL WATER DISTRICT OF ORANGE COUNTY, 18700 WARD ST., FOUNTAIN VALLEY, CALIFORNIA 92708.

STATEMENT OF NON-COLLUSION

This bid is submitted as a firm and fixed request valid and open for 90 days from the submission deadline.

This bid is genuine and not sham or collusive nor made in the interest or in behalf of any person not herein named; the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid and the bidder has not in any manner sought by collusion to secure for himself or herself an advantage over any other bidder.

In addition, this organization and its members are not now and will not in the future be engaged in any activity resulting in a conflict of interest, real or apparent, in the selection, award, or administration of a subcontract.

Authorized signature and date

Print Name & Title

VII. ATTACHMENT C

STANDARD PURCHASE AGREEMENT

This AGREEMENT ("Agreement") is made effective as of this _____ day of _____, 2019, by and between the **MUNICIPAL WATER DISTRICT OF ORANGE COUNTY** ("MWDOC"), a municipal water district, and _____ ("Vendor"), a _____ **[*SPECIFY ENTITY TYPE; E.G. CALIFORNIA CORPORATION*]** (all parties referred to herein collectively as "Parties" and individually as "Party").

TERMS

In consideration of the mutual understandings contained in this Agreement, and other good, valuable and sufficient consideration, the Parties hereto agree as follows:

1. **VEHICLE.** Vendor agrees to sell and MWDOC agrees to purchase, **[*INSERT #*]** vehicles **[*VEHICLE(S)*]**, as more specifically described in Exhibit "A" ("Vehicles"), for the total Purchase Price of _____ Dollars and NO/100 (\$_____), inclusive of any applicable taxes. **[*INSERT IF APPLICABLE: This Purchase Price shall include delivery of the Vehicles to _____, California, and Vendor shall bear all liability and responsibility for damage to the Vehicles prior to delivery.*]** This Purchase Price shall be paid by the District within thirty (30) days of the delivery and acceptance of the Vehicles following the time period established herein for MWDOC's Inspection ("Time of Purchase").
2. **CANCELLATION & TITLE TRANSFER.** Vendor shall furnish a clear title on or before five (5) days after delivery. Notwithstanding any provision of this Agreement to the contrary, MWDOC may cancel this Agreement in its sole discretion and without penalty if Vendor fails to deliver the Vehicles as provided herein on or before _____ ("Delivery Date"). **[*INSERT DELIVERY DEADLINE*]** MWDOC may also revoke its approval of this Agreement if Vendor has not furnished MWDOC with an executed version of this Agreement by _____. **[*INSERT DEADLINE FOR RECEIVING EXECUTED AGREEMENT.*]**
3. **DELIVERY.** Vendor shall deliver the Vehicles in new condition, all transportation charges prepaid, subject to the approval of MWDOC pursuant to MWDOC's Inspection, as described herein, at a location designated by MWDOC, in _____, California. All costs for delivery, drayage, freight, insurance and for the packaging of the Vehicles are to be borne by Vendor. Should there be, at any time, a decrease in price of the Vehicles; a corresponding decrease will be made in the prices quoted. Vendor shall notify MWDOC by letter in the event of any such decline in prices. All material delivered will be subject to inspection and approval of MWDOC as provided herein.
4. **WARRANTY.** Vendor expressly acknowledges and warrants the Vehicles are subject to the warranties described below:

[*INSERT TEXT AND/OR DESCRIBE AND ATTACH ANY MANUFACTURER AND EQUIPMENT WARRANTIES.*]
5. **LIQUIDATED DAMAGES.** All time limits stated in this Agreement shall be in calendar days. Should delivery not be completed on or before the Delivery Date stipulated herein, it is mutually agreed and understood by and between MWDOC and Vendor that:
 - a. A delay could seriously affect the operation and availability of MWDOC's program for providing potable drinking water to areas in need during emergency restoration operations.

- b. It is impractical and extremely difficult to determine the actual damage MWDOC will sustain by reason of such delay.
- c. There will be a reduction in the Purchase Price for the amount of one hundred dollars (\$50) per calendar day for exceeding the Delivery Date set forth in this Agreement. This is the nearest measure of damages for such delay that can be fixed at this time.
- d. MWDOC and Vendor hereby establish said reduction in the Purchase Price of one hundred dollars (\$50) per calendar day for each and every day of delay for the Vehicles as liquidated damages and as a penalty or forfeiture for breach of Agreement to complete delivery by Vendor on or before the Delivery Date specified in this Agreement. Liquidated damages shall run for a period not to exceed ninety (90) days. At such date, MWDOC reserves the right to cancel the order and pursue any and all remedies available by law or equity.
- e. Should Vendor be obstructed or delayed in the work required to be done hereunder by changes in the work or by any default, act or omission of MWDOC, or by strikes, fire or act of God, then the time for delivery shall be extended for period as may be agreed upon by MWDOC and Vendor.

6. CONDITIONS OF SALE. MWDOC's obligation to purchase the Vehicles and Vendor's obligation to sell the Vehicles pursuant to this Agreement are conditioned on each of the following:

- a. **MWDOC's Inspection.** MWDOC shall have twenty (20) days from the date of delivery to inspect the Vehicles for their suitability and feasibility for MWDOC's intended use ("MWDOC's Inspection"). Upon delivery, MWDOC shall conduct a final visual inspection of the Vehicles to ensure the acceptability of the Vehicles to MWDOC. The Vehicles will be given a complete inspection by MWDOC prior to any road or water supply tests. Within the twenty (20) days allocated for MWDOC's Inspection, MWDOC may provide Vendor with a list of defects, if any, for correction within thirty (30) days or as otherwise agreed upon by the Parties. The Vehicles will be re-inspected each time they are corrected and returned to MWDOC until all defects are corrected. MWDOC's investigation shall include, but not be limited to, (a) investigations or analyses of applicable laws, statutes, rules, regulations, ordinances, limitations, restrictions or requirements concerning the use, location or suitability of the Vehicles or condition thereof; (b) the extent or condition of title to the Vehicles; and (c) all other matters concerning the condition, use, or sale of the Vehicles. MWDOC may reject and return at the risk and expense of Vendor any Vehicles that may be defective or fail to comply with the Specifications. If rejected, the Vehicles will be held for disposition at the expense of Vendor.
- b. **Title.** MWDOC's obligation to purchase the Vehicles and Vendor's obligation to sell the Vehicles pursuant to this Agreement are conditioned on the conveyance to MWDOC of good and marketable title to the Vehicles not subject to any liens or encumbrances. At the Time of Purchase, title to the Vehicles shall pass to MWDOC as evidenced by the Vendor's delivery to MWDOC of an executed copy of the Certificate of Ownership attached hereto as Exhibit "B."
- c. **Failure or Change of Conditions.** Should any of Vendor's or MWDOC's Conditions of Sale specified in this Agreement fail to occur or materially change prior to the date established herein for the Time of Purchase, MWDOC shall have the power, exercisable by giving written notice to the Vendor, to waive the condition or terminate this Agreement as provided herein.

- d. Termination. This Agreement may be terminated at any time by MWDOC upon written notice by MWDOC to the Vendor, if MWDOC does not approve of the condition of the Vehicles during either MWDOC's Inspection or prior to MWDOC's Final Acceptance. Either Party may terminate this Agreement in the event of a material breach of this Agreement and a failure to cure such breach within fifteen (15) days of written notice of such breach.
- e. Effect of Termination. In the event this Agreement is terminated after delivery of Vehicles but before Time of Purchase, the cost of returning the delivered Vehicles to Vendor shall be borne by the Party responsible for the event or nonevent leading to the termination.

7. INVENTIONS, PATENTS AND COPYRIGHTS.

- a. Reporting Procedure for Inventions. If any project produces any invention or discovery (Invention) patentable or otherwise under title 35 of the U.S. Code, including, without limitation, processes and business methods made in the course of work under this Agreement, the VENDOR shall report the fact and disclose the Invention promptly and fully to MWDOC. If applicable, the Federal Grantor shall determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Ch. 18 of title 35 U.S.C. Sections 200, et seq. (Pub. L. 95-517, Pub. L. 98-620, 37 CFR part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983); and Executive Order 12591, 4/10/87, 52 FR 13414, 3 CFR, 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 3 CFR, 1987 Comp., p. 262). VENDOR hereby agrees to be bound by the Policy, and will contractually require its personnel and any subcontractor to be bound by the Policy.
- b. Rights to Use Inventions. The City of Santa Ana shall have an unencumbered right, and a non-exclusive, irrevocable, royalty- free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Invention developed under this Agreement.
- c. Copyright Policy
 - i. Unless otherwise provided by the terms of the Grant Agreement, when copyrightable material ("Material") is developed under this Agreement, the author or the City of Santa Ana, at the City's discretion, may copyright the Material. If the City of Santa Ana declines to copyright the Material, it shall have an unencumbered right, and a non-exclusive, irrevocable, royalty- free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement.
 - ii. The Federal Grantor shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement.
 - iii. VENDOR shall comply with 24 CFR 85.34.

- d. Rights to Data. The Federal Grantor and the City of Santa Ana shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 U.S.C. Section 401 or 402, the Grantor acquires the data under a copyright license as set forth in 48 CFR 27.404(f)(2) instead of unlimited rights. (48 CFR 27.404(a)).
- e. Obligations Binding on Subcontractors. VENDOR shall require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subcontracts.

8. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM. VENDOR shall provide minority business enterprises (MBEs), women business enterprises (WBEs) and all other business enterprises an equal opportunity to participate in the performance of all subcontracts, including procurement, construction and personal services.

9. PUBLIC RECORDS ACT. MWDOC is a public agency subject to the California Public Records Act (Ca. Gov. Code, § 6250 et seq.) (Act). All requests for records related to this Agreement will be handled pursuant to the Act.

10. CONFLICT OF INTEREST.

a. The VENDOR covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administering any subcontract supported (in whole or in part) by Federal funds where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:

1. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
2. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
3. The participation of such person would be prohibited by the California Political Reform Act, California Government Code §87100 et seq. if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.

b. Definitions:

1. The term "immediate family" includes but is not limited to domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father in law, mother in law, brother in law, sister in law, son in law, daughter in law.
2. The term "financial or other interest" includes but is not limited to:
 - i. Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.

- ii. Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
- c. The VENDOR further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
- d. The VENDOR shall not subcontract with a former director, officer, or employee within a one year period following the termination of the relationship between said person and the Contractor.
- e. Prior to obtaining MWDOC'S Approval of any subcontract, the VENDOR shall disclose to MWDOC any relationship, financial or otherwise, direct or indirect, of the VENDOR or any of its officers, directors or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.
- f. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the VENDOR, State of California, and Federal regulations regarding conflict of interest.
- g. The VENDOR warrants that it has not paid or given and will not pay or give to any third person any money or other consideration for obtaining this Agreement.
- h. The VENDOR covenants that no member, officer or employee of VENDOR shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.
- i. The VENDOR shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "VENDOR" and "sub subcontractor" for "subcontractor."

11. INCORPORATION BY REFERENCE OF GRANT AGREEMENT. Pursuant to Section 7 of the "Agreement for Transfer or Purchase of Equipment/Services or for Reimbursement of Training Costs for FY2011 Urban Areas Security Initiative (UASI)" between the City of Santa Ana and MWDOC, dated December 14, 2011 (Grant Agreement, Exhibit C hereto), the terms of the Grant Agreement are hereby incorporated by reference and binding on the VENDOR.

12. NONDISCRIMINATION AND AFFIRMATIVE ACTION. VENDOR shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City of Santa Ana. In performing this Agreement, VENDOR shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, mental disability, marital status, domestic partner status or medical condition. VENDOR shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CRF Part 60).

- a. If required, VENDOR shall submit an Equal Employment Opportunity Plan ("EEOP") to the DOJ Office of Civil Rights ("OCR") in accordance with guidelines listed at <http://www.ojp.usdoj.gov/ocr/eeop.htm>.

- b. Any subcontract entered into by VENDOR relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this section.

- 13. SUSPENSION AND DEBARMENT.** VENDOR shall comply with Federal Register, Volume 68, Number 228, regarding Suspension and Debarment, and VENDOR shall submit a Certification Regarding Debarment required by Executive Order 12549 and any amendment thereto. Said Certification shall be submitted to MWDOC concurrent with the execution of this Agreement and shall certify that neither VENDOR nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department head or agency. VENDOR shall require that the language of this Certification be included in the award documents for all subcontracts at all tiers and that all subcontractors shall certify accordingly.
- 14. PATENT PROTECTION.** To the extent any component, item or material used in the manufacture of the Vehicle is not manufactured pursuant to a design originated by MWDOC, Vendor agrees it will save MWDOC and its Directors, employees and agents harmless from any loss, damage or liability which may be incurred on account of any alleged infringement of any United States or foreign patents with respect to such components, items or materials, and that Vendor will, at its own expense, defend any action, suit or claim in which such infringement is alleged. MWDOC agrees to notify Vendor promptly of any suit or claim against MWDOC for any alleged infringement of patent.
- 15. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; HOLD HARMLESS.** All of the representations and warranties of MWDOC and Vendor made in conjunction with and pursuant to this Agreement shall survive the Time of Purchase. Vendor agrees to indemnify, defend, protect and hold MWDOC harmless from any claim, demand, liability, loss or cost (including reasonable attorneys' fees) that MWDOC may sustain arising out of any breach of or inaccuracy in Vendor's representations and warranties. MWDOC agrees to indemnify, defend, protect and hold Vendor harmless from any claim, demand, liability, loss, or cost (including reasonable attorneys' fees) that Vendor may sustain arising out of any breach of or inaccuracy in MWDOC's representations and warranties.
- 16. BEST EFFORTS.** MWDOC and Vendor shall act in good faith and use their best efforts after the date hereof to ensure that their respective obligations hereunder are fully and punctually performed. MWDOC and Vendor shall perform any further acts and execute and deliver any other documents or instruments that may be reasonably necessary to carry out the provisions of this Agreement.
- 17. GOVERNING LAW.** This Agreement is made and entered into, and shall be governed by, the laws of the State of California without giving effect to any conflict of law provisions. Venue shall be solely and exclusively in Orange County, California.
- 18. NOTICE.** Any notice, payment or instrument required or permitted by this Agreement to any Party shall be deemed to have been received when personally delivered to any Party or seventy-two (72) hours following mailing of the same, first class, postage prepaid, addressed as follows:

MWDOC: Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92708
Attn: General Manager

Vendor:

Attn: _____

19. **SEVERABILITY.** If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full effect as though such invalid or unenforceable provision had not been a part of this Agreement.
20. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of the authorized successors and assigns of the Parties hereto, provided that Vendor may not assign or delegate this Agreement or its rights or obligations hereunder without MWDOC's written consent.
21. **EXHIBITS.** All exhibits are incorporated by reference as if fully set forth herein.
22. **ENTIRE AGREEMENT.** This Agreement embodies the entire understanding and agreement between the Parties pertaining to the matters described herein and supersedes and cancels all prior oral or written agreements between the Parties with respect to these matters, including but not limited to Vendor's proposal dated _____. **[*INSERT DATE OF PROPOSAL FOR IDENTIFICATION*]** Each Party acknowledges that no party, agent or representative of the other Party has made any promise, representation or warranty, express or implied, not expressly contained in this Agreement, that induced the other Party to sign this document.
23. **MODIFICATION.** No modification, waiver, amendment, discharge or change of this Agreement shall be valid unless the same is memorialized in a written change order and signed by both Parties.
24. **WAIVER.** No waiver by MWDOC or Vendor of a breach of any of the terms, covenants or conditions of this Agreement by the other Party shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default by MWDOC or Vendor hereunder shall be implied from any omission by the other Party to take any action on account of such default if such default persists or is repeated, and no express waiver shall effect a default other than as specified in such waiver. The consent or approval by MWDOC or Vendor to or of any act by the other Party requiring the consent or approval of the first Party shall not be deemed to waive or render unnecessary such Party's consent or approval to or of any subsequent similar acts by the other Party.
25. **ATTORNEYS' FEES.** If any Party to this Agreement commences an action against another Party to this Agreement, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees, expert fees and all other costs of such action.
26. **COUNTERPARTS.** This Agreement may be executed in counterparts and all counterparts so executed shall constitute one agreement binding on all the Parties hereto. It shall not be necessary for each Party to execute the same counterpart hereof.

27. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement.

28. **SIGNATURE AUTHORITY.** By signing below, the undersigned acknowledge and represent that they have been authorized to execute this Agreement on behalf of their respective Party.

**MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY**

[*INSERT VENDOR NAME*]

By: _____
[*INSERT NAME AND TITLE*]

By: _____
Name

Title

Date: _____

Date: _____

DRAFT



ACTION ITEM
August 21, 2019

TO: Board of Directors

FROM: **ADMINISTRATIVE & FINANCE COMMITTEE**
(Directors Thomas, Finnegan, McVicker)

Robert Hunter
General Manager

Staff Contact: Damon Micalizzi

**SUBJECT: AUTHORIZATION FOR STAFF TO ATTEND PUBLIC RELATIONS
SOCIETY OF AMERICA INTERNATIONAL CONFERENCE OCTOBER 20-
22, 2019**

STAFF RECOMMENDATION

It is recommended that the Board of Directors authorize staff attendance at the Public Relations Society of America's (PRSA) International Conference October 20-22, 2019, in San Diego.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

Staff is requesting authorization for Public Affairs Manager, Tiffany Baca and Public Affairs Specialist, Sarah Wilson to attend the Public Relations Society of America's International Conference, which comes to San Diego this year in October. The premier symposium for professional communicators in the country, conference attendance has not been included recent year's budgets as it has been held at locations out of state (New York, Boston, and Austin, TX) that would incur significantly higher cost to the District. Staff became aware of the conference being hosted in San Diego after preparation of the FY 19/20 Budget.

Staff's Membership in PRSA has been approved by the Board in each of the prior year's budgets. Ms. Baca and Ms. Wilson are two of four members of the Public Affairs Staff that are members of PRSA. The Conference Program is attached.

Budgeted (Y/N): No	Budgeted amount: n/a	Core X	Choice __
Action item amount: \$3,500.00	Line item:		
Fiscal Impact (explain if unbudgeted): This membership would paid for out of Cost Center - 7150 Employee Travel & Expense			

With this valuable opportunity to attend close to home, staff is requesting authorization from the Board to attend this year's PRSA International Conference, in San Diego at a cost of approximately \$3,500, which includes two \$1,395 Conference Fees and Accommodations.

BOARD OPTIONS

Option #1

- Authorize staff to attend this year's PRSA International Conference, in San Diego.

Fiscal Impact: Approximately \$3,500.

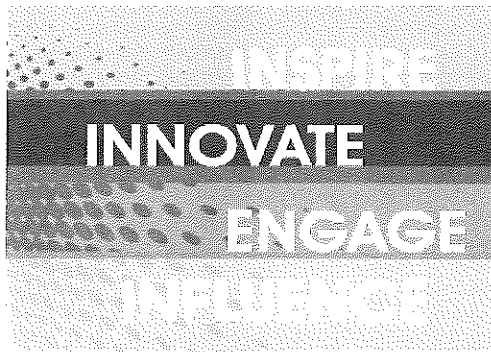
Option #2

- Decline authorization for staff to attend this year's PRSA International Conference.

Fiscal Impact: n/a

STAFF RECOMMENDATION

Option #1



1.7K

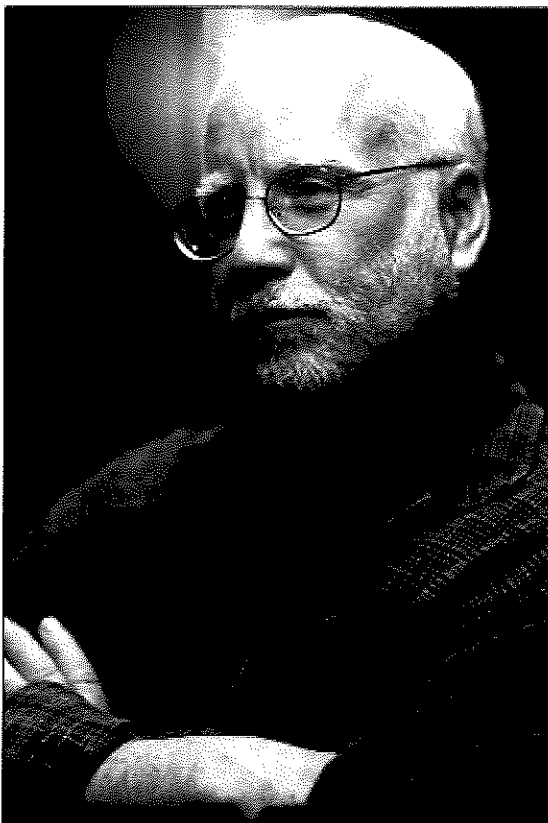
PRSA 2019 International Conference
Oct. 20-22, 2019 | San Diego

**Saver Rate –
Save \$100 Deadline: Sept. 13, 2019**

300

This year's PRSA International Conference is bringing the leading minds in public relations, communication and marketing to sunny San Diego on Oct. 20-22, 2019.

Academy Award-Winning Actor Richard Dreyfuss to Headline at PRSA International Conference



Academy Award-winning actor **Richard Dreyfuss** has joined the extensive roster of keynote speakers at PRSA's 2019 International Conference.

Dreyfuss, known for leading roles in blockbuster movies like "Jaws," "Close Encounters of the Third Kind," "American Graffiti" and "Book Club," has also been working diligently to ensure that the study of civics becomes a priority in U.S. schools.

In fact, Dreyfuss will be the inaugural recipient of the PRSA National Award for Civic Engagement during his keynote on the morning of Tuesday, Oct. 22.

Dreyfuss earned his Oscar for "The Goodbye Girl" in 1978, which made him the then-youngest recipient of a Best Actor statuette. Dreyfuss was again nominated in 1995 as Best Actor for the title role of "Mr. Holland's Opus."

Former President of Mexico and First Lady to Share Perspectives on Public Service





Former President of Mexico, **Vicente Fox**, and **First Lady Marta Sahagún de Fox** will discuss their leadership journeys, the critical role of communications, and their philanthropic endeavors to advance civic engagement, leadership and equity among youth and the underserved in a keynote address at PRSA's 2019 International Conference.

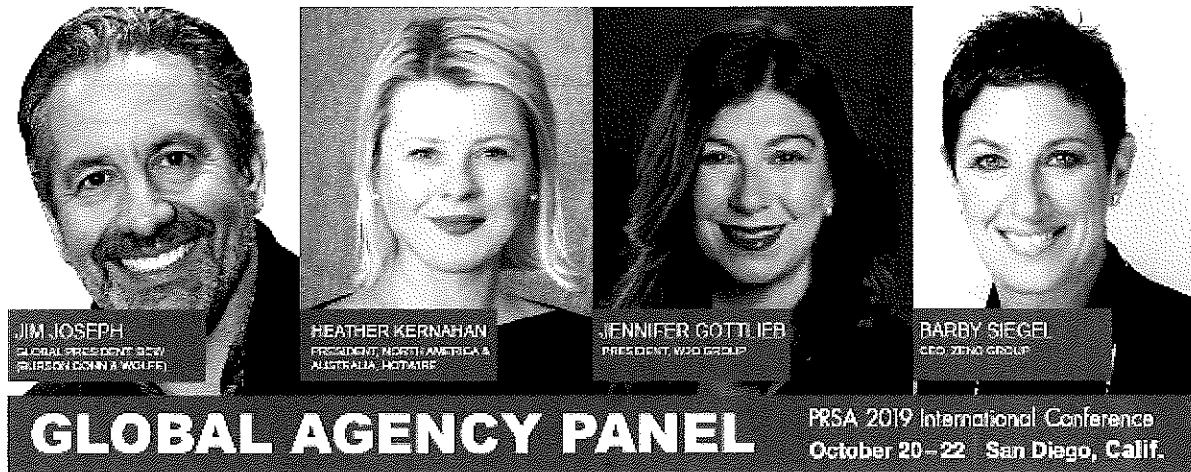
On Monday, Oct. 21, this power couple will speak about the founding of Centro Fox, considered Mexico's first presidential library. This organization is dedicated to contributing to the formation of leaders based on social values through a platform that promotes equity. Centro Fox's "President for a Day" program hosts up to 60,000 children a year to hear messages of hope and an opportunity to go home saying, "I can be President" or whatever they dream of for their future.

Fox served as president of Mexico from 2000 until 2006, after a successful career at Coca-Cola and terms in the national Congress and as governor of his home state of Guanajuato.

Sahagún de Fox has also dedicated her life to public service, including an impressive career in communications. She served as the governor's spokesperson and was press secretary for Fox's presidency prior to their marriage in 2001.

Global Agency Panel to Feature Leading

Communication Executives



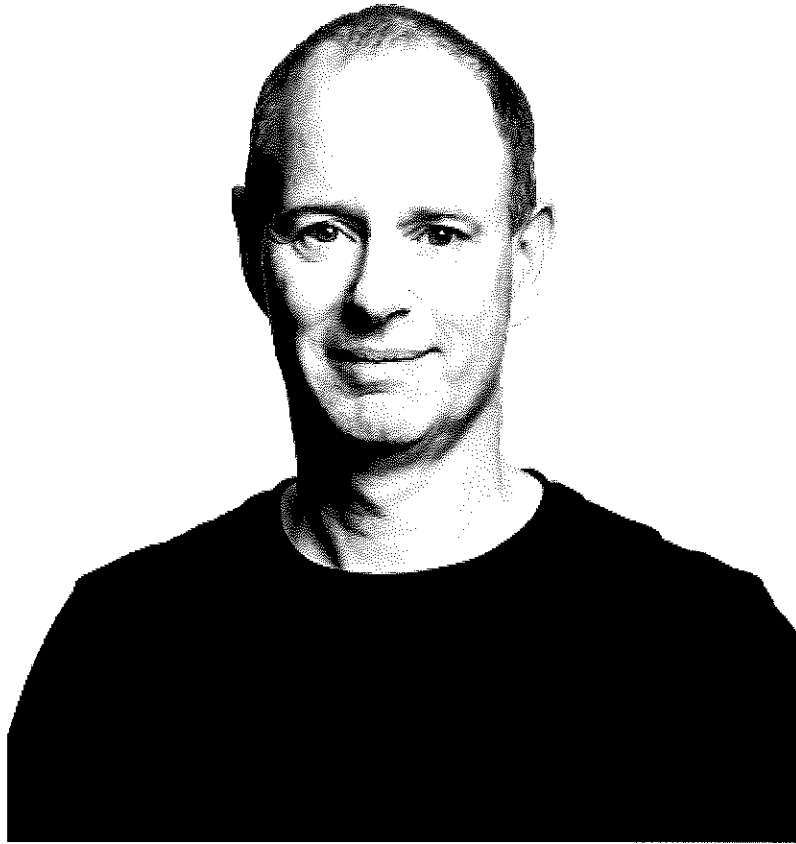
Laura Ling, Award-Winning Broadcast Journalist, to Keynote on Sunday, Oct. 20



Award-winning broadcast journalist **Laura Ling** will share her wide-ranging global insights at PRSA's 2019 International Conference on the afternoon of Sunday, Oct. 20.

While reporting on the trafficking of North Korean women, Ling's personal story became international news in March 2009 after she was captured by North Korean soldiers along the China-North Korea border and held captive for 140 days. Ling documented her experiences in the memoir, "Somewhere Inside: One Sister's Captivity in North Korea and the Other's Fight to Bring Her Home."

Luncheon Keynote: Microsoft Corporate Vice President, Communication, Frank X. Shaw



An accomplished communications professional with more than 20 years of experience, **Frank X. Shaw** will address the topic of "**Thriving in the Next Communications Age**" during the Conference luncheon on Monday, Oct. 21.

Shaw was recently ranked No. 5 on PRWeek's "U.S. Power List 2019" of the 50 most powerful people in the communications industry.

Opening Keynote Speaker: Pulitzer Prize-Winning Reporter & Best-Selling Author Bob Woodward



Bob Woodward will pull the curtain back on Washington and its leaders to share stories that are sometimes surprising, sometimes shocking and always fascinating. He blends stories that are both up to the minute and from the past to provide historical context. Woodward helps people go behind the scenes to understand what's really going on in the halls of power in an age of 24-hour news, social media and snarky politics.

All 19 of Woodward's books have been national bestsellers, with movie versions made of three, including "All the President's Men."

Woodward, an associate editor at *The Washington Post*, has won nearly every major journalism award in America.

At the PRSA International Conference in San Diego, you'll be able to choose from a wide range of programs spotlighting the latest in public relations and communications strategies and tactics. At the same time, you'll enjoy opportunities to enhance your personal and professional network while connecting with some of the world's most influential companies and organizations. You'll meet communication and public relations colleagues along with over 300 industry experts from all career levels, sectors, work environments and industries during three days of practical insights and idea sharing.

See you in San Diego... Save \$100 — Register by Sept. 13!

Save \$100 on your full Conference registration package with the Saver Rate when you register

(<http://apps.prsa.org/Conferences/InternationalConference/registration/>) by **Sept. 13, 2019!**

Save Big!

Register Now! (<http://apps.prsa.org/Conferences/InternationalConference/registration/>)



Wrap up the Conference on a high note at a Keynote from one of our host city's most famous attractions, **San Diego Zoo**. You'll learn about San Diego Zoo Kids television channel, and meet some of its animal stars live and in person.

San Diego Zoo Kids TV, a 24-hour, commercial-free channel for children's hospitals, offers a welcome distraction and comfort to kids and their families when they need it most.

It debuted in 2013 at Rady Children's Hospital-San Diego. Since then, it's been installed in 250+ children's hospitals and Ronald McDonald Houses across the U.S. and in Canada, Mexico, Australia, New Zealand, Singapore, Pakistan, South Africa, Qatar and Curacao.

What Can You Expect?

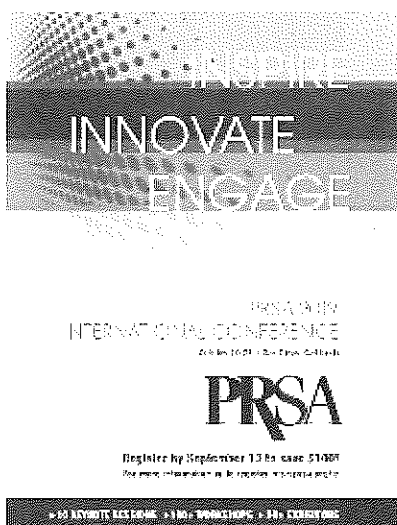
To get an idea of what to expect at a PRSA International Conference, check out these highlights from our inspiring keynote speakers at PRSA's 2018 International Conference in Austin, Texas, which attracted nearly 2,000 attendees who enjoyed 116 professional development breakout sessions and four amazing keynote speakers.

PRSA 2018 International Conference Keynote Highlights



We are now planning similarly thought-provoking events for San Diego, and we hope you'll join us in person for their full presentations!

Why You Must Attend

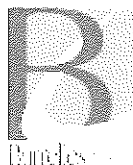


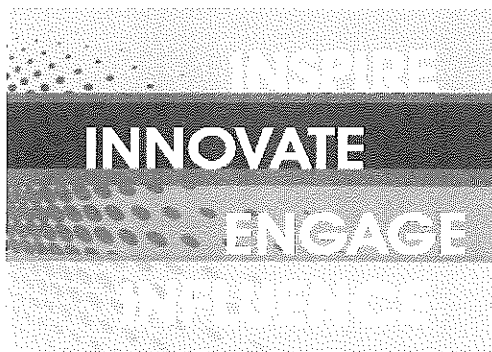
Download Event Brochure

(<http://apps.prsa.org/Conferences/InternationalConference/documents/PRSA-2019-International-Conference.pdf>)

PRSA thanks its 2019 sponsors

(<http://apps.prsa.org/Conferences/InternationalConference/sponsors-exhibitors/index.html>):





PRSA 2019 International Conference
Oct. 20-22, 2019 | San Diego

**Saver Rate –
Save \$100 Deadline: Sept. 13, 2019**

6

Breakout Session Preview

With 100+ featured sessions, you'll have a wide variety of subjects to choose from that will help amplify your results. Take a look at the sessions below for a glimpse of the high-quality programming being offered.

Captain Marvel, Midway, Top Gun: Partnering With Filmmakers to Educate, Inform and Position Your Mission and Capabilities

Each military service actively seeks opportunities to educate and inform the American public on the honor, courage and culture of the men and women serving around the world to keep our country safe. Placing historic locations, dynamic individuals, engaging narratives and amazing visuals into productions ranging from feature films and TV shows to video games and more may seem insurmountable. Hear how it all comes together!

Panelists:

- **Lt. Col. Nathan Broshear**, director, Secretary of the Air Force Entertainment Liaison Office, Los Angeles
- **Capt. (Ret.) Russell Coons**, director, Navy Office of Information West, Los Angeles
- **Lt. Col. (Ret.) Kenneth Hawes**, Director, Western Region, U.S. Army Public Affairs, Van Nuys, California
- **Major Matthew Hilton**, U.S. Marine Corps Entertainment Media Liaison Office Director, Camp Pendleton, California
- **Commander Steven Youde**, Director, Coast Guard Motion Picture & Television Office, Los Angeles

After the Crisis — Then What? Moving a Community Away From Hate and Toward Hope

When a lone gunman opened fire at a synagogue in the small town of Poway outside San Diego, the Mayor's first words at the initial press conference was "This is not Poway," effectively setting the tone for a narrative of hope, healing and heroism. It's a reminder of the ripple effect that happens in crisis communications. How do we, as communicators, assess our place in that ripple, develop messages and connect with our audience? When the tragedy is hate-based, what role does communications play in helping move a community forward in the aftermath?

Panelists:

- **Rene Carmichael**, community outreach coordinator, City of Poway
- **Christine Paik**, director of communications, Poway Unified School District
- **Lindsey Zipkin**, director of development, Anti-Defamation League San Diego Regional Office

Journalists, Journalism and the Free Press in Peril

Many journalists in nations around the world are literally in peril — physically and professionally. Journalism itself, the free press is also threatened daily, even as many legacy news media organizations face grave new economic uncertainties. Learn how we as communications professionals can help protect journalists, journalism and the free press.

Panelists:

- **John Paluszek, APR, Fellow PRSA**, founder and executive editor, Business in Society and past Chair, Global Alliance for Public Relations and Communications Management
- **J. Alex Tarquinio**, president, The Society of Professional Journalists
- **Dr. Courtney C. Radsch**, advocacy director, The Committee to Protect Journalists

Around the World in a Day: Creating Global Internal Communications Campaigns That Work

In an era when information ricochets around the world in a flash, it's never been harder — yet more important — to follow a realistic and effective approach for communicating with your global workforce that balances local and regional nuances with international messaging. Hear directly from leading experts in a spirited panel discussion loaded with real-life stories that will inspire your own work.

Panelists:

- **Christopher Hannegan**, senior adviser, employee engagement and communications
- **Kerri Warner**, head of employee communications, Mastercard
- **Rachel Setton**, manager of employee and corporate responsibility, Chevron
- **Rich Nelson**, former vice president and chief communications officer, Acco Brands

Front Seat to History: Communications Leaders Share Experiences in Memorable World Events

Get an insider view into events and activities that defined history on a grand scale across the U.S. and around the world from people who've been at the front lines of memorable events like coordinating the Marine Corps' biggest media embed program in a war zone in U.S. history; planning, leading and executing 250+ events for the U.S. president, White House, members of Congress, United Nations and foreign dignitaries; leading public affairs teams in Afghanistan, Iraq and throughout the Arabian Gulf region; serving as spokesperson and public affairs for U.S. Department of Homeland Security; covering wars, government overthrows, peace talks as a foreign correspondent, and much more. In recent years, they've taken their leadership abilities and skill sets to iconic organizations, successfully transitioning to places that were not previously on their radar screen.

Panelists:

- **Joseph Plenzler**, communications director, government and community relations, Wounded Warrior Project and retired Marine Corps veteran
- **Stephen Clutter**, Colonel Air Force (ret.) and deputy director, Public Affairs for Commander, Navy Installations Commands
- **Nico Melendez**, Navy Reserve Lieutenant Commander, former public affairs manager and spokesperson for the U.S. Department of Homeland Security, and CEO of Perceive Communications
- **Stephanie Young**, executive communications, Facebook and former active duty Coast Guard officer

Creating a Peanut Allergy-Free Future by Driving Parents to Act

Groundbreaking research rewrote the rules on peanut allergy prevention. But it also led to tremendous confusion and concern. Discover how a research-based, empathetic, influencer-centric campaign by the National Peanut Board helped overcome objections and equipped parents to take control of their children's food allergy future.

Panelists:

- **Mark Dvorak, APR, Fellow PRSA**, executive director/executive vice president, GOLIN
- **Ryan Lepicier**, senior vice president, marketing and communications, National Peanut Board

Inside Latino News: Top Journalists Share Latest Trends on Why Latino Journalism Matters

Which opportunities are still unclaimed in the Latino market? How can you assist key journalists and get them to rely on you as a source? Learn how to generate Latino media coverage from top reporters. Discover fertile ground to increase media placement.

Panelists:

- **Sandra Dibble**, international journalist, San Diego Union Tribune and Pulitzer Prize-winning Miami Herald team member
- **Estephania Baez**, bi-national Emmy-nominated reporter, Televisa (TV) Network
- **Fanny Miller**, publisher, El Latino Magazine; president, National Association of Hispanic Publications
- **Guadalupe Venegas**, reporter and anchor, Telemundo Network

Strategic Communications on the Front Line: Reaching Stakeholders During Combat Operations

How do military public affairs officers manage complex military operations in some of the most high-stakes communication environments? In a multi-domain battlespace where life is fragile, public affairs activities bring context, empathy and understanding where trauma and tragedy are all too common. Hear how military warfighters adeptly navigate the communication landscape, respond to adversaries, and build enduring relationships with U.S. audiences, military families, treaty allies and host nation partners.

Panelists:

- **Col. Chris Karns**, U.S. Air Force, Public Affairs Director, U.S. Africa Command
- **Lt. Col. Robert Bockholt**, U.S. Army, Public & Congressional Affairs Director, Redstone Arsenal
- **Maj. Justin Smith**, APR+M, U.S. Marine Corps, Deputy Assistant Chief of Staff, Communication Strategy & Operations, Camp Pendleton
- **Cmdr. Lesley Lykins**, U.S. Navy Reserves, U.S. Central Command

How Columbia, S.C., Drew 400,000 People for the Eclipse

The longest 100% total eclipse for a metro area on the East Coast presented a tremendous regional tourism opportunity. See how the "Total Eclipse Weekend Columbia, S.C." campaign raised awareness of the region as a destination and fueled economic impact by motivating local entities to host eclipse-themed events. Explore how this award-winning campaign can serve as a model for your own strategic opportunities, activities and events.

Presenter:

- **Merritt McNeely**, vice president of marketing, Flock and Rally

Communication Resiliency: Lessons Learned After Hurricane María

September 18, 2017, changed the history of Puerto Rico. Hurricane Maria, a Category 5 hurricane, devastated the island's infrastructure, and everything from telecommunications and electricity to housing and education was severely affected. Standard operating procedures for many public relations

practitioners had to change as they faced their “new normal” under the crisis. As people fled the island, communities suffered, international help arrived and the island slowly recovered, communication professionals learned to adjust their strategies, both internal and external, implementing short- and long-term plans that helped rebuild their communities and Puerto Rico.

Presenters:

- **Raquel Rivera Torres, APR**, corporate communications director, Grupo Ferre Rangel
- **Vivian T. Davila, APR**, public affairs and communications manager, Ford International

Taking a Stand for Ethics

Courage, honesty, integrity, a servant’s heart, innovation and even high-end risk- taking are critical to achieving ethical values. No more knows that better than Paula Pedene, who took the ultimate risk to improve lives of military veterans and their families. One of the nation’s best-known whistleblowers, Pedene and a colleague exposed mismanagement and other issues that led to the exposure of secret wait lists hindering access to needed health care for our country’s veterans.

Presenter:

- **Paula Pedene, APR, Fellow PRSA**, owner, Paula Pedene and Associates

Big Data vs. Big Brother: How to Package Your Brand Data for Good

Learn how to package the wealth of data at your fingertips so that it resonates with the public and drives reputation for your brand. Understand how to pivot the data conversation away from Big Brother, synthesize it and package it to resonate with consumers in a compelling narrative.

Presenters:

Dan Waters, media relations consultant, Allstate Insurance

Kari Mather, APR, communications manager, Allstate Insurance

Digital Strategy on a Shoestring Budget: Creating Effective Organic Content

Look in-depth at steps that achieved organic audience-driven content for USPS and Under Armour and drove engagement and growth without paid media. Hear more about social media measurement and cost-effective sourcing solutions to populate your customer or client feeds.

Panelists:

James Walker, group vice president, Ruder Finn, and

Katie Krum, senior vice president, digital innovation, Weber Shandwick

Lessons From the Playing Field: What Fandom Teaches Us About

Public Relations Engagement

Examine how fan worship in sports drives emotional attachment to products, events, places and organizations. Explore ways that relationship management techniques, integrity and ethical behaviors create sports heroes, and how a compelling playbook can energize public interest.

Presenter:

Brad Horn, professor of practice, public relations, S.I. Newhouse School of Public Communications, Syracuse University

Marketing to Machines

Alexa sets the mood and picks a restaurant. Algorithms choose where and how to invest our money. How do we pivot from traditional, emotionally rich storytelling and appeal directly to intelligent but impassive machines? Get a pragmatic look at this ever-changing landscape.

Presenter:

Michael Diamond, academic director, New York University School of Professional Studies, Division of Programs in Business

Achieving Intercultural Competence: What Senior Leaders Have To Learn About Diversity and Inclusion

Learn about groundbreaking research supported by the Arthur W. Page Society Diversity Committee that opens a conversation for senior leaders to assess their knowledge as well as motivational and organizational assets in effectively practicing diversity and inclusion.

Panelists:

Aerial Ellis, professor, public relations, Lipscomb University

Rochelle Ford, Ph.D., APR, dean, Elon University School of Communications, and

Sheryl Battles, vice president, corporate communications and diversity strategy, Pitney Bowes

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PRSA Website (<http://apps.prsa.org/>)

Municipal Water District of Orange County
Semi-Annual Comparison for Overtime Hours Worked
for the six-month periods ending June 2019 and 2018

Employee	1/1/19 - 6/30/19		1/1/18 - 6/30/18	
	Hours Worked	Dollar Equivalent ⁽¹⁾	Hours Worked	Dollar Equivalent ⁽¹⁾
Conway, Matthew	0.00		9.50	
Dubuque, Tina	3.50		0.00	
Fahl, Beth	3.25		7.25	
Goldsby, Maribeth	0.00		10.00	
Hernandez, Christina	0.50		3.00	
Muldoon, Traci	18.50		40.50	
Roberto, Bryce	21.75		74.25	
Snow, Mary	4.00		0.00	
Soto, Francisco	4.00		22.00	
Waite, Rachel	5.00		0.00	
Wilson, Sarah	28.25		45.00	
TOTAL	88.75	\$4,697	211.50	\$ 10,772

(1) Dollar equivalent calculated at 1.5 x hourly rate
(2) Overtime hours at straight time

**Municipal Water District of Orange County
Director's Activity Report
Reporting Period from 07/01/18 to 06/30/19**

Activity Description	MWDOC Director's						MET Director's						Director's		
	Thomas	Barbre	McVicker	Dick	Finnegan	Yoo Schneider	Osborne	Tamaribuchi	Subtotal	Barbre	Ackerman	McKenney	Dick	Subtotal	Total
Per Diem															
MWDOC Committee & Board mtg	19,111	20,329	-	18,265	14,731	15,488	6,163	20,923	115,010	-	2,732	6,370	1,203	10,305	125,315
MET Committee & Board mtg	-	-	-	-	-	-	-	-	-	9,444	12,132	13,053	10,929	45,558	45,558
Meetings with Member Agencies	906	5,197	-	1,203	891	8,494	-	1,188	17,879	-	-	-	-	-	17,879
Other Misc meetings & activities	16,364	9,608	-	8,212	3,326	12,399	297	10,009	60,215	20,567	17,552	16,052	17,032	71,203	131,418
Benefits	24,902	18,988	-	18,847	2,012	19,065	614	2,255	86,683	745	1,075	1,151	724	3,695	90,378
Subtotal-Per Diem	61,283	54,122	-	46,527	20,960	55,446	7,074	34,375	279,787	30,756	33,491	36,626	29,888	130,761	410,548
Travel, Conferences & Misc. (1)															
ACWA	4,150	-	-	75	-	5,040	-	1,258	10,523	-	232	50	-	282	10,805
Association of CA Cities - OC	-	2,185	35	-	-	-	-	2,407	4,627	-	-	-	-	-	4,627
AWWA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CCEEB	-	-	-	-	-	1,743	-	2,078	3,821	-	-	-	-	-	3,821
OCBC	-	421	-	-	-	4,142	-	-	4,563	-	-	-	-	-	4,563
CRWUA	1,532	621	-	-	-	-	-	-	2,153	-	-	-	-	-	2,153
CSDA	-	-	225	-	-	-	-	-	225	-	-	-	-	-	225
Bond Buyers Conf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legislative Activities in Sacramento	-	-	-	-	-	-	-	325	325	-	-	-	-	-	325
Washington DC Legislative Trips	622	3,294	-	-	-	-	-	-	3,916	-	-	-	-	-	3,916
ISDOC	68	34	17	17	34	-	-	-	170	-	-	-	-	-	170
OCWA	-	325	-	-	-	-	-	-	325	-	-	-	-	-	325
Urban Water Institute	1,912	-	-	126	-	985	-	2,027	5,050	-	101	-	-	101	5,151
So Cal Water Committee	-	-	-	-	-	-	-	300	300	-	-	-	-	-	300
Other Travel Expenses	-	378	-	50	5	4,786	-	80	5,299	-	-	-	-	-	5,299
Mileage	1,975	2,434	-	1,432	413	4,067	-	1,413	11,734	-	805	-	-	805	12,539
Toll Charges	-	-	-	-	-	462	-	-	462	-	-	-	-	-	462
Miscellaneous	-	-	44	-	-	44	-	-	88	-	-	-	-	-	88
Telephone/Fax/Cable	-	-	-	-	706	-	-	-	706	-	-	-	-	-	706
Subtotal-Travel, Conferences & Misc.	10,259	9,692	321	1,700	1,158	21,269	-	9,888	54,287	-	1,138	50	-	1,188	55,475
Total	71,542	63,814	321	48,227	22,118	76,715	7,074	44,263	334,074	30,756	34,629	36,676	29,888	131,949	466,023

(1) Includes conference registration, travel, lodging, meals, transportation, mileage and other miscellaneous related costs; does not include Per Diem.

8/8/2019



**Administration Activities Report
July 2, 2019 to August 8, 2019**

Activity	Summary
Administration/Board	<p>Staff worked on the following:</p> <ul style="list-style-type: none">• Scheduled meetings for Rob Hunter, Karl Seckel and other various meetings of the Board members.• Assisted Rob/Karl with various write-ups and follow-up for the Committees and Board.• Continue to send the Water Supply Reports to the member agencies.• Training of administrative staff.• Processed and reviewed agreements for appropriate Board approval and insurance requirements.• Review Insurance documents for all District Agreements.• Continue review of Administrative Code for requirements and potential changes; consulted with Legal Counsel.• Prepared and submitted all paperwork for CSDA's Transparency Award and District of Distinction Award• Responded to two Public Records Act Requests• Registration and travel arrangements for WaterSmart Innovations Expo, Urban Water Institute Fall Conference, CCEEB CED Meetings & AMWA Fall Meeting.• Assisted Engineering with returning bid packets, as well as, preparing and following up on the successful bidder's contract & insurance.• Assisted GM with coordination of Delta Tour & Delta Stewardship Meeting.• Assisted with coordination of ISDOC Meeting and ACCOC Meeting held at MWD OC.• Assisted with preparation of support/oppose letters to council members.
Records Management	<ul style="list-style-type: none">• The WORM (write once, read many) back-up system has been purchased and was installed for the for the Laserfiche system.
Recruitment /Departures	<ul style="list-style-type: none">• The pre-employment screening process for the Water Loss Control Technician and Supervisor is complete and the employees are scheduled to start on August 15th.• Recruitment process and interviews are underway for the the Sr. Engineer position.• Director of Emergency Management, Kelly Hubbard, will be leaving the District to pursue a career as the Director of Office of Emergency Management for the County of Santa Barbara.• Recruitment process to fill the Director of Emergency Management is underway.• Water Use Efficiency is recruiting for an intern to replace a vacant position.

Projects and Activities	<ul style="list-style-type: none"> • Coordination efforts continue with IDS Consultants, Engineering and WEROC staff, regarding building improvements and seismic retrofits. • Electrical upgrades to the building are underway and following completion the IT Server Air Conditioning unit project will be initiated. • Personnel Manual updates will be presented for discussion in August. • Staff is working with The Municipal Resource Group (MRG) to review and provide input on the District's current Performance Management process. A meeting with staff from various departments was held on July 10th. A survey was distributed to ensure all staff are given an opportunity to provide input on the performance review process. MRG is currently compiling the survey results and will present recommendations for Management to consider for implementation. • The District was approved to receive a Wellness Grant through ACWA/JPIA in the amount of approximately \$1,200. Staff will be evaluating ways to use the grant funds to promote health and wellness. A lunch and learn is scheduled for September 5th.
Health Benefits	Medical and vision renewal information for 2020 has been received from JPIA and will be reviewed and evaluated.
Other	Traffic Control training is scheduled for the Water Loss Control staff on August 20th



INFORMATION ITEM

August 14, 2019

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, McVicker)

FROM: Robert J. Hunter, General Manager

Staff Contact: Jeff Stalvey

SUBJECT: Finance and IT Pending Items Report

SUMMARY

The following list details the status of special projects that are in-progress or to be completed during FY 2019-20.

Description	% of Completion	Estimated Completion date	Status
<u>Finance</u>			
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	In Progress
2019 W-9 collection for water rebates. Currently holding 1 rebate check awaiting W-9 form.	On-going	On-going	In Progress
RFP for Actuarial Services sent out 06-03-19. We have been with Demsey Filliger for 5 years. Pending contract signatures.	100%	06-30-19	Completed
Prepare for Interim Audit the week of 07-08-19	100%	07-12-19	Completed
Year End procedures; Prepare Annual Financials and Final Audit week of 09-16-19.	10%	09-20-19	In Progress
Government Compensation in California Report 2019	0%	03-30-20	Not Started
State Controller Report preparation FY18-19	0%	11-30-19	Not Started
State Tax filing for Water Facilities FY18-19	0%	11-30-19	Not Started
Preparation of documents for FY20-21 budget process.	0%	04-30-20	Not Started

Description	% of Completion	Estimated Completion date	Status
<u>Information Technology</u>			
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring
Purchase and upgrade Conference room 101 with Interactive board	0%	06-30-19	Not Started
Upgrade Wi-Fi Network equipment	10%	9-30-19	In Progress
Upgrade software for Data Server	0%	12-31-19	Not Started
Upgrade 5 computers and monitors for Staff	0%	12-31-19	Not Started
Disposal of non-functional and obsolete electronic equipment	0%	12-31-19	Not Started
Replace network color printer and 2 Department printers	0%	3-31-20	Not Started
Upgrade Network Attached Storage devices for Backups	0%	6-30-20	Not Started

Description	% of Completion	Estimated Completion date	Status
<u>FY 2019-20 Completed Special Tasks</u>			
<u>Finance</u>			
<u>Information Technology</u>			



INFORMATION ITEM

August 14, 2019

TO: **Administration & Finance Committee**
(Directors Thomas, McVicker, Finnegan)

FROM: **Robert Hunter, General Manager**

Staff Contact: Kevin Hostert

SUBJECT: **Monthly Water Usage Data, Imported Water Projections, and Water Supply Info.**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and file this information.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

The attached figures show the recent trend of water consumption in Orange County (OC), an estimate of Imported Water Sales for MWD OC, and selected water supply information.

- OC Water Usage, Monthly by Supply **OCWD Groundwater was the main supply in June.**
- OC Water Usage, Monthly, Comparison to Previous Years Water usage in **June 2019 was below average compared to the last 5 years.** We are projecting a slight decreases in overall water usage compared to FY 2017-18. It has been 28 months since all mandatory water restrictions were lifted by the California State Water Resources Control Board.
- Historical OC Water Consumption Orange County M & I water consumption is projected to be **512,000 AF in FY 2018-19** (this includes ~15 TAF of agricultural usage and non-retail water agency usage). This is about **28,000 AF less than FY 2017-18** and is about **6,000 AF less than FY 2016-17**. Water usage per person is projected to be slightly higher in **FY 2018-19 for Orange County at 141 gallons per day** (This includes recycled water). Although OC population has increased 20% over the past two decades, water usage has not increased, on average. A long-

Budgeted (Y/N): N	Budgeted amount: N/A	Core <u>X</u>	Choice <u> </u>
Action item amount: N/A		Line item:	
Fiscal Impact (explain if unbudgeted):			

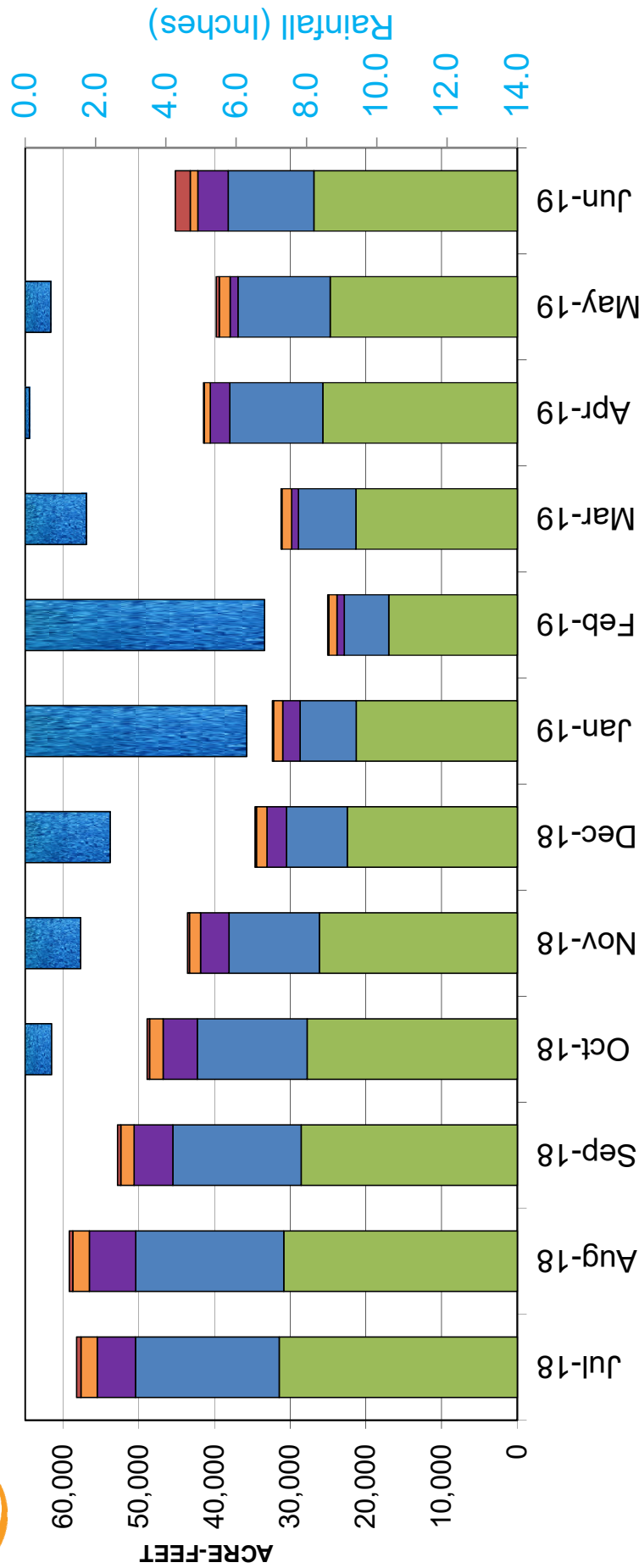
term decrease in per-capita water usage is attributed mostly to Water Use Efficiency (water conservation) efforts. ***O.C. Water Usage for the last four Fiscal Years is the lowest since the 1982-83 Fiscal Year*** (FY 1982-83 was the third wettest year on record).

Water Supply Information Includes data on Rainfall in OC; the OCWD Basin overdraft; Northern California and Colorado River Basin hydrologic data; the State Water Project (SWP) Allocation, and regional storage volumes. The data have implications for the magnitude of supplies from the three watersheds that are the principal sources of water for OC. Note that a hydrologic year is Oct. 1st through Sept. 30th.

- Orange County's accumulated rainfall through ***late July*** was above average for this period. Water year to date rainfall in Orange County is ***20.45 inches***, which is ***161% of normal***.
- Northern California accumulated precipitation through ***late July*** was ***139% of normal for this period***. Water Year 2018 was 82% of normal while water year 2017 was 187% of normal. The ***Northern California snowpack*** was ***172% of normal*** as of April 1st. ***As of late May, 0.00%*** of California is experiencing ***moderate drought conditions*** while 4.32% of the state is experiencing abnormally dry conditions. The State Water Project Contractors Table A Allocation was increased to 75% in June 2019.
- Colorado River Basin accumulated precipitation through ***late July*** was ***122% of normal*** for this period. The ***Upper Colorado Basin snowpack*** was ***128% of normal*** as of April 15th. ***Lake Mead and Lake Powell*** combined have about ***62% of their average storage volume*** for this time of year and are at ***46.5% of their total capacity***. If Lake Mead's ***level falls below a "trigger" limit 1,075 ft. at the end of a calendar year***, then a shortage will be declared by the US Bureau of Reclamation (USBR), impacting Colorado River water deliveries to the Lower Basin states. As of late June, Lake Mead levels were ***7.82' above the "trigger" limit***. The USBR predicts that the start of 2019 will not hit the "trigger" level but there is ***a 0% chance that the trigger level will be hit in 2020 and a 6% chance in 2021***.



**Fig. 1 OC Water Usage, Monthly by Supply
with projection to end of fiscal year**



[1] Imported water for consumptive use. Includes "In-Lieu" deliveries and CUP water extraction. Excludes "Direct Replenishment" deliveries of spreading water, "Barrier Replenishment" deliveries, and deliveries into Irvine Lake.

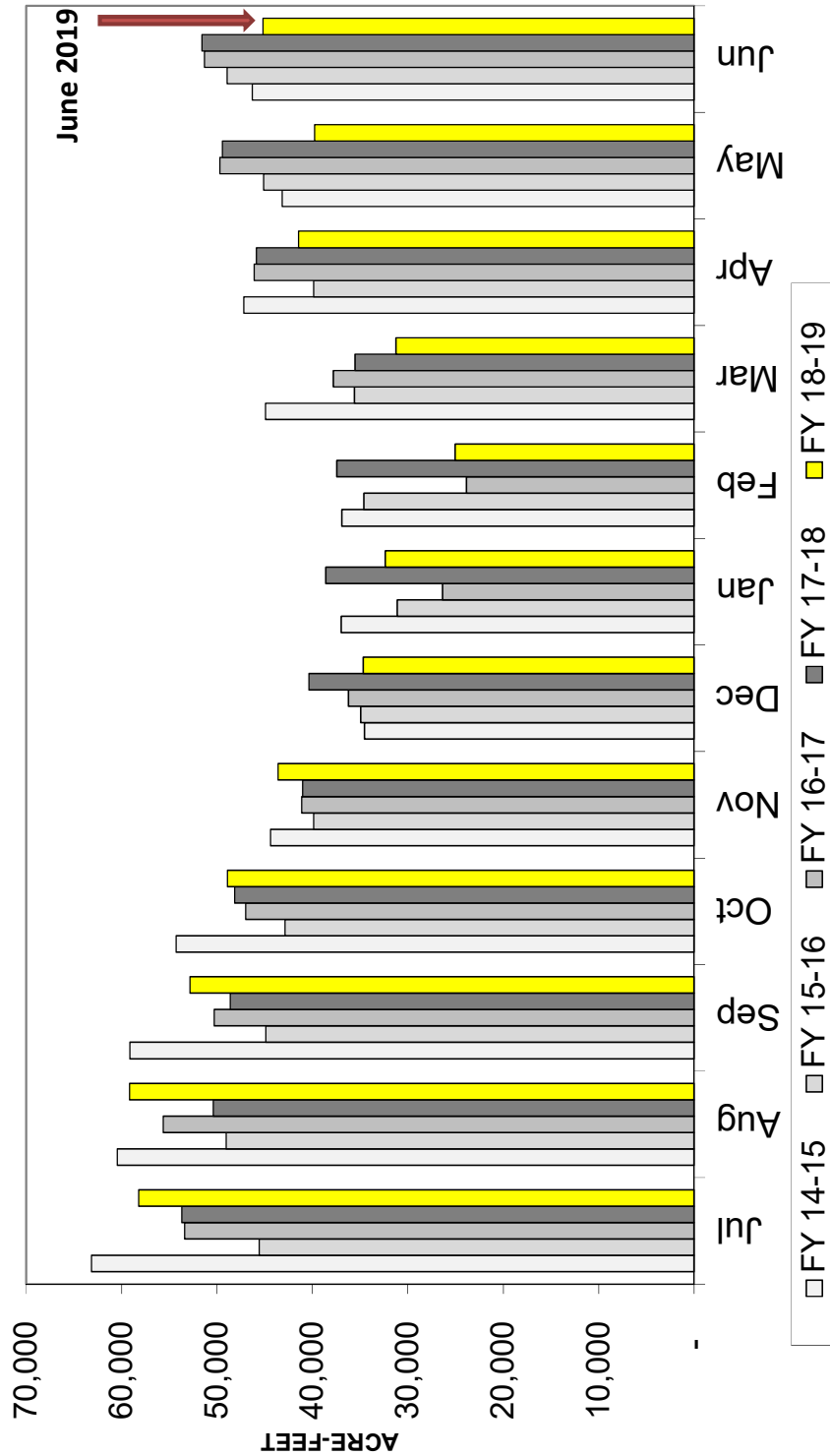
[2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '17-18 is 75%.

[3] MWD OC's estimate of monthly demand is based on the projected FY 15-16 "Retail" water demand and historical monthly demand patterns.

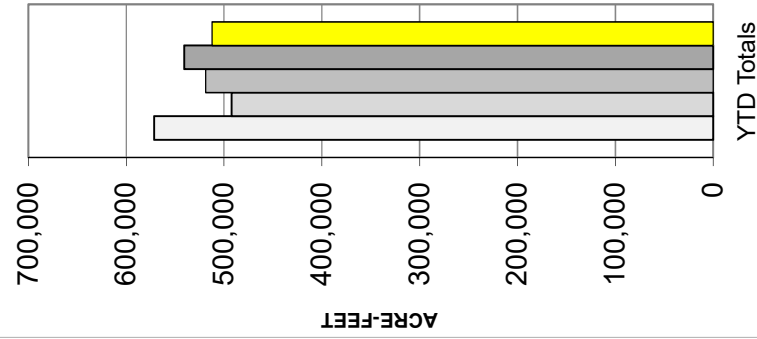
[4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



Fig. 2 OC Monthly Water Usage [1]: Comparison to Last 4 Fiscal Years

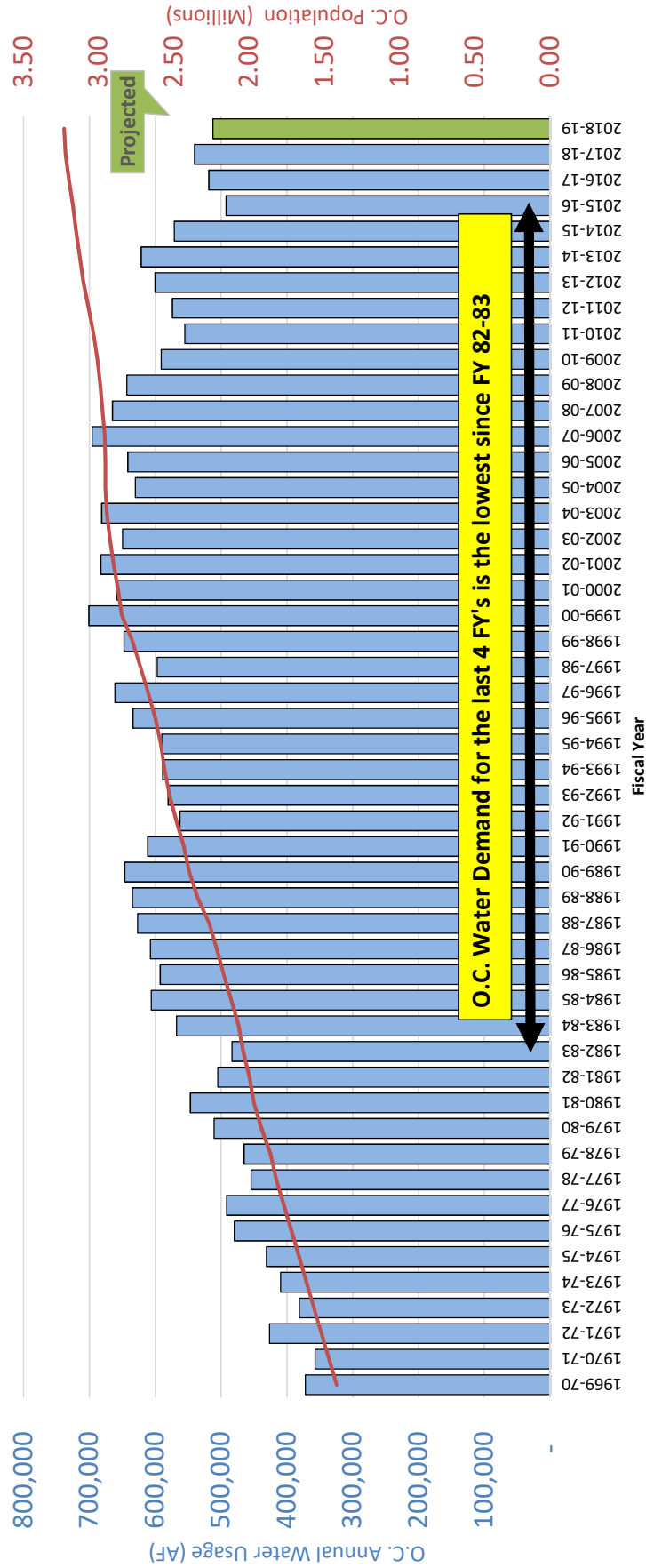


Partial Year Subtotals



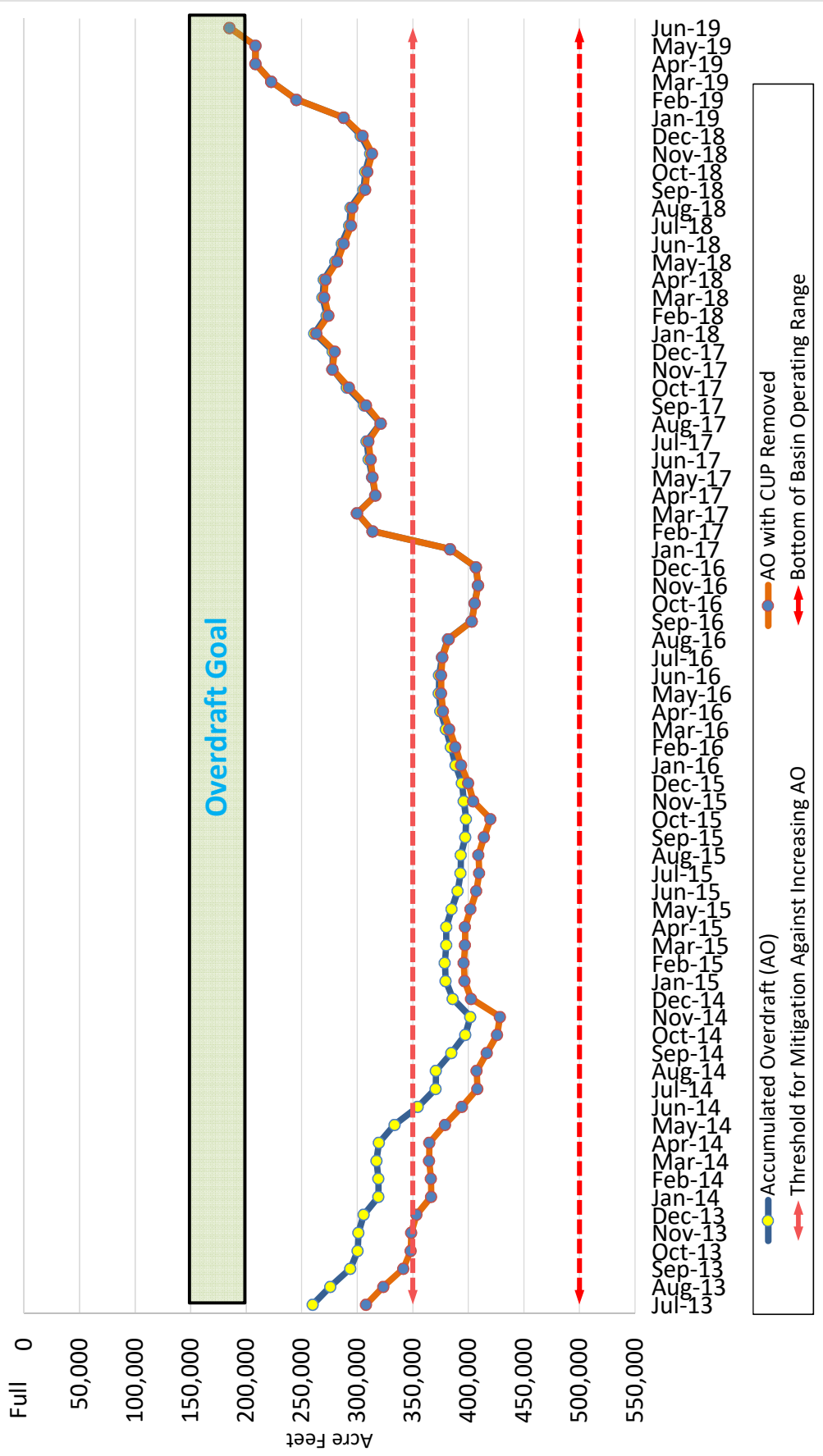
[1] Sum of Imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment" and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water and excludes GWRS production) Recent months numbers include some estimation.

Orange County Annual M & I Water Usage



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Accumulated Overdraft of the OCWD Groundwater Basin as of June 2019

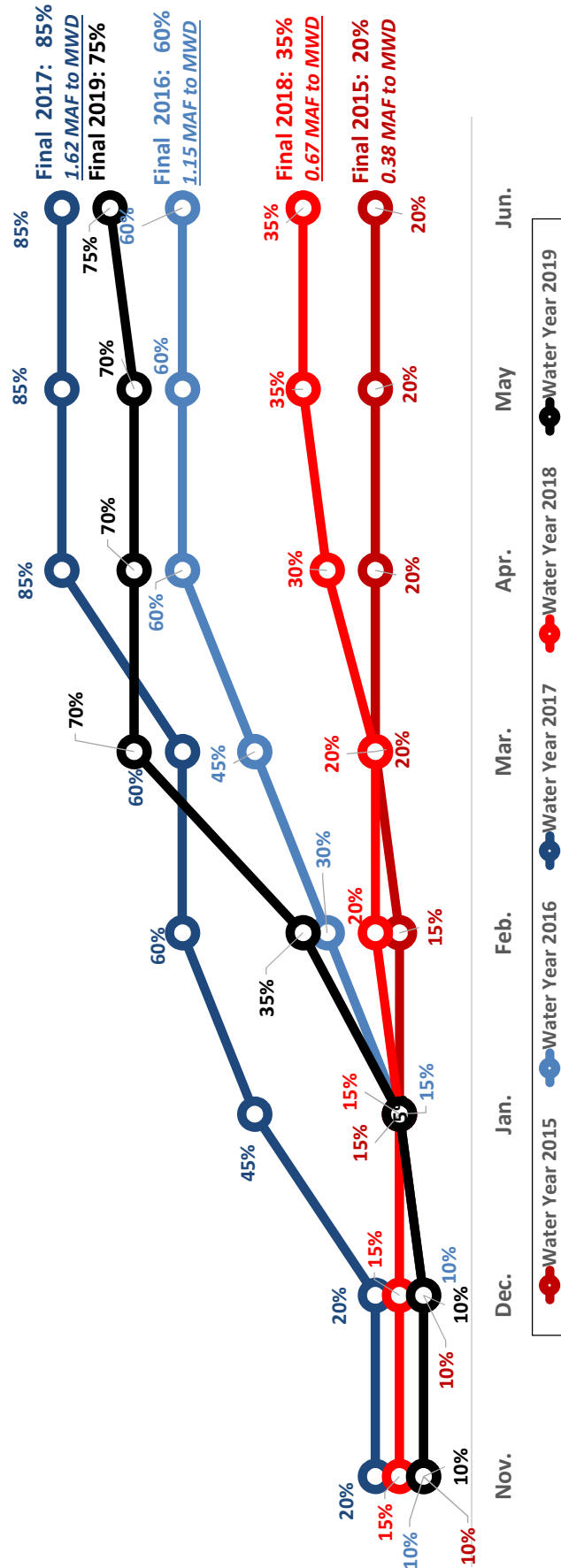


	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
AO (AF)	308,488	321,131	306,280	290,800	277,691	278,056	261,521	272,475	268,752	269,889	280,329	286,163
AO w/CUP removed (AF)	310,216	321,131	308,007	292,522	277,691	279,776	263,237	274,188	270,463	271,601	282,041	287,869
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
AO (AF)	292,869	294,090	305,572	307,374	311,765	303,249	287,800	245,452	222,625	208,424	208,417	185,069
AO w/CUP removed (AF)	294,572	295,790	307,271	309,072	313,460	304,943	287,800	245,452	222,625	208,424	208,417	185,069

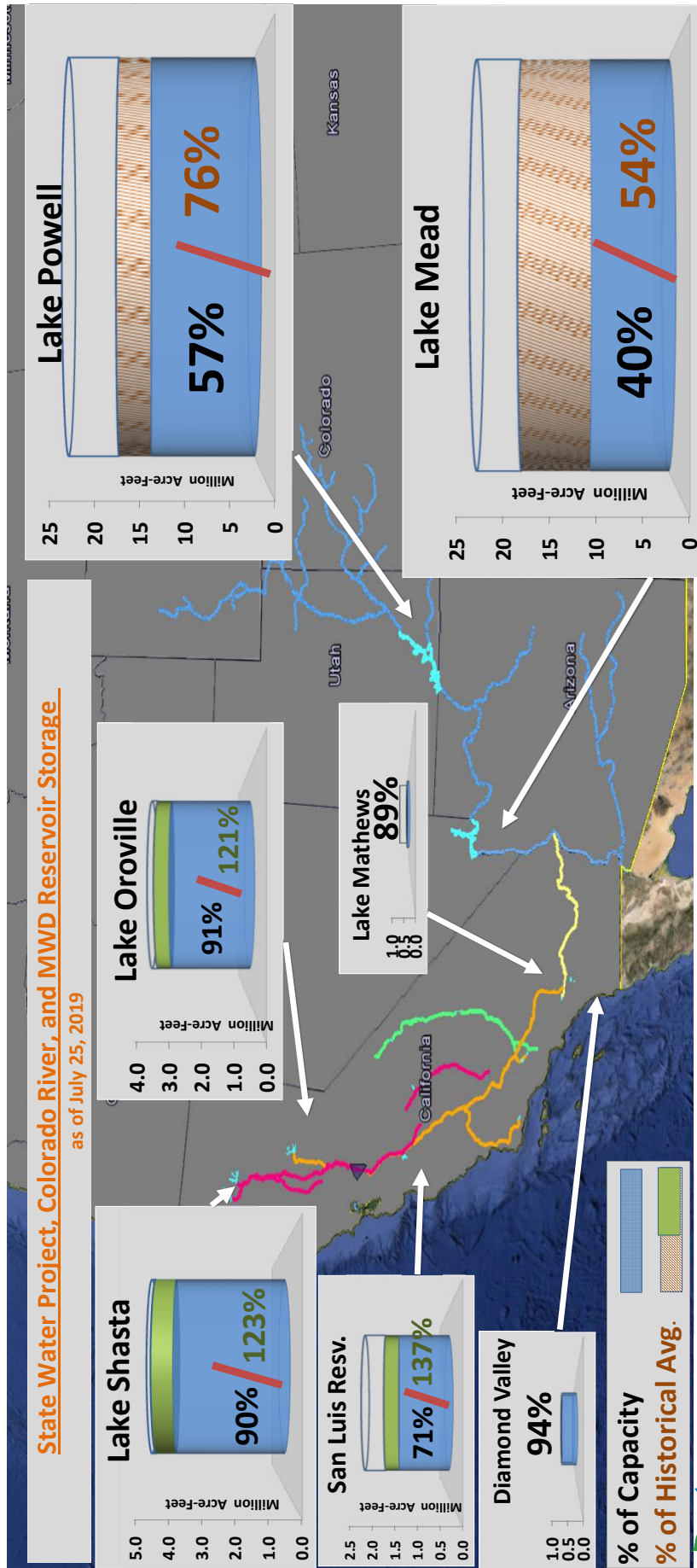


SWP TABLE A ALLOCATION

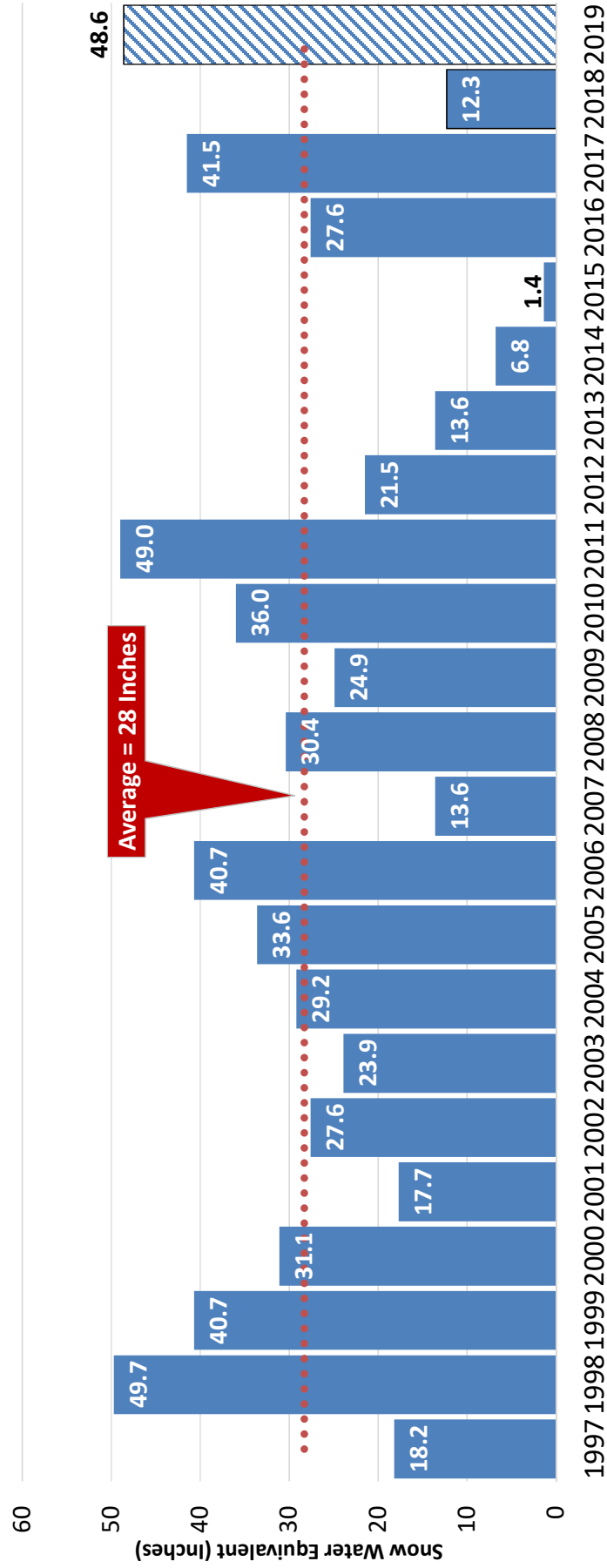
FOR STATE WATER PROJECT CONTRACTORS



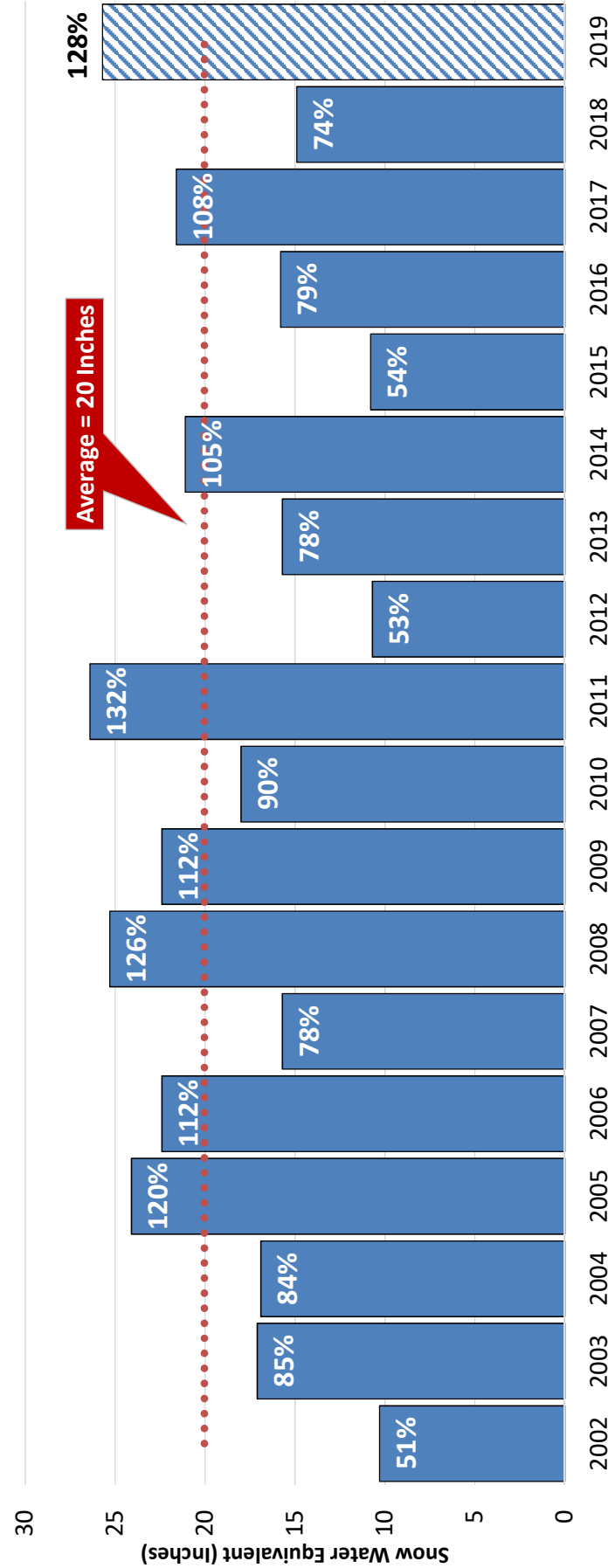
State Water Project, Colorado River, and MWD Reservoir Storage as of July 25, 2019



Historical Northern California April 1st Peak Snow Water Equivalent



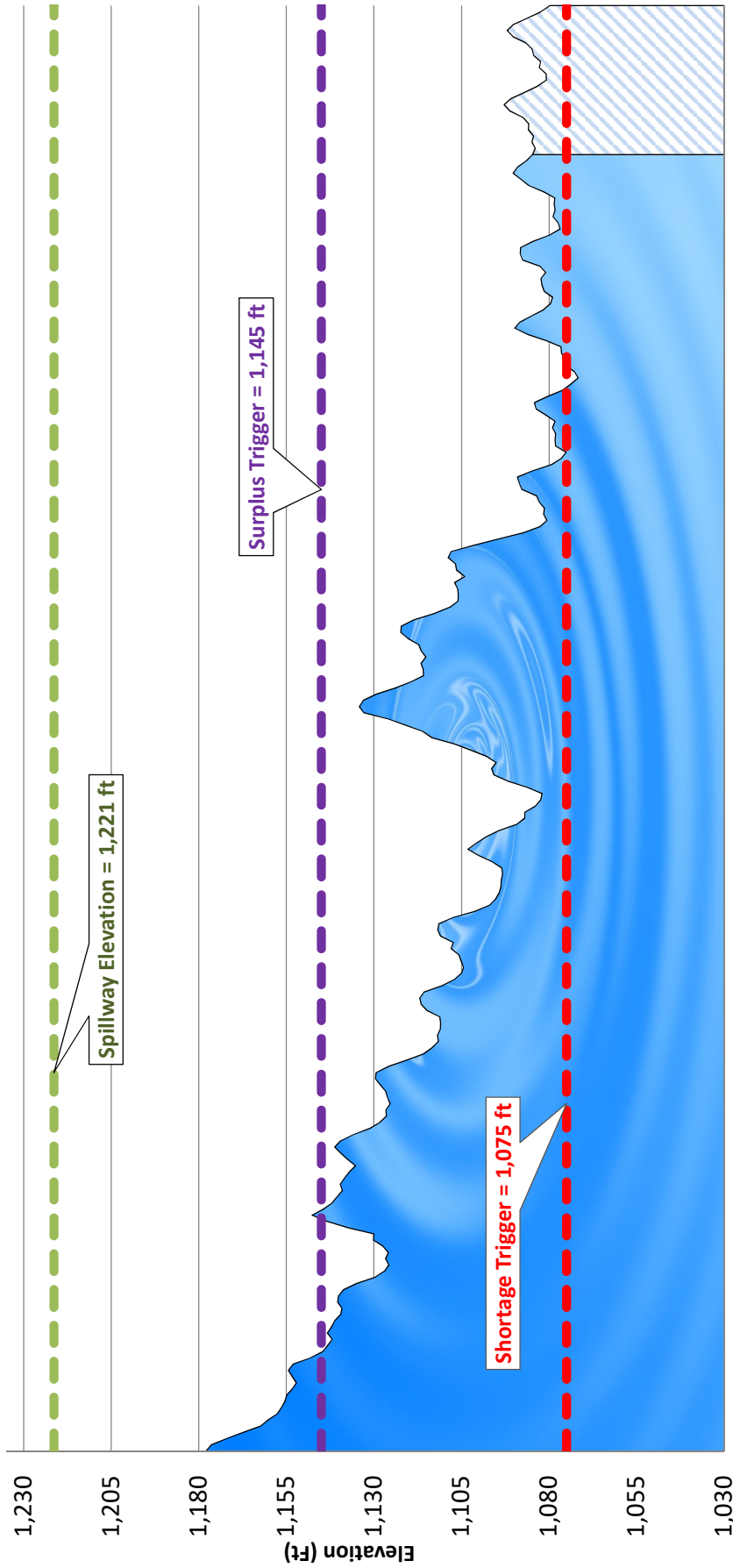
Historical Colorado Basin April 15th Peak Snow Water Equivalent





Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study

☒ Historical ☐ Projected





Lake Powell Levels: Historical and Projected projection per USBR 24-Month Study

■ Historical □ Projected

